



April 28, 2026

Representative Carolyn Hall, Co-Chair
Representative Zack Fields, Co-Chair
House Labor and Commerce Committee

Re: Senate Bill 35, Delivery Network Companies (version 34-LS0330\T.A)

Dear Co-Chairs Hall, Fields, and members of the House Labor and Commerce Committee,

The Alaska Chamber (the Chamber) writes in opposition as it is currently written to Senate Bill 35, an act relating to transportation network and delivery network companies; and relating to occupational accident insurance.

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.

The Chamber previously supported this legislation (version 34-LS0330\A) as a framework to provide clarity and consistency for delivery network companies and the Alaskans who rely on them. However, changes made during the committee process have introduced significant concerns, and as currently drafted, we must respectfully oppose the bill.

Our primary concern centers on the revised definition of "delivery service," particularly the "point of origin" language that extends the delivery period beyond the completion of a delivery. As written, the bill creates substantial ambiguity about when a delivery begins and ends. Requiring insurance coverage to extend until a courier returns to the original pickup location, arrives home, or begins a personal task is not workable in practice. Delivery drivers often do not return to the same location, and platforms have no visibility into when a driver transitions to personal activities. This lack of clarity creates compliance challenges, increases liability exposure, and introduces unnecessary complexity for both platforms and drivers.

Additionally, the bill's current structure could require companies to provide coverage even when a driver is no longer actively engaged on the platform, further compounding uncertainty and cost. These changes risk undermining the flexibility that makes app-based delivery work attractive for thousands of Alaskans and could ultimately increase costs for consumers who rely on these services.

The Chamber continues to support the original intent of SB 35: to provide reasonable standards and regulatory certainty for this growing sector. However, to return to a position of support or at minimum neutrality, the bill must be revised to establish a clear and practical definition of delivery service, such as ending the delivery period upon completion or cancellation of the delivery. It is also important that any final framework preserves affordability for consumers and flexibility for independent contractors who depend on this work.



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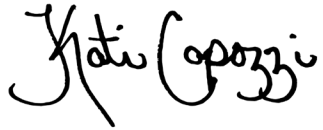
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We urge the Legislature to address these concerns and avoid adding further complexity that could disrupt a valuable service for Alaska communities. Thank you for considering the Alaska Chamber's comments.

Sincerely,

A handwritten signature in black ink that reads "Kati Capozzi". The signature is written in a cursive, flowing style.

Kati Capozzi
President and CEO



Maplebear Inc. d/b/a Instacart
50 Beale Street, Suite 600
San Francisco, CA 94105

May 1, 2026

Representative Carolyn Hall, Co-Chair
Representative Zack Fields, Co-Chair
House Labor and Commerce Committee

RE: Senate Bill 35: An Act relating to transportation network and delivery network companies

Dear Co-Chairs Hall and Fields:

On behalf of Instacart, I am offering our conditional support of Senate Bill 35, an act relating to transportation network and delivery network companies. I respectfully urge the committee to address specific concerns with the bill's current drafting before it advances.

Instacart is the leading grocery technology company in North America, and we are proud to offer access to flexible earning opportunities for more than 1,200 Alaskans. Shoppers – the individuals who pick, pack, and deliver orders — are often caretakers, parents, students, or retirees seeking alternatives to traditional employment or ways to supplement other income. In fact, over 80% of shoppers say they choose to shop on Instacart because of the independence it provides. Nationally, the vast majority of people who earn through our platform, including in Alaska, shop less than 10 hours a week on average.¹ They have the freedom to choose when, where, and for how long they work, without any set schedule, minimum commitment, or obligation.

In Alaska, Instacart partners with more than 25 retail banners in more than 130 stores, with almost half of those locations accepting EBT SNAP. By supporting these retailers, Instacart has helped add over 100 brick-and-mortar grocery jobs, from cashiers to store managers, across Alaska and approximately \$5.1 million in additional revenue for Alaska's grocers.² Moreover, Instacart is happy to serve tens of thousands across the Last Frontier.

Instacart was an early supporter of this legislation in its original form, which provided a clear and practical path to independent contractor certainty for app-based delivery workers — extending the same classification framework already available to rideshare drivers in Alaska. That parity matters. Shoppers on the Instacart platform often work across multiple gig platforms simultaneously, and inconsistent classification rules create unnecessary confusion for workers and companies alike. Senate Bill 35, as originally introduced, addressed that problem directly and in a way Instacart was proud to support.

Amendments adopted during the committee process have introduced language that undermines the bill's original clarity. Specifically, the revised definition of "delivery service" includes "point of origin" language that extends a shopper's delivery period well beyond the completion of an order. Under this language, insurance coverage obligations could continue until a courier returns to the original pickup location, arrives home, or begins a personal task. None of which are events that a platform like Instacart can track or verify. Shoppers are not obligated to follow fixed routes, and they do not return to a central location after completing a delivery. Tying coverage requirements to unobservable personal activity creates serious compliance risk and potential liability exposure that is simply unworkable for app-based delivery platforms.

Beyond the compliance challenge, the amended bill's insurance requirements exceed the benchmarks established by the National Council of Insurance Legislators (NCOIL) — the national model for app-based transportation and delivery insurance frameworks. Notably, the bill eliminates the existing flexibility that

¹ <https://www.instacart.com/company/static/pdfs/economic-impact-2023.pdf>

² Industry data based on 2022 NERA Economic Consulting study



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allows coverage requirements to be satisfied through a combination of company and driver insurance, a standard feature of NCOIL-aligned frameworks nationwide. These departures from the national model

would drive up insurance costs in ways that reduce earning opportunities for independent couriers and increase prices for the consumers who depend on these services. If Alaska intends to serve as a model for other states, those states are best served by a framework that is grounded in the national standard.

Instacart remains committed to the goals of Senate Bill 35: preserving independent contractor certainty for app-based delivery workers and ensuring a fair and equitable environment for Alaska's growing gig economy workforce. We ask that the committee amend the definition of "delivery service" to establish a clear, observable end point, such as the completion or cancellation of the delivery, that is practical for platforms and workers alike.

We appreciate the committee's time and look forward to working toward a final product that protects workers, consumers, and the Alaska retailers who depend on these services.

Sincerely,

Jessica Lynam

Jessica Lynam
Government Affairs, Western U.S.



May 1, 2026 House Labor & Commerce Committee Opposition to SB 35

Co-Chair Fields, Co-Chair Hall, and Members of the Committee:

Thank you for the opportunity to testify on SB 35. My name is Francisco Avalos and I am the Senior Public Policy Manager for Lyft, a transportation network company (TNC) operating in Alaska. Lyft respectfully opposes SB 35 as currently drafted.

Lyft supports the core purpose of this bill - providing a clear independent contractor framework for workers on digital platforms. That is good policy and we appreciate the attention given by the legislature to worker flexibility. Our opposition is specific to the insurance provisions added by amendment, specifically the \$1 million UM/UIM mandate.

The amended bill requires TNCs to carry \$1 million in UM/UIM coverage and prohibits any waiver of that requirement only for TNCs. UM/UIM coverage only applies when a driver outside of our platform causes an accident. Our internal analysis indicates this mandate would increase the insurance cost of each ride by over 50%. That cost does not disappear - it is passed to riders in the form of higher fares. For Alaskans who rely on rideshare as their primary form of transportation, this bill makes an essential service materially less accessible.

When fares rise, ride volume falls. When ride volume falls, driver earnings follow. Alaska drivers value the flexibility and earning opportunity the platform provides. A mandate that suppresses demand does not protect drivers, it reduces their income. In a smaller market like Alaska, that dynamic is particularly pronounced.

TNC drivers already operate under robust insurance requirements under Alaska law including \$1m in third-party liability coverage when drivers are en route to pick up passengers or during rides. SB 35 layers on an additional, duplicative mandate and notably, the bill already includes occupational accident insurance requirements that are intended to cover driver injuries. The UM/UIM provision is unnecessary on top of that.

Lyft asks the committee to remove the \$1 million UM/UIM provision from SB 35. We are supportive of the independent contractor certainty framework and are committed to working constructively with the sponsor and the committee on a version of this bill that works for drivers, riders, and the platforms that serve them.

Thank you for your consideration.

Francisco Avalos

Senior Public Policy Manager, Lyft

May 1, 2026

The Honorable Carolyn Hall & Zack Fields
Chairs, House Labor & Commerce Committee
Alaska State Legislature
Capitol Building, Room 106
Juneau, Alaska 99801

Re: Alaska Senate Bill 35 – “An Act relating to transportation network companies and delivery network companies; and relating to occupational accident insurance.”

Dear Chairs Hall and Fields,

The American Property Casualty Insurance Association (APCIA) is a national trade organization whose members write nearly 60 percent of the automobile insurance in Alaska. APCIA was a key stakeholder in the development of model legislation for both Delivery Network Companies (DNC) and Transportation Network Companies (TNC) and has worked closely with both industries as they have been widely adopted across the country. Unfortunately, the proposed legislation attempts to combine the two concepts in problematic ways.

While transportation network companies and delivery network companies may both dispatch drivers through smartphone applications, the similarity largely ends there. Passenger transportation and goods delivery present materially different risk profiles, including distinct exposure patterns, operational characteristics, and insurance considerations. Treating these activities as interchangeable solely because both rely on digital platforms risks regulatory misalignment and unnecessary disputes.

By combining transportation network and delivery network insurance requirements into a single statutory framework, the bill is likely to create uncertainty around coverage triggers, exclusions, and priority of policies, increasing the likelihood of claims disputes and litigation. Such outcomes ultimately harm drivers, insurers, and consumers alike by delaying claim resolution and increasing costs.

Recognizing these differences, the National Conference of Insurance Legislators has developed and adopted a Delivery Network Company Insurance Model Act, specifically tailored to the unique risks presented by app-based delivery services. The NCOIL DNC Model establishes clear coverage periods, appropriate liability limits, disclosure requirements, and insurer responsibilities that align with delivery operations rather than passenger transportation. Importantly, the model is designed to reduce disputes by matching insurance obligations to actual risk exposure, rather than forcing delivery services into a rideshare framework.

The proposed legislation most notably deviates from the NCOIL DNC model in that it does not include a “Delivery Available Period”. When a driver makes themselves available to receive an assignment on a platform, that often triggers exclusionary language in private passenger auto policies. The NCOIL DNC model addresses this with a narrowly defined “delivery available period”:

“Delivery Available Period” means the period:

- (1) when a Driver has logged on to a Digital Network and is available to receive requests to provide Delivery Services from a Delivery Network Company,*
- (2) is operating a Personal Vehicle, and*
- (3) is not providing Delivery Services or operating in the Delivery Service Period.*

Senate Bill 35 goes one step further by narrowing an insurer's right to exclude coverage to the "delivery service" period and would effectively transfer the risk for a commercial activity (the driver being available for hire as a delivery driver) to all private passenger automobile policyholders. Most of whom will never participate on a DNC platform.

In addition, the bill would apply liability limits for DNC that are much higher than what the model calls for and other states have implemented. The bill also makes a significant change in the TNC law, preventing TNCs from rejecting UM and UIM coverage. APCIA takes no position on required limits, considering them a public policy issue for the states to decide, we do support the NCOIL models, and believe its requirements are reasonable.

For these reasons, APCIA urges the committee to reject language attempting to combine TNC and DNC insurance requirements and instead evaluate delivery-specific legislation consistent with the NCOIL Delivery Network Company Insurance Model Act, which is attached to this letter. If the legislature chooses not to do so, the "Delivery Available Period" definition should be included as for the required coverage and also be included in the insurers right to exclude coverage, consistent with the approach taken in other states.

We appreciate the opportunity to share our perspective and stand ready to serve as a resource as you consider approaches that better reflect the distinct risks associated with delivery network operations.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Laura Curtis".

Laura Curtis
Vice President, State Government Relations

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National Council of Insurance Legislators (NCOIL)

Delivery Network Company (DNC) Insurance Model Act

**Sponsored by Rep. Bart Rowland (KY)*

**Co-sponsored by Del. Steve Westfall (WV)*

**Adopted by the NCOIL Property & Casualty Insurance Committee on November 18, 2022 and the NCOIL Executive Committee on November 19, 2022.*

Section 1. Definitions

- (a) "Delivery Network Company" or "DNC" means a corporation, partnership, sole proprietorship, or other entity that operates in [State] and uses a digital network to connect a Delivery Network Company Customer to a Delivery Network Driver to provide Delivery Services. A DNC shall not be deemed to control, direct, or manage the Personal Vehicles or Delivery Network Drivers that connect to its Digital Network, except where agreed to by written contract.
- (b) "Delivery Network Company Customer" or "Customer" means a person who orders the delivery of goods, where the Delivery Network Driver delivers such goods at the direction of the Customer.
- (c) "Delivery Network Driver" or "Driver" means an individual who provides Delivery Services through a DNC's Digital Network using a personal vehicle.
- (d) "Digital Network" means any online-enabled application, software, website, or system offered or utilized by a Delivery Network Company that enables deliveries with Delivery Network Drivers.
- (e) "Personal Vehicle" means a vehicle that is:

- (1) used by a Delivery Network Driver to provide delivery services via a Digital Network;
 - (2) owned, leased, or otherwise authorized for use by the Delivery Network Driver; and
- (f) “Delivery Available Period” means the period:
- (1) when a Driver has logged on to a Digital Network and is available to receive requests to provide Delivery Services from a Delivery Network Company,
 - (2) is operating a Personal Vehicle, and
 - (3) is not providing Delivery Services or operating in the Delivery Service Period.
- (g) "Delivery Services" means the fulfillment of delivery requests made by a Customer through a Digital Network, including the pickup of any good(s) and the delivery of the good(s) to a Customer by a Delivery Network Driver. Delivery Services may include a series of deliveries to different Customers.
- (h) “Delivery Service Period" means the period:
- (1) beginning when a Driver starts operating a Personal Vehicle enroute to pick up goods for a delivery or series of deliveries as documented via a Digital Network controlled by a Delivery Network Company,
 - (2) continuing while the Driver transports the requested deliveries, and
 - (3) ending upon delivery of the requested good(s) to (i) the Customer or the last Customer in a series of deliveries, or (ii) a location designated by the Delivery Network Company, including for purposes of returning the good(s).

Section 2. Interaction with Other Law

Nothing in this act limits the scope of federal or state law regarding delivery or transport of goods. Deliveries made under this act that are subject to such other law must also comply with the requirements of that law. In the event of a conflict between this act and another law dealing with the delivery or transport of goods, the other law prevails.

Section 3. Insurance Requirements

- (a) A Delivery Network Company shall ensure that, during the Delivery Available Period, if it applies, and during the Delivery Service Period, primary automobile liability insurance is in place that recognizes that the driver is a Delivery Network Driver or that does not exclude coverage for use of a personal vehicle to provide deliveries.
- (b) During the Delivery Service Period and Delivery Available Period, the Delivery Network Driver, Delivery Network Company, or any combination of the two shall maintain insurance that insures the driver for liability to third parties of not less than \$50,000 for damages arising out of bodily injury sustained by any one person in an accident, of not less than \$100,000 for damages arising out of bodily injury sustained by all persons injured in an accident, and of not less than \$25,000 for all damages arising out of damage to or destruction of property in an accident.

Drafting Note: Reference by statute all other state mandated coverages for motor vehicles by state financial responsibility law, UM/UIM, Med Pay, NF and/or PIP.

- (c) If the insurance coverage maintained by a Delivery Network Driver pursuant to subsections a. and b. of this section has lapsed or does not provide the required coverage, insurance maintained by the Delivery Network Company shall provide the coverage required by subsections a. and b. of this section beginning with the first dollar of a claim and the insurance maintained by the Delivery Network Company shall have the duty to defend the claim.
- (d) Coverage under an automobile insurance policy maintained by the Delivery Network Company shall not be dependent upon another motor vehicle liability insurer first denying a claim, nor shall another motor vehicle liability insurance policy be required to first deny a claim.
- (e) Insurance coverage required by this section may be obtained from an insurance company duly licensed to transact business under the insurance laws of this State or by an eligible surplus lines broker under (cite surplus lines law).
- (f) The coverage required pursuant to subsections a. and b. of this section shall be deemed to meet the (cite state financial responsibility law).
- (g) A Delivery Network Driver shall carry proof of insurance required pursuant to subsections a. and b. of this section at all times while using a Personal Vehicle in connection with a Digital Network. In the event of an accident, a Delivery Network Driver shall, upon request, provide insurance coverage information to the directly interested parties, automobile insurers, and investigating law enforcement officers.

The insurance coverage information may be displayed or provided in either paper or electronic form as provided in (cite state law on proof of auto insurance). A Delivery Network Driver shall, upon request, disclose to the directly interested

parties, automobile insurers, and investigating law enforcement officers whether the Driver was operating during the Delivery Available Period or the Delivery Service Period at the time of the accident.

- (h) In a claims coverage investigation, a Delivery Network Company or its insurer shall cooperate with all insurers that are involved in the claims coverage investigation to facilitate the exchange of information and shall immediately provide upon request by directly involved parties or any insurer the precise times that a Delivery Network Driver began and ended the Delivery Available Period and/or the Delivery Service Period on the Delivery Network Company's Digital Network in the twelve-hour period immediately preceding the accident and in the twelve-hour period immediately following the accident. Insurers potentially providing the coverage required in Section 3 shall disclose upon request by any other such insurer involved in the particular claim, the applicable coverages, exclusions, and limits provided under any automobile insurance maintained in order to satisfy the requirements of Section 3.
- (i) The insurer or insurers of a Delivery Network Company providing coverage under subsections (a) and (b) shall assume primary liability for a claim when a dispute exists as to when the Delivery Available Period and/or the Delivery Service Period began or ended and the Delivery Network Company does not have available, did not retain, or fails to provide the information required by subsection g. of this section.

Section 4. Disclosures to Delivery Network Drivers

A Delivery Network Company shall not permit a Delivery Network Driver to engage in Delivery Services on the DNC's Digital Network until the DNC discloses in writing to the Driver:

- (a) the insurance coverage, including the types of coverage and the limits for each coverage, that the Delivery Network Company provides while the Driver uses a Personal Vehicle in connection with a Delivery Network Company's Digital Network and
- (b) that the Driver's own automobile insurance policy might not provide any coverage during the Delivery Available Period, if it applies, or the Delivery Service Period.

Section 5. Exclusions in Motor Vehicle Liability Insurance Policies

- (a) An authorized insurer that writes motor vehicle liability insurance in the State may exclude any and all coverage and the duty to defend or indemnify for any injury or loss that occurs during the Delivery Available Period and the Delivery Service Period, including but not limited to:
 - (1) liability coverage for bodily injury and property damage,

- (2) personal injury protection coverage as defined in [CITE STATUTE],
 - (3) uninsured and underinsured motorist coverage,
 - (4) medical payments coverage,
 - (5) comprehensive physical damage coverage, and
 - (6) collision physical damage coverage.
- (b) Nothing in this Act invalidates or limits an exclusion contained in a motor vehicle liability insurance policy, including any insurance policy in use or approved for use that excludes coverage for motor vehicles used for delivery or for any business use.
- (c) Nothing in this Act invalidates, limits or restricts an insurer's ability under existing law to underwrite any insurance policy. Nothing in this Act invalidates, limits or restricts an insurer's ability under existing law to cancel and non-renew policies.
- (d) A motor vehicle liability insurer that defends or indemnifies a claim against a Delivery Network Driver that is excluded under the terms of its policy shall have the right to seek recovery against the insurer providing coverage under subsections 3(a) and 3(b) if the claim:
- (1) occurs during the Delivery Available Period or the Delivery Service Period and
 - (2) is excluded under the terms of its policy.

Section 6. Effective Date

This act shall take effect on (date at least 12 months from enactment).