

ALASKA STATE LEGISLATURE

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Sponsor Statement for CS Senate Bill 58 (L&C)

By the Senate State Affairs Committee, by Request

“An Act relating to transportation network companies and drivers; relating to transportation network company and driver automobile insurance; relating to workers’ compensation for horse carriage services and transportation network company drivers; and providing for an effective date.”

Senate Bill 58 establishes insurance requirements for transportation network companies, and a workers’ compensation exemption for individuals who operate a motor vehicle under a service agreement with a transportation network company.

Recently emerging in Alaska, transportation network companies provide services by connecting passengers to drivers through a digital network, commonly in the form of a mobile device application. Establishing insurance requirements for transportation network companies will provide clarity for transportation network companies to effectively operate and ensure the safety of drivers and riders.

Additionally, under existing statute, taxi companies are allowed an exemption from the Workers’ Compensation Act, which creates an unfair advantage over transportation network companies. Senate Bill 58 is intended to provide equal treatment between taxis and transportation network companies.

The communities of Chugiak and Eagle River have desperately sought transportation options without success. Hopefully, this small piece of the solution will allow municipalities, including Anchorage, the ability to facilitate unmet transportation needs for all Alaskans.