



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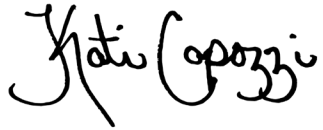
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We urge the Legislature to address these concerns and avoid adding further complexity that could disrupt a valuable service for Alaska communities. Thank you for considering the Alaska Chamber's comments.

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