A RESOLUTION TO BE SUBMITTED BY
LEGISLATORS LORIGO, GREENE, TODARO, AND MILLS

Re: Support Capping of 3rd Party Food Delivery Service Fees during a Declared Emergency

WHEREAS, third-party food delivery services, like Uber Eats and Door Dash, typically earn between ten and thirty percent commission per order from restaurants; and

WHEREAS, in some cases the commission is increased to forty percent if a restaurant requests marketing services, for example to be prioritized on an third-party food delivery service app; and

WHEREAS, during the course of the COVID-19 pandemic, when many restaurants and other food service establishments have seen a partial or complete ban on indoor dining issued by the Governor, third-party food delivery services have increased their commissions significantly. This has placed a tremendous amount of pressure on local service establishments who have been forced to rely on food delivery services for a significant portion of their business; and

WHEREAS, the New York State Senate recently passed a bill amending the general business law, in relation to third-party food delivery service charges, to provide some additional relief to food service establishments; and

WHEREAS, the New York State Assembly has yet to take up a companion bill for this potential law; and

WHEREAS, Local Law 8-1 (2020) was introduced to the Erie County Legislature on December 1st, 2020, in an attempt to provide similar relief; to date, no public hearing has been scheduled; and

WHEREAS, both laws would place a cap on fees delivery services could charge a food service establishment. The cap would be limited at twenty percent of the total amount of the order being delivered; and

WHEREAS, the cap on the delivery fee is to be repealed after 90 days from the end of the state of emergency declared under Executive Order number 202; and

WHEREAS, this honorable body should take additional action to assist the service industry, which was hit particularly hard by the emergence of COVID-19.

NOW, THEREFORE, BE IT

RESOLVED, that this honorable body hereby urges the New York State Assembly to submit, and pass, a companion bill to Senate Bill 1554B (2021); and, be it further
RESOLVED, that this body further urges Governor Andrew Cuomo to expeditiously sign the Bill into law when it is delivered to his desk; and, be it further

RESOLVED, certified copies of this Resolution be sent to Governor Andrew Cuomo, the Western New York Delegation to the New York State Senate and Assembly, and any other party deemed necessary and proper.

Fiscal Impact: None for resolution