First Regular Session Seventy-third General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House SENATE BILL 21-035

LLS NO. 21-0577.01 Yelana Love x2295

SENATE BILL 2

SENATE SPONSORSHIP

Rodriguez, Donovan, Gonzales, Lee, Liston, Moreno, Priola, Rankin

Bird,

HOUSE SPONSORSHIP

Senate Committees Business, Labor, & Technology Appropriations House Committees Business Affairs & Labor

A BILL FOR AN ACT

101 **CONCERNING RESTRICTIONS ON CERTAIN PRACTICES BY THIRD-PARTY**

102 FOOD DELIVERY SERVICES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <u>http://leg.colorado.gov.</u>)

The bill prohibits a third-party food delivery service from:

- Offering or arranging for the sale or the same-day delivery or same-day pickup of prepared food or beverages from a retail food establishment without a written agreement with the retail food establishment; or
- Reducing the compensation rate paid to a delivery service

HOUSE Amended 2nd Reading May 18, 2021





driver or withholding gratuities or tips to a retail food establishment, its staff, or any delivery service driver.

Be it enacted by the General Assembly of the State of Colorado: 1 2 SECTION 1. In Colorado Revised Statutes, add 8-4-124 as 3 follows: 4 8-4-124. Third-party food delivery services - prohibitions -5 penalties - definitions. (1) AS USED IN THIS SECTION, UNLESS THE 6 CONTEXT OTHERWISE REQUIRES: 7 8 "RETAIL FOOD ESTABLISHMENT" MEANS A RETAIL FOOD (a) 9 ESTABLISHMENT, AS DEFINED IN SECTION 25-4-1602 (14), THAT PAYS AN 10 ANNUAL LICENSE FEE AS REQUIRED BY SECTION 25-4-1607 (1)(a), 11 (1.5)(a)(I), OR (1.5)(b)(I). "RETAIL FOOD ESTABLISHMENT" DOES NOT 12 INCLUDE GROCERY STORES OR CONVENIENCE STORES. 13 "THIRD-PARTY DELIVERY SERVICE PLATFORM" MEANS A (b) 14 THIRD-PARTY FOOD DELIVERY SERVICE'S ONLINE OR MOBILE PLATFORM ON 15 WHICH A CONSUMER CAN VIEW AND ORDER AVAILABLE PRODUCTS. 16 "THIRD-PARTY FOOD DELIVERY SERVICE" MEANS ANY (c) 17 COMPANY OR WEBSITE, MOBILE APPLICATION, OR OTHER INTERNET 18 SERVICE THAT OFFERS OR ARRANGES FOR THE SALE AND SAME-DAY 19 DELIVERY OR SAME-DAY PICKUP OF PREPARED FOOD OR BEVERAGES FROM 20 A RETAIL FOOD ESTABLISHMENT. 21 (2) A THIRD-PARTY FOOD DELIVERY SERVICE SHALL NOT TAKE AND 22 ARRANGE FOR THE DELIVERY OR PICKUP OF AN ORDER FROM A RETAIL 23 FOOD ESTABLISHMENT WITHOUT THE RETAIL FOOD ESTABLISHMENT'S 24 CONSENT. 25

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(3) A RETAIL FOOD ESTABLISHMENT INCLUDED ON A THIRD-PARTY
DELIVERY SERVICE PLATFORM IN VIOLATION OF SUBSECTION (2) OF THIS
SECTION MAY BRING AN ACTION IN A COURT OF COMPETENT JURISDICTION
FOR DAMAGES, A CIVIL PENALTY NOT TO EXCEED ONE THOUSAND DOLLARS
PER VIOLATION, AND INJUNCTIVE RELIEF. THE PREVAILING PARTY IN AN
ACTION BROUGHT PURSUANT TO THIS SUBSECTION (3) IS ENTITLED TO
REASONABLE ATTORNEY FEES.

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9 **SECTION** <u>2.</u> Act subject to petition - effective date. This act 10 takes effect at 12:01 a.m. on the day following the expiration of the 11 ninety-day period after final adjournment of the general assembly; except 12 that, if a referendum petition is filed pursuant to section 1 (3) of article V 13 of the state constitution against this act or an item, section, or part of this 14 act within such period, then the act, item, section, or part will not take 15 effect unless approved by the people at the general election to be held in 16 November 2022 and, in such case, will take effect on the date of the 17 official declaration of the vote thereon by the governor.