

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, the Fair Meals Delivery Act of 2022 to prohibit a third-party meal delivery service from excluding any restaurant with whom the third-party meal delivery service has an agreement from a customer within 4 miles of a restaurant, to restrict third-party meal delivery services from reducing a restaurant's delivery radius below 4 miles based on the level or percentage of commissions paid, to restrict third-party meal delivery services from limiting driver availability based on the level or percentage of commissions paid, to require third-party meal delivery services to disclose, in plain language, all fees, commissions, and charges related to contracted services for covered restaurants, and to make other clarifying changes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Food Delivery Fees Transparency Emergency Amendment Act of 2023".

Sec. 2. The Fair Meals Delivery Act of 2022, effective March 10, 2023 (D.C. Law 24-292; D.C. Official Code § 48-651 *et seq.*), is amended as follows:

(a) The long title is amended by striking the word "platform" wherever it appears and inserting the word "service" in its place.

(b) Section 2 (D.C. Official Code § 48-651) is amended as follows:

(1) Paragraph (1) is amended by striking the word "platform" and inserting the word "service" in its place.

(2) Paragraph (2) is amended to read as follows:

"(2) "Core delivery service" means a service that lists a restaurant and makes the restaurant discoverable on all third-party meal delivery platforms where a third-party meal delivery service lists restaurants and facilitates or performs the delivery through employees or independent contractors of the third-party meal delivery service of food or beverages from restaurants to customers. The term "core delivery service" does not include any other service that may be provided by a third-party meal delivery service to a restaurant, including advertising or other promotional services, search engine optimization, business consulting, or credit card processing."

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(3) New paragraphs (2A) and (2B) are added to read as follows:

“(2A) “Covered restaurant” means a restaurant that elects to receive only core delivery service.

“(2B) “Delivery radius” means the circular delivery area from around a restaurant within which customers can search for and order from a restaurant.”.

(4) Paragraph (6) is amended by striking the phrase “by, and same-day delivery, and the” and inserting the phrase “by, and provides the” in its place.

(5) A new paragraph (6A) is added to read as follows:

“(6A) “Third-party meal delivery service” means a person that operates a third-party meal delivery platform.”.

(c) Section 3 (D.C. Official Code § 48-652) is amended as follows:

(1) The section heading is amended by striking the phrase “meals delivery platforms” and inserting the phrase “meal delivery services” in its place.

(2) Subsection (a) is amended by striking the word “platform” both times it appears and inserting the word “service” in its place.

(3) Subsection (b) is amended by striking the word “platform” both times it appears and inserting the word “service” in its place.

(4) Subsection (c) is amended as follows:

(A) Paragraph (1) is amended by striking the word “platform” and inserting the word “service” in its place.

(B) Paragraph (2) is amended by striking the word “platform” and inserting the word “service” in its place.

(5) Subsection (d) is amended by striking the phrase “platform that” and inserting the phrase “service that” in its place.

(6) New subsections (e), (f), and (g) are added to read as follows:

“(e) A third-party meal delivery service shall not exclude any restaurant with whom the third-party meal delivery service has an agreement from a customer within 4 miles of a restaurant.

“(f) A third-party meal delivery service shall not reduce the delivery radius of a covered restaurant below 4 miles, based on the level or percentage of commissions paid.

“(g) A third-party meal delivery service shall not reduce the availability of delivery drivers provided to a covered restaurant, based on the level or percentage of commissions paid; provided, that this subsection shall not be construed to restrict a third-party meal delivery service’s ability to use any method (that does not conflict with the restrictions in this subsection or any other applicable law) to offer expedited or priority driver services to a covered restaurant that pays for such services on a third-party meal delivery platform.”.

(d) Section 4 (D.C. Official Code § 48-653) is amended as follows:

(1) Strike the phrase “, the third-party meal delivery platform” and insert the phrase “, the third-party meal delivery service” in its place.

(2) Strike the phrase “platform (“charges”)” and insert the phrase “service (“charges”)” in its place.

(e) A new section 4a is added to read as follows:

“Sec. 4a. Restaurant disclosure requirement.

“A third-party meal delivery service shall:

“(1) Disclose to a covered restaurant, in plain language, the fees, commissions, and charges associated with the contracted services in the agreement; and

“(2) Maintain all contracts with covered restaurants in its records for 3 years after the date the agreement is executed.”.

(f) Section 5 (D.C. Official Code § 48-654) is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Strike the phrase “third-party meal delivery platform” both times it appears and insert the phrase “third-party meal delivery service” in its place.

(B) Strike the phrase “platform does” and insert the phrase “third-party meal delivery service does” in its place.

(2) Subsection (b) is amended as follows:

(A) The lead-in language is amended by striking the word “platform” and inserting the word “service” in its place.

(B) Paragraph (2) is amended by striking the word “platform” and inserting the word “service” in its place.

(g) Section 6 (D.C. Official Code § 48-655) is amended to read as follows:

“Sec. 6. Third-party delivery platform; registration requirement.

“A third-party food delivery service operating in the District shall register with the Department of Licensing and Consumer Protection.”.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section

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412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

Chairman
Council of the District of Columbia

Mayor
District of Columbia