

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 3/23/26

Referred: Rules

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 may not waive the coverage** [;

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

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

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

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

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

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

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

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

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

29 (i) If the insurance carrier for the [TRANSPORTATION NETWORK]
30 company makes a payment for a claim for physical damage to a personal vehicle that
31 is subject to a lien, the insurance carrier shall pay the claim jointly to the owner of the

1 personal vehicle and the primary lienholder or directly to the business repairing the
2 personal vehicle.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30 (1) does not unilaterally prescribe specific hours during which a driver
 31 **or courier** shall be logged onto the digital network of the [TRANSPORTATION

1 NETWORK] company;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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