House Bill 225

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By: Representatives Carpenter of the 4th, Daniel of the 117th, Sainz of the 180th, Anulewicz of the 42nd, Martinez of the 111th, and others

A BILL TO BE ENTITLED AN ACT

To amend Article 13 of Chapter 2 of Title 26 of the Official Code of Georgia Annotated, 1 relating to food service establishments, so as to require a third-party food delivery platform 2 3 to provide certain information to customers and food service establishments participating in 4 an online order; to provide for definitions; to require such platform to itemize and clearly 5 disclose the cost breakdown of all costs in an online order to a customer; to require such platform to clearly display and regularly update the status of an online order to a customer; 6 7 to prohibit such platform from listing, promoting, or accepting an online order for a food 8 service establishment without prior written consent from such establishment; to require such 9 platform to provide to such establishment essential information regarding the online order; 10 to require such platform to provide to such establishment key terms and conditions regarding

the online ordering contract; to provide for related matters; to provide for an effective date;

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

to repeal conflicting laws; and for other purposes.

SECTION 1.

- 15 Article 13 of Chapter 2 of Title 26 of the Official Code of Georgia Annotated, relating to
- 16 food service establishments, is amended by revising Code Section 26-2-370, relating to
- 17 definitions, as follows:
- 18 "26-2-370.
- 19 As used in this article, the term:
- 20 (1) 'Customer' means the person that orders or purchases food and beverages from a food
- service establishment or that places an online order for the delivery or pickup of food and
- 22 <u>beverages from a food service establishment through a third-party delivery platform.</u>
- 23 (1)(2) 'Food nutrition information' means the content of food, including, but not limited
- 24 to, the caloric, fat, carbohydrate, cholesterol, fiber, sugar, potassium, protein, vitamin,
- 25 mineral, and sodium content.
- 26 (2)(3) 'Food service establishment' means establishments for the preparation and serving
- of meals, lunches, short orders, sandwiches, frozen desserts, or other edible products
- either for carry out or service within the establishment. Such term includes restaurants;
- coffee shops; cafeterias; short order cafes; luncheonettes; taverns; lunchrooms; places
- which retail sandwiches or salads; soda fountains; institutions, both public and private;
- 31 mobile food service establishments; industrial cafeterias; catering establishments; and
- similar facilities by whatever name called. Within a food service establishment, there
- may be a food sales component, not separately operated. This food sales component shall
- be considered as part of the food service establishment. Such term shall not include:
- 35 (A) A food sales establishment, as defined in Code Section 26-2-21, except as
- otherwise stated in this paragraph;
- 37 (B) The food service component of any food sales establishment defined in Code
- 38 Section 26-2-21;

(C) Any outdoor recreation activity sponsored by the state, a county, a municipality,
 or any department or entity thereof, any outdoor or indoor (other than school cafeteria
 food service) public school function, or any outdoor private school function;

- (D) Any organization which is operating on its own property or on the property of a party that has provided written consent for the use of such property for such purpose and which is exempt from taxes under paragraph (1) of subsection (a) of Code Section 48-7-25 or under Section 501(d) or paragraphs (1) through (8) or paragraph (10) of Section 501(c) of the Internal Revenue Code for the purpose of operating a house or other residential structures where seriously ill or injured children and their families are provided temporary accommodations in proximity to their treatment hospitals and where food is prepared, served, transported, or stored by volunteer personnel;
- (E) Establishments for the preparation and serving of meals, lunches, short orders, sandwiches, frozen desserts, or other edible products if such preparation or serving is an authorized part of and occurs upon the site of an event which:
 - (i) Is sponsored by a political subdivision of this state;
- (ii) Is held on the property of such sponsor or on the property of a party that has provided written consent for use of such property for such event; and
- (iii) Lasts 120 hours or less; or
- 58 (F) Nonprofit food sales and food service provided under a permit issued pursuant to 59 Article 14 of this chapter.
- 60 (3)(4) 'Mobile food service establishment' means a mobile food service unit operating
- from a single base of operation and under the managerial authority of one permit holder.
- 62 (5) 'Online order' means an order placed by a customer through a third-party delivery
- 63 platform for the delivery or pickup of food and beverages from a food service
- 64 <u>establishment. Such term shall include a telephone order through a third-party delivery</u>
- 65 platform.

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66 (4)(6) 'Person' or 'persons' means any individual, firm, partnership, corporation, trustee,

- or association, or combination thereof.
- 68 (7) 'Purchase price' means the price, as listed on the menu of a food service
- 69 <u>establishment</u>, for the items contained in an online order, excluding any additional
- 70 charges, fees, gratuities, and taxes that comprise the total amount charged to the customer
- of such order.
- 72 (8) 'Third-party delivery platform' means a business, other than a food service
- establishment, that operates a website, mobile application, or other electronic service that
- 74 <u>facilitates an online order and arranges for the delivery and pickup of food and beverages</u>
- 75 <u>from such establishments to a customer."</u>
- 76 SECTION 2.
- 77 Said article is further amended by adding new Code sections to read as follows:
- 78 "<u>26-2-380.</u>
- 79 (a) A third-party delivery platform shall itemize and prominently disclose to the customer
- prior to the processing of an online order and at the completion of such online order the
- 81 cost breakdown of such order, including, but not limited to:
- 82 (1) The purchase price of the food and beverage;
- 83 (2) Any commissions, fees, or other amounts charged to the customer by such platform;
- 84 (3) Any commissions, fees, or other amounts charged to the customer by the food service
- establishment;
- 86 (4) Any tip or gratuity; and
- 87 (5) The ultimate recipient of the amounts provided for in paragraphs (1) through (4) of
- this subsection.
- 89 (b) A third-party delivery platform shall clearly display and regularly update the customer
- 90 regarding the status of the online order, including, but not limited to:

91 (1) The method of delivery of such order, including, if applicable and known, the

- 92 <u>identification of the individual performing the delivery;</u>
- 93 (2) The anticipated date and time of the delivery of such order;
- 94 (3) The address to which the online order will be delivered; and
- 95 (4) A statement confirming that the online order is successfully delivered or explaining
- 96 that the delivery cannot be completed and the reason why.
- 97 (c) A third-party delivery platform shall provide to the customer the contact information
- of the food service establishment, including the primary phone number and email address,
- 99 with such establishment's prior written consent.
- 100 26-2-381.
- 101 (a) A third-party delivery platform shall not list, promote, or accept an online order from
- a customer for food or beverages from a food service establishment without such
- establishment's prior written consent.
- (b) A third-party delivery platform shall promptly provide information to the food service
- establishment regarding an online order, including, but not limited to:
- 106 (1) The customer's name, contact information, and identifying information, including
- whether the customer is a new or repeat customer of such platform or of such
- 108 <u>establishment; and</u>
- 109 (2) The date and time that the online order was placed by the customer, was picked up
- for delivery from such establishment, and was delivered to the customer.
- (c) A third-party delivery platform shall provide in writing to such establishment its terms
- and conditions, including, but not limited to:
- (1) Any fees, including for marketing, order processing, or delivery, charged by such
- 114 <u>platform to such establishment;</u>
- 115 (2) The insurance requirements for persons providing pickup or delivery services for
- such platform and the party responsible for the cost of such insurance; and

117 (3) The identification of the party that is responsible for collecting and remitting 118 applicable sales tax. 119 (d) A third-party delivery platform shall not limit the value or number of transactions that 120 a food service establishment disputes regarding online orders, content, delivery, or payment errors of such orders, and the responsibility and reconciliation of any errors in online 121 122 orders. 123 (e) Subject to applicable privacy laws, a third-party delivery platform shall not prohibit, restrict, or limit a food service establishment from directly communicating with a customer 124 regarding an online order, contacting such customer, or marketing to such customer. In 125 addition, a third-party delivery platform shall use reasonable efforts to assist such 126 establishment in its compliance with applicable privacy laws." 127 **SECTION 3.** 128 129 This Act shall become effective upon its approval by the Governor or upon its becoming law 130 without such approval.

SECTION 4.

All laws and parts of laws in conflict with this Act are repealed.