

ALASKA STATE LEGISLATURE



REPRESENTATIVE ZACK FIELDS

Fairview • South Addition • Forest Park • Downtown • North Star

Sponsor Statement: HB 305 (34-LS1108\1)

“An Act relating to compensation of transportation network company drivers”

HB 305 ensures that app-based drivers in Alaska are paid fairly for the work they do. Transportation network companies (TNCs) are now a regular part of how people get around, but too often the drivers who actually provide the service see a shrinking share of the fare, especially when they have to drive long distances without a passenger.

This bill adds a new section to Alaska’s TNC laws to establish clear minimum compensation standards for app-based drivers. It requires companies to pass at least 90 percent of the rider’s fare on to the driver for each trip, so most of the money goes to the person behind the wheel. It also says that when drivers have to travel more than 10 miles to pick someone up, or more than 10 miles after dropping a rider off to get back or reach their next fare, they must be paid for that distance and time at no less than the IRS business mileage rate and at least the state minimum wage. On top of that, tips are protected: companies cannot use gratuities to “count toward” these required payments.

HB 305 aims to keep ride-share services available and convenient for riders while making sure the drivers who keep the system running can actually earn a decent living. It strikes a balance between a modern, flexible transportation option and basic fairness for the workers providing it.