

ALASKA STATE LEGISLATURE



REPRESENTATIVE ZACK FIELDS

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

3/2/2026

Sectional Analysis: HB 305 (34-LS1108D)

Section 1 – Adds a new section (*AS 28.23.150*) to the existing Transportation Network Company (TNC) chapter in Title 28. The new section sets baseline payment rules for how TNCs must compensate drivers for prearranged rides and related travel.

- **Subsection (a)** – provides that a transportation network driver is entitled to be paid at least 90 percent of the fare that the TNC charges the rider for a prearranged ride. This effectively caps the company's commission at 10 percent of the rider fare, ensuring the driver receives the majority of trip revenue.
- **Subsection (b)** – applies when a driver must travel more than 10 miles from the point where the driver accepts a ride request to the point where the rider actually enters the driver's vehicle. In that situation, the TNC must compensate the driver:
 - o For distance: at a per-mile rate equal to the IRS standard mileage rate for business use of automobiles.
 - o For time: at an hourly rate at least equal to Alaska's state minimum wage set in AS 23.10.065, for the time spent traveling that distance.
- In addition, the TNC must similarly compensate the driver for travel after the rider exits the vehicle, either:
 - o From the drop-off location back to the location where the driver received the original ride request, or
 - o From the drop-off location to the location of another accepted prearranged ride, if that new pickup point is more than 10 miles away.
- **Subsection (c)** states that a TNC may not count any gratuity (tip) paid by a rider toward the compensation the company is required to pay under subsection (b). Tips must therefore be in addition to, and not a substitute for, the distance- and time-based payments owed for qualifying travel.