



STEVEN M. FULOP  
MAYOR OF JERSEY CITY

## 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



STEVEN M. FULOP  
MAYOR OF JERSEY CITY

**FOR IMMEDIATE RELEASE**  
May 7, 2020

**Contact:** Kimberly Scalcione  
KScalcione@jcnj.org

**\*\*\* Press Release \*\*\***

### ***Mayor and Council Partner to Protect already Overburdened Restaurants from Hidden Fees***

*Latest Commitment to Provide Relief and Recovery Efforts to Jersey City's Local Business Owners and Staff amid Pandemic*

JERSEY CITY – **Mayor Steven M. Fulop, Council President Joyce Watterman, and City Council Members** announce a joint effort to provide further financial assistance to small businesses and restaurants through an ***Executive Order establishing a cap on hidden fees from third-party food delivery services when a State of Emergency is declared.*** The commission fees directly charge food establishments between 15 and 35 percent of a customer's bill for every online delivery or takeout order made through the website or app.

From hereon, as per an Executive Order signed by Mayor Fulop on Thursday, May 7, 2020, during any State of Emergency these service fees will be capped at a maximum of 10 percent to help reduce hardships during a time of great economic uncertainty for many local small businesses.

“We have to find ways to protect the economy in which, I believe small businesses are truly the engines that power it,” said **Council President Watterman**. “In viewing it as the backbone, we must try and prevent third-party companies from exploiting our restaurants with high fees which ultimately affects them trying to retain their staffing on the payroll.”

“For all their hard work to stay afloat and achieve profitability, these third-party fees are hindering local restaurants' chances of survival which is simply unfair and unethical amid this health and economic crisis,” said **Mayor Fulop**. “Many of the restaurants have had to make a shift to relying solely on delivery and takeout under the circumstances, and this cap is our latest effort to identify any available options to provide relief to our local businesses.”

After passing the first reading at Wednesday's City Council meeting, the Executive Order allows the cap to take effect immediately rather than having businesses wait an additional month to become law. The 10 percent cap applies to any website, mobile application, or other third-party service that arranges for the delivery or pickup of food and beverages prepared by a food service establishment.

“This Order will allow local independent restaurants to hold on to more of their hard earned money, and ensure that local spending stays in the community,” said the **Owner of Ghost Truck Kitchen, Andrew Martino**, who helped bring the issue to the Council's attention. “Relief from commissions as high as 35% is sorely needed now more than ever and will help us keep our doors open serving the neighborhood.”

"Our restaurants are our lifeblood. In the blink of an eye, they've been forced to upend their businesses models to 100% delivery & take-out," said **Ward E Councilman James Solomon**. "The fees charged by third-party apps - up to 35% of an order - is unsustainable. This emergency regulation keeps money in their pockets to pay their employees instead of large, billion-dollar corporations."

"Our restaurants and small businesses are among the hardest hit throughout this pandemic, and without being able to rely on traditional tabletop business, they've had to adjust their entire business strategy which is heavily encumbered with astronomical service fees to further bloat bigger companies," said **Councilman-at-Large Daniel Rivera**. "On a city-level, we're doing what we can to protect our residents and businesses alike, and after working alongside our local restaurant owners on this, I know it will truly be impactful for them."

To view the entire Executive Order please visit the city's [Executive Order webpage here](#).

**All media inquiries should be directed to Kimberly Scalcione at [KScalcione@jcnj.org](mailto:KScalcione@jcnj.org).**