

## CITY OF JERSEY CITY OFFICE OF THE MAYOR

CITY HALL | 280 GROVE STREET | JERSEY CITY, NJ 07302 P: 201 547 5500 | F: 201 547 5442



## OF THE CITY OF JERSEY CITY

**WHEREAS**, the State and Local states of emergency declared in response to the COVID-19 crisis have mandated the closure of the dining rooms of restaurants and cafes in the City of Jersey City; and,

**WHEREAS**, many of these restaurants, as their sole source of income during this crisis, continue to operate by selling food and beverage through take-out and delivery; and,

**WHEREAS**, in addition to accepting the direct ordering of food and beverage from customers to these restaurants, several smartphone and web-based, third-party food delivery services allow customers to place orders through the online applications, which are then transmitted to local restaurants for preparation; and,

**WHEREAS**, a third-party, app-based food delivery platform is any website, mobile application, or other third-party service (Internet-based or otherwise) that offers or arranges for the sale of food and beverages prepared by, and the same-day delivery or same-day pick-up of food and beverages from a food service establishment; and,

**WHEREAS**, a third-party online order is a food delivery or take-out order placed through the platform provided by a third-party app-based food delivery platform for delivery within the City of Jersey City; and,

**WHEREAS**, third-party app-based food delivery services can charge a fee totaling between 15 and 30 percent of a bill to a local restaurant as a service charge; and,

**WHEREAS**, for nearly all local food establishments, delivery and take-out services constitute their sole source of income during the current State of Emergency; and,

**WHEREAS**, these excessive fees present a substantial hardship during a time of great economic uncertainty for many local small businesses; and,

**NOW THEREFORE**, pursuant to the authority vested in me by law as Mayor of the City of Jersey City, I hereby issue this Executive Order:

1. It shall be unlawful for any third-party, app-based food delivery platform to charge any restaurant or food establishment a commission fee for online delivery or pickup orders that totals more than 10% of the purchase price of such online order (not inclusive of any gratuity added) while the City of Jersey City is under a formally declared State of Emergency; and



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- 2. It shall be unlawful for a third-party food delivery platform to reduce the compensation rates paid to the delivery service driver, or garnish gratuities, as a result of this order going into effect, during the duration of this order; and
- 3. Any person, corporation, occupant, or other entity that violates or fails to comply with any provision of this Executive Order shall, upon conviction thereof, be punishable as provided for in Chapter 1, General Provisions, Section 1-25, of the Code of the City of Jersey City; and,
- 4. This Executive Order shall remain in effect for the duration of the current and any future States of Emergency arising from the COVID-19 pandemic.

If any provision of this Executive Order, or the application of any such provision to any person or circumstances, shall be held invalid or unenforceable for any reason, the remainder of this Executive Order to the extent it can be given effect, or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby, and to this extent the provision of this Executive Order are severable.

The Executive Order shall be kept on file in the Offices of the City Clerk and Business Administrator. It will be made available to the public upon request.

By:

STEVEN M. FULOP

**MAYOR**