

LEGISLATIVE DIGEST

[Police Code - Third-Party Food Delivery Services]

Ordinance amending the Police Code to allow third-party food delivery services to charge restaurants a delivery fee of up to 15% of an online order total and a non-delivery fee of up to 5% of an online order total, provided the third-party food delivery services do not make their agreement to provide delivery services contingent on restaurants' agreement to pay for non-delivery services, and provided the delivery and non-delivery fees are agreed to in separate contracts.

Existing Law

Existing law prohibits a third-party food delivery service from charging a restaurant a fee that exceeds 15% of an online order total.

Amendments to Current Law

This ordinance would allow a third-party food delivery service to charge a restaurant a fee of up to 15% of an online order total for delivery services, which include listing a restaurant on the delivery service's website. The ordinance would allow a third-party food delivery service to charge a restaurant an additional fee of up to 5% of an online order total for non-delivery services, which include advertising the covered establishment on the third-party food delivery service platform beyond a simple listing, business consulting, and credit card transaction services, provided the third-party food delivery service does not make its agreement to provide delivery services to a restaurant contingent on the restaurant's agreement to pay a non-delivery fee and/or accept services covered by a non-delivery fee, and provided the restaurant agrees to the non-delivery fee in a contract separate from the contract in which they agree to the delivery fee.