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|  | **The Council of the City of New York**  **Finance Division**  Latonia McKinney, Director  **Fiscal Impact Statement**  **Proposed Int. No.:** 1897-A  **Committee:** Small Business |
| **Title:**  A Local Law to amend the administrative code of the city of New York, in relation to the licensing of third-party food delivery services, and to repeal subchapter 22 of chapter 5 of title 20 of the administrative code of the city of New York, relating to third-party food delivery services | By Council Members Gjonaj, Brannan, Gibson, Perkins, Louis, Ayala, Lander, Chin, Koslowitz and Gennaro |
| **Summary of Legislation:** Proposed Int. No. 1897-A would require third-party food delivery services to obtain a license in order to do business in the City. It would also repeal the subchapter in the Administrative Code that contains existing laws regulating third-party food delivery services, and would instead incorporate the requirements of recently passed Introductions 2311-A, 2333-A, 2335-A and 2356-A into this bill’s licensing scheme. Under the bill, the department could deny or refuse to renew a license, or suspend or revoke a license, if a third-party food delivery service committed two of more violations of the bill’s subchapter. Third-party food delivery services who violate the requirements in the bill’s subchapter would also be subject to civil penalties, as well as civil action from the City or a person against whom a violation was committed. The Department of Consumer and Worker Protection would be required to conduct outreach on the provisions of this bill. | |
| **Effective Date:** This local law would take effect 120 days after becoming law. | |
| **Fiscal Year In Which Full Fiscal Impact Anticipated:** Fiscal 2023 | |
| **Fiscal Impact Statement:**   |  |  |  |  | | --- | --- | --- | --- | |  | **Effective FY22** | **FY Succeeding**  **Effective FY23** | **Full Fiscal** Impact FY23 | | **Revenues (+)** | **$2,000** | **$0** | **$0** | | **Expenditures (-)** | **$0** | **$0** | **$0** | | **Net** | **$2,000** | **$0** | **$0** | | |
| **Impact on Revenues:** It is estimated that there will be recurring revenue of approximately $2,000 every two years from the collection of approximately ten $200 biennial fees for a license to operate third-party food delivery service. | |
| **Impact on Expenditures:** It is estimated that there will be no cost from the implementing this legislation as the agency responsible for its implementation can use existing resources to conduct outreach on the provisions of this bill and implement it. | |
| **Source of Funds To Cover Estimated Costs:** N/A | |
| **Source of Information:**  New York City Council Finance Division | |
| **Estimate Prepared by**: Aliya Ali, Principal Financial Analyst    **Estimate Reviewed by:** Noah Brick, Assistant Counsel  Nathan Toth, Deputy Director  Crilhien Francisco, Unit Head  **Legislative History:** This legislation was introduced to the full Council as Int. No. 1897 on February 27, 2020 and was referred to the Committee on Small Business (Committee). A hearing was held jointly by the Committee and the Committee on Consumer Affairs and Business Licensing on April 29, 2020, and the legislation was laid over. The legislation was subsequently amended and the amended version, Proposed Int. No. 1897-A, will be voted on by the Committee at a hearing on August 26, 2021. Upon successful vote by the Committee, Proposed Int. No. 1897-A will be submitted to the full Council for a vote on August 26, 2021. | |

**Date Prepared:** August 20, 2021