

LOCAL LAW “J” FOR 2020

A LOCAL LAW OF THE COUNTY OF ALBANY, NEW YORK, LIMITING THIRD-PARTY FOOD DELIVERY SERVICES DURING A DECLARED EMERGENCY

Introduced: 12/21/20

By Messrs. Fein, Peter, Reidy, Mss. McLaughlin, Willingham, Plotsky, Messrs. Efekoro, O’Brien, Reinhardt, Miller, Domalewicz, Mss. Cunningham, McLean Lane, Messrs. Simpson, Ricard and Reinhardt:

BE IT ENACTED by the County Legislature of the County of Albany as follows:

SECTION 1.

Definitions:

- (a) Declared emergency. The term “declared emergency” means the period of time during which a State disaster emergency has been declared by the Governor of the State of New York or a state of emergency has been declared by the Albany County Executive, such declaration is in effect in the County, and there are restrictions placed on on-premises indoor dining at food service establishments in the County.
- (b) Delivery fee. The term "delivery fee" means a fee charged by a third-party food delivery service for providing a food service establishment with a service that delivers food from such establishment to customers. The term does not include any other fee that may be charged by a third-party food delivery service to a food service establishment, such as fees for listing or advertising the food service establishment on the third-party food delivery service platform or fees related to processing the online order.
- (c) Food service establishment. The term "food service establishment" means any fixed or mobile restaurant; drive-in; coffee shop; cafeteria; short-order cafe; delicatessen; luncheonette; grill; tearoom; sandwich shop; soda fountain; bar; tavern; cocktail lounge; night club; roadside stand; take-out prepared food place; retail bakery; industrial feeding establishment; private, public or nonprofit organization or institution, including: schools; nursing homes; day care centers and hospitals; religious and fraternal organizations routinely serving food; catering kitchens; commissary or similar places in which food is prepared for sale or for service on the premises or elsewhere; and any other establishment or operation where food is served or provided for the public, with or without charge.

- (d) Online order. The term "online order" means any order placed by a customer through or with the assistance of a platform provided by a third-party food delivery service, including a telephone order.
- (e) Purchase price. The term "purchase price" means the total price of the items contained in an online order that are listed on the menu of the food service establishment where such order is placed. Such term does not include taxes, gratuities and any other fees that may make up the total cost to the customer of an online order.
- (f) 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 food service establishments located in the County that are owned and operated by different persons.

SECTION 2.

Fee limits during declared emergencies.

- (a) It shall be unlawful for a third-party food delivery service to charge a food service establishment a delivery fee that totals more than 15% of the purchase price of each online order.
- (b) It shall be unlawful for a third-party food delivery service to charge a food service establishment any fee or fees other than a delivery fee for the use of their service greater than 5% of the purchase price of each online order. Any fees or other charges from a third-party food delivery service to a food service establishment beyond such maximum 5% fee per order, and a delivery fee collected pursuant to subdivision (a) of this section, are unlawful, provided that such cap shall not apply to a credit card fee that is charged to the third-party food delivery service and is charged in the same amount by the third-party food delivery service to such food service establishment.
- (c) It shall be unlawful for a person to cause a third-party food delivery platform to reduce the compensation rate paid to a delivery service driver or garnish gratuities in order to comply with this section.
- (d) The requirements of this section apply only during a declared emergency and for a period of 90 days after the end of a declared emergency.

SECTION 3.

Enforcement.

If a third-party food delivery service charges a food service establishment fees in violation of this law, the food service establishment shall provide written notice to the third-party food delivery service requesting a refund within seven days. If the third-party food delivery service does not provide the refund requested within seven days of receipt of the written notice or the third-party food delivery service continues to charge fees in violation of this law after the initial written notice and seven-day cure period, a food service establishment may enforce this law by means of a civil action seeking damages and injunctive relief. The prevailing party in any such action shall be entitled to an award of reasonable attorney fees.

SECTION 4.

State Environmental Quality Review Act Compliance

This County Legislature determines that the adoption of this Local Law constitutes a “Type II action” as said term is defined in the State Environmental Quality Review Act (“SEQRA”), and that no further action with respect to same is required under SEQRA.

SECTION 5.

Severability.

If any section, subsection, sentence, clause, phrase or other portion of this law is, for any reason, declared unconstitutional or invalid, in whole or in part, by any court of competent jurisdiction, such portion shall be deemed severable, and such unconstitutionality or invalidity shall not affect the validity of the remaining portions of this law, which remaining portions shall continue in full force and effect.

SECTION 6.

Effective Date.

This local law shall take effect upon filing with the Secretary of State.

Referred to Law Committee – 12/21/20