

**SB**

**58**

<TARGET><BILL>SB 58</BILL><SUBJECT>SB  
58</SUBJECT><COMM>SSTA29</COMM></TARGET>

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# SENATE COMMITTEE REPORT

DATE: 4/13/15

FURTHER: Rules  
 DATE TURNED IN TO OFFICE: 4/14/15

State Affairs Committee considered SENATE BILL NO. 58

## SB 58-TRANSPORT NETWORK SVES. & WORKERS COMP

"An Act relating to workers' compensation and transportation network companies; and providing for an effective date."

and recommends:

- be replaced with CS SCS/CS- Forthcoming (STA)  Same Title  New Title
- adopt previous CS \_\_\_\_\_ (\_\_\_\_\_)  Same Title  New Title
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

Dept Abbr.	
ADM	LWF
CED	LAW
COR	LEG
EED	MVA
DEC	DNR
DFG	DPS
GOV	REV
DHS	DOT
AJS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
LWF			✓	1
ADM			✓	2

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Coghill	✓			
	Huggins	✓			
	McGuire	✓			
	Wielechawski				
CHAIR:	Stoltze				

# ALASKA STATE LEGISLATURE

## SENATE STATE AFFAIRS COMMITTEE

Senator Bill Stoltze, Chair  
State Capitol, Room 125  
Juneau, AK 99801-1182  
Phone (907) 465-4958  
Fax (907) 465-4928



Official Business

Members:

Sen. John Coghill, Vice Chair  
Sen. Charlie Huggins  
Sen. Lesil McGuire  
Sen. Bill Wielechowski

### ***Sponsor Statement for CS Senate Bill 58 (L&C)***

*By the Senate State Affairs Committee, by Request*

“An Act relating to transportation network companies and drivers; relating to transportation network company and driver automobile insurance; relating to workers’ compensation for horse carriage services and transportation network company drivers; and providing for an effective date.”

Senate Bill 58 establishes insurance requirements for transportation network companies, and a workers’ compensation exemption for individuals who operate a motor vehicle under a service agreement with a transportation network company.

Recently emerging in Alaska, transportation network companies provide services by connecting passengers to drivers through a digital network, commonly in the form of a mobile device application. Establishing insurance requirements for transportation network companies will provide clarity for transportation network companies to effectively operate and ensure the safety of drivers and riders.

Additionally, under existing statute, taxi companies are allowed an exemption from the Workers’ Compensation Act, which creates an unfair advantage over transportation network companies. Senate Bill 58 is intended to provide equal treatment between taxis and transportation network companies.

The communities of Chugiak and Eagle River have desperately sought transportation options without success. Hopefully, this small piece of the solution will allow municipalities, including Anchorage, the ability to facilitate unmet transportation needs for all Alaskans.

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Sen. Bill Wielechowski

### *Sectional Analysis: CS for Senate Bill 58 (L&C)*

*By the Senate State Affairs Committee, by Request*

“An Act relating to transportation network companies and drivers; relating to transportation network company and driver automobile insurance; relating to workers’ compensation for horse carriage services and transportation network companies; and providing for an effective date.”

**Section 1:** Amends AS 21.96 by adding a new section

#### **21.96.018 Transportation network company insurance provisions**

Insurers may exclude coverage offered under a policy of an owner or operator of a personal vehicle while logged onto a transportation network company digital network or engaged in a prearranged ride. Exclusions of this section apply regardless of the requirements under AS 28.20. This section does not require or preclude a personal automobile insurance policy to provide coverage while the driver is logged onto the network or engaged in a prearranged ride. Holds insurers not liable for excluding coverage of under a personal insurance policy while logged onto a digital network or engaging in a prearranged ride. Requires cooperation of transportation network companies and insurers during a claims investigation.

**Section 2:** Amends AS 21.96 by adding new section to provide the following definitions:

- Digital network
- Personal vehicle
- Prearranged ride
- Transportation network company
- Transportation network company driver
- Transportation network company rider

**Section 3:** Amends AS 23.30.230(a) by adding new language to exempt transportation network company drivers and horse carriage operator from the Workers’ Compensation Act.

**Section 4:** Amends AS 23.30.230(c) by adding new definitions.

**Section 5:** Amends AS 28 by adding a new chapter

**Chapter 23 Transportation Network Companies and Drivers**

**AS 28.23.010. Financial Responsibility of transportation network companies.**

Requires either the transportation network company driver or transportation network company on behalf of the driver to maintain primary automobile insurance while logged onto the digital network or while engaging in a prearranged ride. Institutes insurance requirements for when drivers are logged into a digital network and engaging in a prearranged ride. Requires the transportation network company to provide insurance if the driver's insurance has lapsed.

Required insurance may be placed with an insurer licensed under AS 21.09.010 or AS 21.34.

Insurance requirements of this section satisfy the requirements of AS 28.20. Requires proof of insurance.

**AS 28.23.015. Transportation network company automobile insurance disclosures.**

Requires a transportation network company to disclose in writing to transportation network company drivers the insurance coverage provided while the driver uses a personal vehicle in connection to a digital network or while engaged in a prearranged ride, and that the driver's personal insurance may not provide coverage when logged onto a digital network or engaging in a prearranged ride.

**AS 28.23.200 Definitions**

Provides new definitions for AS 28.23.

**Section 6:** Applicability clause.

**Section 7:** Retroactivity clause.

**Section 8:** Section 5 effective date

**Section 9:** Immediate effective date for all sections excluding section 8.

# ALASKA STATE LEGISLATURE

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Phone (907) 465-4958  
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Official Business

Members:  
Sen. John Coghill, Vice Chair  
Sen. Charlie Huggins  
Sen. Lesil McGuire  
Sen. Bill Wielechowski

April 14, 2015  
Bill Packet Information

### **SB 58 TRANSPORT NETWORK SVES. & WORKERS COMP**

*<Previously Scheduled but Not Heard on 4/2/2015>*

- Sponsor Statement
- **Workdraft CS(STA) for SB 58 - Version P**
- Sectional Analysis - Version N
- SB 58 CS(L&C) - Version N
- SB 58 Version A - Initial Version
- Supporting Documents:
  - Letter Chugiak-Eagle River Chamber of Commerce 2-19-15
  - MOA Bus Service Change Proposal - 2015
- Fiscal Notes:
  - #1 - DOA-DMV 4-10-15 (Zero)
  - #2 - DOLWD-WC 2-27-15 (Zero)

### **SB 89 PARENT RIGHTS: EDUCATION; SCHOOL ABSENCE**

*<Previously Scheduled but Not Heard on 4/9/2015>*

- Sponsor Statement
- Explanation of Changes from (S)EDC to (S)STA Workdraft
- **Workdraft CS(STA) for SB 58 - Version G**
- Sectional Summary by Legal Services - Version I
- CS for SB 89(EDC) - Version I
- SB 89 - Initial Version
- Supporting Documents:
  - Emails of Support to SSTA from 4/8 to 4/13 (37)
  - Emails of Opposition to SSTA from 4/8 to 4/13 (66)
  - Emails of Support to SEDC Committee (19)
  - Emails of *Support & Opposition* from SEDC Committee (104)
- \* Fiscal Note:
  - EED-SSA 4-10-15 (Zero)

**SB 74      MEDICAID REFORM/PFD/HSAS/ER USE/STUDIES**

*<Previously Scheduled & Heard on 4/13/2015>*

**No additional documents at this time**

**SB 67      PUBLIC EMPLOYEE ROTH CONTRIBUTIONS**

- Governor's Transmittal Letter 3-3-15
- Sectional Analysis by Department of Administration
- SB 67 version A
- Supporting Documents:
  - FAQ Sheet: Roth 457
  - DOA Press Release 3-12-15
- Fiscal Note:
  - #1 - DOA-DRB 2-17-15 (Zero)

**SB 9      ELECTION PAMPHLETS**

*<Previously Scheduled & Heard on 2/26/2015>*

**No additional documents at this time**

*<Bills Previously Heard/Scheduled>*

29-LS0616P  
Wallace  
4/13/15

**CS FOR SENATE BILL NO. 58(STA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATE STATE AFFAIRS COMMITTEE BY REQUEST

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to transportation network companies and drivers; relating to**  
2 **transportation network company and driver automobile insurance; relating to workers'**  
3 **compensation for horse carriage services and transportation network company drivers;**  
4 **and providing for an effective date."**

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

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

7 **Sec. 21.96.018. Transportation network company insurance provisions. (a)**

8 Insurers that write automobile insurance in the state may exclude any and all coverage  
9 offered under the policy issued to an owner or operator of a personal vehicle for any  
10 loss or injury that occurs while a driver is logged onto the digital network of a  
11 transportation network company or while a driver provides a prearranged ride. The  
12 right to exclude all coverage may apply to any coverage included in an automobile  
13 insurance policy, including

14 (1) liability coverage for bodily injury and property damage;

- 1 (2) personal injury protection coverage;
- 2 (3) uninsured and underinsured motorist coverage;
- 3 (4) medical payments coverage;
- 4 (5) comprehensive physical damage coverage; and
- 5 (6) collision physical damage coverage.

6 (b) Exclusions under (a) of this section apply notwithstanding any requirement  
7 under AS 28.20. Nothing in this section implies or requires that a personal automobile  
8 insurance policy provide coverage while the driver is logged onto the digital network  
9 of a transportation network company, while the driver is engaged in a prearranged  
10 ride, or while the driver otherwise uses a personal vehicle to transport passengers for  
11 compensation.

12 (c) Nothing in this section precludes an insurer from providing coverage for  
13 the personal vehicle of a transportation network company driver if the insurer chooses  
14 to provide coverage by contract or endorsement.

15 (d) Automobile insurers that exclude coverage under (a) of this section do not  
16 have a duty to defend or indemnify any claim expressly excluded under (a) of this  
17 section. Nothing in this section may be considered to invalidate or limit an exclusion  
18 contained in a policy, including any policy in use or approved for use in this state  
19 before the enactment of this section, that excludes coverage for vehicles used to carry  
20 persons or property for a charge or available for hire by the public.

21 (e) An automobile insurer that defends or indemnifies a claim against a driver  
22 that is excluded under the terms of its policy shall have a right of contribution against  
23 other insurers that provide automobile insurance to the same driver in satisfaction of  
24 the coverage requirements of AS 28.23.010 at the time of loss.

25 (f) In a claims coverage investigation, a transportation network company and  
26 any insurer potentially providing coverage under AS 28.23.010 shall cooperate to  
27 facilitate the exchange of relevant information with directly involved parties and any  
28 insurer of the transportation network company driver, if applicable, including the  
29 precise times that a transportation network company driver logged onto and off of the  
30 digital network of a transportation network company in the 12-hour period  
31 immediately preceding and in the 12-hour period immediately following the accident

1 and disclose to one another a clear description of the coverage, exclusions, and limits  
2 provided under any automobile insurance maintained under AS 28.23.010.

3 \* **Sec. 2.** AS 21.96 is amended by adding a new section to read:

4 **Sec. 21.96.200. Definitions.** In this chapter,

5 (1) "digital network" means any online-enabled application, software,  
6 website, or system offered or used by a transportation network company that enables  
7 the prearrangement of rides with transportation network company drivers;

8 (2) "personal vehicle" means a motor vehicle that is used by a  
9 transportation network company driver and is owned, leased, or otherwise authorized  
10 for use by the transportation network company driver; "personal vehicle" does not  
11 include a taxi, limousine, or other commercial motor vehicle for hire;

12 (3) "prearranged ride" means transportation provided by a driver to a  
13 rider, beginning when a driver accepts a ride requested by a rider through a digital  
14 network controlled by a transportation network company, continuing while the driver  
15 transports a requesting rider, and ending when the last requesting rider departs from  
16 the personal vehicle; "prearranged ride" does not include shared expense carpool or  
17 vanpool arrangements or transportation provided using a taxi, limousine, or other  
18 commercial motor vehicle for hire;

19 (4) "transportation network company" means a corporation,  
20 partnership, sole proprietorship, or other entity operating in the state that uses a digital  
21 network to connect transportation network company riders to transportation network  
22 company drivers who provide prearranged rides; a transportation network company  
23 may not be considered to control, direct, or manage the personal vehicles or  
24 transportation network company drivers that connect to its digital network, except  
25 where agreed to by written contract,

26 (5) "transportation network company driver" or "driver" means an  
27 individual who

28 (A) receives connections to potential passengers and related  
29 services from a transportation network company in exchange for payment of a  
30 fee to the transportation network company; and

31 (B) uses a personal vehicle to offer or provide a prearranged

1 ride to riders upon connection through a digital network controlled by a  
2 transportation network company in return for compensation or payment of a  
3 fee;

4 (6) "transportation network company rider" or "rider" means an  
5 individual or person who uses a digital network of a transportation network company  
6 to connect with a transportation network company driver who provides prearranged  
7 rides to the rider in the driver's personal vehicle between points chosen by the rider.

8 \* Sec. 3. AS 23.30.230(a) is amended to read:

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

10 (1) a part-time baby-sitter;

11 (2) a cleaning person;

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

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

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

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

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

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

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

1 insurance" has the meaning given in AS 21.12.050; [AND]

2 (10) a person working as a qualified real estate licensee who performs  
3 services under a written contract that provides that the person will not be treated as an  
4 employee for federal income tax or workers' compensation purposes; in this  
5 paragraph, "qualified real estate licensee" means a person who is required to be  
6 licensed under AS 08.88.161 and whose payment for services is directly related to  
7 sales or other output rather than the number of hours worked;

8 (11) a person who operates a horse carriage service; and

9 (12) a transportation network company driver who provides a  
10 prearranged ride or is otherwise logged onto the digital network of a  
11 transportation network company as a driver.

12 \* Sec. 4. AS 23.30.230(c) is amended by adding new paragraphs to read:

13 (4) "digital network" means any online-enabled application, software,  
14 website, or system offered or used by a transportation network company that enables  
15 the prearrangement of rides with transportation network company drivers;

16 (5) "personal vehicle" means a motor vehicle that is used by a  
17 transportation network company driver and is owned, leased, or otherwise authorized  
18 for use by the transportation network company driver; "personal vehicle" does not  
19 include a taxi, limousine, or other commercial motor vehicle for hire;

20 (6) "prearranged ride" means transportation provided by a driver to a  
21 rider, beginning when a driver accepts a ride requested by a rider through a digital  
22 network controlled by a transportation network company, continuing while the driver  
23 transports a requesting rider, and ending when the last requesting rider departs from  
24 the personal vehicle; "prearranged ride" does not include shared expense carpool or  
25 vanpool arrangements or transportation provided using a taxi, limousine, or other  
26 commercial motor vehicle for hire;

27 (7) "transportation network company" means a corporation,  
28 partnership, sole proprietorship, or other entity operating in the state that uses a digital  
29 network to connect transportation network company riders to transportation network  
30 company drivers who provide prearranged rides; a transportation network company  
31 may not be considered to control, direct, or manage the personal vehicles or

1 transportation network company drivers that connect to its digital network, except  
2 where agreed to by written contract;

3 (8) "transportation network company driver" or "driver" means an  
4 individual who

5 (A) receives connections to potential passengers and related  
6 services from a transportation network company in exchange for payment of a  
7 fee to the transportation network company; and

8 (B) uses a personal vehicle to offer or provide a prearranged  
9 ride to riders upon connection through a digital network controlled by a  
10 transportation network company in return for compensation or payment of a  
11 fee;

12 (9) "transportation network company rider" or "rider" means an  
13 individual or person who uses a digital network of a transportation network company  
14 to connect with a transportation network company driver who provides prearranged  
15 rides to the rider in the driver's personal vehicle between points chosen by the rider.

16 \* **Sec. 5.** AS 28 is amended by adding a new chapter to read:

17 **Chapter 23. Transportation Network Companies and Drivers.**

18 **Sec. 28.23.010. Financial responsibility of transportation network**  
19 **companies.** (a) A transportation network company driver or transportation network  
20 company on behalf of the driver shall maintain primary automobile insurance that  
21 recognizes that the driver is a transportation network company driver or otherwise  
22 uses a vehicle to transport passengers for compensation and that covers the driver  
23 while the driver is logged onto the digital network of a transportation network  
24 company or while the driver is engaged in a prearranged ride.

25 (b) The following automobile insurance requirements shall apply while a  
26 participating transportation network company driver is logged onto the digital network  
27 of a transportation network company and is available to receive transportation requests  
28 but is not engaged in a prearranged ride:

29 (1) primary automobile liability insurance in the amount of at least  
30 \$50,000 for death and bodily injury for each person, \$100,000 for death and bodily  
31 injury for each incident, and \$25,000 for property damage;

1 (2) the coverage requirements of this subsection may be satisfied by  
2 any of the following:

3 (A) automobile insurance maintained by the transportation  
4 network company driver;

5 (B) automobile insurance maintained by the transportation  
6 network company; or

7 (C) any combination of (A) and (B) of this paragraph.

8 (c) The following automobile insurance requirements shall apply while a  
9 transportation network company driver is engaged in a prearranged ride:

10 (1) primary automobile liability insurance that provides at least  
11 \$1,000,000 for death, bodily injury, and property damage;

12 (2) the coverage requirements of this subsection may be satisfied by  
13 any of the following:

14 (A) automobile insurance maintained by the transportation  
15 network company driver;

16 (B) automobile insurance maintained by the transportation  
17 network company; or

18 (C) any combination of (A) and (B) of this paragraph.

19 (d) If insurance maintained by a driver under (b) or (c) of this section has  
20 lapsed or does not provide the required coverage, insurance maintained by a  
21 transportation network company must provide the coverage required by this section  
22 beginning with the first dollar of a claim, and the transportation network company  
23 insurer has the duty to defend that claim.

24 (e) Coverage under an automobile insurance policy maintained by the  
25 transportation network company may not be dependent on a personal automobile  
26 insurer first denying a claim nor shall a personal automobile insurance policy be  
27 required first to deny a claim.

28 (f) Insurance required by this section may be placed with an insurer licensed  
29 under AS 21.09.010 or with a surplus lines insurer eligible under AS 21.34.

30 (g) Insurance satisfying the requirements of this section shall be considered to  
31 satisfy the financial responsibility requirement for a motor vehicle under AS 28.20.

1 (h) A transportation network company driver shall carry proof of coverage  
2 under (b) and (c) of this section with the driver at all times during the driver's use of a  
3 vehicle in connection with a digital network of a transportation network company. In  
4 the event of an accident, a transportation network company driver shall provide the  
5 insurance coverage information to the directly interested parties, automobile insurers,  
6 and investigating police officers upon request under AS 28.22.019. Upon that request,  
7 a transportation network company driver shall also disclose to directly interested  
8 parties, automobile insurers, and investigating police officers whether the driver was  
9 logged onto the digital network of a transportation network company or on a  
10 prearranged ride at the time of an accident.

11 **Sec. 28.23.015. Transportation network company automobile insurance**  
12 **disclosures.** A transportation network company shall disclose in writing to  
13 transportation network company drivers the following before the drivers are allowed  
14 to accept a request for a prearranged ride on the digital network of the transportation  
15 network company:

16 (1) the insurance coverage, including the types of coverage and the  
17 limits for each coverage, that the transportation network company provides while the  
18 transportation network company driver uses a personal vehicle in connection with a  
19 transportation network company's digital network; and

20 (2) that the automobile insurance policy of the transportation network  
21 company driver might not provide any coverage while the driver is logged onto the  
22 digital network of a transportation network company and is available to receive  
23 transportation requests or is engaged in a prearranged ride, depending on the terms of  
24 the automobile insurance policy of the driver.

25 **Sec. 28.23.200. Definitions.** In this chapter,

26 (1) "digital network" means any online-enabled application, software,  
27 website, or system offered or used by a transportation network company that enables  
28 the prearrangement of rides with transportation network company drivers;

29 (2) "personal vehicle" means a motor vehicle that is used by a  
30 transportation network company driver and is owned, leased, or otherwise authorized  
31 for use by the transportation network company driver; "personal vehicle" does not

1 include a taxi, limousine, or other commercial motor vehicle for hire;

2 (3) "prearranged ride" means transportation provided by a driver to a  
3 rider, beginning when a driver accepts a ride requested by a rider through a digital  
4 network controlled by a transportation network company, continuing while the driver  
5 transports a requesting rider, and ending when the last requesting rider departs from  
6 the personal vehicle; "prearranged ride" does not include shared expense carpool or  
7 vanpool arrangements or transportation provided using a taxi, limousine, or other  
8 commercial motor vehicle for hire;

9 (4) "transportation network company" means a corporation,  
10 partnership, sole proprietorship, or other entity operating in the state that uses a digital  
11 network to connect transportation network company riders to transportation network  
12 company drivers who provide prearranged rides; a transportation network company  
13 may not be considered to control, direct, or manage the personal vehicles or  
14 transportation network company drivers that connect to its digital network, except  
15 where agreed to by written contract;

16 (5) "transportation network company driver" or "driver" means an  
17 individual who

18 (A) receives connections to potential passengers and related  
19 services from a transportation network company in exchange for payment of a  
20 fee to the transportation network company; and

21 (B) uses a personal vehicle to offer or provide a prearranged  
22 ride to riders upon connection through a digital network controlled by a  
23 transportation network company in return for compensation or payment of a  
24 fee;

25 (6) "transportation network company rider" or "rider" means an  
26 individual or person who uses a digital network of a transportation network company  
27 to connect with a transportation network company driver who provides prearranged  
28 rides to the rider in the driver's personal vehicle between points chosen by the rider.

29 \* Sec. 6. The uncodified law of the State of Alaska is amended by adding a new section to  
30 read:

31 **APPLICABILITY.** Sections 3 and 4 of this Act apply to all claims or proceedings

1 pending on or after the effective date of secs. 3 and 4 this Act relating to acts or injuries  
2 occurring before, on, or after the effective date of secs. 3 and 4 this Act.

3 \* **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to  
4 read:

5 **RETROACTIVITY.** Sections 3, 4, and 6 of this Act are retroactive to January 1, 2014.

6 \* **Sec. 8.** Section 5 of this Act takes effect July 1, 2015.

7 \* **Sec. 9.** Except as provided in sec. 8 of this Act, this Act takes effect immediately under  
8 AS 01.10.070(c).

Chugiak-Eagle River Chamber of Commerce  
CER Town Center~12001 Business Blvd. Suite 108  
PO BOX 770353  
Eagle River, AK 99577  
907-694-4702 info@cer.org



February 19, 2015

Senator Anna Mackinnon  
Senator Bill Stoltze  
Representative Dan Saddler  
Representative Lora Reinbold  
Representative Cathy Tilton

RE: SB 58 and HB 120 Support for Transportation Network Services

The Chugiak-Eagle River Chamber requests the Alaska State Legislature to implement public policies and regulations this session that support innovative solutions to community transportation challenges.

Our organization has been on record for many years voicing frustration with the antiquated taxi industry as it exists within the Municipality of Anchorage. The truth is that the taxi industry doesn't serve the residents of Chugiak-Eagle River, or Girdwood, or any outlying area well. Under the current Title 11, it makes no sense for the taxi industry to maintain a consistent presence in our community. Most taxis choose to stay in the Anchorage bowl, where they can rely on lucrative fares to the airport. We have a population of 35,000 and no reliable or convenient intra or inter-community transportation.

This situation serves taxis and taxi companies quite well. But it doesn't serve riders in Chugiak-Eagle River or other outlying areas, where limited public transportation options make an already untenable situation worse. And it doesn't serve Anchorage small businesses, which are denied potential customers that cannot find a reliable ride downtown.

In short, we're all paying the price for a lack of reliable transportation options. With the exception of a handful of medallion owners, the system we have is not serving people as well as it could. We support the creation of opportunities to incentivize innovative companies, such as Uber, that already operate successfully in over 200 cities in the U.S. and 47 countries to date.

Companies such as Uber bring modern technology and efficiencies to a market where it is sorely lacking. Where demand exists for a ride, these "application platform companies" can help find it and link nearby drivers to service that demand. As drivers come on board, people looking for transportation solutions can reliably find one whenever and wherever they want. With more choice and competition comes more opportunities to start and grow a small business. Safety measures are in place to protect both the drivers and the passengers. Uber type companies offer drivers the freedom and flexibility to partner with an online platform, but only after passing a rigorous background check (folks with DUI's need not apply) and a vehicle inspection that ensures only the safest rides are on the road.

Companies such as Uber mean more choice, more competition and more economic opportunity in Anchorage. It also meets a long-neglected need of folks in places like Chugiak-Eagle River for safe, reliable and affordable transportation options. It's a win for riders, a win for drivers and a win for the Anchorage economy -- a highly unusual win-win-win.

We welcome the opportunity to work with our legislators to introduce this platform to Alaska. We in Chugiak-Eagle River have a great deal to win -- and we will definitely continue to lose if things stay the same.

Sincerely,  
*Susan Gorski*  
Susan Gorski  
Executive Director

# June 2015 Service Change



## Summary of Proposed Service Changes by Route

### **2 Lake Otis**

**Sun**

Travel times are modified to improve on-time performance.

### **3 Northern Lights**

**All days**

Travel times are modified to improve on-time performance.

### **7 Spenard/Airport → Mon-Fri, Sun**

Travel times are modified to improve on-time performance.

### **8 Northway**

**All days**

Service is realigned off Reeve Blvd to travel along Commercial Drive and Mountain View Drive to serve the Glenn Square shopping center. A map of the realignment is provided on the page 4. Travel times are modified to improve on-time performance.

### **13 University/Hospitals**

**Mon-Fri**

Service span is reduced due to low ridership.

### **15 15th Ave/DeBarr**

**Mon-Fri**

Service span is increased in the evening. Travel times are modified to improve on-time performance.

### **36 West Anchorage**

**All days**

Service is realigned off the segment between Northwood and Minnesota to travel along Spenard Road. A map of the realignment is provided on the page 5. Travel times are modified to improve on-time performance.

### **36 West Anchorage**

**Mon-Fri**

Service span is reduced due to low ridership.

### **45 Mountain View**

**Mon-Fri, Sat**

Frequency is improved in the evening weekdays and on Saturday due to high ridership.

### **45 Mountain View**

**All days**

Travel times are modified to improve on-time performance.

### **60 Old Seward**

**Sat**

Travel times are modified to improve on-time performance.

### **75 Tudor**

**Mon-Fri, Sun**

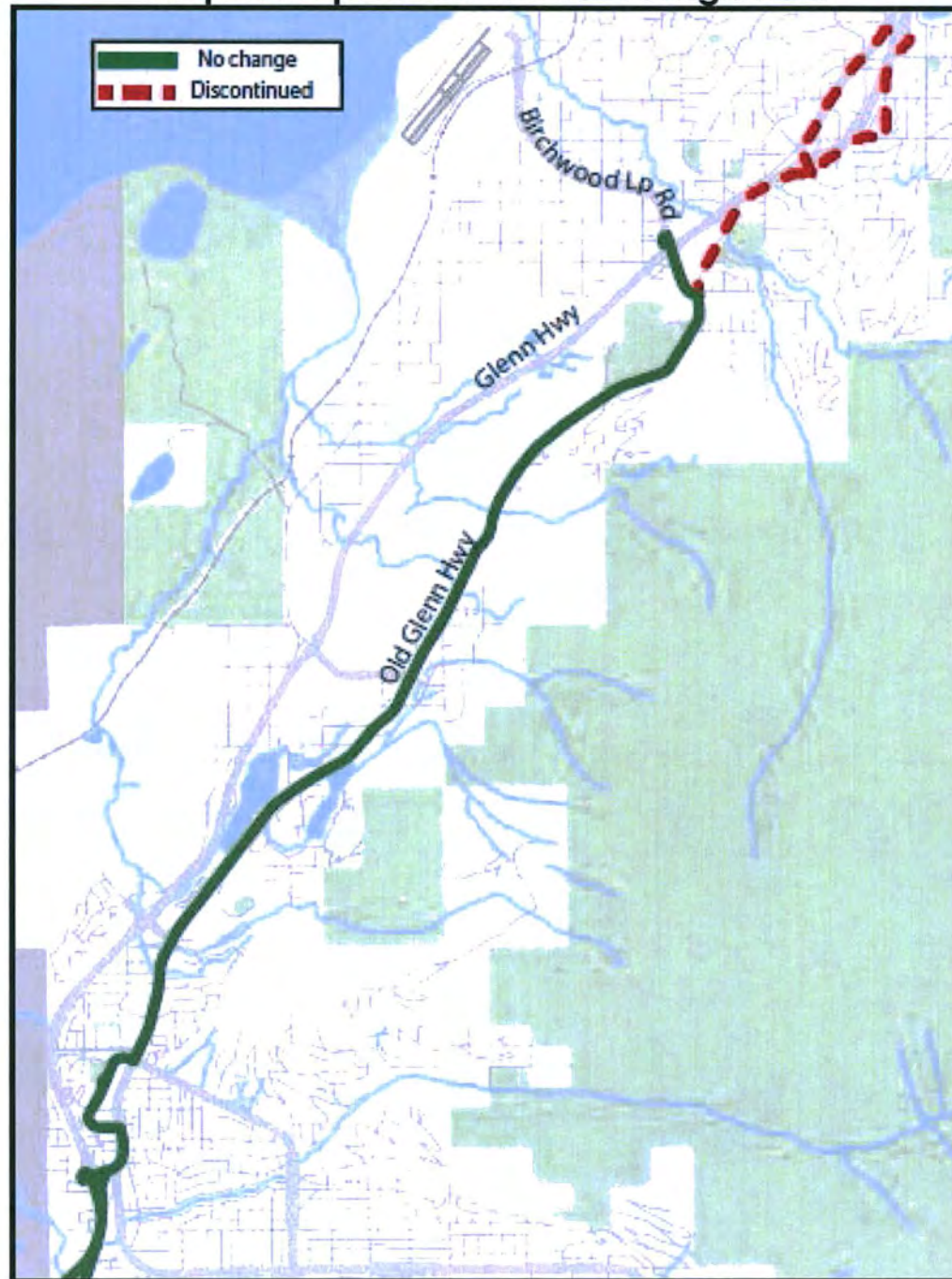
Travel times are modified to improve on-time performance.

### **102 Eagle River**

**Mon-Fri**

Service will terminate at the North Birchwood Park & Ride. A map of the realignment is provided on the page 6. Travel times are modified to improve on-time performance.

# Map of Proposed Route 102 realignment



# Fiscal Note

State of Alaska  
2015 Legislative Session

Bill Version:	CSSB 58(L&C)
Fiscal Note Number:	1
(S) Publish Date:	4/13/2015

Identifier: SB058-DOA-DMV-04-10-15  
 Title: TRANSPORT NETWORK SVES. & WORKERS  
       COMP  
 Sponsor: STATE AFFAIRS  
 Requester: Senate State Affairs

Department: Department of Administration  
 Appropriation: Motor Vehicles  
 Allocation: Motor Vehicles  
 OMB Component Number: 2348

**Expenditures/Revenues**

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

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates					
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
Part-time								
Temporary								

**Change in Revenues**

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**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2016) cost:** 0.0 *(separate capital appropriation required)*  
*(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:**

Not applicable. Initial version.
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Prepared By: Amy Erickson, Director	Phone: (907)269-5574
Division: Motor Vehicles	Date: 04/10/2015 12:35 PM
Approved By: Sheldon Fisher, Commissioner	Date: 04/10/15
Agency: Department of Administration	

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2015 LEGISLATIVE SESSION

**Analysis**

SB 58 will allow automobile insurers to exclude coverage for any loss or injury incurred while a driver is logged into a digital network of a transportation network company, or while a driver provides a pre-arranged ride.

The bill also includes definitions of a digital network, personal vehicle, prearranged ride, transportation network company, driver, and rider.

This bill does not require DMV to do anything new. Therefore, the bill has no fiscal impact on DMV.

# Fiscal Note

State of Alaska  
2015 Legislative Session

Bill Version:	CSSB 58(L&C)
Fiscal Note Number:	2
(S) Publish Date:	4/13/2015

Identifier: SB058-DOLWD-WC-2-27-15  
 Title: TRANSPORT NETWORK SVES. & WORKERS  
 COMP  
 Sponsor: STATE AFFAIRS  
 Requester: Senate Labor and Commerce

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)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates					
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
Part-time								
Temporary								

**Change in Revenues**

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**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2016) cost:** 0.0 *(separate capital appropriation required)*  
*(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:**

Prepared By:	Michael Monagle, Director	Phone:	(907)465-6059
Division:	Workers' Compensation	Date:	02/27/2015 01:00 PM
Approved By:	Heidi Drygas, Commissioner	Date:	02/27/2015
Agency:	Commissioner's Office		

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2015 LEGISLATIVE SESSION

**Analysis**

SB58 will not impact the operational expenditures or revenues of the Division of Workers' Compensation, or the Department of Labor and Workforce Development.