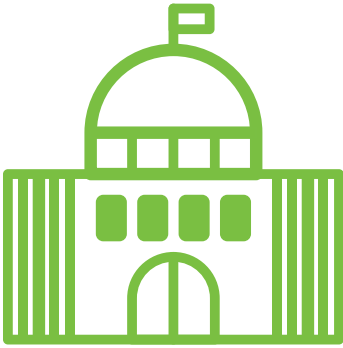


THIRD PARTY DELIVERY REGULATION

A food delivery platform shall not arrange for the delivery of an order from a food facility without first obtaining an agreement with the food facility expressly authorizing the food delivery platform to take orders and deliver meals prepared by the food facility.

Legislative Requests:

- Require that the relationship between the restaurant and delivery service and any delivery personnel is clearly defined.
- Require a contractual relationship between third-party delivery services and restaurants they claim to represent online, with a fine or sanction system.
- Require that no third-party food delivery service shall use the likeness, registered trademark, any intellectual property belonging to a food service establishment, or the name of such food service establishment to advertisement such third-party food delivery service without obtaining written consent from the food service establishment to use the likeness, trademark, or other intellectual property, or name of the merchant.
- Require proof of insurance by the third-party delivery service and for any driver it utilizes, including the requirement of clear vehicle ownership by the driver or service.
- Require that the restaurant be listed as an additional insured.
- Require the third-party delivery service and its drivers to actively disclaim any agency relationship with the restaurant.
- Require strong indemnification terms in contracts which provide for a full shift of responsibility to the third-party delivery service for any claims arising from a consumer's use of the services.
- Liability assurances that if a third-party delivery person is in an accident, the liability is on the driver and/or the third party delivery company and not the restaurant.
- Background checks on all drivers.



Predatory business practices will not be allowed.

- Third-party delivery shall share customer data with restaurants for orders related to that restaurant.
- A third-party food delivery service shall disclose to a customer purchasing food or beverages from a food service establishment through the third-party delivery service, in plain and simple language and in a conspicuous manner, any commission, fee or other monetary payment imposed by the third-party delivery service on the food service establishment in connection with the food service establishment utilizing the third-party delivery service. The disclosure shall be made before the transaction occurs, when the purchase price is disclosed to the customer.
- If it is not feasible for the third-party food delivery service to calculate the total commission actually attributable to the specific transaction, because that information is not available in real time or because the commission depends on factors such as sales volume, dollar volume, distance travelled, or periodic fixed charges such as an annual fee, the third-party food delivery service shall disclose a good-faith estimate of the commission, as a dollar amount, a percentage, an average percentage or a range of percentages, based on the most recent periodic payout from the third-party food delivery service to the food service establishment. It shall not be required that the third-party food delivery service specify what period of time is covered by the disclosure.
- Opt-out provision. Any food service establishment may decline to disclose to customers the commission charged by a third-party delivery service.
- It shall be unlawful for third-party food delivery services to charge food service establishments a delivery fee per online order for the use of their services that totals more than 10% of the purchase price of each online order.
- It shall be unlawful for third-party food delivery services to charge food service establishments any fee or fees other than a delivery fee for the use of their service greater than 5% of the purchase price of each online order.
- Any fees or other charges from a third-party food delivery service to a food service establishment beyond such maximum 5% fee per order, and a delivery fee collected pursuant to subsection (1), are unlawful.
- It shall be unlawful for third-party food delivery services to reduce the compensation rates paid to the services delivery drivers, or to garnish gratuities, as a result of any fee limitations.



63% of restaurant prepared food is consumed outside of the restaurant.

THIRD PARTY DELIVERY REGULATION

Third party delivery services shall comply with industry standards with respect to food and beverage handling.



Food Handling:

- Require compliance with industry standards for safe food handling, including temperature maintenance and procedures to follow in case a customer is unavailable to take the delivery of an order at the time specified.
- Partner with a third-party delivery service that uses tracking technology so the “chain of custody” can be firmly established to aid in the defense of food-borne illness cases.
- Require equipment in cars to ensure time and temperature control of food to prevent spoilage.
- Require the interior floor, sides, and top of the food holding area shall be clean and capable of withstanding frequent cleaning.
- All bags or containers in which ready-to-eat foods are being transported or delivered from a food facility to a customer through a third-party food delivery platform shall be closed by the food facility with a tamper-evident method prior to the food deliverer, who transports and delivers ready-to-eat food for the third-party food delivery platform, taking possession of the ready-to-eat food.
- Require rules stating no animals or smoking in the car as well as no intermittent passenger pickups.
- Require Food-handler and alcohol service training for all delivery people.
- All liability is on third party delivery company once the food and/or beverages are handed over to driver – food has had appropriate holding times for delivery.
- Enforcement officers may recover from a third-party food delivery platform reasonable costs that are associated with the enforcement of this section against food deliverers who transport and deliver ready-to-eat food for the third-party food delivery platform.

Alcohol Handling:

- If alcohol is being delivered by a 3rd party—drivers must be 21 years old.
- If alcohol is being delivered by a 3rd party – there must be a system to ensure that they can legally transfer the alcohol and that they sign that the driver must confirm they took receipt of the alcohol before leaving the restaurant.
- Assurances that if the delivery driver hands alcohol to underage person or someone who is visibly intoxicated, the delivery company bears all responsibility.
- If alcohol is delivered, it is not handed to a visibly intoxicated or underage person. Third party carries insurance. Clarify that delivery is not “service” so DRAM is not required.
- Quality control to ensure that if alcohol is in the order and the driver takes control—that there is a paper trail proving they took control. (Don’t want one bottle disappearing and restaurant blamed.)
- Restaurant IDs driver and driver IDs customer - ensure customer ID matches order ID.

