

COMMITTEE ON CONSUMER AND WORKER PROTECTION

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CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES
OF THE

COMMITTEE ON CONSUMER AND
WORKER PROTECTION

VOTE*

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Thursday, May 1, 2025
Start: 11:40 a.m.
Recess: 11:48 a.m.

HELD AT: Council Chambers - City Hall

B E F O R E: Hon. Julie Menin, Chair

COUNCIL MEMBERS:

Shaun Abreu
Gale A. Brewer
Amanda Farias
Shekar Krishnan
Chi A. Ossé
Julie Won

Other Council Members Attending: Salamanca

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2 SERGEANT MESITI: This is a microphone check for
3 the Committee on Consumer and Worker Protection.

4 Today's date is May 1, 2025 – located in the
5 Chambers. Recording is done by Rocco Mesiti.

6 SERGEANT AT ARMS: Good morning, and welcome to
7 today's New York City Council vote for the Committee
8 on Consumer and Worker Protection. At this time, we
9 ask that you please silence all... Hold on sorry...

10 (PAUSE)

11 SERGEANT AT ARMS: Good morning, and welcome to
12 today's New York City Council vote for the Committee
13 on Consumer and Worker Protection. At this time, we
14 ask that you please silence all electronic devices,
15 and at no time are you to approach the dais.

16 Chair Menin, we are ready to begin.

17 CHAIRPERSON MENIN: [GAVEL] Good morning, my
18 name is Julie Menin, Chair of the Committee on
19 Consumer and Worker Protection. Apologies in advance,
20 I have laryngitis, but hopefully you'll be able to
21 hear me.

22 Thank you for joining us for today's vote on
23 Proposed Introduction Number 762-B.

24 First of all, I want to recognize my colleagues
25 who are here Council Member Ossé, Council Member

Abreu, Council Member Salamanca, Majority Leader
Farías, Council Member Krishnan, and we will
acknowledge additional colleagues as they join.

In 2021, this council passed a local law to
permanently cap the fees third party food delivery
services could charge restaurants. That cap protects
restaurants from exorbitant fees imposed by delivery
services, which was critical during the pandemic and
continues to be vital to this day.

Proposed Introduction 762-B, sponsored by
Council Member Salamanca, would amend this local law
by allowing third party delivery services to increase
their fees for restaurants that choose to pay more
for enhanced services.

An earlier version of this bill was heard in
June 2024. At that hearing, the Committee heard from
the Department of Consumer and Worker Protection,
third party delivery services, restaurants, and other
stakeholders.

The stakeholder feedback informed the
amendments made to the bill that is before this
committee today.

Since introduction, this bill has been amended
in order to strike the right balance between the

2 interests of the delivery services seeking to expand
3 the services that they offer their customer and
4 restaurants who are financially burdened by high
5 delivery fees.

6 We have learned lessons from other cities, like
7 Washington DC, that amended or repealed their fee
8 caps following the COVID-19 pandemic without
9 incorporating protections for restaurants.

10 This bill would protect restaurants that choose
11 not to pay higher fees from experiencing reduced
12 visibility on the delivery apps or reduced access to
13 basic services.

14 To be clear, this bill does *not* eliminate the
15 cap on fees that delivery services can charge
16 restaurants. Instead, this bill would increase the
17 amount that restaurants can charge for enhanced
18 services by 20%. It would only permit charging for
19 enhanced services however if the delivery service
20 also offers the option to purchase a basic service at
21 a cost that is no higher than the current fee limits.

22 The current fee limits per order are 15% for
23 delivery, 3% for credit card processing, and 5% for
24 any other service fee.
25

2 The basic service would include the option for
3 delivery and pickup, and it would require restaurants
4 to be listed discoverable on the third party
5 platform. The delivery service would be prohibited
6 from omitting a restaurant that chooses a basic
7 service from their search functionalities.

8 This bill aims to address some of the so-called
9 "Washington DC issues" by establishing guaranteed
10 delivery within a one mile radius, and including all
11 participating restaurants in a search, by name, or by
12 other customer criteria, like cuisine type or
13 location.

14 Proposed Introduction 762-B also includes
15 additional protections for restaurants. This bill
16 would restrict delivery services from purchasing the
17 name of a restaurant for purposes of internet
18 advertising. And it would allow restaurants to
19 include marketing materials in the orders placed
20 through the delivery service.

21 This bill has been thoughtfully amended to
22 address the issues raised by restaurants.

23 I will now turn it over to Council Member
24 Salamanca to make an opening statement about his
25 bill.

2 COUNCIL MEMBER SALAMANCA: Thank you, Madam
3 Chair.

4 Good morning, Introduction 762-B is a long
5 overdue compromise and is a major win for local
6 restaurants and consumers, and as a result of
7 extensive negotiations to ensure small, independent
8 restaurant voices were heard and their needs met.

9 Let me be clear, this compromise maintains a
10 cap on delivery fees, while providing the flexibility
11 for marketing services making it, without
12 exaggeration, the strongest food delivery commission
13 cap of its kind in the country with key safeguards in
14 place.

15 The enhanced safeguards in this bill ensure
16 transparent pricing for marketing services, clearly
17 outlined so restaurants avoid surprises and can opt
18 in or opt out as needed.

19 Restaurants will also retain the ability to set
20 their own menu prices, the ability to include
21 marketing materials in every delivery, and delivery
22 platforms are prohibited from purchasing a
23 restaurant's name as a keyword for use in
24 advertising.

2 From the beginning, the focus of this
3 legislation was to better enable small and
4 independent restaurants to grow and support the
5 unique character of the neighborhoods.

6 Intro 762-B restores restaurants' fundamental
7 ability to invest in marketing, expand the consumer
8 reach, and compete with big chains in this highly
9 competitive market.

10 This bill also provides restaurants with more
11 choices and autonomy to leverage delivery platforms
12 in ways that work best for them, allowing them to
13 tailor their services and change them as needed. This
14 moves away from a one size fits all approach.

15 Now restaurants can now access vital marketing
16 tools like an in app promotion and target campaigns
17 to reach new customers and increase their visibility.
18 Tools they often lack the resources to implement on
19 their own.

20 For small and family and immigrant owned
21 restaurants, often operating outside central business
22 districts, this legislation will serve as a potential
23 lifeline, as they lack the larger budgets and
24 marketing teams of established or national
25 restaurants.

2 This bill is a common sense compromise that
3 would empower small businesses, bring more order to
4 local restaurants, and create more earning
5 opportunities for delivery workers – a win, win for
6 all stakeholders in our delivery ecosystem.

7 Subsequently, Intro 762-B acts as an extensive
8 and diverse support from a wide range of restaurant
9 business organizations including borough Chamber of
10 Commerce and BIDs and community groups, who
11 understand the tangible benefits it will bring.

12 Lastly, securing the passage of this bill ends
13 a proactive legal battle between delivery apps in the
14 City, that could have placed a significant financial
15 burden on the City and taxpayers, and led to
16 unintended consequences for restaurants and the
17 countless New Yorkers who utilize third party
18 delivery apps. Thank you.

19 CHAIRPERSON MENIN: Thank you. And I will now
20 turn it over to the Clerk to call the roll.

21 COMMITTEE CLERK: Good morning, William Martin,
22 Committee Clerk; roll call vote Committee on Consumer
23 and Worker Protection: Proposed Introduction Number
24 762-B.

25 Chair Menin?

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2 CHAIRPERSON MENIN: I vote aye, and
3 congratulations to Council Member Salamanca.

4 COMMITTEE CLERK: Council Member Abreu?

5 COUNCIL MEMBER ABREU: Aye.

6 COMMITTEE CLERK: Majority Leader Farías?

7 MAJORITY LEADER FARÍAS: I vote aye, congrats,
8 Council Member Salamanca, as this is four years in
9 the making. And it is a big win for our small
10 businesses, thank you.

11 COMMITTEE CLERK: Council Member Krishnan?

12 COUNCIL MEMBER KRISHNAN: I vote no.

13 COMMITTEE CLERK: Council Member Ossé?

14 COUNCIL MEMBER OSSÉ: I vote aye.

15 COMMITTEE CLERK: Council Member Won?

16 COUNCIL MEMBER WON: (ABSENT)

17 COMMITTEE CLERK: Council Member Brewer?

18 COUNCIL MEMBER BREWER: Aye.

19 COMMITTEE CLERK: With a vote of 5 in the
20 affirmative, 1 in the negative, and no abstentions,
21 the item has been adopted by the Committee.

22 (PAUSE)

23 CHAIRPERSON MENIN: Okay, the vote is now
24 closed. Thank you [GAVEL]

25

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage and that there is interest in the outcome of this matter.



Date June 12, 2025