Amendment A Version 2 to CB 120379 Cap Delivery Service Fees

Sponsor: Councilmember Morales

Prohibition on reducing compensation of food delivery platform workers

Effect: This amendment would prohibit food delivery platforms from reducing the compensation of a food delivery platform worker to comply with the terms of this ordinance. Under existing language in the remedies section of this ordinance, a food delivery worker (as a person suffering injury due to an ordinance violation) would have a right to file a civil action to enforce this requirement.

This amendment would support stable incomes for workers performing services that are fundamental to food and beverage delivery.

Amend Section 1 of CB 120379 as follows:

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B. This ordinance protects and promotes public health, safety, and welfare by clarifying requirements for food delivery platforms to obtain agreements with restaurants for food delivery platform services; ((and)) regulating fees for delivery services that food delivery platforms charge restaurants; and prohibiting food delivery platforms from reducing the compensation of food delivery platform workers to offset the costs of compliance to protect the interests of consumers, ((and)) restaurants, and workers.

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T. It is in the public's interest to prevent food delivery platforms from reducing the compensation of food delivery platform workers to offset any costs of implementing this ordinance because these workers perform services that are fundamental to delivering food and/or beverages from restaurants to consumers. Preventing pay reductions for food delivery platform workers will stabilize their incomes, support their continued provision of delivery services,

ensure that they can better support and care for their families, and encourage their full participation in Seattle's civic, cultural, and economic life.

<u>U.</u> As the use of food delivery platform services grows and evolves, clarifying requirements for agreements between food delivery platforms and restaurants and establishing permanent yet flexible caps on delivery service fees charged to restaurants will accomplish the legitimate government purpose of easing the financial burden on struggling restaurants and will ensure that restaurants can exercise appropriate control over their businesses.

((U.)) V. Requiring food delivery platforms to retain records on food delivery platform agreements and charges will support the City's efforts to verify compliance with food delivery platform requirements.

Amend Section 2 of CB 120379 as follows:

7.30.010 Scope and purpose

This Chapter 7.30 applies to all food delivery platforms operating within Seattle. The purpose of this Chapter 7.30 is to ((require that food delivery platforms establish an agreement with restaurants prior to offering pick-up or delivery from such restaurants on the food delivery platform and delivering orders from such restaurants to consumers, with the goal of protecting)) require food delivery platforms to engage in agreed-upon, ((reasonable,)) predictable, and transparent business transactions when operating in Seattle to protect the interests of the City's consumers, ((and)) restaurants, and workers ((purchasing or)) relying upon the services and opportunities provided by food delivery platform services.

7.30.020 Definitions

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"Compensation" means the total amount of payment owed to a food delivery platform worker by reason of performing work facilitated or presented by a food delivery platform, including but not limited to payments for delivering food and/or beverage orders and other services, bonuses, incentives, and tips earned from customers.

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"Food delivery platform" means a person that (1) provides a means through which a consumer may submit a food and/or beverage order to a restaurant((5)) and ((arranges for the))

(2) facilitates and/or performs delivery of the order from the restaurant to the consumer.

"Food delivery platform worker" means a person affiliated with and accepting offers to perform delivery of a food and/or beverage order for compensation from a food delivery platform.

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7.30.033 Food delivery platform worker protections

A. A food delivery platform shall not reduce the compensation of a food delivery platform worker to comply with the requirements of this Chapter 7.30.

B. It shall be a violation of this Section 7.30.033 if compliance with this Chapter 7.30 is a motivating factor in a food delivery platform's decision to reduce the compensation of a food delivery platform worker.