



Legislation Text

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Int. No. 1907

By Council Members Moya, Gjonaj, Brannan, Rosenthal, Gibson, Perkins, Louis, Ayala, Lander, Chin and Koslowitz

A Local Law to amend the administrative code of the city of New York, in relation to prohibiting third-party food delivery services from limiting the purchase prices covered establishments may charge on food and beverage orders

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 20 of the administrative code of the city of New York is amended by adding a new subchapter 22 to read as follows:

Subchapter 22

Third-Party Food Delivery Services

§ 20-845 Definitions. For the purposes of this subchapter, the following terms have the following meanings:

Covered establishment. The term “covered establishment” means any food service establishment that offers, in a single commercial transaction over the internet, whether directly or through a third-party food delivery service, the sale and same-day delivery of food to customers from one or more retail locations within the city.

Food service establishment. The term “food service establishment” has the same meaning as provided in subdivision s of section 81.03 of the health code of the city of New York.

Online order. The term “online order” means an order placed by a customer through a platform provided by a third-party food delivery service.

Purchase price. The term “purchase price” means the menu price of a food order from a covered

establishment. Such term therefore excludes taxes, gratuities and any other fees that may make up the total cost to the customer of a food order.

Third-party food delivery service. The term “third-party food delivery service” means any website, mobile application or other internet service that offers or arranges for the sale of food and beverages prepared by, and the same-day delivery or same-day pickup of food and beverages from, no fewer than 20 separately owned and operated food service establishments.

§ 20-846 Prohibited limits on purchase prices. It shall be unlawful for third-party food delivery services to, by contract or any other means, impose on covered establishments any requirement regarding the purchase prices that covered establishments may charge for food or beverages ordered through such application or through any other means.

§ 20-847 Penalties. Any person that violates any provision of this subchapter or any rule promulgated pursuant to this subchapter shall be subject to a civil penalty of not less than \$1,000 per violation. A proceeding to recover any civil penalty authorized pursuant to this subchapter may be brought in any tribunal established within the office of administrative trials and hearings or within any agency of the city designated to conduct such proceedings. For the purposes of this section, each calendar day during which a person is found to have violated this subchapter shall be considered a separate violation, even if such violation affects more than one covered establishment.

§ 20-848 Injunctive relief. In addition to any other relief available by law, the commissioner may seek any relief available under article 63 of the civil practice law and rules in a proceeding against any person alleged to be in violation of any provision of this subchapter.

§ 2. This local law takes effect 1 year after it becomes law, except that the commissioner of consumer affairs shall take such measures as are necessary for the implementation of this local law, including the promulgation of rules, before such date.

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