

CS FOR SENATE BILL NO. 35(L&C) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Amended: 4/13/26

Offered: 3/23/26

Sponsor(s): SENATOR BJORKMAN

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to transportation network companies and delivery network companies;**
2 **and relating to occupational accident insurance."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 21.96 is amended by adding a new section to read:

5 **Sec. 21.96.017. Transportation and delivery network company**
6 **occupational accident insurance.** An insurer authorized to write commercial casualty
7 insurance in this state may issue group or blanket occupational accident insurance
8 required under AS 28.23.065. In this section, "group or blanket occupational accident
9 insurance" does not include health care insurance as defined under AS 21.12.050 or
10 workers' compensation insurance.

11 *** Sec. 2.** AS 21.96.018(a) is amended to read:

12 (a) Insurers that write automobile insurance in the state may, notwithstanding
13 any requirement under AS 28.20, exclude any and all coverage afforded under the
14 policy issued to an owner or operator of a personal vehicle for any loss or injury that

1 occurs while a driver is logged onto the digital network of a transportation network
 2 company, [OR] while a driver provides a prearranged ride, **or while a courier**
 3 **provides delivery services**. The right to exclude all coverage may apply to any
 4 coverage included in an automobile insurance policy, including

- 5 (1) liability coverage for bodily injury and property damage;
- 6 (2) uninsured and underinsured motorist coverage;
- 7 (3) medical payments coverage;
- 8 (4) comprehensive physical damage coverage; and
- 9 (5) collision physical damage coverage.

10 * **Sec. 3.** AS 21.96.018(b) is amended to read:

11 (b) Nothing in this section

12 (1) implies or requires that a personal automobile insurance policy
 13 provide coverage while **a** [THE DRIVER]

14 (A) **driver** is logged onto the digital network of a
 15 transportation network company;

16 (B) **driver** is engaged in a prearranged ride; [OR]

17 (C) **driver** otherwise uses a personal vehicle to transport
 18 passengers for compensation; **or**

19 **(D) courier is providing delivery services;**

20 (2) may be construed to require an insurer to use specific policy
 21 language or to refer to this section in order to exclude any and all coverage for any
 22 loss or injury that occurs while a [DRIVER]

23 (A) **driver** is logged onto the digital network of a
 24 transportation network company; [OR]

25 (B) **driver** provides a prearranged ride; or

26 **(C) courier provides delivery services; or**

27 (3) precludes an insurer from providing coverage for the personal
 28 vehicle of a transportation network company driver **or delivery network company**
 29 **courier** if the insurer chooses to provide coverage by contract or endorsement.

30 * **Sec. 4.** AS 21.96.018(f) is amended to read:

31 (f) In this section, **"courier," "delivery network company," "delivery**

1 **network company courier," "delivery services,"** "digital network," "driver,"
 2 "personal vehicle," "prearranged ride," "transportation network company," and
 3 "transportation network company driver" have the meanings given in AS 28.23.180.

4 * **Sec. 5.** AS 23.30.230(a) is amended to read:

5 (a) The following persons are not covered by this chapter:

6 (1) a part-time babysitter;

7 (2) a cleaning person;

8 (3) harvest help and similar part-time or transient help;

9 (4) a person employed as a sports official on a contractual basis and
 10 who officiates only at sports events in which the players are not compensated; in this
 11 paragraph, "sports official" includes an umpire, referee, judge, scorekeeper,
 12 timekeeper, organizer, or other person who is a neutral participant in a sports event;

13 (5) a person employed as an entertainer on a contractual basis;

14 (6) a commercial fisherman, as defined in AS 16.05.940;

15 (7) an individual who drives a taxicab and whose compensation and
 16 written contractual arrangement is as described in AS 23.10.055(a)(13), unless the
 17 hours worked by the individual or the areas in which the individual may work are
 18 restricted except to comply with local ordinances;

19 (8) a participant in the Alaska temporary assistance program
 20 (AS 47.27) who is engaged in work activities required under AS 47.27.035 other than
 21 subsidized or unsubsidized work or on-the-job training;

22 (9) a person employed as a player or coach by a professional hockey
 23 team if the person is covered under a health care insurance plan provided by the
 24 professional hockey team, the coverage is applicable to both work-related and
 25 nonwork-related injuries, and the coverage provides medical and related benefits as
 26 required under this chapter, except that coverage may not be limited to two years from
 27 the date of injury as described under AS 23.30.095(a); in this paragraph, "health care
 28 insurance" has the meaning given in AS 21.12.050;

29 (10) a person working as a qualified real estate licensee who performs
 30 services under a written contract that provides that the person will not be treated as an
 31 employee for federal income tax or workers' compensation purposes; in this

1 paragraph, "qualified real estate licensee" means a person who is required to be
 2 licensed under AS 08.88.161 and whose payment for services is directly related to
 3 sales or other output rather than the number of hours worked;

4 (11) a transportation network company driver who provides a
 5 prearranged ride or is otherwise logged onto the digital network of a transportation
 6 network company as a driver; [AND]

7 (12) a person employed as an independent contractor; a person is an
 8 independent contractor for the purposes of this section only if the person

9 (A) has an express contract to perform the services;

10 (B) is free from direction and control over the means and
 11 manner of providing services, subject only to the right of the individual for
 12 whom, or entity for which, the services are provided to specify the desired
 13 results, completion schedule, or range of work hours, or to monitor the work
 14 for compliance with contract plans and specifications, or federal, state, or
 15 municipal law;

16 (C) incurs most of the expenses for tools, labor, and other
 17 operational costs necessary to perform the services, except that materials and
 18 equipment may be supplied;

19 (D) has an opportunity for profit and loss as a result of the
 20 services performed for the other individual or entity;

21 (E) is free to hire and fire employees to help perform the
 22 services for the contracted work;

23 (F) has all business, trade, or professional licenses required by
 24 federal, state, or municipal authorities for a business or individual engaging in
 25 the same type of services as the person;

26 (G) follows federal Internal Revenue Service requirements by

27 (i) obtaining an employer identification number, if
 28 required;

29 (ii) filing business or self-employment tax returns for
 30 the previous tax year to report profit or income earned for the same
 31 type of services provided under the contract; or

1 (iii) intending to file business or self-employment tax
 2 returns for the current tax year to report profit or income earned for the
 3 same type of services provided under the contract if the person's
 4 business was not operating in the previous tax year; and

5 (H) meets at least two of the following criteria:

6 (i) the person is responsible for the satisfactory
 7 completion of services that the person has contracted to perform and is
 8 subject to liability for a failure to complete the contracted work, or
 9 maintains liability insurance or other insurance policies necessary to
 10 protect the employees, financial interests, and customers of the person's
 11 business;

12 (ii) the person maintains a business location or a
 13 business mailing address separate from the location of the individual
 14 for whom, or the entity for which, the services are performed;

15 (iii) the person provides contracted services for two or
 16 more different customers within a 12-month period or engages in any
 17 kind of business advertising, solicitation, or other marketing efforts
 18 reasonably calculated to obtain new contracts to provide similar
 19 services; and

20 **(13) a delivery network company courier who provides delivery**
 21 **services or is otherwise logged onto the digital network of a delivery network**
 22 **company under AS 28.23.080.**

23 * **Sec. 6.** AS 28.23.050(a) is amended to read:

24 (a) A [TRANSPORTATION NETWORK COMPANY DRIVER, OR
 25 TRANSPORTATION NETWORK] company, on behalf of a [THE] driver or
 26 courier, shall maintain primary automobile insurance that

27 **(1)** recognizes that

28 **(A)** the driver is a transportation network company driver or
 29 otherwise uses a vehicle to transport passengers for compensation; or

30 **(B) the courier is a delivery network company courier;**

31 **(2) for a transportation network company,** [AND THAT] covers the

1 driver while the driver is logged onto the digital network of a transportation network
2 company or while the driver is engaged in a prearranged ride;

3 **(3) for a delivery network company, covers the courier while the**
4 **courier is providing delivery services.**

5 * **Sec. 7.** AS 28.23.050(b) is amended to read:

6 (b) The following automobile insurance requirements shall apply while a
7 participating [TRANSPORTATION NETWORK COMPANY] driver is logged onto
8 the digital network of a transportation network company and is available to receive
9 transportation requests but is not engaged in a prearranged ride:

10 (1) primary automobile liability insurance in the amount of at least
11 \$50,000 for death and bodily injury for each person, \$100,000 for death and bodily
12 injury for each incident, and \$25,000 for property damage;

13 (2) uninsured or underinsured motor vehicle coverage as required
14 under AS 21.96.020 and AS 28.20.440, **except that a transportation network**
15 **company may not waive the coverage** [;

16 (3) THE COVERAGE REQUIREMENTS OF THIS SUBSECTION
17 MAY BE SATISFIED BY

18 (A) AUTOMOBILE INSURANCE MAINTAINED BY THE
19 TRANSPORTATION NETWORK COMPANY DRIVER;

20 (B) AUTOMOBILE INSURANCE MAINTAINED BY THE
21 TRANSPORTATION NETWORK COMPANY; OR

22 (C) ANY COMBINATION OF (A) AND (B) OF THIS
23 PARAGRAPH].

24 * **Sec. 8.** AS 28.23.050(c) is amended to read:

25 (c) The following automobile insurance requirements shall apply while a
26 [TRANSPORTATION NETWORK COMPANY] driver is engaged in a prearranged
27 ride **or a courier is providing delivery services:**

28 (1) primary automobile liability insurance that provides at least
29 \$1,000,000 for death, bodily injury, and property damage;

30 (2) uninsured or underinsured motor vehicle coverage as required
31 under AS 21.96.020 and AS 28.20.440, **except that a transportation network**

1 **company shall provide coverage in not less than the amounts set out in (1) of this**
 2 **subsection and may not waive the coverage** [;

3 (3) THE COVERAGE REQUIREMENTS OF THIS SUBSECTION
 4 MAY BE SATISFIED BY

5 (A) AUTOMOBILE INSURANCE MAINTAINED BY THE
 6 TRANSPORTATION NETWORK COMPANY DRIVER;

7 (B) AUTOMOBILE INSURANCE MAINTAINED BY THE
 8 TRANSPORTATION NETWORK COMPANY; OR

9 (C) A COMBINATION OF (A) AND (B) OF THIS
 10 PARAGRAPH].

11 * **Sec. 9.** AS 28.23.050(e) is amended to read:

12 (e) Coverage under an automobile insurance policy maintained by the
 13 [TRANSPORTATION NETWORK] company may not be dependent on a personal
 14 automobile insurer first denying a claim nor shall a personal automobile insurance
 15 policy be required first to deny a claim.

16 * **Sec. 10.** AS 28.23.050(h) is amended to read:

17 (h) A [TRANSPORTATION NETWORK COMPANY] driver **or courier**
 18 shall carry proof of coverage under (b) and (c) of this section with the driver **or**
 19 **courier** at all times during the driver's **or courier's** use of a vehicle in connection with
 20 a digital network of a [TRANSPORTATION NETWORK] company. In the event of
 21 an accident, a [TRANSPORTATION NETWORK COMPANY] driver **or courier**
 22 shall provide the insurance coverage information to the directly interested parties,
 23 automobile insurers, and investigating police officers upon request under
 24 AS 28.22.019. Upon that request, a [TRANSPORTATION NETWORK COMPANY]
 25 driver **or courier** shall also disclose to directly interested parties, automobile insurers,
 26 and investigating police officers whether the driver **or courier** was logged onto the
 27 digital network of a [TRANSPORTATION NETWORK] company, **[OR] on a**
 28 **prearranged ride, or providing delivery services** at the time of an accident.

29 * **Sec. 11.** AS 28.23.050(i) is amended to read:

30 (i) If the insurance carrier for the [TRANSPORTATION NETWORK]
 31 company makes a payment for a claim for physical damage to a personal vehicle that

1 is subject to a lien, the insurance carrier shall pay the claim jointly to the owner of the
 2 personal vehicle and the primary lienholder or directly to the business repairing the
 3 personal vehicle.

4 * **Sec. 12.** AS 28.23.060 is amended to read:

5 **Sec. 28.23.060. Transportation and delivery network company automobile**
 6 **insurance disclosures.** A [TRANSPORTATION NETWORK] company shall
 7 disclose in writing to [TRANSPORTATION NETWORK COMPANY] drivers **and**
 8 **couriers** the following before the drivers are allowed to accept a request for a
 9 prearranged ride **or delivery services** on the digital network of the
 10 [TRANSPORTATION NETWORK] company:

11 (1) the insurance coverage, including the types of coverage and the
 12 limits for each coverage, that the [TRANSPORTATION NETWORK] company
 13 provides while the [TRANSPORTATION NETWORK COMPANY] driver **or**
 14 **courier** uses a personal vehicle in connection with a [TRANSPORTATION
 15 NETWORK] company's digital network;

16 (2) that the automobile insurance policy of the [TRANSPORTATION
 17 NETWORK COMPANY] driver **or courier** might not provide any coverage while the
 18 driver is logged onto the digital network of a transportation network company and is
 19 available to receive transportation requests, **the driver** [OR] is engaged in a
 20 prearranged ride, **or the courier is providing delivery services**, depending on the
 21 terms of the automobile insurance policy of the driver **or courier**; and

22 (3) that, if the personal vehicle the [TRANSPORTATION NETWORK
 23 COMPANY] driver **or courier** uses to provide transportation network services **or**
 24 **delivery services** has a lien against it, using the motor vehicle for transportation
 25 network services **or delivery services** without physical damage coverage may violate
 26 the terms of the contract with the lienholder.

27 * **Sec. 13.** AS 28.23 is amended by adding a new section to read:

28 **Sec. 28.23.065. Occupational accident insurance.** (a) A company shall
 29 maintain group or blanket occupational accident insurance, issued by an insurer under
 30 AS 21.96.017, to provide coverage required under (b) of this section resulting from an
 31 injury suffered by a driver or courier while the driver or courier is engaged in a

1 prearranged ride or providing delivery services.

2 (b) The occupational accident insurance policy required under this section
3 must provide at least a combined single limit of \$1,000,000 for each accident and
4 payment of benefits that include

5 (1) coverage for medical expenses incurred, up to at least \$1,000,000,
6 for up to 104 weeks following the injury;

7 (2) coverage for total disability and partial disability, with payments
8 made for up to 104 weeks following the injury that are equal to 66 percent of the
9 driver's or courier's average weekly earnings as of the date of injury but not more than
10 the maximum weekly compensation rate calculated under AS 23.30.175(a); however,
11 if the average weekly earnings of the driver or courier is less than the minimum
12 weekly compensation rate calculated under AS 23.30.175(a), the weekly
13 compensation must be equal to 100 percent of the driver's or courier's average weekly
14 earnings;

15 (3) accidental death insurance for the benefit of spouses, children, or
16 other dependents of a driver or courier for injuries suffered by a driver or courier that
17 result in death in an amount equal to 66 percent of the driver's or courier's average
18 weekly earnings as of the date of injury but not more than the maximum weekly
19 compensation rate calculated under AS 23.30.175(a); however, if the average weekly
20 earnings of the driver or courier is less than the minimum weekly compensation rate
21 calculated under AS 23.30.175(a), the weekly compensation must be equal to 100
22 percent of the driver's or courier's average weekly earnings multiplied by 104 weeks;
23 and

24 (4) when injuries suffered by a driver or courier result in death, an
25 amount to pay for reasonable burial expenses, not to exceed eight times the maximum
26 weekly compensation rate calculated under AS 23.30.175(a).

27 (c) A policy required under this section may provide that, regardless of the
28 number of policies involved, claims made, premiums shown on the policy, or
29 premiums paid, the limits for any coverage under the policy may not be added to the
30 limits for similar occupational accident insurance coverage provided by another
31 company to determine the limit of occupational accident insurance coverage available

1 arising from a single injury.

2 (d) A benefit provided to a driver or courier under an occupational accident
3 insurance policy required under this section must be treated as an amount payable
4 under medical payments coverage, workers' compensation law, or a disability benefit
5 for the purpose of determining the amount payable under uninsured and underinsured
6 motorists coverage provided under AS 28.20.440 and 28.20.445.

7 (e) If a claim is covered by more than one occupational accident insurance
8 policy maintained by more than one company, the insurer of the company against
9 whom a claim is filed is entitled to a contribution for the pro rata share of coverage
10 attributable to other companies.

11 (f) In this section, "average weekly earnings" means the total earnings of a
12 driver or courier received from all transportation network companies and delivery
13 network companies during the 28 days immediately preceding a covered incident,
14 divided by four.

15 * **Sec. 14.** AS 28.23.070 is amended to read:

16 **Sec. 28.23.070. Certificate of insurance.** A [TRANSPORTATION
17 NETWORK] company shall file a written certificate of insurance with the director of
18 the division of insurance demonstrating that the [TRANSPORTATION NETWORK]
19 company has satisfied the requirements of AS 28.23.050 **and 28.23.065. A** [. THE]
20 certificate of insurance must state that the applicable insurance policy may not be
21 cancelled unless written notice is provided to the division of insurance at least 30 days
22 before cancellation.

23 * **Sec. 15.** AS 28.23.080(a) is amended to read:

24 (a) Except as provided in (b) of this section, a transportation network company
25 **or delivery network company** is not an employer of transportation network company
26 drivers **or delivery network company couriers** under AS 23.10.699, AS 23.20.520,
27 or AS 23.30.395. A transportation network company driver **or delivery network**
28 **company courier** is an independent contractor for all purposes and is not an employee
29 of the [TRANSPORTATION NETWORK] company if the [TRANSPORTATION
30 NETWORK] company

31 (1) does not unilaterally prescribe specific hours during which a driver

1 **or courier** shall be logged onto the digital network of the [TRANSPORTATION
2 NETWORK] company;

3 (2) does not impose restrictions on the ability of the driver to use the
4 digital network of other transportation network companies **or delivery network**
5 **companies**;

6 (3) does not restrict a driver from engaging in any other occupation or
7 business; and

8 (4) enters into a written agreement with the driver **or courier** stating
9 that the driver **or courier** is an independent contractor for the [TRANSPORTATION
10 NETWORK] company.

11 * **Sec. 16.** AS 28.23.180(1) is amended to read:

12 (1) "digital network" means any online-enabled application, software,
13 website, or system offered or used by a

14 **(A)** transportation network company that enables the
15 prearrangement of rides with transportation network company drivers; **or**

16 **(B) delivery network company to facilitate offers for**
17 **delivery services**;

18 * **Sec. 17.** AS 28.23.180 is amended by adding new paragraphs to read:

19 (7) "company" means a transportation network company or a delivery
20 network company;

21 (8) "delivery network company" means a business entity that maintains
22 a digital network used to facilitate offers for delivery services in the state;

23 (9) "delivery network company courier" or "courier" means a person
24 who is authorized to accept and fulfill offers through the digital network of a delivery
25 network company; "delivery network company courier" or "courier" does not include
26 a person whose services require the use of a vehicle weighing more than 6,000
27 pounds;

28 (10) "delivery services" means the pickup of an item from a location in
29 the state and the delivery of that item to a location selected by the customer within 50
30 miles of the pickup location by walking or using a motor vehicle, a bicycle, a scooter,
31 public transportation, or other means of transportation and the selection, collection, or

1 purchase of items by a delivery network company courier, as well as other services
2 incident to delivery, beginning when a courier accepts an offer, continuing while the
3 courier delivers the requested item to the selected location, and ending when the
4 courier returns to the location where the courier accepted the offer, arrives at the
5 courier's personal residence, or begins a personal task unrelated to delivery; "delivery
6 services" does not include assistance with residential moving services;

7 (11) "offer" means the opportunity to perform delivery services for
8 compensation that a delivery network company presents to a courier through a digital
9 network.

10 * **Sec. 18.** AS 28.23.050(d) is repealed.

Senator Jesse Bjorkman

Alaska State Legislature

Session Address:

Alaska State Capitol, Rm. 427
Juneau, Alaska 99801-1182
Phone: (907) 465-2828
Toll Free: (800) 964-5733



Interim Address:

145 Main Street Loop, Ste. 226
Kenai, Alaska 99611-7771
Phone: (907) 283-7996
Fax: (907) 283-8127

SB 35 Delivery Network Companies Summary of Changes Ver. A to Ver. T.A

This is a summary only. Note that this summary should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1: New section, amends AS 21.96, to add AS 21.96.017 allowing an insurer to issue group or blanket occupational accident insurance. This section excludes health care insurance and workers' compensation insurance.

Section 2: New section, amends AS 21.96.018(a), allowing personal vehicle insurers to exclude certain coverages to the owner or operator of a vehicle while a TNC driver is logged onto the digital network or providing a prearranged ride or to a courier providing delivery services.

Section 3: New section, amends AS 21.96.018(b), making conforming changes and providing circumstances in which an insurer may provide or deny coverage.

Section 4: New section, amends AS 21.96.018(f), referring definitions for the section to definitions made in AS 28.23.180.

Section 5: Renumbered, section 1 of version A.

Section 6: New section, amends AS 28.23.050(a), adds delivery network couriers to the section requiring a company to maintain primary automobile insurance on behalf of a courier while they provide delivery services.

Section 7: New section, amends AS 28.23.050(b), making conforming changes and adding language that disallows a transportation network company from waiving uninsured or underinsured vehicle coverage.

Section 8: New section, amends AS 28.23.050(c), making conforming changes and adding couriers providing delivery services to the \$1,000,000 primary auto liability insurance. The section also requires a minimum of \$1,000,000 in uninsured/underinsured coverage and disallows a transportation network from waiving vehicle coverage.

Section 9-12: New sections, making conforming changes to include delivery network companies.

Section 13: New section, amends AS 28.23, to add AS 28.23.065 requiring companies to maintain group or blanket occupational accident insurance while a driver is engaged in a prearranged ride or while a courier is providing delivery services. This section also sets statutory requirements for insurance benefits and requires at least a combined single limit of \$1M for each accident and payment of benefits that include medical expenses, coverage for disability, accidental death insurance for the benefit of spouses and dependents, and burial expenses. Additionally defines “average weekly earnings.”

Section 14: New section, amends AS 28.23.070, making conforming changes to include delivery network couriers and adding a statutory reference for occupational accident insurance to be required in the certificate of insurance filed with the Director of the Division of Insurance.

Sections 15 & 16: Renumbered, sections 2 & 3 of version A.

Section 17: Amends AS 28.23.080, changing the definition of “delivery services” to add a specific delivery service period beginning when a courier accepts an offer and ending when the courier returns to where they accepted the order, or when the courier arrives at home, or when the courier begins a personal task unrelated to an order.

Section 18: New section, repeals AS 28.23.050(d).

Senator Jesse Bjorkman

Alaska State Legislature

Session Address:

Alaska State Capitol, Rm. 427
Juneau, Alaska 99801-1182
Phone: (907) 465-2828
Toll Free: (800) 964-5733



Interim Address:

145 Main Street Loop, Ste. 226
Kenai, Alaska 99611-7771
Phone: (907) 283-7996
Fax: (907) 283-8127

SB 35 Delivery Network Companies Sectional Analysis Version T.A

This is a summary only. Note that this summary should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1: Amends AS 21.96, to add AS 21.96.017 allowing an insurer to issue group or blanket occupational accident insurance. This section excludes health care insurance and workers' compensation insurance.

Section 2: Amends AS 21.96.018(a), allowing personal vehicle insurers to exclude certain coverages to the owner or operator of a vehicle while a TNC driver is logged onto the digital network or providing a prearranged ride or to a courier providing delivery services.

Section 3: Amends AS 21.96.018(b), making conforming changes and providing circumstances in which an insurer may provide or deny coverage.

Section 4: Amends AS 21.96.018(f), referring definitions for the section to definitions made in AS 28.23.180.

Section 5: Amends AS 23.30.230(a), *Alaska Workers' Compensation Act*, by adding a delivery network company couriers to the list of individuals who are not covered by Workers' Compensation.

Section 6: Amends AS 28.23.050(a), adds delivery network couriers to the section requiring a company to maintain primary automobile insurance on behalf of a courier while they provide delivery services.

Section 7: Amends AS 28.23.050(b), making conforming changes and adding language that disallows a transportation network company from waiving uninsured or underinsured vehicle coverage.

Section 8: Amends AS 28.23.050(c), making conforming changes and adding couriers providing delivery services to the \$1,000,000 primary auto liability insurance. The section also requires a minimum of \$1,000,000 in uninsured/underinsured coverage and disallows a transportation network from waiving vehicle coverage.

Section 9: Amends AS 28.23.050(e), making conforming changes to include delivery network company couriers.

Section 10: Amends AS 28.23.050(h), making conforming changes to include delivery network company couriers.

Section 11: Amends AS 28.23.050(i), making conforming changes to include delivery network company couriers.

Section 12: Amends AS 28.23.060, making conforming changes to include delivery network company couriers.

Section 13: Amends AS 28.23, to add AS 28.23.065 requiring companies to maintain group or blanket occupational accident insurance while a driver is engaged in a prearranged ride or while a courier is providing delivery services. This section also sets statutory requirements for insurance benefits and requires at least a combined single limit of \$1M for each accident and payment of benefits that include medical expenses, coverage for disability, accidental death insurance for the benefit of spouses and dependents, and burial expenses. Additionally defines “average weekly earnings.”

Section 14: Amends AS 28.23.070, making conforming changes to include delivery network couriers and adding a statutory reference for occupational accident insurance to be required in the certificate of insurance filed with the Director of the Division of Insurance.

Section 15: Amends AS 28.23.080(a), to establish that delivery network companies are not an employer of transportation network drivers or delivery network couriers. An independent contractor for all purposes is not an employee of the company if the company does not propose specific working hours, does not impose restrictions on the ability of the driver to use the digital network of other companies, does not restrict a driver from engaging in any other occupation, or if the company enters into a written agreement with the driver or courier.

Section 16: Amends SA 28.23.180(1), by adding to the definition of “digital network” to include use by delivery network companies to facilitate offers for delivery services.

Section 17: Amends AS 28.23.180, defining “company”, “delivery network company”, “delivery network company courier” or “courier”, “delivery services”, and “offer”.

Section 18: Repeals AS 28.23.050(d).

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Alaska State Legislature

Session Address:

Alaska State Capitol, Rm. 427
Juneau, Alaska 99801-1182
Phone: (907) 465-2828
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Interim Address:

145 Main Street Loop, Ste. 226
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Phone: (907) 283-7996
Fax: (907) 283-8127

SB 35 Delivery Network Companies

Sponsor Statement

Version T.A.

Senate Bill 35 would create a level playing field for couriers involved in Delivery Network Companies and Transportation Network Companies in Alaska. This legislation would classify individuals who provide delivery services through digital networks as independent contractors, provided they meet certain statutory criteria. Currently, couriers are not specifically defined in Alaska statute. Similar issues exist in other states and have led to confusion and legal battles across the country, threatening services that customers value.

SB 35 requires that transportation and delivery network companies maintain group or blanket occupational accident insurance coverage while a driver or courier is engaged in a prearranged ride or providing delivery services. Additionally, the bill requires a digital network company's primary auto insurance policy to provide coverage while a driver is logged onto a digital network and engaged in a prearranged ride or while a courier is providing delivery services. Companies must file a written certificate of insurance including all coverage they provide to drivers with the Director of the Division of Insurance. This legislation also requires a driver's personal insurance to cover any loss or injury, when appropriate.

This bill provides insurance protection to couriers that drive for Delivery Network Companies and eliminates issues drivers have experienced if an accident occurs. Currently, it is difficult for drivers to find insurance that will provide coverage if a driver declares they are a DNC or TNC driver.

SB 35 will eliminate inconsistencies in statute related to workers' compensation, provide protection for drivers, and create opportunities for people who use and rely on these companies to supplement their income.

I urge your support of Senate Bill 35.

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: SB 35
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB035CS(L&C)am-DCCED-DOI-04-17-26
Title: TRANSPORTATION/DELIVERY NETWORK COMPANIES
Sponsor: BJORKMAN
Requester: (H) Labor & Commerce

Department: Department of Commerce, Community and Economic Development
Appropriation: Insurance Operations
Allocation: Insurance Operations
OMB Component Number: 354

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2027 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|------------|------------|------------|------------|
| | Appropriation Requested | Governor's FY2027 Request | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 |
| OPERATING EXPENDITURES | FY 2027 | FY 2027 | | | | | |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

| | |
|---|----------------------|
| Prepared By: Heather Carpenter, Director | Phone: (907)465-2518 |
| Division: Division of Insurance | Date: 04/17/2026 |
| Approved By: Hannah Lager, Administrative Services Director | Date: 04/17/26 |
| Agency: Department of Commerce, Community, and Economic Development | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. CSSB 35(L&C) am

Analysis

CSSB 35(L&C) creates a new occupational accident insurance coverage requirement for delivery network companies (DNC) and transportation network companies (TNC). It also adds transportation network companies and couriers to sections and subsections that address insurance coverage requirements for delivery network companies and drivers, with differences on when the company's (DNC or TNC) coverage requirements are triggered by the actions of the driver or courier, based upon the definitions of when a driver is logged onto a "digital network" of a DNC or providing a "prearranged ride", and when a courier is providing a "delivery service". It clarifies when the company (DNC or TNC) must provide primary coverage and when the driver or courier must provide primary coverage, as well as the specific coverage requirements for different stages of engagement of the driver or the courier. A TNC is required to provide auto insurance coverage when a driver is logged onto a TNC's digital service and is not allowed to waive uninsured and underinsured coverage; a DNC is not required to provide auto coverage when a courier is logged onto a DNC's digital service.

The new occupational accident insurance would be filed with the Division of Insurance for review and approval. Each TNC and DNC would make one filing.

DNCs would be required to file a primary automobile liability insurance policy. Each DNC would make one filing. TNCs are already required to have primary liability insurance policies; the bill creates a requirement that TNC are not allowed to waive uninsured and underinsured motorist coverage. This may require a refiling of existing TNC policies.

TNC and DNC would be required to file Certificates of Insurance with the Division of Insurance. Each TNC and DNC would make one filing.

As there are very few TNC and DNC, the overall filing review work would be negligible and be absorbed by current staff at the division. As a result, the Division of Insurance does not anticipate fiscal impact from this legislation.

Fiscal Note

State of Alaska
2026 Legislative Session

| | |
|---------------------|--------------|
| Bill Version: | CSSB 35(L&C) |
| Fiscal Note Number: | 2 |
| (S) Publish Date: | 3/23/2026 |

Identifier: SB035-DOLWD-WC-2-27-26
 Title: DELIVERY NETWORK COMPANIES
 Sponsor: BJORKMAN
 Requester: (S) L&C

Department: Department of Labor and Workforce Development
 Appropriation: Workers' Compensation
 Allocation: Workers' Compensation
 OMB Component Number: 344

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2027 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|------------|------------|------------|------------|
| | Appropriation Requested | Governor's FY2027 Request | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 |
| OPERATING EXPENDITURES | FY 2027 | FY 2027 | | | | | |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

| |
|--|
| Updated from SLA2025 to SLA2026 template |
|--|

| | | | |
|--------------|---|--------|---------------|
| Prepared By: | Charles Collins, Director | Phone: | (907)465-6060 |
| Division: | Workers' Compensation | Date: | 02/27/2026 |
| Approved By: | Dan DeBartolo, Administrative Services Director | Date: | 02/27/26 |
| Agency: | Department of Labor and Workforce Development | | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

Analysis

This legislation establishes an equal standard for delivery network couriers, such as those operating with Uber Eats, to align with the existing standards for transportation network drivers, which include Uber. This allows individuals to operate as couriers and drivers under the same regulatory requirements.

There is no fiscal impact for Workers' Compensation as a result of this legislation.



OPPOSE UNLESS AMENDED
**SB 35: Uninsured/Underinsured Motorist Coverage
for TNCs and definition of “delivery services”**

SB 35 is important for Uber to continue to offer delivery services in Alaska. The bill would classify individuals who provide prearranged rides or delivery services through digital networks as independent contractors, aligning their status with that of rideshare drivers, and ensuring the continued availability of delivery services in the state.

However, recent amendments to the bill also drastically increase insurance requirements for transportation network companies. We are particularly concerned by the new inclusion of \$1 million in uninsured/underinsured motorist (UM/UIM) coverage when a passenger is in the vehicle — an amount that appears to be arbitrary, and is in fact the same amount that was just lowered by the State of California because it was a magnet for excessive litigation and out-of-control costs.

Critically, UM/UIM coverage is for accidents when the driver is not at fault, and the at-fault party is either carrying no insurance, or insufficient insurance to cover the damage they caused. This is a policy that can be abused very easily, and as a result, has led to significant debate across the country. Further, UM/UIM is unnecessary and duplicative for the purposes of covering the driver’s injuries in the event of an accident, as SB 35 also requires transportation network companies to provide occupational accident insurance.

If the legislature wishes to change Alaska law to be more like California, it will also be choosing to make consumer goods and services prohibitively expensive like they are in California. This was the leading reason Governor Newsom signed [Senate Bill 371](#), which eliminates the \$1M requirement and instead specifies that transportation network companies carry UM/UIM coverage in the amount of *\$60,000 per person* and *\$300,000 per incident* while a passenger is in the vehicle. Following the lead of one of the most consistently expensive states in the country will likely produce the exact same results: dramatically higher costs for consumers.

We also encourage the legislature to clarify the requirement in the bill that insurance coverage for delivery services must extend to a nonexistent period when couriers “*return to the location they accepted the offer*”. Couriers may accept a delivery offer from anywhere — their home, another workplace, a parking lot, or simply while running personal errands. There is no guarantee that they will ever return to a specific location after completing a trip, and insurance coverage extending until they do effectively makes the coverage ongoing, for activity unrelated to their business with a delivery network company.

For over a decade, digital marketplaces and platforms like Uber have promoted a new type of work that empowers individuals to determine where and when they work, and offers new

options for people traditionally marginalized from the labor market. Fixing the law to preserve this type of work is important — as is protecting the workers who earn on the platform. But it is equally important to preserve what is already working, and enables these services to continue in Alaska.

We welcome continued dialogue and are happy to provide any additional information that would be helpful as you continue to evaluate these issues.

Thank You,

John L. Finley
Manager, Public Policy, Uber Technologies
jfinley@uber.com



ALASKA in 2023

Merchant sales in Alaska through DoorDash Marketplace and Drive supported:

\$130M+ in economic activity and over **1,700+ jobs** for these merchants, their supply chains, and elsewhere in the economy, not including Dashers

Modeled by Public First using IMPLAN software

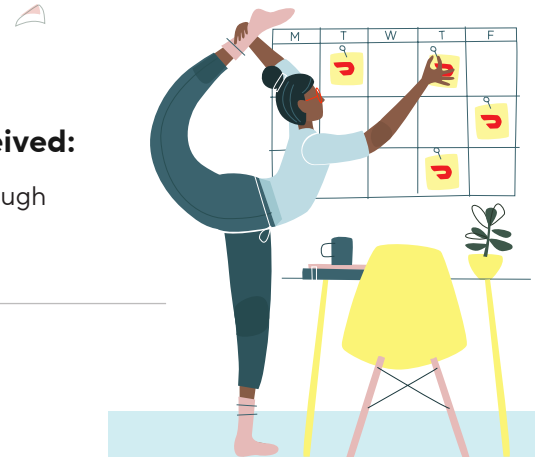
Dasher earnings on the DoorDash platform in Alaska supported nearly:

\$53M+ in economic activity

Modeled by Public First using IMPLAN software

Consumers received:

4.2M+ orders through DoorDash in Alaska



ALASKA DASHERS



14,600

+

active Dashers

\$28

earned on average per hour while delivering

35M+

total Dashers earnings on the platform, including tips

5

hours per week Dashers averaged on delivery in Q4

88%

of Dashers averaged less than 10 hours per week on delivery in Q4



DASHERS SURVEYED IN THE US

87%

prefer to remain as independent contractors

86%

agree that dashing makes them feel more in control of their circumstances

94%

say that dashing allows them more flexibility compared with other earnings opportunities they've had

84%

had other incomes, responsibilities or were retired

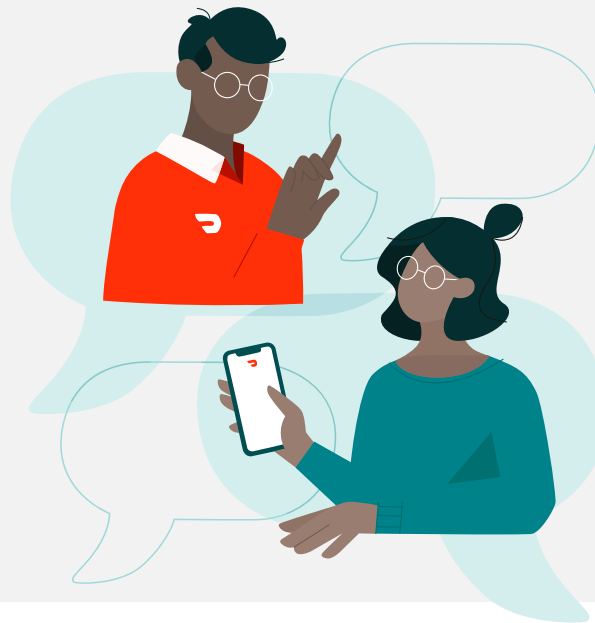
EXPANDING ACCESS AND ECONOMIC OPPORTUNITY IN ALASKA'S UNDERSERVED COMMUNITIES

25%

of deliveries were made to **consumers** in *low-income communities*

22%

of Dasher earnings were made by **Dashers** in *low-income communities*



60%

of deliveries were made to **consumers** in *communities of color*

53%

of Dasher earnings were made by **Dashers** in *communities of color*

MERCHANTS IN ALASKA



Over 700 total merchants were on the DoorDash Marketplace in December

Merchants made over **\$120M in sales** on the DoorDash Marketplace

Total sales for independent merchants on DoorDash Marketplace in the state **grew by 25%** between December 2022 and December 2023

PROJECT DASH

Our initiative to help food banks, food pantries, and other social impact organizations leverage DoorDash logistics to increase access in their communities

To date, DoorDash has powered 1,907 Project DASH deliveries in Alaska including an estimated 19,000 meals



March 18, 2025

Senator Scott Kawasaki, Chair
Senate State Affairs Committee

Re: Senate Bill 35, Delivery Network Companies

Dear Chair Kawasaki, and members of the Senate State Affairs Committee,

The Alaska Chamber (the Chamber) writes in support of Senate Bill 35, an act relating to transportation network and delivery network companies.

The Alaska Chamber is the state's largest statewide business advocacy organization. Our mission is to promote a healthy business environment in Alaska. The Chamber has more than 700 members and represents businesses of all sizes and industries from across the state, representing 58,000 Alaskan workers and \$4.6 billion in wages.

Delivery network companies provide convenient and affordable delivery of goods to Alaskans. They also provide economic opportunity to people who can use this avenue to garner additional income. It is estimated that one delivery network company operating in Alaska has 14,500 Alaskans working on their platform and 89% of those Alaskans work less than 10 hours per week. This highlights how delivery network companies provide opportunities for Alaskans to make a supplemental income on their terms.

SB 35 would establish standards that reflect the reality of app-based work -- the same standards that the state already uses for rideshare drivers -- and provide delivery network companies and delivery drivers in Alaska with greater regulatory certainty. Furthermore, this would ensure Alaska stays in line with developments in other states where marketplace platform workers across all platforms are treated uniformly.

Businesses need consistency in the laws and regulations governing them to thrive in the economy. SB 35 is a free enterprise and good-for-business bill, and we encourage swift passage. Thank you for considering the Alaska Chamber's comments.

Sincerely,

A handwritten signature in black ink that reads 'Kati Capozzi'.

Kati Capozzi
President and CEO



2550 Denali Street, Suite 530
Anchorage, AK 99503



Office (907) 278-2722



www.alaskachamber.com
info@alaskachamber.com



May 5, 2025

Senator Jesse Bjorkman
Alaska State Legislature

Re: Support for Senate Bill 35 – Delivery Network Companies

Dear Chair Bjorkman, and members of the Senate Labor & Commerce Committee,

As one of the largest business organizations in Alaska, the mission at the Anchorage Chamber of Commerce is to advance a successful business climate. For over 100 years we have served as a resource where members can gain business knowledge, strength, and insight, and we are motivated to support growth and success for our members, ultimately strengthening the economy for all of Anchorage.

This letter is expressing strong support for SB 35 – Delivery Network Companies. This bill is a timely and necessary tool to provide transparency and parity to network drivers who may transport riders as often as delivery items. Without a measure such as this, the relationship of the driver to the platform is uncertain.

At the time Alaska passed legislation to authorize transportation networks, delivery networks were not yet in existence. Today, small businesses across Anchorage rely on delivery network drivers as a modern solution to transport their products directly to their customers. Delivery network drivers support families that have competing demands on their time, and citizens with disabilities to provide accessible accommodation options. No matter the reason, it benefits a business to scale their reach to more people in more places, while being able to focus on their core operations.

The delivery networks also provide economic opportunity to people who can use this avenue to garner additional income with flexibility and on their terms.

The Anchorage Chamber of Commerce believes that SB 35 offers a simple solution to defining the role of delivery network companies to Anchorage drivers. We urge you to consider the certainty this bill will bring to the economic ecosystem of Anchorage and Alaska, and to support its enactment. Thank you for your commitment to fostering a positive business environment in our state.

Sincerely,

Kathleen McArdle
President & CEO

March 18, 2025

To: Members of the Senate State Affairs Committee
From: Americans for Tax Reform
Re: **Support SB 35**

Dear Chairman Kawasaki and Members of the Committee,

On behalf of Americans for Tax Reform and our supporters across Alaska, **I write to you today with my strong support for Senate Bill 35, legislation that would provide long-term certainty to workers in the delivery service economy.** Clarifying independent contractor status for this essential group of people would serve as a guarantee that their time, labor, and wages are indeed theirs to manage however they see fit.

While drivers for transportation network companies like Uber and Lyft have for nearly a decade reaped the benefits of independent contractor status under the law, delivery drivers have been largely forgotten. People who depend on apps such as UberEats, Grubhub, and Doordash to find customers and make money remain unprotected under Alaska law, even though their employment as an app-based transportation provider is not much different than rideshare drivers.

Without the protections contained within this bill, Alaskans could be put at risk for a rapid reclassification of their status during any political shift in Juneau, or even at the federal level. **By enshrining the independent contractor status of delivery network drivers into law, this bill would cement the freedoms of thousands of Alaskans to continue making a living on their own terms. I urge you to lend your support to SB 35 at the first opportunity.**

Sincerely,



Grover G. Norquist
President
Americans for Tax Reform

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T:(202)785-0266

F:(202)785-0261

www.atr.org

Joe Hayes

From: Lisa Young <[REDACTED]>
Sent: Tuesday, March 18, 2025 4:53 PM
To: Senate State Affairs
Subject: SB 35

In the discussion of SB 35, As independent contractors, Dashers are responsible for paying both the employer and employee portions of Social Security and Medicare taxes, known collectively as self-employment tax. This flexibility comes with a cost, just as a sole propriety business. These companies ethnically, legally, and contractually, this is a business-to-business relationship. So, in all actuality the drivers are responsible for their taxes and worker's compensation. They should not be treated any different than a Sole Propriety business. Please look at the legality of this issue.

Thank you for your time.

Lisa Young
Fairbanks, AK

Joe Hayes

From: William Hansen <[REDACTED]>
Sent: Monday, March 17, 2025 11:49 AM
To: Senate State Affairs
Subject: Regarding SB 35

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Senate State Affairs Committee -

I've been working with DoorDash on and off again since the COVID pandemic - it's a great way to earn some extra income to supplement my retirement without pulling too much from my savings. One of the main reasons I work with DoorDash is that I can work whenever I want and keep myself busy. It's a great way to earn money and I'm grateful the opportunity is available to me.

SB 35 would guarantee that we continue to be classified as independent contractors. This bill would protect Alaska workers and prevent us from being re-classified as employees where we would lose the flexibility and independence that draws us to this kind of work. The fact is, there is no one-size-fits-all model to the way we work in the modern economy.

I'm asking you to support SB 35 and listen to the thousands of Alaskans like me who depend on independent work. We do not want to have our ways of working changed against our will, and I urge you to stand up on our behalf and protect flexible workers like me throughout the state, thank you.

Sincerely,
Bill Hansen

-----Original Message-----

From: Margaret Barrios < >

Sent: Tuesday, March 18, 2025 1:53 PM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Margaret Barrios

From: Maggie Spilman < >

Sent: Tuesday, March 18, 2025 2:26 PM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

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Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Maggie Spilman

From: Lauan Edwards < >

Sent: Tuesday, March 18, 2025 2:18 PM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

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Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Lauan Edwards

From: Breanna Korthuis < >

Sent: Tuesday, March 18, 2025 1:45 PM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

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Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Breanna Korthuis

From: Deandra John < >

Sent: Tuesday, March 18, 2025 2:20 PM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Deandra John

From: Cyrus Isturis < >

Sent: Tuesday, March 18, 2025 3:08 PM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Cyrus Isturis

From: Alyssa Daniels < >

Sent: Tuesday, March 18, 2025 2:32 PM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Alyssa Daniels

From: Lisa Whaley < >

Sent: Wednesday, March 19, 2025 9:10 AM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Lisa Whaley

From: Sabrina Cantu < >

Sent: Wednesday, March 19, 2025 8:56 AM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Sabrina Cantu

From: Michelle Crawford < >

Sent: Wednesday, March 19, 2025 8:48 AM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Michelle Crawford

From: Crystal Hilt < >

Sent: Wednesday, March 19, 2025 9:17 AM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Crystal Hilt

From: Dcott Hills < >

Sent: Wednesday, March 19, 2025 9:03 AM

To: Sen. Jesse Bjorkman < >

Subject: Pass SB35 and Support My Right to Flexible Work!

Dear Senator Bjorkman,

I am an Instacart shopper in Alaska and I am urging you to support Senate Bill 35, which would maintain my access to flexible, independent work.

Hundreds of shoppers across Alaska rely on the flexibility of being independent contractors using app-based platforms to earn extra income. For shoppers like me, this might mean having more time to spend with family, pursue education opportunities, focus on my health, or manage other life priorities.

Please, I urge you to support my flexibility and independence and pass SB35!

Regards,

Dcott Hills



TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

TechNet Northwest | Telephone 206.326.0712
1102 A Street POB 445, Tacoma WA 98401
www.technet.org | @TechNet_NW

April 30, 2025

The Honorable Jesse Bjorkman, Chair
Senate Committee on Labor & Commerce
120 4th Street
Juneau Alaska 98901-1182

RE: SB 35 An Act relating to transportation network and delivery network companies.

Dear Chair Bjorkman and Members of the Committee:

I am writing today to support HB 35 regarding transportation and delivery network companies.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.5 million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

TechNet appreciates that the Alaska Legislature acted to clarify that people using transportation network companies (TNC) to offer rides to customers are not considered employees. By clarifying this in statute is a commonsense piece of legislation that ensure TNCs can continue to operate with clarity in Alaska. TNCs have become an important component of Alaskans needing to get to a destination, which sometimes can be challenging to do.

TechNet support SB 35 because it will provide the same clarity to people offering their services through a Delivery Network Company (DNC) platform. DNCs offer useful services to thousands of Alaskans residents and businesses. For businesses, DNCs allow access to additional customers. For residents, it provides convenience but also a needed lifeline when mobility is limited.

For these reasons, TechNet request the Senate Committee on Labor & Commerce move SB 35 forward for further consideration. I appreciate your consideration.

Sincerely,

Rose Feliciano
Executive Director
Washington + Northwest

Alaska State Legislature
Senate Committee on Labor and Commerce

March 15, 2026

Submitted electronically

RE: SB 35, Delivery Network Companies - NAMIC's Written Testimony in Opposition

Thank you for affording the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to the Senate Committee on Labor and Commerce on SB 35, Delivery Network Companies.

The National Association of Mutual Insurance Companies (NAMIC) is the foremost trade association representing the property/casualty insurance industry. Serving more than 1,300 member companies - including local and regional insurers as well as some of the nation's largest carriers - NAMIC members collectively write \$467 billion in annual premiums, representing 61% of the homeowners and 53% of the automobile insurance markets. For more than 130 years, NAMIC has been the leading voice advancing public policy solutions and regulatory frameworks that promote a strong, competitive market and protect our members and their policyholders.

Over a decade ago, state policymakers first debated the issue of what legal liability exposure and insurance coverage responsibilities should be placed upon Transportation Network Companies (TNC) to protect their drivers, customers and the general public. Since *private* passenger auto insurance has historically excluded coverage for *commercial* activities, because of the inherently different liability exposure associated with commercial transportation versus the run-of-the-mill private passenger transportation use, state policymakers have consistently determined that it makes sense to require TNCs to be responsible for the reasonable liability exposure associated with their business model. Private passenger auto insurers had well-established "livery exclusion" provisions in their auto insurance policies to restrict coverage to only private passenger use. This exclusion was created to provide clarity and predictability in underwriting and coverage for private passenger auto insurance consumers, and to prevent upward cost-pressures to the consumer that would result from insurers having to pay for commercial transportation claims as part of a private passenger auto policy.

When the TNC business model was unveiled, there was a lot of debate over how to differentiate between when a driver for a TNC business was engaged in *private use activity* of his/her vehicle and covered by the private passenger auto insurance policy and when the driver was now engaged in a *commercial use activity* where the TNC would be required to address the legal liability exposure for the business endeavor. After extensive debate in a number of state legislatures and at the National Conference of Insurance Legislators (NCOIL) which adopted (in 2015) a national model to promote uniformity and consistency in insurance liability protection for TNC drivers and the general public, a comprehensive, bright-line standard was adopted and agreed to by all interested stakeholders. In 2015, the National Association of Insurance Commissioners (NAIC) drafted a white paper on the topic titled, "Transportation Network Company Insurance Principles for

Legislators and Regulators.” These comprehensive pronouncements have been followed and formally adopted by regulators and state legislators across the nation so as to create a clear, consistent and unambiguous standard for TNC insurance liability requirements. This decade-plus standard was designed and intended to reflect the common-sense and common-experience demarcation between private auto use and commercial auto use. The “logging on” to the TNC application which forwards business to the driver was a clear, reliable and reasonably definitive trigger for determining when the driver was now engaged in a commercial endeavor where the TNC’s business model should reasonably be responsible for addressing the legal liability exposure foreseeably associated with their commercial transportation business model.

NAMIC is concerned that the CS Version of SB 35 would undue well-established legal doctrine and create new legal liability ambiguity for TNC drivers, consumers and the general public. The proposed removal from the current law of the bright-line, readily evaluated and demonstrated standard of being “logged onto the digital network” as a determinant for being engaged in the TNC commercial transportation activity would be a serious step-backwards from the public policy objective of requiring commercial entities to be responsible for the liability risks connected to their business endeavor. Changing the current law would create unnecessary legal ambiguity that could have an adverse impact upon the private passenger auto insurance marketplace.

Although NAMIC appreciates the fact that TNC companies and the related TNC delivery businesses would like to reduce their liability exposure and insurance coverage requirements, NAMIC does not see a sound public policy rational for shifting this legal liability “insurance coverage gap” (time when driver “logs onto the TNC app” and starts the business activity, and the time the driver “provides the prearranged ride”) onto the private passenger auto insurance consumer. This “insurance coverage gap” will likely become an insurance rate cost-driver for private passenger auto insurance consumers, who do not participate in or receive the financial benefits of the TNC business endeavor. NAMIC does not see a reason for Alaska to deviate from the well-established national trend of providing clear coverage requirements for TNCs that promote bright-line consumer protection for TNC drivers, customers and the general public.

Consequently, we respectfully request that this committee maintain the current pro-consumer protection, pro-business legal liability responsibility TNC insurance coverage standard, and **vote no on the proposed CS amendment.**

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at crataj@namic.org, if you would like to discuss NAMIC’s written testimony.

Respectfully,



Christian John Rataj, Esq.
NAMIC Senior Regional Vice President
State Government Affairs, Western Region

Joe Hayes

From: Allyssa Cooley [REDACTED]
Sent: Friday, March 14, 2025 7:24 PM
To: Senate State Affairs
Subject: SB35

Dear Senate State Affairs Committee -

I've been working with DoorDash since the pre-covid era and it has been a life saver for me and my family in the past. A lot of that support is because of my classification as an independent contractor which allows me the opportunity to work as much as I want and when I want - it's a great way to earn extra income to supplement my job as a psychiatric nursing assistant. One of the other main reasons I work with DoorDash is that I can work around spending time with my three kids - there are not many other jobs that provide this type of benefit.

Right now, I set my own hours and earn on my own schedule. SB 35 threatens to change all that. This bill would forcibly reclassify Alaska workers like me as employees—meaning we would lose the flexibility and independence that draws us to this kind of work. The fact is, there is no one-size-fits-all model to the way we need to earn money in the modern economy.

I'm asking you to oppose SB 35 and listen to the thousands of Alaskans like me who depend on independent work. We do not want to have our ways of working changed against our will, and I urge you to stand up on our behalf. Flexible workers throughout the state thank you.

Sincerely,
Allyssa Cooley

From: Susan A <[REDACTED]>
Sent: Tuesday, March 18, 2025 4:01 PM
To: Senate State Affairs
Subject: Public Testimony Against SB 35

Public Testimony Against SB 35

Alaska State Legislature – Opposition Statement

SB 35 seeks to classify transportation and delivery network company (TNC/DNC) workers as independent contractors, eliminating worker protections while enabling companies like Uber, Lyft, and DoorDash to cut wages, avoid accountability, and undermine fair labor practices. While the gig economy provides flexibility, this bill ensures that this flexibility comes at the cost of fair wages, job security, and legal protections.

Several states and cities have implemented protections for gig workers to prevent exploitation, including minimum pay requirements, deactivation protections, and labor rights (Dubal, 2021). SB 35 prevents Alaska from adopting similar protections, leaving workers vulnerable. This testimony highlights the legal, economic, and ethical issues with SB 35 and proposes solutions that balance business interests with fair labor standards.

Key Issues with SB 35

1. Lack of Minimum Pay Protections – Legal Precedents for Wage Standards

SB 35 permits companies to lower per-ride or per-delivery pay without oversight, resulting in unpredictable earnings. Studies show that gig workers, after accounting for expenses, often earn below minimum wage (Parrott & Reich, 2020).

New York City mandates a minimum pay rate of \$17.22 per hour for app-based drivers, ensuring fair compensation (New York City Taxi and Limousine Commission, 2018).

Washington State implemented per-mile and per-minute minimums for gig workers, preventing companies from cutting earnings arbitrarily (Washington State Legislature, 2022).

Solution: Amend SB 35 to require minimum per-mile, per-minute, or per-trip pay that adjusts for fuel costs, inflation, and idle time.

2. Unpaid Labor – Lack of Compensation for Waiting Time

SB 35 reinforces the "pay-per-task" model, meaning idle time between rides/orders is unpaid. Research shows that gig workers spend 30-40% of their working hours waiting for assignments, significantly reducing their effective pay (Mishel, 2018).

In New York City, rideshare drivers are paid for waiting time to prevent unpaid labor (New York City Taxi and Limousine Commission, 2019).

Seattle mandates per-minute wait time pay, ensuring workers are compensated for time spent between assignments (Seattle City Council, 2020).

Solution: Require partial pay for waiting time to ensure drivers are compensated for idle periods.

3. No Restrictions on Arbitrary Pay Cuts

SB 35 gives full control of pay structures to TNCs/DNCs, meaning companies can lower per-mile rates and increase commission fees without warning. Similar practices have been documented in other states, where rideshare and delivery workers have seen pay decline while corporate profits increase (Dubal, 2021).

California's Proposition 22 initially promised higher pay for gig workers, but subsequent algorithmic changes led to reduced earnings (Rosenblat, 2021).

Washington and New York require transparency in pay reductions, ensuring workers receive notice before wage cuts (Washington State Legislature, 2022).

Solution: Require transparent pay structures and prevent sudden wage reductions without advance notice and worker input.

4. No Workers' Compensation or Benefits – Unsafe Working Conditions

Gig work is high-risk due to car accidents, injuries, and long hours. Unlike traditional employees, gig workers lack workers' compensation coverage. In California, research found that gig drivers experience higher rates of workplace injury but lack financial protection (Benner, 2020).

Washington requires TNCs to provide occupational accident insurance for gig workers (Washington State Legislature, 2022).

New York mandates company-funded injury compensation programs for app-based workers (New York State Assembly, 2021).

Solution: Amend SB 35 to require companies to contribute to a gig worker injury fund or provide occupational accident insurance.

5. No Due Process for Unfair Deactivation

SB 35 allows companies to deactivate drivers without cause, leaving workers with no income and no right to appeal.

Seattle passed a fair deactivation law in 2020, requiring TNCs to provide written explanations and appeals before terminating workers (Seattle Office of Labor Standards, 2020).

New York requires a review process for app-based worker terminations, ensuring workers aren't wrongfully removed (New York City Taxi and Limousine Commission, 2021).

Solution: Implement a fair deactivation process, ensuring workers receive notice, a reason for deactivation, and an appeals process.

6. No Worker Representation – Preventing Collective Bargaining

Many states have introduced driver councils or worker associations to negotiate fair pay and conditions. SB 35 blocks Alaska from adopting similar protections.

Seattle created a Driver Resolution Center that allows workers to negotiate for higher pay and better working conditions (Seattle Office of Labor Standards, 2021).

Rosenblat, A. (2021). *Uberland: How algorithms are rewriting the rules of work*. University of California Press.

Seattle Office of Labor Standards. (2020). *Fair pay and deactivation protections for app-based workers*.

There are several more potential problems with SB 35 that could further impact workers in Alaska. Here are a few additional issues to consider:

8. Limited Access to Unemployment Benefits

Gig workers, under SB 35, would remain ineligible for unemployment benefits due to their classification as independent contractors. This lack of benefits becomes especially problematic during economic downturns or global crises like the COVID-19 pandemic, where workers are unable to earn income and have no safety net (BLS, 2020).

In states like California and New Jersey, unemployment benefits are extended to gig workers under specific conditions, ensuring they aren't left financially vulnerable (California Employment Development Department, 2021).

Solution: Amend SB 35 to ensure gig workers have access to unemployment benefits during periods of job loss or economic hardship.

9. Tax Evasion and Income Misclassification

By classifying workers as independent contractors, SB 35 creates an incentive for companies to misclassify workers, enabling them to avoid paying state and federal payroll taxes and contributing to underreported income.

In California, the state's AB5 legislation addresses misclassification by imposing stricter criteria on companies that rely on gig workers (California Department of Industrial Relations, 2020).

Solution: Include stronger penalties in SB 35 for misclassifying workers to protect both workers and the state from lost revenue.

10. Limited Access to Health Insurance

Unlike employees, gig workers often do not have access to employer-sponsored health insurance. Without this, workers are forced to navigate complex, expensive healthcare plans on their own or go without coverage altogether.

Massachusetts has created a model for health insurance access for gig workers, providing tax credits to make insurance more affordable (Massachusetts Health Connector, 2020).

Solution: Amend SB 35 to require companies to offer or contribute to health insurance coverage for gig workers or create a state-based health plan for them.

11. No Paid Time Off (PTO)

Gig workers under SB 35 would not be entitled to paid sick leave or vacation time, leaving them with little recourse if they need to take time off for health reasons, family emergencies, or other personal matters.

In Seattle, gig workers are entitled to paid sick leave and vacation days, which helps ensure their financial stability when they cannot work (Seattle Office of Labor Standards, 2020).

Solution: Implement mandatory paid sick leave and vacation time for gig workers under SB 35 to protect their well-being and financial security.

12. Disproportionate Impact on Rural and Marginalized Communities

New York City established a Worker Advisory Council to oversee fair labor practices for gig workers (New York City Council, 2020).

Solution: Allow gig workers to form associations or councils to negotiate wages and conditions.

7. Market Oversaturation Reduces Pay & Job Availability

SB 35 allows companies to onboard an unlimited number of workers, reducing job availability and earnings for individual drivers.

New York implemented driver caps to prevent oversaturation, ensuring workers can earn a livable wage (New York City Taxi and Limousine Commission, 2018).

Solution: Require companies to manage driver supply to prevent an oversaturated market that drives wages down.

Recommendations

SB 35 prioritizes corporate profits over Alaska's workforce. Instead of passing a bill that strips worker protections, the Legislature should adopt a balanced approach that preserves flexibility while preventing exploitation.

Amend SB 35 to Include These Protections:

Minimum Pay Standards – Prevent wage exploitation.

Paid Waiting Time – Compensate workers for unpaid labor.

Transparency in Pay Cuts – Require notice before wage reductions.

Occupational Injury Coverage – Protect workers from financial hardship after workplace injuries.

Fair Deactivation Process – Provide due process before termination.

Worker Representation – Allow collective bargaining and rate negotiations.

Driver Supply Management – Prevent oversaturation that lowers earnings.

Alaska has an opportunity to learn from other states' policies and craft legislation that protects both businesses and workers. SB 35, in its current form, fails to do so and should be amended or rejected.

References

- Benner, C. (2020). On-demand and on-the-edge: Ride-hailing and delivery work in California. UC Berkeley Labor Center.
- Dubal, V. (2021). The algorithmic boss: How Uber, Lyft, and DoorDash control gig workers. *Harvard Law Review*, 134(1), 36-79.
- Mishel, L. (2018). Uber and the labor market: Independent contractor or low-wage employee? Economic Policy Institute.
- New York City Taxi and Limousine Commission. (2018). Driver income and earnings standards report.
- Parrott, J., & Reich, M. (2020). An earnings standard for app-based drivers in Seattle. UC Berkeley Labor Center.

SB 35, by creating fewer worker protections, would disproportionately impact rural and marginalized communities in Alaska, where employment opportunities are already limited. In many rural areas, gig work represents a primary or significant income source, but without protections, workers are at greater risk of exploitation.

In California, AB5 was designed to protect workers in rural areas, ensuring that gig work remained a viable and fair source of income for those in underserved communities (California Department of Industrial Relations, 2020).

Solution: Ensure targeted protections for gig workers in rural and marginalized communities to prevent exploitation and economic instability.

13. Overdependence on Technology and Algorithmic Control

SB 35 supports a model where technology, not human oversight, dictates worker treatment, schedules, and pay. Algorithms used by gig companies may unfairly penalize workers, control their working hours without regard to health or personal needs, and introduce bias in how work is assigned (Rosenblat, 2021).

California’s AB5 limits the extent to which gig companies can rely on algorithms to control workers’ schedules and pay, ensuring greater human oversight (California Department of Industrial Relations, 2020).

Solution: Introduce rules that regulate the use of algorithms, ensuring transparency, accountability, and human oversight in the assignment of work and determination of pay.

14. Limited Job Security and Career Progression

Gig workers have little job security or opportunity for advancement within the company, given their status as independent contractors. The absence of long-term contracts means workers face constant uncertainty about their future employment.

In New York, TNC drivers are able to join labor unions, providing job security and career advancement options that are unavailable to independent contractors (New York City Taxi and Limousine Commission, 2020).

Solution: Amend SB 35 to include career advancement programs or job security provisions for gig workers, ensuring a path forward within the gig economy.

Thank you for your time and consideration
Susan Allmeroth



Savaya Bieber

From: Connie Markis <crmarkis@gmail.com>
Sent: Sunday, May 4, 2025 8:30 AM
To: Sen. Jesse Bjorkman
Subject: Opposed to SB 35

I am opposed to SB 35, the legislation being heard in the Senate that would strip unemployment insurance and workers compensation coverage from employees of digital employers like DoorDash and InstaCart. Mega-corporations are trying to systematically dismantle legal rights of workers by having legislatures misclassify employees as independent contractors. As chair of the Labor and Commerce Committee, I hope you'll take this in consideration. Thank you.

With Regards,
Constance (Connie) Markis
Anchorage, Alaska