LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

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MEMORANDUM

January 6, 2017

SUBJECT:

Sectional summary (Work Order No. 30-LS0250\A)

TO:

Senator Mia Costello

Attn: Weston Eiler

FROM:

Megan A. Wallace

Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

<u>Section 1.</u> Describes the legislative intent for the bill.

<u>Section 2.</u> Amends AS 21.96 by adding a new section, AS 21.96.018, relating to transportation network company insurance provisions. This section allows insurers who write automobile insurance in the state to exclude coverage while a driver is logged onto the digital network of a transportation network company or while a driver provides a prearranged ride. However, nothing in the section precludes an insurer from providing coverage for the personal vehicle of a transportation network company driver.

<u>Section 3.</u> Amends AS 23.30.230(a) to exclude transportation network company drivers from the Alaska Worker's Compensation Act.

Section 4. Amends AS 23.30.230(c) by adding the definitions for "digital network," "prearranged ride," "transportation network company," and "transportation network company driver."

<u>Section 5.</u> Amends AS 28 by adding chapter 23, titled "Transportation Network Companies and Driver."

AS 28.23.010 - Provides that a transportation network company or driver may not provide taxicab or for-hire services and that they may not be required to register as a commercial or for-hire vehicle.

AS 28.23.020. Requires that transportation network companies comply with AS 43.70 and maintain an agent.

AS 28.230.030. Relates to fares collected by transportation network companies for services.

AS 28.23.040. Governs identification required for by transportation network vehicles and drivers.

AS 28.23.050. Requires electronic receipts.

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AS 28.23.060. Sets insurance requirements for transportation network companies and drivers.

AS 28.23.070. Requires transportation network companies to provide automobile insurance disclosures to drivers.

AS 28.23.080. Provides that transportation network companies are not employers and that drivers are independent contractors, not employees.

AS 28.23.090. Requires implementation of a zero tolerance drug and alcohol policy.

AS 28.23.100. Sets transportation network company driver requirements.

AS 28.23.110. Relates to mandatory rules and policies governing nondiscrimination and accessibility.

AS 28.23.120. Provides for maintenance of records.

AS 28.23.180. Provides definitions for the chapter.

AS 28.23.190. States that the short title of the chapter may be cited as the "Transportation Network Companies Act."

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