

March 5, 2024

Representative Kevin McCabe, Chair House Resources Committee

Re: House Bill 376, Delivery Network Companies

Dear Chair McCabe, and members of the House Transportation Committee,

The Alaska Chamber (the Chamber) writes in support of House Bill 376, an act relating to transportation network and delivery network companies.

The Alaska Chamber was founded in 1953 and is Alaska's most diverse 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, directly 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.

Currently, there is ambiguity in the statutes which poses a threat to the continued operation of delivery network companies in Alaska. House Bill 376 seeks to address the policy inconsistencies and improve the working standards of delivery drivers in Alaska. It would also align the status of delivery drivers with that of rideshare drivers.

The current distinction between rideshare and delivery drivers in relation to workers' compensation does not reflect the fluid nature of their roles, where drivers often switch between passenger transportation and goods delivery. This creates needless uncertainty and inconsistency in the application of state law, undermining the flexibility and supplemental income opportunities that platform workers rely on. 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. HB376 is a free enterprise and good-for-business bill, and we encourage swift passage. Thank you for considering the Alaska Chamber's comments.

Sincerely,

Kati Capozzi President and CEO







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