Testimony of Commissioner Vilda Vera Mayuga New York City Department of Consumer and Worker Protection

Before the Committee on Consumer and Worker Protection Hearing on Introduction 1135 and 1133

December 9, 2024

Introduction

Good morning, Chair Menin and members of the Committee on Consumer and Worker Protection. My name is Vilda Vera Mayuga, and I am the Commissioner of the Department of Consumer and Worker Protection (DCWP). I am joined by Elizabeth Wagoner, our Deputy Commissioner for the Office of Labor Policy & Standards, and Carlos Ortiz, our Assistant Commissioner for External Affairs. Thank you for the opportunity to testify today on Introduction 1135 and 1133, relating to the expansion of minimum pay protections and other rights to all contracted delivery workers.

DCWP provides fundamental consumer and worker protections, and financial empowerment programming in our city. In the past three years, we have helped deliver more than \$1 billion back to New Yorkers. We strive to ensure that consumers who have been deceived or exploited have recourse, that workers have a passionate defender of their rights, and that all New Yorkers have the support they need to improve their financial health.

Third-Party Restaurant Delivery Workers and the Minimum Pay Rate

Over a year ago, the City announced the nation's first of its kind minimum pay rate for third-party app-based restaurant delivery workers that apps classify as independent contractors. This has been the most significant advancement of workers' rights in New York City in the 21st Century. To implement this groundbreaking protection, DCWP conducted a comprehensive study of the industry, and considered thousands of comments from delivery workers, apps, restaurants, researchers, elected officials and other members of the public. Before the minimum pay rate was implemented, these workers received poverty-level compensation for their work, averaging approximately \$5.00 per hour before tips. After we began enforcing the minimum pay rate, tens of thousands of workers saw their pay increase to today's average of \$19.56 per hour, before tips. This has resulted in apps paying their workers \$500 million more than they did the year before. This money not only supports some of the lowest-wage families in New York City, but also goes directly back into our local economy. My agency will continue to stand shoulder to shoulder with delivery workers and ensure their rights to fair and dignified pay are protected.

Introductions 1135 and 1133 - Minimum Pay Rate Expansion

¹ https://www.nyc.gov/site/dca/workers/Delivery-Worker-Public-Hearing-Minimum-Pay-Rate.page

Moving to today's bills, I would like to enthusiastically commend the Council, and specifically Councilmembers Nurse and Gutierrez, for recognizing that there are many more New York City delivery workers in need of DCWP protections. Introduction 1135 would immediately require third-party grocery delivery apps to pay their workers the current minimum pay rate. Introduction 1133 would require all other delivery services to meet minimum pay obligations for their independent contractors within approximately 18 months, after DCWP analyzes the industry to set an appropriate rate and pay method. The legislation would also extend other key rights to all contracted delivery workers, including the right to receive specific disclosures about trip offers before accepting them and the right to set a maximum distance in the app.

Currently, the minimum pay rate only applies to independent contractors engaged by third-party food delivery services or third-party courier services that provide restaurant delivery. The law does not cover thousands of other workers classified by apps as independent contractors who perform deliveries of other goods, like groceries and household items, who lack employee benefits and who also bear the cost of the vehicles they need to conduct their work. This package of bills would close that gap, expanding minimum pay protections to cover at least 20,000 more delivery workers immediately and thousands more within 18 months, and creating a more level regulatory playing field for delivery companies. It would also allow DCWP to set a rate that appropriately compensates workers for their vehicles and for the lack of employee benefits.

Finally, the bills would correct a 2023 misinterpretation of the minimum pay law, which resulted in an unfair exemption for Relay Delivery, a third-party courier service. This exemption allows Relay to pay thousands of its workers only \$13.50 per hour, far below the \$19.56 per hour required for other apps. In April 2024, Relay was acquired by Wonder, a delivery app that specializes in delivery from food halls that it manages. Wonder recently raised \$700 million in a round of funding valuing the company at \$3.5 billion. Wonder also recently announced a deal to purchase Grubhub. The judicially-created exemption just for Relay unjustly enables this major industry player to evade minimum pay protections to workers' detriment. It also violates Council's original intention to cover all restaurant delivery workers classified as independent contractors with minimum pay protections, and to include companies like Relay that do not offer a consumer-facing platform.

Conclusion

Delivery workers provide essential services to New York City and its residents, and we look forward to finalizing this legislation with the Council. We also continue to support Council legislation addressing issues such as unfair tipping methods and arbitrary deactivations on apps that prevent workers from accessing hours. Thank you for the opportunity to testify today and for your partnership in supporting working New Yorkers. We are happy to answer any questions you may have.

² https://foodondemand.com/04162024/wonder-invests-further-in-delivery-acquires-relay/

³ Wonder, Marc Lore's Food-Delivery Startup, Raises \$700 Million - WSJ

⁴ https://www.prnewswire.com/news-releases/wonder-announces-acquisition-of-grubhub-302303774.html



THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER BUREAU OF LABOR LAW 1 CENTRE STREET NEW YORK, NY 10007

BRAD LANDER COMPTROLLER

TESTIMONY OF THE OFFICE OF THE NEW YORK CITY COMPTROLLER

Committee on Consumer and Worker Protection

December 9, 2024

We submit these comments on behalf of the Bureau of Labor Law of the Office of the New York City Comptroller Brad Lander. Comptroller Lander has championed labor protections for app-based delivery workers and has helped secure many of the standards in place today. At the Bureau of Labor Law, our mission is to protect vulnerable workers from exploitation, and we submit these comments in that spirit.

Int. 1133 and 1135 together expand coverage of the existing delivery worker protections (herein referred to as "Delivery Worker Laws") to grocery store delivery workers employed by third-party entities and all other delivery workers who deliver goods for a delivery service that are not currently covered by the Delivery Worker Laws. The Delivery Worker Laws have had significant success, as they have boosted workers' pay and increased the number of deliveries to customers. This has increased the economic well-being of delivery workers while also increasing access to delivery for New York City residents.

Data from the Department of Consumer and Worker Protection ("DCWP") support this:

- DCWP found that in Quarter 2 of 2024, from April to June, delivery workers earned an average of \$22.48 per hour, a 112% increase from the same quarter in the previous year, prior to the implementation of the Delivery Worker Laws. i
- In Quarter 1 of 2024, shortly after the minimum pay rate was implemented on December 4, 2023, delivery workers earned an average of \$19.26 per hour, a 56% increase from the previous quarter and a 64% increase from Quarter 1 of 2023. ii
- DCWP found that in Quarter 1 of 2024, delivery workers made 2.77 million deliveries per week, a 5% increase from the previous quarter and an 8% increase from the same quarter a year prior. In Quarter 2 of 2024, delivery workers made 2.64 million deliveries per week, a 5% increase from Quarter 2 of 2023. iii
- DCWP also reported that following the implementation of the minimum pay rate, delivery workers spent more time on delivery trips and less time on-call waiting for orders.

Accordingly, expanding the Delivery Worker Laws to include grocery and other delivery applications would help increase delivery workers' earnings and improve customer access to grocery stores, restaurants, and other businesses. The bills also level the playing field between the apps, since delivery apps not covered by the existing laws, such as Instacart, have a competitive advantage over delivery apps that *are* covered. ^{iv} In addition, these bills provide a legislative fix to address the fact that the Relay app was carved out of the minimum pay requirements by a court order. ^v

Beyond setting a minimum pay rate, Int. 1133 would improve the working conditions of delivery workers. By allowing workers to set a maximum distance per delivery trip and to have information

about the delivery prior to a trip, this legislation would help delivery workers avoid travelling long distances between deliveries, which can decrease earnings. As detailed in Comptroller Lander's recent report, *Street Safety in the Era of Micromobility*, vi algorithms used by delivery app companies pressure workers to make multiple long trips within a short timeframe. This frequently results in speeding and reckless driving on e-bikes and mopeds, as workers rush to complete deliveries. Int. 1133 would also require the apps to provide fire safety materials identified by DCWP and the Fire Department, addressing another safety issue identified in the Comptroller's report.

Maximizing the effectiveness of these provisions of Int. 1133 requires protecting workers from deactivation. As detailed in *Street Safety in the Era of Micromobility*, workers must complete high volumes of orders as quickly as possible under duress of deactivation. VII Workers who fail to do so, or decline order requests for any reason, risk losing their accounts on the app. As a result, delivery workers may engage in unsafe practices to meet their quotas or risk losing work. It is essential that legislation seeking to improve safety among delivery workers include protections against arbitrary deactivation.

Int. 1133's provision allowing delivery workers bathroom access will help to mitigate occupational health risks that delivery workers face in extreme heat. This past September, Comptroller Lander released another report, *Safeguarding Workers in an Outdoor Climate*, that details the impact of extreme heat on outdoor workers. VIII Through discussions with delivery workers, the Comptroller's report found that many workers drink an insufficient amount of water while on the job due to a lack of bathroom access, contributing to an increased risk of dehydration in the warmer months, among other occupational health hazards.

We strongly encourage the Council to add further protections that would strengthen working conditions for *all* delivery workers, both workers covered under existing laws and those for whom coverage would be expanded under Int. 1133 and 1135. There is an opportunity to address the challenges that are currently facing app-based restaurant delivery workers and to ensure that workers covered under the new bills won't face the same issues.

In addition to protections against deactivations, as noted above, the Council should include standards related to pay transparency and tipping in Int. 1133 and 1135 and pass previously introduced legislation that addresses these issues for app-based restaurant delivery workers. After the Delivery Worker Laws went into effect, some apps changed their tipping structure so that customers could only tip after the order was placed or delivered. This resulted in fewer overall tips to workers on those platforms. Furthermore, restaurant app-based delivery workers still do not have transparency about how their pay is calculated. Three bills were introduced by Council Member Shaun Abreu earlier this year to address these issues. We encourage the Council to pass these bills alongside Int. 1133 and 1135, and to expand Int. 1133 and 1135 to include similar provisions. Specifically, the Council should pass:

- Int. 0859, which would require the apps to disclose the method used to calculate food delivery worker pay at the outset of each pay period and provide workers with a running tally of their trips, on-call time, and tips for any given pay period. ix
- Int. 0738^x and 0737, ^{xi} which together would require the apps to both solicit tips from customers at a minimum of 10% of the cost of the order and ensure that this occurs before or at the same time an online order is placed.

In conclusion, the Comptroller's office supports Int. 1133 and 1135 as they expand the benefits of the Delivery Worker Laws to more workers, but we strongly encourage the Council to simultaneously include provisions and pass legislation that protects *all app*-based delivery workers from deactivation, provides pay transparency, and standardizes tipping.

Respectfully submitted,

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ⁱ Department of Worker and Consumer Protection, <u>Restaurant Delivery App Data: April - June 2024</u>, *available at* https://www.nyc.gov/assets/dca/downloads/pdf/workers/Restaurant-Delivery-App-Data-Q2-2024.pdf.

ii Department of Worker and Consumer Protection, <u>Restaurant Delivery App Data: January-March 2024</u>, *available at* https://www.nyc.gov/assets/dca/downloads/pdf/workers/Restaurant-Delivery-App-Data-Q1-2024.pdf.

ⁱⁱⁱ Id.

iv *The Instacart Loophole: Workers Are Not Covered By Minimum Wage*, Streetsblog New York City, Sophia Lebowitz and Olivia Bensimon, Nov. 14, 2024 *available at* https://nyc.streetsblog.org/2024/11/14/newly-arrived-migrants-delivering-groceries-not-covered-by-minimum-wage-nyc.

^v Relay Delivery, Inc. v. NYC Dep't of Consumer and Worker Protection et al., Decision and Order on Motion, Index No. 155944 (Sup. Ct., N.Y. County 2023, Moyne, J.)

vi Office of the New York City Comptroller Brad Lander, <u>Street Safety in the Era of Micromobility</u>, Oct. 29, 2024, *available at* https://comptroller.nyc.gov/reports/street-safety-in-the-era-of-micromobility/

vii Id

viii Office of the New York City Comptroller Brad Lander, <u>Safeguarding Outdoor Workers in a Changing Climate</u>, Sept. 24, 2024, *available at* https://comptroller.nyc.gov/reports/safeguarding-outdoor-workers-in-a-changing-climate.

ix The New York City Council - File #: Int 0859-2024.

^x The New York City Council - File #: Int 0738-2024.

xi The New York City Council - File #: Int 0737-2024.



Testimony to the NYC Council in Support of Pay Parity

Submitted by: Murad Awawdeh, President & CEO, New York Immigration Coalition

We applaud the New York City Council for this hearing to ensure that we continue to champion equity and justice in our great City. My name is Murad Awawdeh, President and Chief Executive Officer of the New York Immigration Coalition(NYIC). The NYIC is the nation's oldest and largest immigrant rights organization. We represent over 200 organizations that work day in and day out to deliver for all New Yorkers. As an advocacy, policy, and coordinating services organization, the NYIC continues to deliver for our communities so they can not only survive but thrive in our great city.

As a multi-ethnic and multi-sector organization, the NYIC has seen firsthand the impact of the affordability crisis New Yorkers are facing. We strongly urge the NYC Council to continue to champion the working class and workers in these difficult times. The NYC Council has helped ensure that all New Yorkers have a fighting shot at thriving in the City.



We join the choir of support in urging the NYC Council to pass int. 1133-2025 and 1135-2024.

Our community members continue to deliver for New York and as we see the crisis that many New Yorkers continue to face, we urge the Council to move these pay parity bills forward to ensure that ALL delivery workers are paid a fair and equitable wage. The pay increases that went into effect last year were a historic milestone by raising wages for hard working New Yorkers.

The current minimum pay rule is narrow and excludes many delivery workers at a time when costs continue to surge and cost of living increases. We have community members that are frustrated that their pay is unequal and at the same time our community members who use these various platforms are frustrated that workers are not being paid their fair pay.

Int. 1133-2025 and Int. 1135-2024 will fix the pay inequity that people are currently facing right now. These two bills will expand and fix the minimum pay rate for all delivery workers and make sure that nobody is excluded from a living wage. These bills are ever more critical in this moment to deliver for those who deliver for all of us.



We strongly urge the NYC Council to pass this legislation to ensure that our essential workers are being paid their fair pay in these uncertain times. Thank you for your leadership in fighting for Immigrant New York and look forward to you taking up and passing these bills to let our City thrive.

Regards,
Murad Awawdeh
President & CEO
New York Immigration Coalition



Testimony of NELA/NY

Protections for Contracted Delivery Workers

NYC Council Bill: Int. No. 1133-2024 | New York City Council Bill: Int. No. 1133-2024

December 2024

My name is Christopher Marlborough. I am the Principal Attorney of the Marlborough Law Firm and operate the website www.fightwagetheft.com. I represent low-wage workers in wage theft litigation. I also sit on the Legislative Committee of The National Employment Lawyers Association/New York ("NELA/NY") and chair the Wage Theft Legislation Subcommittee.

I submit this written testimony in strong support of Int. Nos. 1133 and 1135 ("the Delivery Worker Bills"). This crucial legislation will ensure that all NYC delivery workers will be treated with parity and extend the protections of the 2021 restaurant delivery worker law to all contracted delivery workers in New York City.

NELA/NY has more than 350 members and is the New York affiliate of the National Employment Lawyers Association (NELA), the nation's only professional bar organization comprised exclusively of lawyers who represent individual employees.

The business model of delivery and app companies includes the classification of their delivery workers as independent contractors, rather than employees. We believe that the foundation of this corporate business model is one based on wage theft and exploitation of low-wage workers. As a result of this classification contracted delivery workers have been shut out of the protections available to workers under traditional federal and state labor laws. In doing so, the companies avoid the costs of minimum wage and overtime payments, worker's compensation insurance, paid leave, and unemployment insurance that all New York employers are required to pay their employees.

Therefore, we applaud the City Council's bold efforts in 2021 to ensure many of the protections of the labor laws are provided to restaurant delivery workers, resulting in an increase in revenue of more than \$500,000,00 to those workers. However, many thousands of New Yorkers who perform essentially the same delivery worker responsibilities do not benefit from the 2021 restaurant delivery worker because they deliver items other than food from restaurants. We agree that it is time to extend those same benefits to all contracted delivery workers.

The Remarkable Success of the 2021 Restaurant Delivery Worker Law Should Be Replicated

The 2021 law is an excellent model for protecting all delivery workers. Delivery companies complained that providing a minimum wage to delivery workers would sound the death knell for



the delivery service industry. However, the opposite is true. Earnings for the delivery companies increased substantially, even as restaurant delivery worker's pay also increased from less than \$5.00 per hour before tips to more than \$19.56 per hour before tips. See 12/9/24 Testimony of Commissioner Vilda Vera Mayuga Commissioner DCWP. See also DCWP Data, Q1 2024; Amir Khafaghy, https://documentedny.com/2024/04/16/nyc-minimum-wage-app-workers-uber/. This 2021 law has resulted in an increase of more than \$500,000,000 for restaurant delivery workers. Moreover, during that time, the number of deliveries increased by approximately 5%. These results show that New Yorkers will continue to utilize delivery services, even when the delivery workers are paid a more reasonable wage.

All Contracted Delivery Workers Deserve a Minimum Wage

During the pandemic, contracted delivery workers were considered essential workers, and their services remain critical to the city's economy. Yet, the companies who retain their services continue to exploit these workers by classifying them as independent contractors rather than employees. Contracted delivery workers receive no benefits and are often paid wages that would be unlawfully low if they were classified as employees.

Int. Nos. 1135 and 1133 will extend minimum wage and other protections to all contracted delivery workers, not just restaurant delivery workers.

Int. No. 1135 (Minimum Payments to Grocery Delivery Workers) – This bill builds upon the success of the Council's 2021 Restaurant Delivery Worker Law. It extends the reach of that law to grocery delivery workers by providing them with the same worker protections, including the same minimum wage guarantee provided to restaurant delivery workers. Because the responsibilities of grocery delivery workers are substantially similar to those of restaurant delivery workers, this law will not require any additional rulemaking procedures and will provide immediate relief to more than 20,000 grocery delivery workers. The bill will also correct a 2023 misinterpretation of the Restaurant Delivery Workers Law, which has excluded workers for the Relay delivery service from the protection of the 2021 Restaurant Delivery Workers Law.

Int. No. 1133 (Protections for Contracted Delivery Workers) - This bill will expand delivery worker protections to cover all contracted delivery workers who deliver goods for any delivery service, not just restaurants food and groceries. First, the bill will provide a minimum wage for contracted delivery workers that accounts for both their labor and vehicle maintenance costs. Second, workers would be entitled to information concerning their delivery before accepting each assignment, the opportunity to set a maximum distance for each delivery, and the right to decline to accept trips over bridges or through tunnels. Third, the bill would require delivery services to provide insulated delivery bags and fire safety materials to their delivery workers. Fourth, food service establishments will be required to provide access to a toilet facility to contracted delivery workers picking up goods. Fifth, delivery companies will be prohibited from retaliating against delivery workers who assert their workplace rights. Finally, the bill would set forth enforcement options, including those available to the City and a private right of action for workers. This bill will require rulemaking by the Department of Consumer and Worker Protection. As a result, in



contrast to Int. No. 1135, the bill will not go into effect immediately. DCWP estimates that it may take approximately eighteen months for the law to become effective.

The 2021 model should be extended to all delivery workers classified as independent contractors, without regard to the specific goods they are delivering. Indeed, tying a worker's fair pay to the cargo she is delivering is a distinction without a difference. In light of the enormous success of the 2021 Restaurant Delivery Worker Law and the similar conditions under which all contracted delivery workers work, we believe the new law will be just as successful as the 2021 law. Indeed, we believe that the City's laws should serve as a model to be followed by cities across the country, that respect and value their low-wage workers.

We agree with the Commissioner that the DCWP needs more resources and staff to carry out the enforcement and rulemaking provisions of the bills.

We further join our colleagues in the National Employment Law Project ("NELP") in urging the City Council to prohibit unfair deactivations and require delivery companies to give customers a straightforward method of providing tips to delivery workers. *See* Written Testimony of NELP, David Ocampo, dated Dec. 9, 2024.

NELA/NY urges the City Council to pass Int. Nos. 1133 and 1135, providing parity to all contracted delivery workers classified as independent contractors.



Testimony of Daniel Ocampo

National Employment Law Project

In Support of Int. No. 1133-2024 and Int. No. 1135-2024: Protections for Contracted Delivery Workers

Hearing before the New York City Council

Committee on Consumer and Worker Protection City Hall New York, NY

December 9, 2024

Daniel Ocampo

Staff Attorney, Work Structures

National Employment Law Project

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Dear Chair Menin & Members of the Committee:

My name is Daniel Ocampo, and I am a lawyer with the National Employment Law Project (NELP), a national nonprofit with more than fifty years of experience advocating for the labor and employment rights of low-wage workers. NELP works extensively at the federal, state and local levels, and has regularly advised the New York City Council on protecting workers in the city. Relevant for the legislation that the Committee is considering today, NELP works across the country with groups of app-based workers, supporting campaigns at the local, state, and federal levels for policies to protect this exploited workforce. Also relevant, we worked with the Department of Consumer & Worker Protection (DCWP) to advocate for an effective pay standard pursuant to the restaurant delivery worker law enacted in 2021.

We are delighted to testify today in strong support of these two bills.

<u>Int. No. 1135</u> would extend some workplace protections and the existing pay standard for third-party restaurant delivery workers to grocery delivery workers, who are retained to deliver groceries for companies like Instacart and Shipt. Because restaurant and grocery delivery workers perform work that is substantially similar, this bill would allow DCWP to apply its existing restaurant delivery pay standard to grocery delivery workers, avoiding the cost and delay of a new rulemaking.

<u>Int No. 1133</u> would extend these protections beyond the restaurant and grocery sectors to all contracted delivery workers, including workers who deliver packages through services like Walmart Spark and Amazon Flex. Unlike Int. No. 1135, it would require DCWP to conduct a new pay standard rulemaking for this group of workers.

Taken together, these bills would provide a meaningful wage floor and protections to an underpaid and exploited workforce, who are currently excluded from New York's workplace laws.

All Contracted Delivery Workers Need a Wage Floor

Contracted delivery workers increasingly provide critical labor services in New York City—delivering meals, packages, groceries, medications, and more across the city every day. The companies that rely on this labor, however, have avoided paying the minimum wage and complying with other labor standards enshrined in New York's labor and employment laws by classifying them as independent contractors. The companies' exploitative business model denies contracted delivery workers basic protections such as a guaranteed minimum wage, as well as benefits like paid leave, unemployment insurance, and workers' compensation guaranteed to employees under New York law.

As a result, these workers regularly earn subminimum wages with no benefits for difficult and dangerous work.¹ Worse, the pay is not only low but inconsistent job-to-job and week-to-week, which makes it difficult for workers to care for their families and themselves, pay their bills on time, or build up savings.

¹ Ken Jacobs, Michael Reich et al., *Gig Passenger and Delivery Driver Pay in Five Metro Areas*, U.C. Berkeley Lab. Ctr. (May 2024), https://laborcenter.berkeley.edu/wp-content/uploads/2024/05/Gig-Passenger-and-Delivery-Driver-Pay-in-Five-Metro-Areas.pdf.

The Restaurant Delivery Worker Pay Standard Has Been a Success and Is a Model to Follow

This legislation builds on the example and demonstrated success of the restaurant delivery worker minimum pay standard.²

Since going into effect, DCWP's pay standard has delivered clear gains for workers. Over the first six months of 2024, delivery workers' hourly pay increased from a subminimum wage of \$10.62, to \$19.26 by April, and \$22.48 by June (all after tips).³ On a weekly basis, overall earnings also grew 32% over the period.⁴ And despite repeated warnings from Uber, DoorDash, Grubhub, and Relay that demand would collapse and delivery workers would lose out, there was a 5 percent year-on-year increase in the number of weekly deliveries made, to 2.64 million.⁵ In short: New Yorkers continue to order food delivery, delivery companies continue to operate profitably, and delivery workers now earn fairer wages.

Building on this success, the City Council should extend these pay protections to all contracted delivery workers in the city. Couriers who deliver groceries, packages, and medications perform work that is essentially the same as those who deliver restaurant meals: they receive work requests and assignments, usually through an app, to transport and deliver goods across New York City. In fact, there is a significant overlap in this workforce. Many of the workers engaged to do restaurant delivery also perform deliveries from convenience stores, grocery stores, or other retailers through the same apps.⁶

NELP supports a strong minimum pay standard for New York City's entire contracted delivery workforce. Given the success of the initial pay standard, and the similarity of the work performed by these workers, the City Council should pass both of these bills and ensure that all delivery workers earn at least a minimum wage.

This Legislation Extends Other Important Workplace Protections to Contracted Delivery Workers

Int. No. 1133 would also extend several other important labor protections to all of the city's contracted delivery workers.

First, it gives workers some power to set parameters for the kinds of trips they will accept and reject. Delivery workers can set a maximum distance they are willing to travel, and specify certain bridges and tunnels that they do not want to cross. Second, the legislation would prohibit delivery companies from retaliating against workers exercising their workplace rights. And third, it would give all delivery workers the

² DCWP Website: Minimum Pay Rules, https://www.nyc.gov/site/dca/workers/Delivery-Worker-Public-Hearing-Minimum-Pay-Rate.page.

³ See DCWP Data, Q1 2024, <u>https://www.nyc.gov/assets/dca/downloads/pdf/workers/Restaurant-Delivery-App-Data-Q1-2024.pdf;</u> DCWP Data Q2, 2024, <u>https://www.nyc.gov/assets/dca/downloads/pdf/workers/Restaurant-Delivery-App-Data-Q2-2024.pdf</u>

⁴ DCWP Data Q2, 2024.

⁵ Id.

⁶ A Minimum Pay Rate for App-Based Restaurant Delivery Workers in NYC, Dept. of Consumer & Worker Protection, at 5 (Nov. 2022), available at

https://www.nyc.gov/assets/dca/downloads/pdf/workers/Delivery-Worker-Study-November-2022.pdf

right to use toilet facilities at businesses where they are picking up goods. All contracted delivery workers, not just restaurant delivery workers, deserve toilet access and retaliation protections.

The Council Should Make its Intent Clear, Minimizing the Risk of Further Costly and Frivolous Corporate Lawsuits

In 2023, days before the restaurant delivery minimum pay standard was set to go into effect, Uber, DoorDash, and Grubhub all filed suit against the city to stop application of the pay standard.⁷ While these claims were essentially baseless and subsequently thrown out, they succeeded in throwing sand in the gears of the city machinery and slowing down the rollout of the pay standard.⁸ DCWP was forced to direct significant resources to fighting the litigation, and delivery workers continued to work for subminimum wages for several additional months.

Relay also filed suit, seeking an exemption from the pay standard. In their telling, they should not have been required to pay their workers a minimum wage because they have a different business model. These claims were thin at best: while it is true that Relay does not directly contract with end-users (like Uber Eats and DoorDash), they hire delivery workers as independent contractors to deliver food from restaurants. Their business is functionally the same, and they should also be required to comply with the wage floor.

Unfortunately, their litigation strategy succeeded, and they won a temporary carveout from the pay standard. As a result, Relay workers are now earning lower hourly wages than their counterparts at covered companies—by the best estimates, only \$11 an hour after expenses. This legislation would make clear that Relay workers, too, are entitled to a pay floor.

The Council Should Take Up Additional Legislation to Address Other Significant Issues Facing New York's Delivery Workers

Restore tip access

Shortly after the roll-out of the restaurant delivery worker minimum pay standard in 2023, some apps retaliated by making the tipping option much more difficult to access on the user interface. DoorDash, for example, prevented users from adding tips when they confirmed their order—as had been the norm before—instead requiring them to navigate back into the app after their food had been delivered. The result was a huge drop-off in tips, and a significant loss of income for the workforce. Int. No.

⁷ Kellen Browning & Ana Ley, *Food-Delivery Companies Sue New York City Over Minimum Pay Law*, N.Y. Times (Jul. 6, 2023), https://www.nytimes.com/2023/07/06/nyregion/uber-minimum-wage-lawsuit-nyc.html.

⁸ NYC Dept. of Consumer & Worker Protection v. Uber Techs., Index No. 155943/2023 (TRO entered Jul. 11, 2023), available at

https://iapps.courts.state.ny.us/nyscef/ViewDocument?docIndex=yFHEtQJwD89IH8k5ZI_P_LUS_0pw==.

⁹ Relay v. NYC Dept. of Consumer & Worker Protection, Index No. 155944/2023 (Krinsky Decl., Oct. 24, 2024),

https://iapps.courts.state.ny.us/nyscef/ViewDocument?docIndex=G0FD8VmrsJ3u4rAyB8w 4g0==.

0737-2024, sponsored by Council Member Abreu, would require companies to give users a straightforward way to tip their workers.

Prohibit unfair deactivations

App-based corporations continue to unfairly and arbitrarily "deactivate" (industry speak for terminate) ridehail drivers and delivery workers. Even worse, because the deactivation happens through the app, these workers often do not know the reasons for the deactivation and face obstacles to talking about or appealing the decision to a human at the corporation.

For the workers affected, the impact of losing your job abruptly can be devastating. It leaves workers and their families unable to pay their rent, mortgages, and other bills, often leading to extreme hardship. In a 2023 survey, 43% of New York workers reported that, if their paychecks were cut off, they have little savings to fall back on and within one month would be unable to pay their bills. The impact on contracted delivery workers is compounded by their low wages and exclusion from benefits like unemployment insurance.

There is therefore an urgent need to protect ridehail and delivery workers from being fired without a good reason and a fair process. The Council should take up legislation to extend just cause protections to New York's contracted delivery workers and ridehail drivers.

Conclusion

These common-sense protections would be enforced by the Department of Consumer and Worker Protection (DCWP)'s Office of Labor Standards Enforcement—an excellent and effective city agency with a proven track record of fairly implementing the city's labor standards—including for delivery workers. The positive experiences of DCWP in enforcing the city's existing restaurant delivery worker protections should give the City Council confidence in extending those safeguards to other contracted delivery workers.

NELP respectfully urges the City Council to pass Int. No. 1033 and Int. No. 1035.

¹⁰ Fired Without Warning or Reason: Why New Yorkers Need Just Cause Job Protections, Data for Progress, National Employment Law Project & Make the Road New York (Jan. 2023), available at https://www.nelp.org/app/uploads/2023/01/Fired-Without-Warning-or-Reason-Just-Cause-Report.pdf.



December 11, 2024

To the New York City Council,

My name is Maria Lizardo and I am the Executive Director of Northern Manhattan Improvement Corporation (NMIC) with offices in Manhattan and the Bronx. We represent thousands of immigrants across New York City, some of whom rely on delivery work as an accessible way to support their families and earn a respectable living while finding their way in an unfamiliar city. New York has always been a city of immigrants and I sincerely hope that the Council will take this opportunity to support our community by passing Int 1133-2025 and Int 1135-2024

As the daughter of an illiterate and undocumented immigrant who came to NYC from a rural area in the Dominican Republic, I witnessed first- hand my mom's struggles with low wages as a factory worker and the impact that it had on our housing and education stability. Like so many immigrants, she could have benefited from an across the board pay minimums for all factory workers similar to how many immigrants would benefit from the application of the City's minimum pay rules to grocery delivery.

While our organization represents all kinds of people from the immigrant community, one thing many have in common is that delivery work has often been a pathway to economic success. As many immigrant families are navigating the new realities of life in New York — simply trying to, send their kids to our public schools, pay taxes and work to achieve their own version of the American dream — delivery work has offered them hope.

That's why on behalf of NMIC, I am urging the Council to support Int 1133-2025 and Int 1135-2024 and apply the City's minimum pay rules for delivery workers to grocery delivery.

The pay increases that went into effect for food delivery workers last year was a historic milestone, raising wages for hard working New Yorkers and improving their livelihoods as they seek a better life for themselves and their family

Unfortunately, the narrow scope of the current minimum pay rule means that many delivery workers are being left behind, as it only covers food delivery workers on platforms who deliver from restaurants, while excluding delivery workers on platforms that specialize in grocery delivery. We have constituents that use a variety of these platforms and have heard frustration that not all delivery work is paid the same way,



despite the fact that it is fundamentally the same, and often difficult and dangerous work.

Int 1133-2025 and Int 1135-2024 will expand the minimum pay rate to all delivery workers and make sure that nobody is excluded from a living wage with this loophole. This legislation is crucial at a time when the cost of living in New York City is at a record high, and marginalized communities are on the forefront of our affordability crisis. It's up to the Council to lead the way in resolving the inconsistency in this policy and supporting our immigrant families who rely on these crucial earning opportunities.

We hope that the Council will pass this legislation and take another crucial step towards putting more money into the pockets of this essential workforce that is made up heavily of immigrants, many of whom depend on these wages to survive and put food on their tables.

Thank you for the opportunity to speak on this important matter for New York City's immigrant community.

Sincerely,

Maria Lizardo, LMSW Executive Director





55 Exchange Place, 5th FL New York, NY 10005 Phone: 212.233.8955 Hotline: 1.866.HF.AYUDA

Testimony re: Introduced Bill File No. Int. 1133-2024 and Int. 1135-2024

Submitted to

New York City Council

Committee on Consumer and Worker Protection

Submitted by

Ingrid Álvarez, Vice President for Policy and Strategic Engagement

December 12, 2024

Thank you, Chair Menin, and members of the New York City Council Committee on Consumer and Worker Protection, for the opportunity to provide written testimony. My name is Ingrid Álvarez, and I am the Vice President for Policy and Strategic Engagement at Hispanic Federation (HF), a nonprofit organization dedicated to empowering and advancing Hispanic communities through programs and legislative advocacy. HF's testimony is also informed by the insights of our more than 100 New York City-based member agencies, all committed to improving outcomes and shared opportunities for Latinos across New York.

HF would like to acknowledge and thank New York City Council Members Gutiérrez, Nurse, and all co-sponsors for championing:

- **Int. 1133-2024**: A Local Law to amend the administrative code of the city of New York, in relation to protections for contracted delivery workers.
- **Int. 1135-2024**: A Local Law to amend the administrative code of the city of New York, in relation to minimum payments to grocery delivery workers.

HF fully supports both Int. 1133-2024 and Int. 1135-2024, as they represent critical steps toward addressing the financial and workplace barriers that hinder contracted delivery workers from achieving financial security and supporting their families and communities.

HF presents this testimony in support of policies that advance worker rights, protections, equitable labor standards, and fair wages for all New Yorkers. We also appreciate the Council's commitment to initiatives that safeguard the rights of New Yorkers in the e-service industry. E-commerce has become a vital sector in New York City's economy, driving growth through the rapid delivery of goods and services that millions of residents rely on daily.

Delivery workers play an essential role in supporting restaurants, small businesses, and the broader local economy.



Their hard work ensures that goods and services reach residents efficiently, yet too often they face unsafe conditions and inadequate protections. Advocating for policies that uphold their rights and ensure fair treatment is critical to sustaining the growth of e-commerce and fostering an equitable and resilient NYC economy. Robust measures to safeguard workers—including fair wages, workplace safety standards, and access to benefits—are essential for achieving these goals.

Support for Int. 1133-2024

Establishing Transparency and Agency Over Miles Worked:

Int. 1133's requirement for delivery service apps to allow workers to set maximum distances per trip and provide trip information before acceptance is a crucial protection that ensures fairness and transparency. Access to trip details before accepting a delivery allows workers to make informed decisions, balancing safety, efficiency, and personal circumstances. These protections not only improve working conditions but also affirm workers' agency over their labor.

Enhanced Pay Equity:

Mandating a study of working conditions and establishing a minimum pay rate ensures fair compensation and financial stability for contracted workers, addressing wage disparities in this growing sector.

Safety and Equipment Provisions:

Requiring delivery services to provide insulated delivery bags and fire safety materials demonstrates a commitment to workers' safety and the integrity of their deliveries.

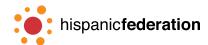
Access to Restroom Facilities:

Many workers lack access to basic amenities, creating unsafe and inhumane conditions. Providing delivery workers with access to restroom facilities at food service establishments supports their health and well-being, promotes dignity, and fosters equitable working environments.

Support for Int. 1135-2024

This bill requires third-party grocery delivery services to pay their workers a minimum pay rate that meets or exceeds the minimum pay rate required for food delivery workers. Since the COVID-19 pandemic, demand for grocery delivery services has grown significantly, making these workers an integral part of the city's economy. Grocery delivery workers often operate under demanding and unpredictable conditions to ensure families have access to food and supplies. By requiring fair pay, this bill addresses wage disparities and recognizes the essential role these workers play in supporting households and communities.

In summation, Int. 1133-2024 and Int. 1135-2024 represent critical advancements in protecting delivery workers and ensuring equitable treatment in New York City. By addressing unsafe



working conditions, inadequate pay, and issues of basic human dignity, these bills will uplift delivery workers and contribute to a more equitable and sustainable city for all residents. We urge the Committee to vote in favor of these bills and work toward their swift implementation. Thank you for your time and the opportunity to provide testimony. Hispanic Federation looks forward to continued partnership and dialogue to prioritize these important investments.

Sincerely, Hispanic Federation Urgent Need for Policies to Protect Delivery Workers, Especially Black Migrants

To the New York City Council,

My name is Adama Bah, and I am the Executive Director of Afrikana, a Black-led immigrant women's organization based in NYC. We represent thousands of Black migrant immigrants across New York City, many of whom rely on delivery work as an accessible way to support their families and earn a respectable living while navigating life in a new and often unfamiliar city. New York has always been a city of immigrants, and I sincerely hope that the Council will take this opportunity to support our community by passing Int 1133-2025 and Int 1135-2024.

As someone who was formerly undocumented and who has been working in immigrant advocacy for 18 years, I have witnessed firsthand the unique challenges faced by Black migrants in New York City. Black migrants often navigate a landscape of systemic inequities, including racial discrimination, linguistic barriers, and limited access to legal and social services. Despite their critical contributions to the city's economy, they remain disproportionately marginalized, frequently excluded from fair employment opportunities and basic labor protections.

Afrikana serves as a lifeline for Black migrants, connecting them to essential services like legal assistance, shelter, workforce training, and public benefits. Many of our clients turn to delivery work because it offers immediate income in the face of systemic barriers that prevent them from accessing other forms of employment. This work, while vital, often comes with exploitative conditions that Black migrants are uniquely vulnerable to. They frequently work in dangerous neighborhoods, endure long hours in extreme weather, and face wage theft all without the protections afforded to others in similar roles.

While our organization represents people from across the Black migrant community, one thing many have in common is that delivery work has often been a pathway to economic survival, not success. For many newly arrived Black migrants who are already contending with xenophobia and anti-Black racism delivery work provides a fragile lifeline. It allows them to send their children to school, pay rent in increasingly unaffordable neighborhoods, and contribute to the city's economy.

However, the current minimum pay rule for delivery workers only covers those delivering food from restaurants, excluding grocery delivery workers who perform the same labor-intensive and often dangerous work. This exclusion disproportionately impacts Black migrant workers, many of whom rely on grocery delivery platforms due to the flexibility and immediate access they provide.

That's why, on behalf of Afrikana, I am urging the Council to support Int 1133-2025 and Int 1135-2024 to apply the City's minimum pay rules to all delivery workers, including those delivering groceries. The pay increases that went into effect for restaurant delivery workers last year were a historic milestone, raising wages for hardworking New Yorkers and improving their

livelihoods. However, it is time to expand these protections to all delivery workers to ensure equity across the board.

Black migrant delivery workers are particularly vulnerable due to their intersecting identities as both migrants and Black individuals. They are often relegated to the most dangerous and least rewarding jobs, while lacking access to recourse for exploitation or discrimination. Expanding the minimum pay rate to include grocery delivery workers is a critical step toward addressing these inequities and ensuring that Black migrants can earn a dignified living wage.

New York City is facing an affordability crisis, and Black migrant delivery workers are on the frontlines of this struggle. Passing Int 1133-2025 and Int 1135-2024 will not only address this inconsistency but also send a powerful message that the city values the contributions of all its workers, regardless of their race, immigration status, or job title.

We hope the Council will lead the way in supporting our immigrant families by passing this legislation. Black migrant workers deserve the same dignity, respect, and protections as every other New Yorker who contributes to our city.

Thank you for the opportunity to speak on this important matter for New York City's immigrant community.

Sincerely, Adama Bah Executive Director Afrikana My name is Adolphus C Lacey, and I represent the congregation of Bethany Baptist Church in Brooklyn. With many people in our congregation increasingly looking to use delivery work as a way to support themselves, I hope that the Council will take this opportunity to support our community by passing Int 1133-2024 and Int 1135-2024.

I have been pastoring in Bedford Stuyvesant for nearly eleven years. In this capacity, I have championed the rights and voices of the marginalized. I do this by listening and then acting.

We know that delivery work is an inviting, low-barrier way to earn income for many in our pews. For some, it has been a way to make ends meet on top of another job, while for others, it has been a crucial lifeline at a time when they may need it most. Above all, it is a pathway to opportunity and to make an honest living.

That's why on behalf of our congregation, I support Int 1133-2024 and Int 1135-2024 and apply the City's minimum pay rules to grocery delivery. Many people in my congregation got their start doing this kind of work with food delivery from restaurants, and we've seen that the city has been focused on making sure that those workers are supported. We appreciate the work of the Council and that city policymakers have been paying attention to these important issues.

However, even as many of these companies have expanded their services to offer delivery from grocery stores, too, some companies that exclusively deliver from grocery stores are not treated the same way and don't have to comply with the minimum pay rate. I have heard the frustrations from congregants that not all deliveries are paid the same way, even though they are doing the same work.

We need to resolve the uncertainty and the unfairness in the current law with this glaring loophole. People are trying to support themselves and their families, and they should get equal pay for doing the same work. These are humble, hard-working New Yorkers who just want to know how they will be paid at the end of the week. Their pay shouldn't depend on what delivery app a customer uses to place their order!

For many brothers and sisters in our congregation, the path to prosperity comes with roadblocks. It's up to the Council to pass laws that will help overcome these challenges, no matter their circumstances in life. Passing these bills would be a step in the right direction, putting more money in their pockets and helping set them upon this course.

Thank you for your attention to this important matter for so many of my congregation members.

Sincerely,

Rev. Adolphus C. Lacey, PhD Senior Pastor



Testimony of Ruth Whittaker Director of Civic Innovation Policy Chamber of Progress

Re: Int 1133-2024 and Int 1135-2024 Committee on Consumer and Worker Protection New York City Council

Good afternoon Councilmember Menin and members of the committee:

My name is Ruth Whittaker and I am the Director of Civic Innovation Policy at Chamber of Progress, a tech industry coalition promoting technology's progressive future and ensuring that all Americans benefit from technological leaps. Our partners include many app-based delivery companies, but our partners do not have a vote or veto over our positions.

I'm here today to raise concerns about proposals to implement minimum pay standards for all categories of delivery workers without properly considering the downstream consequences. After implementing minimum pay standards for food delivery workers last year, prices increased for consumers and earning opportunities decreased for drivers. Expanding these standards to cover more drivers without a full understanding of their impact risks undermining the goal of these proposals.

Minimum pay standards typically raise prices for consumers.

After the city implemented its minimum pay standards for food delivery drivers last year, consumer fees increased by an average of 46% per order. Expanding the existing rules to include grocery delivery would likely have similar effects. Increasing the price of groceries would be particularly harmful for the estimated 14.6% of New Yorkers who are food insecure or those living in food swamps without access to fresh, healthy food. For these communities, food and grocery delivery services can mean access to a wider variety of healthier food options.

Minimum pay standards also typically result in reduced earnings for delivery workers.

Higher prices typically result in fewer orders and lower tips, which declined by 60% for food delivery drivers since December.³ The minimum pay standards for food delivery

https://www.restaurantbusinessonline.com/technology/pay-hike-nyc-delivery-workers-hasnt-hurt-demand-city-says

² https://council.nyc.gov/data/emergency-food-in-nyc/

<u>ahttps://www.geekwire.com/2024/new-data-reveals-impact-of-minimum-wage-law-on-food-delivery-drivers-and-orders-in-nyc/</u>

workers also resulted in food platforms instituting schedules to align driver supply with high demand periods.⁴ The combination of fewer orders and limited schedules can limit earning opportunities for drivers. One NYC driver reported a 60% decrease in earnings since the pay standards went into effect.⁵

Applying these same standards to grocery delivery and other categories of drivers could further limit opportunities for New Yorkers looking to earn extra income. Nationwide, 69% of workers said app-based work helped them to make money in an emergency situation, and 63% said the income from app-based work allowed them to cover rising costs.⁶

Minimum pay standards also threaten the flexibility that delivery workers value.

App-based gig workers consistently report that the ability to control their own schedules is one of the most valuable benefits of app-based work. For the 36% of app-based workers who also work full-time jobs and the 20% balancing unpaid caregiving work (who are disproportionately women), schedules undermine the benefits of gig work and reduce earning opportunities.⁷

Indeed, the city's analysis of the minimum pay standard for food delivery workers found that the number of couriers dropped by 9% since the standards went into effect.⁸ Expanding the existing minimum pay standards risks not only making it more difficult for New Yorkers to earn extra income, but to compromise on the other benefits of gig work that drivers value.

We urge you not to move forward with these proposals. Instead, we encourage you to examine the downstream impacts of the existing standards and work to address the negative consequences for food delivery drivers and consumers.

Thank you.

⁴https://www.wsj.com/business/hospitality/delivery-drivers-got-higher-wages-now-theyre-getting-fewer-orders-d2e41

[§]https://www.wsj.com/business/hospitality/delivery-drivers-got-higher-wages-now-theyre-getting-fewer-orders-d2e41
6c0

⁶ https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf

⁷ https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf

⁸ https://www.restaurantbusinessonline.com/technology/pay-hike-nyc-delivery-workers-hasnt-hurt-demand-city-says



Testimony in Support of Intro 1133-2025 and Intro 1135-2024

December 10, 2024

My name is Wayne Ho, and I am the President and CEO of the Chinese-American Planning Council (CPC). Founded in 1965, CPC is the nation's largest Asian American social services organization and has the mission to promote the social and economic empowerment of Asian American, immigrant, and low-income New Yorkers. We serve over 80,000 community members – mostly immigrants – each year across the five boroughs of New York City.

Many of our community members rely on delivery work as an accessible way to support their families and earn a respectable living. New York City has always been a city of immigrants, and we hope that the City Council will take this opportunity to support our community by passing Intro 1133-2025 and Intro 1135-2024.

As many immigrant families are navigating the new realities of life in New York City – sending their kids to public school, navigating the city, paying taxes, and working to achieve their own version of the American dream – delivery work has offered them hope. This is why we are encouraging the City Council to support Intro 1133-2025 and Intro 1135-2024 and apply the City's minimum pay rules for delivery workers to grocery delivery.

The pay increases that went into effect for food delivery workers last year were a historic milestone, raising wages for hard working New Yorkers and improving their livelihoods as they seek a better life for themselves and their family. Unfortunately, the narrow scope of the current minimum pay rule means that many delivery workers are being left behind, as it only covers food delivery workers on platforms who deliver from restaurants, while excluding delivery workers on platforms that specialize in grocery delivery.

Intro 1133-2025 and Intro 1135-2024 will expand the minimum pay rate to all delivery workers and make sure that nobody is excluded from a living wage with this loophole. These bills are critical at a time when the cost of living in New York City is rising, and marginalized communities are on the forefront of the affordability crisis. With these bills, the City Council has a way to resolve the inconsistency in this policy and support predominantly immigrant families who rely on these earning opportunities.

We hope that the City Council will pass Intro 1133-2025 and Intro 1135-2024 and take another step toward supporting this essential workforce that is made up primarily of immigrants, many of whom depend on these wages to survive and put food on their families' tables.

Thank you for your time and consideration.



My name is Rev. Kevin McCall, and I represent the congregation of Crisis Action Center in brooklyn. With many people in our congregation increasingly looking to use delivery work as a way to support themselves, I hope that the Council will take this opportunity to support our community by passing Int 1133-2024 and Int 1135-2024.

As a premier social justice preacher for over two decades I have always push individuals to help make the economy better. I stand for Jobs & Justice at the same time delivering hope & encouragement for the voiceless. CAC has become a beacon of hope for those that need food, support & positive reinforcement.

We know that delivery work is an inviting, low-barrier way to earn income for many in our pews. For some, it has been a way to make ends meet on top of another job, while for others, it has been a crucial lifeline at a time when they may need it most. Above all, it is a pathway to opportunity and to make an honest living.

That's why on behalf of our congregation, I support Int 1133-2024 and Int 1135-2024 and apply the City's minimum pay rules to grocery delivery. Many people in my congregation got their start doing this kind of work with food delivery from restaurants, and we've seen that the city has been focused on making sure that those workers are supported. We appreciate the work of the Council and that city policymakers have been paying attention to these important issues.

However, even as many of these companies have expanded their services to offer delivery from grocery stores, too, some companies that exclusively deliver from grocery stores are not treated the same way and don't have to comply with the minimum pay rate. I have heard the frustrations from congregants that not all deliveries are paid the same way, even though they are doing the same work.



We need to resolve the uncertainty and the unfairness in the current law with this glaring loophole. People are trying to support themselves and their families, and they should get equal pay for doing the same work. These are humble, hard-working New Yorkers who just want to know how they will be paid at the end of the week. Their pay shouldn't depend on what delivery app a customer uses to place their order!

For many brothers and sisters in our congregation, the path to prosperity comes with roadblocks. It's up to the Council to pass laws that will help overcome these challenges, no matter their circumstances in life. Passing these bills would be a step in the right direction, putting more money in their pockets and helping set them upon this course.

Thank you for your attention to this important matter for so many of my congregation members.

Sincerely,

Rev.Kevin McCall



December 10, 2024

Committee on Consumer & Worker Protection New York City Council City Hall Park New York, NY 10007

RE: DoorDash Testimony in Support of Int. 1133-2024 and Int. 1135-2024

Dear Members of the Committee:

My name is Kassandra Perez-Desir, and I am writing on behalf of DoorDash, Inc., to provide testimony in support of Int. 1133-2024 (if amended) and Int. 1135-2024 (if amended). If passed, these bills will create parity in pay and conditions of work of contracted delivery workers operating in New York City. Importantly, the bills will ensure that workers doing the same or substantially similar work are treated equally and not subject to arbitrary, inconsistent, and unfair rules.

We support the Committee's efforts to resolve the disparate treatment of delivery platforms and contracted delivery workers through these two bills and respectfully propose the revisions outlined below (and set forth in detail in the markups we shared previously with the Council and DCWP).

Thank you for your thoughtful attention to this important issue. We appreciate the opportunity to share our testimony, and we hope to continue to be a resource for the Committee, the Council, and DCWP both now and in the future.

Our Impact: DoorDash empowers thousands of New Yorkers to earn when, where, and how they choose

DoorDash is a technology company that connects consumers with their favorite local businesses. We operate in more than 30 countries across the globe, including in New York City. We build products and services to help businesses innovate, grow, and reach more customers. And we empower thousands of New Yorkers from all walks of life to earn money when, where, and how they choose by delivering meals and other essentials to their communities. As our impact continues to grow, we are committed to serving the interests of the Dashers who deliver on our platform, the local businesses we partner with, and the consumers who rely on DoorDash for convenient delivery. And we are committed to being responsible members of every community we reach across the five boroughs and beyond.

New York City needs to update its laws to ensure delivery workers are treated and paid equally when doing the same or substantially similar work

The City's current delivery platform laws have created requirements only for apps that facilitate restaurant deliveries, but not similar apps that facilitate similar – and in some cases, the exact

same – types of deliveries. That means some delivery platforms are highly regulated while others are not regulated at all. This disparate treatment is untenable and unfair. It is bad for businesses, but it is worse for workers, whose pay and work conditions can vary widely from delivery to delivery.

Int. 1133-2024 and Int. 1135-2024 address this disparate treatment.

The current platform laws only apply to apps that facilitate restaurant deliveries

In 2021, the Council passed a series of laws regulating "third-party food delivery services" and "third-party courier services." Third-party food delivery services were defined to include businesses that both: (1) provide a marketplace to arrange for the sale of food or beverages from restaurants; and (2) facilitate delivery of those items to a consumer (*e.g.*, DoorDash, Uber Eats). Third-party courier services were defined as businesses that facilitate delivery of food or beverages from a restaurant – but do not provide a marketplace to arrange for the sale of food or beverages (*e.g.*, Relay).

Under the law as it exists today, both third-party food delivery services and third-party courier services are subject to DWCP's rules. Other apps – for example, those that facilitate deliveries from non-restaurant businesses (*e.g.*, grocery stores) only – are not subject to those rules, even though they offer substantially similar services, using similar technology, often while engaging the very same workers.

All deliveries facilitated by third-party food delivery services and third-party courier services are covered by the existing rules, even for non-restaurant deliveries

In 2022, DCWP promulgated regulations to implement several of the City's new delivery worker laws. Relying on the definitions provided in the underlying statute, DCWP declared that "third-party food delivery services" and "third-party courier services" must adhere to the delivery worker laws even when facilitating non-restaurant deliveries. In other words, if a platform qualifies as a "third-party food delivery service" or a "third-party courier service" because it facilitates restaurant deliveries, it must be treated as "third-party food delivery service" or a "third-party courier service" even when it facilitates non-restaurant deliveries. The result is that these platforms are subject to the same regulations for all deliveries.

But not all non-restaurant deliveries are covered by the existing rules

DCWP's rulemaking laid bare the potential for certain categories of delivery platforms to skirt the requirements of the delivery laws as currently drafted. The status quo clearly requires companies that facilitate restaurant deliveries *and* non-restaurant deliveries to comply with the existing rules and statutes. Int. 1133-2024 and Int. 1135-2024 will leave no doubt that these requirements apply to other similar platforms, too.

The current regime is confusing, arbitrary, and unfair for workers and businesses

The following scenarios illustrate the absurd – but very real – consequences of the existing regulatory framework that Int. 1133-2024 and Int. 1135-2024 are intended to fix.

- Scenario 1: Different pay for substantially similar work (by different workers). Worker A delivers a meal to a consumer who placed their order through DoorDash, a "third-party food delivery service" that facilitates both restaurant and non-restaurant deliveries. Worker B delivers groceries to a consumer who placed their order through a grocery delivery service, which operates a very similar platform that facilitates non-restaurant deliveries only. Under the existing rules, Worker A's delivery is subject to the delivery worker laws, but Worker B's delivery is not even though Worker A and Worker B are doing substantially similar work.
- Scenario 2: Different pay for the same work (by the same worker). Worker A delivers groceries to a consumer who placed their order through DoorDash, a "third-party food delivery service" that facilitates both restaurant and non-restaurant deliveries. Worker A then logs out of the DoorDash platform and logs into the Instacart platform. Worker A then delivers groceries to a consumer who placed their order through Instacart. Under the existing rules, Worker A's DoorDash delivery is subject to the delivery worker laws, but Worker A's Instacart delivery is not even though it is the same work.

The status quo incents businesses and consumers to use unprotected workers and platforms

Of course, delivery workers and the platforms that engage them are not the only ones confronted with the conspicuous inequality of the current system. For example, grocery stores are incentivized to work with platforms that are not subject to the law and do not have to adhere to minimum pay and conditions of work requirements. These unregulated platforms can offer the same services as regulated platforms, and they can do it for less money – which results in grocery stores and others shifting business from regulated platforms to unregulated ones, thereby shifting work opportunities from protected to unprotected workers.

The Solution: Int. 1133-2024 and Int. 1135-2024 create parity among platforms and workers

We urge the Committee to level the playing field by passing Int. 1133-2024 and Int. 1135-2024 to address the inequality that pervades the current rules. As it stands, some platforms are at a significant competitive disadvantage compared to their peers, and workers are caught in the middle, left to navigate a regulatory scheme that denies them equal pay for equal work.

Our Revisions: We support these bills, but propose important (minor) changes

Although we support the intent of Int. 1133-2024 and Int. 1135-2024, we urge the Committee to recognize the extensive investment of time and resources that we have made to comply with the laws to date and to prioritize the need for stability and consistency over time. We further urge the Committee to adopt the changes we have set forth in detail in redlines we have shared with the Committee and DCWP to ensure that these new bills will be workable in practice.

Int. 1133-2024: Summary of Proposed Changes

We have shared a redline of Int. 1133-2024 with the Committee and with DCWP that includes minor amendments to various sections of the bill. Below is a summary of those proposed changes.

• Section 20-1521(a)(1): The Committee should not change the distance parameters that workers can set when filtering the information shared at the time of the offer

Over the past several years, DoorDash has spent significant time and resources to comply with the existing rules, including those regarding delivery offers or assignments, while maintaining a Dasher-friendly experience. Under those rules, platforms are required to permit workers to specify the parameters of the offers they receive. Among those parameters is the maximum distance per trip. The current rules provide that the maximum distance per trip should be measured as the distance from the pickup location to the dropoff location. The proposed revision to this section in Int. 1133-2024 is unworkable.

It is exceedingly difficult from an engineering perspective to use a different benchmark – like the distance from a Dasher's location when they receive the offer to the dropoff location – to measure maximum trip distance. Moreover, Dashers are on the move constantly, making distance measurements that benchmark to their current location potentially confusing and misleading, not to mention extremely difficult to track with complete accuracy in real time.

We urge the Committee to retain this section as is and not to change these parameters.

DCWP has informed us that some workers have reported being confused at the different distance measurements used for parameters vs. in disclosures made at the time of offer. To resolve this issue, we propose minor revisions to Section 20-1521(d)(2) instead (as discussed below).

• Section 20-1521(d)(1): Platforms should be required to disclose only the "first address" at the time of the offer

To increase efficiency, platforms frequently batch or group orders together so that a worker can maximize their earnings and complete multiple deliveries simultaneously. Requiring platforms to disclose all of the relevant addresses for a particular offer upfront would be unworkable in practice. Given the size of the average phone screen, sharing several addresses at once would clutter the offer screen to such an extent that it would be difficult for a worker to easily review the most relevant information when deciding whether to accept the offer. To avoid this outcome, we propose changing this language to require platforms to disclose only the first pickup address as the time of the offer.

• Section 20-1521(d)(2): The Committee should align the distance parameters that workers can set with the information workers actually see at the time of the offer

To align the distance used in setting parameters with the distance shown at the time of offer, we propose requiring platforms to disclose the estimated total distance that the worker will travel from the pickup location during the delivery. The estimated total distance should not exceed the

maximum distance set by the worker, thereby ensuring that workers' distance parameters will be consistent with the estimated distance of the entire trip as displayed at the time of the offer.

• [new] Section 20-1521(e): The Committee should add a new Section 20-1521(e) to prohibit DCWP from altering the rules regarding the information shared at the time of the offer for three years for certain platforms, pursuant to Section 20-1521(d)(5)

The Committee has proposed authorizing DCWP to make additional changes to the information required to be shared at the time of the offer. But several platforms have already made significant investments to comply with the existing offer disclosure requirements, and workers have become accustomed to the current framework. We propose adding statutory language to prohibit the Department from changing the pre-offer disclosure requirements for these platforms until 2028. The resources expended should not go to waste, and platforms covered by and complying with the current rules should not be forced to incur additional costs to comply with an entirely new set of requirements just one year after the existing rules became effective.

 Section 20-1522(f): We propose minor edits to more closely track the components of the current rule and ensure parity among workers and businesses

In the redline that we have shared with the Committee and with DCWP, we propose some minor edits to this section to align the statutory language with the current rule (and make clear that all of the components reflected in the current rule applicable to food delivery workers should be included in the rule issued under this section). Specifically, we slightly revised the components DCWP needs to consider when developing a minimum pay standard. Our proposed changes are intended to better ensure parity when a new rule is issued.

 [new] Section 20-1522(h): The Committee should add a new Section 20-1522(h) to prevent DCWP from modifying the existing minimum pay rule for food delivery workers pursuant to Section 20-1522(a)(3)

The platforms that have complied with the existing pay rule since it became effective have made significant investments to do so. In light of those investments and for the sake of regulatory consistency over time (for both companies and workers), we propose adding a provision that requires DCWP to leave the structure of the current rule for food delivery workers unchanged for three years — while of course still allowing for modifications to the per-hour rate itself as needed.

• Throughout: We propose minor changes to clarify the applicability of the existing rules

Lastly, we appreciate the provisions of the bill intended to ensure that the current rule can be enforced as to all third-party delivery and courier services platforms. We believe that these changes are extremely important to create a level playing field for companies and, more importantly, food delivery workers in the City. To that end, we have included some minor edits and suggested additions in the redline that we shared with the Committee and the Department.

Int. 1135-2024: Summary of Proposed Changes

We support Int. 1135-2024 in its entirety, but propose three minor amendments to improve the bill. These changes are included in the redline we shared with the Committee and with DCWP, and we have summarized them below.

• Section 20-1521: The bill should extend the "delivery distance and route" requirements in this section to "third-party grocery delivery services"

The "delivery distance and route" disclosure and preference requirements in Section 20-1521 are a key companion to the minimum pay rule. We respectfully suggest that Int. 1135-2024 extend these requirements to grocery delivery workers on the same timeline as the pay rule.

 Section 20-1522(e): We propose clarifying that DCWP may establish a "separate" method for applying the minimum pay rule to grocery delivery workers

We agree that DCWP should be free to set a different pay standard for grocery delivery workers that is tailored to the circumstances of those workers. We propose adding language to indicate that any new pay standard issued for grocery delivery workers should be separate from the existing pay standard applicable to other delivery workers – as long as the separate standard for grocery delivery workers is not lower than the standard for other delivery workers.

• Sections 20-1521 and 20-1522(e): The Committee should state clearly that these provisions become effective in six months

The Committee should add new language to declare that the entire law will become effective immediately except for Sections 20-1521 and 20-1522(e), which should become effective six months after passage. Grocery delivery services that have not already done so can use this period to prepare for and implement any necessary changes to their platforms.

The status quo is unsustainable and unfair, but these bills can go a long way to fixing it. Workers should be paid equally for doing equal work, and companies that facilitate similar services using similar technology should be held to the same standards. With a few minor changes, Int. 1133-2024 and Int. 1135-2024 will harmonize working conditions and pay standards. They will take the finger off the scale and level the playing field for companies and for the thousands of New Yorkers who earn when, where, and how they want through delivery platforms.

We urge the Committee to adopt the changes set forth above and, at long last, to pass Int. 1133-2024 and Int. 1135-2024. It is time for parity among the handful of delivery platforms and equality among the thousands of workers operating in the City.

Thank you for your time and consideration.

Kassandra Perez-Desir

Manager, Government Relations



To the New York City Council,

My name is Samuel Pierre, and I serve as the Executive Director of the Haitian American Caucus (HAC) in Brooklyn, New York. Our organization represents thousands of immigrant families across New York City, many of whom rely on delivery work as a vital source of income to support their families while navigating life in a new and often unfamiliar city. New York City has always been a beacon of hope and opportunity for immigrants, and I urge the Council to continue this tradition by supporting Int 1133-2025 and Int 1135-2024.

At HAC, we have seen firsthand how delivery work often provides a pathway to economic stability for many in our immigrant communities. For families working to establish themselves in New York—enrolling their children in public schools, paying taxes, and striving toward their version of the American Dream—delivery work offers immediate income and hope for a better future.

This is why I am calling on the Council to support Int 1133-2025 and Int 1135-2024, extending the City's minimum pay rules for delivery workers to include those working in grocery delivery.

The minimum pay rules implemented last year for food delivery workers represented a historic achievement. It raised wages, improved livelihoods, and provided a much-needed boost to New Yorkers working tirelessly to build a better life for themselves and their families. However, the current scope of the law leaves out many delivery workers who are equally deserving of this protection. The existing minimum pay rules apply only to restaurant delivery workers, excluding grocery delivery workers who perform the same type of work under similarly difficult and dangerous conditions. This gap in the law creates an inequity that leaves many of our constituents behind.

Int 1133-2025 and Int 1135-2024 address this issue by expanding the minimum pay rate to include all delivery workers, regardless of the type of

platform they work for. This expansion is critical, especially at a time when New York City's cost of living continues to rise, disproportionately affecting marginalized communities who rely on these opportunities for survival. For our immigrant families, this legislation could mean the difference between barely getting by and achieving stability.

We have heard directly from our constituents who feel frustrated and undervalued by the disparity in pay. They work hard, face the same risks, and provide the same essential services as restaurant delivery workers, yet they are excluded from the benefits of the minimum pay rule. This inconsistency perpetuates inequity and leaves many workers without the financial support they need to thrive.

The Council has an opportunity to lead the way in rectifying this inequity by passing **Int 1133-2025** and **Int 1135-2024**. Doing so will put more money into the pockets of essential workers—many of whom are immigrants—ensuring they are compensated fairly for their work. This step is not only just but necessary as we continue to uplift and protect the backbone of our city's workforce.

On behalf of the Haitian American Caucus and the communities we represent, I thank you for the opportunity to advocate for this critical issue. I urge the Council to pass this legislation and take a significant step toward supporting New York City's immigrant and working-class families.

Sincerely,

Samuel M. Pierre, MPA

Executive Director

Haitian American Caucus

www.hacus.org

718.607.6474



December 12th, 2024

Council Member Julie Menin Chair of the City Council Committee on Consumer and Worker Protection 250 Broadway New York, NY 10007

Dear Chairperson Julie Menin and Members of the Committee on Consumer and Worker Protection:

I'm writing today on behalf of Instacart – the leading grocery technology company in North America – to express our very serious concerns with Council Bills 1135 and 1136. While we fully respect and share the Council's goals of supporting workers in the app-based economy, this legislation could carry significant consequences for workers, retailers, consumers and the broader New York City community.

Instacart began delivering to New York City customers in 2014, and we now partner with more than 250 retailers at 1,700 locations. Today, Instacart reaches more than 98% of households living in food deserts - including more than 93% of households in urban food deserts - which is why having access to affordable grocery delivery in a place like New York City where 1.2 million people are food insecure is critical. Instacart shoppers tell us they choose to shop on the Instacart platform because of the freedom and independence they get with a flexible schedule.

Instacart shoppers in New York City have overwhelmingly shared that they do not want this policy to take effect: We know that grocery delivery workers have not been adequately consulted in the drafting of this legislation because of the speed at which this bill was introduced. That's why we asked New York City shoppers directly about this new policy. A recent survey of shoppers conducted from December 10-11 showed that 81% of those who responded had not heard of the minimum pay proposal and 89% expressed an overwhelming support for delaying passage so that the Council can gather more input from shoppers. What's more: according to these surveyed shoppers 69% also oppose a scheduling system that resembles what UberEats and DoorDash have implemented in response to the existing minimum pay law. It's clear that sShoppers have not been made fully aware of the drastic changes that this legislation will almost certainly have on their ability to earn income.

At a time when grocery prices are at an all-time high, this legislation is likely to increase costs for the most vulnerable consumers: Further, we hope that Councilmembers understand that the economic impact of this legislation on New Yorkers cannot be overstated. The increased costs imposed on grocery delivery platforms will inevitably lead to higher grocery prices for consumers. With congestion pricing policy set to take effect January 5—the cumulative financial burden will almost certainly result in additional surcharges or fees for customers. These increases will disproportionately affect the very populations that depend on grocery delivery services the most: seniors, families with young children, and individuals participating in the EBT SNAP program.

It remains unclear why these ordinances are moving so quickly, without the appropriate research and stakeholder process: Additionally, when compared to the pace at which the restaurant delivery pay ordinance was painstakingly developed and passed – which allowed for several months of stakeholder engagement and academic research – we're shocked to see this process moving so quickly. It is also critical to highlight that the proposed legislation lacks the foundation of a detailed study specific to the grocery delivery industry. When the City Council developed the restaurant delivery minimum pay rate, it was preceded by an extensive – albeit imperfect – analysis of that industry's unique conditions. In this case, the findings from the restaurant delivery study are being applied wholesale to grocery delivery without acknowledging the significant differences between the two. Grocery delivery involves less frequent orders that often include essential food, supplies and medication. Even within the grocery delivery service

industry, there are several different models that companies use to fulfill these orders. By attempting to force grocery delivery into a framework designed for restaurant delivery, this legislation risks introducing policies that are neither evidence-based nor appropriate for the sector. If the City Council wishes to proceed with the current legislation, we recommend that – at the very least – a comprehensive study of the grocery delivery industry should precede any effective date to ensure they are fair, effective, and informed.

As drafted, the ordinance would take effect immediately. It would be nearly impossible to operationalize what is currently being mandated. Contrary to what you may have heard at the hearing on this legislation – from an operational perspective – implementing this bill as proposed would present significant challenges. It will take considerable time to update the existing technology in a way that meets the bare minimum requirements of these bills, let alone to make the necessary changes to ensure financially stable operations in the city, if even possible. For those that believe grocery delivery services could operationalize these ordinances immediately, one need only look at what happened in Seattle, where Shipt left the market, citing they could not build a product that could comply with the onerous law. Seattle not only had no utilization component, but also did not take effect immediately. Since the Seattle law took effect in January, Shipt has still not returned, resulting in decreased competition between companies and less choice for workers and consumers. We also urge the Council to listen to industry experts – including engineers – who deeply understand what is required to build new systems under these ordinances.

We are calling for a system that works for all stakeholders, not just a few. We have been told by Council staff that several of the companies that are currently suing the city over the restaurant delivery standard have offered to settle those lawsuits only if the existing standard is applied specifically to Instacart. We respectfully urge the Council to pause and engage in a more comprehensive dialogue with all stakeholders, including grocery delivery shoppers, grocery store owners, and companies like ours. By working together, we can craft a thoughtful and effective policy that achieves shared goals without jeopardizing affordability, access, or the livelihoods of those we serve.

Thank you for considering our perspective. We remain committed to collaborating with the Council to ensure a balanced and equitable approach to supporting grocery delivery workers while preserving the essential services our platform provides to New Yorkers.

Sincerely,

Thomas McNeil

Thomas McNeil Senior Manager, US and Canada Government Affairs Instacart



Judah International Christian Center, Inc. "Building people to build the Kingdom of God"

141 Rogers Avenue, Brooklyn, New York 11216-3978 718-771-0383 718-771-0351 (fax) www.judahinternational.org

December 11, 2024

My name is Reverend Dr. Cheryl Anthony, and I represent the congregation of Judah International Christian Center, Inc. in Brooklyn. With many people in our congregation increasingly looking to use delivery work to support themselves, I hope that the Council will take this opportunity to support our community by passing Int 1133-2024 and Int 1135-2024.

Judah International Christian Center, Inc., has emerged as a national leader and subject matter expert in addressing wholistic faith-based development and empowerment. Our organization developed the "Wholistic Approach to Community Wellness (WACW) in 1997. For more than 25 years, Judah has recognized and addressed the spiritual, economic, social and racial disproportionality and inequalities of BIPOC community members.

That's why on behalf of our congregation, I support Int 1133-2024 and Int 1135-2024 and apply the City's minimum pay rules to grocery delivery. Many people in my congregation got their start doing this kind of work with food delivery from restaurants, and we've seen that the city has been focused on making sure that those workers are supported. We appreciate the work of the Council and that city policymakers have been paying attention to these important issues.

However, even as many of these companies have expanded their services to offer delivery from grocery stores, too, some companies that exclusively deliver from grocery stores are not treated the same way and don't have to comply with the minimum pay rate. I have heard the frustrations from congregants that not all deliveries are paid the same way, even though they are doing the same work.

We need to resolve the uncertainty and the unfairness in the current law with this glaring loophole. People are trying to support themselves and their families, and they should get equal pay for doing the same work. These are humble, hard-working New Yorkers who just want to know how they will be paid at the end of the week. Their pay shouldn't depend on what delivery app a customer uses to place their order!

For many brothers and sisters in our congregation, the path to prosperity comes with roadblocks. It's up to the Council to pass laws that will help overcome these challenges, no matter what their circumstances in life. Passing these bills would be a step in the right direction, putting more money in their pockets and helping set them upon this course.

Thank you for your attention to this important matter for so many of my congregation members.

Sincerely,

Stronger Together,

Dr. Cheryl Anthony

Dr. Cheryl Anthony Judah International Christian Center, Inc.



Testimony to Committee on Consumer and Worker Protection

My name is Yesenia Mata, and I am the Executive Director of La Colmena in Staten Island, representing thousands of immigrant workers on Staten Island and throughout New York City. As a city built by immigrants, New York has an opportunity to support these communities by passing Int 1133-2024 and Int 1135-2024. For many immigrant families working hard to build a better life—sending their children to school, paying taxes, and striving for the American dream—jobs in delivery services have provided hope. Last year's pay increases for food delivery workers were a historic step forward, raising wages and improving livelihoods. However, the current rule excludes grocery delivery workers, leaving many without the protections they deserve. These bills will close that gap, ensuring all delivery workers receive fair pay. With the cost of living at record highs, these legislations are essential for the immigrant families who rely on these opportunities. This is why La Colmena is sending this testimony because our mission at La Colmena is to ensure that all workers in all sectors receive the support they need and are protected at work. We urge the Council to act now to guarantee every worker earns a living wage and is treated with fairness and dignity.

Yesenia Mata,

Executive Director of La Colmena

Testimony to City Council: Committee on Consumer and Worker Protection

Delivered by: Husein Yatabarry, Executive Director, Muslim Community Network

Good morning, Chair Julie Menin and members of the Committee on Consumer and Worker Protection,

Thank you for the opportunity to speak today. My name is Husein Yatabarry, and I serve as the Executive Director of the Muslim Community Network (MCN). I am here to express our strong support for Int 1133-2024, introduced by Council Member Jen Gutiérrez, and Int 1135-2024, introduced by Council Member Sandy Nurse.

Delivery workers are the lifeblood of New York City. Every day, they transport our meals, groceries, and essential goods—often in the rain, snow, or intense heat. They ensure the city functions smoothly, yet many of these workers are excluded from basic protections.

Unfortunately, the narrow scope of the current minimum pay rule means that many delivery workers are being left behind. It only covers food delivery workers on platforms serving restaurants, while excluding grocery delivery workers. At MCN, we've heard from constituents who use a variety of delivery platforms. Many are frustrated by the disparity in pay and protections for what is fundamentally the same work. Whether delivering restaurant meals or groceries, these workers face the same challenges: long hours, dangerous conditions, and limited access to safety resources.

This is why **Int 1133-2024** and **Int 1135-2024** are so important. Together, they address critical gaps in protections and ensure parity across all delivery platforms.

- Int 1133-2024 guarantees workers basic protections such as the ability to set maximum trip distances, access to trip information before accepting jobs, and the right to restroom access at food establishments. It also mandates that companies provide insulated delivery bags, fire safety materials, and fair pay standards. These measures reflect respect for the dignity and safety of delivery workers.
- Int 1135-2024 ensures grocery delivery workers receive the same minimum pay as food delivery workers. It levels the playing field, acknowledging that all delivery work—whether for restaurants or grocery stores—is equally valuable and deserving of fair compensation.

Passing these bills will create economic equity and safety across the gig economy. This is about valuing every worker and recognizing their contribution to our city. Delivery workers, many of whom are immigrants or from underserved communities, deserve the same protections and opportunities, no matter the platform they work on.

Chair Menin, members of the Committee, these bills address a fundamental issue of fairness. By passing **Int 1133-2024** and **Int 1135-2024**, you will help ensure that no worker is left behind and that all New Yorkers can earn a dignified and living wage. Thank you for your leadership on this critical issue. I urge you to pass these bills. Thank you!

159 East 116th Street, 2nd Floor | New York, New York, 10029

December 12,2024

On behalf of The NYC Hispanic Chamber of Commerce, please accept this testimony in support of Int 1133-2024 and Int 1135-2024, legislation that would amend the City's regulations around pay to third-party food delivery workers. This bill will ensure no single company is given a competitive advantage and help level the playing field for all businesses in New York City.

The NYC Hispanic CHamber of Commerce actively promotes the economic growth, development and interests of Hispanic-owned businesses.

We help our members engage with a network of progressive people, businesses, government agencies, financial institutions, media and marketing for guidance and support.

We're proud to include many members of our organization from the restaurant and hospitality industry, and third-party delivery apps have proven to be valuable to these local businesses, allowing them to meet customers where they are or take advantage of new opportunities to increase their revenue.

Many of these third-party delivery apps have also expanded their services to not only include restaurants, but also grocery and retail delivery offerings. Now it has been just as easy to order last-minute ingredients from a local grocer for a meal at home as it is to order takeout from a local restaurant.

However, the City's current law is structured in such a way that picks winners and losers simply based on if that delivery app offers restaurant delivery in addition to grocery delivery services. We badly need reform to help businesses regain this control and support their growth.

Our organization believes firmly in a regulatory environment that puts all businesses competing against one another on equal footing, whether they are local mom-and-pop shops or national corporations. In order for New York City to remain a business-friendly leader, we cannot accept these kinds of glaring loopholes to remain in place.

It is time for New York City to also make reforms to eliminate these different regulatory environments for businesses that are entirely avoidable. We strongly encourage the committee to pass Int 1133-2024 and Int 1135-2024 and make these important changes as soon as possible.

Delivery drives crucial growth for local businesses across the boroughs, and we need to ensure that these third-party delivery apps can continue to operate most efficiently and best support their needs.

Sincerely, Cindy Rubi Estada NYC Hispanic Chamber of Commerce



Comments to the New York City Council Committee on Consumer and Worker Protection

Hon. Julie Menin, Chair

December 12, 2024

Dear Chair Menin and Members of the Committee on Consumer and Worker Protection:

On behalf of Shipt, a retail technology company that connects people to reliable, high-quality delivery, I am writing to request a more deliberative approach—through DCWP—that addresses necessary changes to two bills related to grocery delivery: T2024-2795 and T2024-2796. These bills attempt to expand current minimum earnings standards and protections created for food (restaurant) delivery workers and apply them to grocery delivery workers, which we call shoppers. Shipt understands the intent of this ordinance and shares the goal of adopting policies that benefit workers and consumers. However, extending these laws without carefully considering the substantial differences between food (restaurant) and grocery delivery models makes implementation nearly unworkable for our industry and risks serious unintended consequences for the shoppers and consumers these bills were designed to protect.

Key distinctions in grocery delivery must be considered to benefit shoppers and consumers.

Given the significant impact these bills could have on our business, shoppers, customers, and retail partners, we urge the Council to carefully study these differences, similar to the study and stakeholder engagement that went into crafting the original food (restaurant) delivery ordinances. A more tailored approach to grocery delivery is vital to maintaining flexible work opportunities for shoppers and access to essential goods for New Yorkers who rely on our platform. Shipt provides unparalleled flexibility for shoppers to complete their work and engage on our platform on their own terms, which is a top reason shoppers—including those in NYC—choose Shipt.¹ It gives them the ability to incorporate this work into their other obligations — whether it is while kids are in school, when they finish up at a full-time employment, or more.

Key distinctions include:

On-Call Time: Shoppers are neither "on-call" nor "on-app." Shoppers inform Shipt of their availability by choosing delivery windows. Based on order availability, Shipt's platform will provide shoppers with potential offers without a requirement to be on-app or review orders—allowing them to plan out their work up to seven days in advance. Shoppers can also engage in "prospecting" without committing to any work via Shipt's "open metro" feature, which allows them to see orders available in the metro without indicating they are "online." Additionally, shoppers can drop an order without penalty up to an hour before the delivery window, ensuring they retain full control over their schedules. Tracking this would necessitate a fundamental shift in Shipt's model — shoppers only share with us the delivery windows they are interested in, and customers set

¹ When surveyed in 2022, 9 in 10 shoppers reported they prefer the flexibility of setting their own hours or picking up work when needed over standard shifts.

the delivery window in which they expect their delivery to be completed. This commitment to flexibility is central to our model and a key reason shoppers value their partnership with Shipt. *Implementing an "on-call" model would require Shipt to reengineer our entire marketplace system and likely limit the supply of available work and onboarding additional workers to the platform.*

<u>Trip Time:</u> Unlike more on-demand-based work, shoppers on the Shipt platform can multitask and build their personal scheduling into their work. Shipt's model pays by the job, not by time on the platform, which may be interspersed with personal errands, leisure time, or unrelated work duties. Instead, Shipt's model accounts for several factors, including the effort and time it takes to complete an order, drive time for delivery, peak shopping windows, and the number of items in each order, and leaves shoppers the flexibility to work how and when they want ahead of the customer's delivery window. *Complying with this trip definition will require Shipt to track shoppers and the exact time spent fulfilling each order, eliminating the flexibility to fit the work around other obligations, including performing multi-app work.*

<u>Travel Time to Store:</u> Shipt allows shoppers to claim offers hours ahead of time, irrespective of their proximity to the store, which gives them the ultimate flexibility to plan ahead but complicates compliance with trip-based calculations. *Including the travel time to store in the trip calculation will likely require Shipt to limit offers based on location to minimize the cost to the consumer, which unintendedly reduces work availability.*

Left unaddressed, operational and compliance challenges will result in unintended consequences.

As highlighted, complying with the proposed ordinance will necessitate fundamental changes to our platform and likely result in similar unintended consequences as the original ordinance—impacting the flexibility and earning opportunities shoppers value. Additionally, certain provisions, such as trip filtering, designed for food (restaurant) delivery add little value and significant product complexity. Since shoppers with Shipt are not obligated to review or accept any particular offer, and a common request is to see *more* work opportunities, it is unclear what benefit trip filtering brings them. Also, since these requirements were drafted with bike and e-bike safety in mind, and all of our deliveries are required to be completed using vehicles, the requirements related to route limitations for bridges and tunnels should not apply to our operations.

Based on our experience in other jurisdictions with similar regulations, we are also deeply concerned about unintended incentives to engage in fraud (time abuse) due to shoppers working or being "on call" across multiple apps simultaneously or engaging in other practices that inflate their time spent fulfilling orders, such as going idle, going home, or not starting their shop timely. This fraudulent increase in trip time results in higher delivery costs and pay for unearned work. We ask the Council to consider some provisions to eliminate fraudulent time.

While we hope the Council is amenable to a more deliberative approach that addresses these concerns, Shipt respectfully urges the Council to delay the effective date by 18 months, similar to the time food (restaurant) delivery apps had, to allow sufficient time for us to make the significant and complex changes to our core IT infrastructure required to comply. For us to maintain the high-quality, reliable experience our customers and shoppers depend on, we'll need to invest substantial engineering resources to develop, test, and deploy these updates to our technology and business model.

Shipt plays an important role in providing earning opportunities and essential goods to New Yorkers amid rising prices.

Shipt connects New Yorkers to reliable, high-quality delivery of groceries, household and office essentials, pet supplies, and more. We partner with trusted retailers such as Target, Stop & Shop, Food Bazaar, and Morton Williams to ensure customers can access groceries and essentials. Powering deliveries to more than 3 million households across all five boroughs, Shipt plays a vital role in providing fresh, nutritious groceries at affordable prices. For the vast majority of our deliveries in New York City, product prices on Shipt's platform are generally the same as those available directly from the retailer. By accepting SNAP benefits and offering a discounted membership for SNAP recipients, we offer important access to groceries and essentials to communities regardless of income, transportation resources, or where they live. A strong supporter of community-led initiatives to strengthen food access in New York City, Shipt also supports organizations such as Equity Advocates², the Food Recovery Network³, and Lemontree.⁴

Shipt also offers important flexible earnings opportunities to more than 3,000 shoppers in New York City. Shoppers overwhelmingly use Shipt's platform to earn supplemental income. In fact, more than 85 percent of shoppers choose to work fewer than 10 hours per week. Through our Preferred Shopper Program, customers can request to be paired with specific shoppers, and shoppers can accept the offer to shop for their customers again and again. This extra human touch creates long-term connections, allowing shoppers to build their businesses and provide a personalized service that sets them apart.

However, the proposed ordinance threatens to increase costs at a time when seventy percent of Americans still struggle with grocery affordability⁶ given the cost to develop and implement the substantial operational changes required to comply and the launch of congestion pricing in January. Unlike most food (restaurant) delivery services, all deliveries with Shipt are made via passenger vehicles and will be subject to this fee. Combined, these measures will inevitably increase the cost of delivering groceries to New Yorkers when affordability is paramount.

We appreciate the Committee's consideration of these comments and stand ready to provide additional information as Members consider this ordinance.

Matthew Spring
Senior Manager, Government Affairs, Shipt
matthew.spring@shipt.com

² Equity Advocates bolsters community organizing and advocacy capacity for food access nonprofit leaders to better address root causes of food insecurity through policy and systems change in New York City.

³ The Food Recovery Network is composed of student-led chapters across the country that are working to reduce food waste and emissions and increase food access by recovering surplus food.

⁴ Lemontree connects families to free food in their backyard through a text message helpline.

⁵ Shipt internal data (2023). Includes all active shoppers and drivers on Shipt platform, nationwide.

⁶ Swiftly. (2024, October 24). Swiftly consumer survey signals the third year of grocery affordability crises for most Americans. PR Newswire: press release distribution, targeting, monitoring and marketing.

https://www.prnewswire.com/news-releases/swiftly-consumer-survey-signals-the-third-year-of-grocery-affordability-crises-for-most-americans-30228 5399.html



BRUNX THE NEW BRONX CHAMBER of COMMERCE, INC.

December 10, 2024

Testimony Submitted by The Bronx Chamber of Commerce

NYC Council – Committee on Committee on Consumer and Worker Protection

Int. 1133-2024 and Int. 1135-2024

On behalf of Bronx Chamber of Commerce, please accept this testimony in support of Int 1133-2024 and Int 1135-2024, legislation that would amend the City's regulations around pay to third-party food delivery workers. This bill will ensure no single company is given a competitive advantage and help level the playing field for all businesses in New York City.

The Bronx Chamber of Commerce is the leading Business Association dedicated to economic growth and community development in The Bronx. With a diverse membership, the chamber

Champions the interests of businesses by fostering growth, innovation, and collaboration.

We're proud to include many members of our organization from the restaurant and hospitality industry, and third-party delivery apps have proven to be valuable to these local businesses, allowing them to meet customers where they are or take advantage of new opportunities to increase their revenue.

Many of these third-party delivery apps have also expanded their services to not only restaurants, but also grocery and retail delivery offerings. Now it has been just as easy to order last-minute ingredients from a local grocer for a meal at home as it is to order takeout from a local restaurant.

However, the City's current law is structured in such a way that picks winners and losers simply based on if that delivery app offers restaurant delivery in addition to grocery delivery services. We badly need reform to help businesses regain this control and support their growth.

Our organization believes firmly in a regulatory environment that puts all businesses competing against one another on equal footing, whether they are local mom-and-pop shops or national corporations. For New York City to remain a business-friendly leader, we cannot accept these kinds of glaring loopholes to remain in place.

It is time for New York City to also make reforms to eliminate these different regulatory environments for businesses that are entirely avoidable. We strongly encourage the committee to pass Int 1133-2024 and Int 1135-2024 and make these important changes as soon as possible.

Delivery drives crucial growth for local businesses across the boroughs, and we need to ensure that these third-party delivery apps can continue to operate most efficiently and best support their needs.

Lisa Sorin, President

PRESIDENT Lisa Sorin, New Bronx Chamber of Commerce

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December 12, 2024

NYC Council – Committee on Consumer and Worker Protection

Regarding: Int. 1133-2024 and Int. 1135-2024

To the Committee on Consumer and Worker Protection,

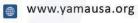
On behalf of the Yemeni American Merchants Association (YAMA), we extend our strong support for Int. 1133-2024 and Int. 1135-2024. These critical pieces of legislation address longstanding inequities in the regulation of third-party food and grocery delivery services, ensuring a fair and competitive marketplace for all businesses in New York City while enhancing protections for delivery workers.

YAMA represents the voices of Yemeni-American merchants across New York City, many of whom operate small, community-based grocery stores, delis, and bodegas that are integral to their neighborhoods. As an organization committed to empowering immigrant entrepreneurs and advancing equity, we recognize the urgent need for regulatory reforms that eliminate barriers to growth and provide a level playing field for businesses of all sizes.

The current regulatory framework disproportionately impacts small businesses by creating unnecessary distinctions between delivery services. Apps that provide both restaurant and grocery deliveries often face different requirements, leaving many businesses—especially smaller ones—at a competitive disadvantage. Int. 1133-2024 and Int. 1135-2024 offer an opportunity to close these loopholes, ensuring that all third-party delivery platforms operate under consistent and fair rules. This reform will enable small businesses, like those owned by Yemeni-Americans, to compete with larger corporations on equal terms.

At the heart of these bills lies a commitment to justice for delivery workers. Int. 1133-2024 grants essential protections, such as the ability to set trip limits, access to critical trip information, and access to restrooms during deliveries. These measures address the day-to-day realities faced by workers, many of whom deliver for small businesses that form the backbone of their communities. Int. 1135-2024 ensures grocery delivery workers are afforded a minimum pay rate consistent with the standards set for food delivery workers, reinforcing fairness across the board.

The delivery economy is a lifeline for countless small businesses, enabling them to reach customers far beyond their immediate neighborhoods. For Yemeni-American merchants, third-party delivery platforms have become indispensable in connecting with the communities they serve. By standardizing regulations and safeguarding worker rights, this legislation helps ensure the stability of these platforms, supporting businesses' ability to thrive and contribute to New York City's vibrant economy.





YAMA believes in creating a just and equitable marketplace that uplifts workers, strengthens small businesses, and fosters economic opportunity for all. This legislation reflects these values by prioritizing fairness, protecting vulnerable workers, and addressing systemic inequities that hinder small businesses' success.

We urge the Committee on Consumer and Worker Protection to pass Int. 1133-2024 and Int. 1135-2024. These reforms are not just necessary—they are long overdue. By adopting these measures, the Council will demonstrate its commitment to fairness, economic justice, and the hard-working small business owners and delivery workers who make New York City what it is today.

The Yemeni American Merchants Association stands united in support of this legislation. Together, we can build a fairer, more equitable future for all New Yorkers.

Sincerely,

Joel Feliciano Chief Operating Officer Yemeni American Merchants Association, Inc.





December 9, 2024

Presented to:

Committee on Consumer and Worker Protection Hearing on Intros 1133 and 1135, 2024. Hon. Julie Menin, Chair

Prepared By: Alejandro Grajales

Good morning. My name is Alejandro Grajales. I have been doing delivery for the past 9 years. Thank you for the opportunity to share my experience today.

As a delivery worker I fully support Intro 1133 and 1135, which would extend minimum pay for grocery delivery workers. However, passing these legislations without additional labor protections would enable companies to continue exploiting and abusing workers, creating new systems that prioritize profit over fair compensation. I have personally experienced how delivery apps find ways to pay workers less, pressure us to accept every delivery, and undermine our ability to earn a living.

I strongly support minimum pay standards for delivery workers, and as a leader of Los Deliveristas Unidos, I have organized and fought for these rights. However, my experience has shown that without protections against unfair deactivations, mandatory pay transparency, and safeguards for our flexibility, it is extremely difficult to ensure that we can make a living.

For example, over the past two months, I have been locked out of my DoorDash account due to a violation stemming from a delivery I made from Astoria to Roosevelt Island. On September 22, 2024, while commuting across the Roosevelt Island bridge, the bridge opened to allow a boat to pass, causing a 20-minute delay in completing my delivery. I contacted DoorDash customer service and explained the situation, and I also informed the customer, who seemed to understand and was fine with the delay. Despite this, the app's algorithm penalized me unfairly.

Even after reporting the issue and appealing the violation, I was still locked out of my account. This is just one example of how these apps exploit workers. The companies push us to complete numerous deliveries in a short time frame and try to force us to accept their conditions at any cost, disregarding our safety and well-being. We have no rights to contest deactivations, unfair scheduling, or the pressure they place on us. We cannot pass this legislation without ensuring stronger protections for delivery workers.

Thank you.





December 9, 2024

Presented to:

NYC Council's Committee on Consumer and Worker Protection
Hearing on Intros 1133 and 1135, 2024.
Hon. Julie Menin, Chair

Prepared By: Antonio Martinez Solis

Good morning. My name is Antonio Martínez Solís, and I have been a delivery worker for four years in Queens. As a member and leader of Los Deliveristas Unidos, I have been fighting for fair pay from delivery apps. We fought for it, and we won.

We understand the importance of having a minimum wage and support the initiative to expand this pay to grocery delivery workers, but we are seriously concerned that this legislation does not include protections against deactivations or require payment transparency (i.e., that companies be obligated to explain how they calculate payment). Without these additional protections, this will negatively impact the working conditions of delivery workers.

Tips are essential for grocery delivery workers, and many rely on them to supplement their income. Our experience in achieving minimum pay is that companies began eliminating the option for customers to leave tips when placing an order, which resulted in a reduction in the tips we receive. Additionally, companies have started to limit working hours, causing chaos, frustration, and misinformation within the industry.

The current payment method used by most apps is the standard payment, which only guarantees 100% of the time we are making deliveries, while the rest of the payment for connected time is not secure, and no one understands how the app calculates this additional payment.

The apps tell us that, to access payment for connected time, we need to maintain a high rating, and they treat the additional payment that the law requires as a bonus that is only obtained if we accept all deliveries, putting our safety at risk.

If the intention is to protect us against these abusive apps, we need protections against deactivations, we need to require that apps inform us how they calculate our payment, and we need to guarantee our flexibility. We look forward to continuing to work together to achieve real improvements in our industry.





December 9, 2024

Presented to:

NYC Council's Committee on Consumer and Worker Protection Hearing on Intros 1133 and 1135, 2024. Hon. Julie Menin, Chair

Prepared By: Antonio Martinez Solis

Buenos días. Mi nombre es Antonio Martínez Solís y soy repartidor desde hace cuatro años en Queens. Como parte de Los Deliveristas Unidos y líder, he estado luchando para que las aplicaciones de reparto paguen un salario justo. Lo luchamos y lo ganamos.

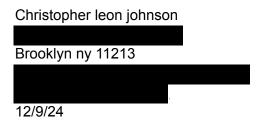
Entendemos la importancia de tener un salario mínimo y apoyamos la iniciativa de expandir este pago a los repartidores de grocery, pero nos preocupa seriamente que esta legislación no incluye protecciones contra las desactivaciones ni exija transparencia en el pago (es decir, que las compañías estén obligadas a explicar cómo calculan el pago). Sin tener estas protecciones adicionales, esto afectará negativamente las condiciones laborales de los Deliveristas.

Las propinas son esenciales para los repartidores de grocery, y muchos dependen de ellas para complementar sus ingresos. Nuestra experiencia al lograr el pago mínimo es que las compañías comenzaron a eliminar la opción que el cliente tiene de dejar propina al momento de realizar el pedido, lo que resultó en una reducción de las propinas que recibimos. Además, las compañías han comenzado a limitar el horario de trabajo, causando caos, frustración y desinformación en la industria.

El método de pago actual que utilizan la mayoría de las aplicaciones es el pago estándar, que solo garantiza el 100% del tiempo que estamos realizando entregas, mientras que el resto del pago por el tiempo conectado no es seguro y nadie entiende cómo la aplicación calcula este pago adicional.

Las aplicaciones nos dicen que, para acceder al pago del tiempo conectado, tenemos que mantener una puntuación alta y, además, tratan el pago adicional que la ley exige como un bono que solo se obtiene si aceptamos todas las entregas, poniendo en riesgo nuestra seguridad.

Si la intención es protegernos contra estas aplicaciones abusivas, necesitamos protecciones contra las deactivaciones, exigir que las aplicaciones nos informen cómo calculan nuestro pago y garantizar nuestra flexibilidad. Esperamos seguir trabajando juntos para lograr mejoras reales en nuestra industria.



My written testimony for 12/9 consumer and worker protection committee hearing.

Good afternoon, my name is christopher leon johnson and I am submitting this written testimony because I wasn't able to get the zoom link to testify despite registering at 10am on 12/9 via the website. I believe that that was done by the orders of chair Menin because I called her out at the hearing about the hotels safety act. Julie Menin doesn't care about delivery workers and she doesn't care about the working person. She only care about her developer handlers, her developer husband, special interest groups, Union bosses, dirty contractors and her smug donors. Julie menin will do anything even get on to be speaker of the city council to succeed Adrieene Adams by any means nesscerary even jumping on bills to appease moderates. Julie menin is a political selfish human being that is only looking out for her own political interests. I know she doesn't care about what people say about her. Julie menin is a disingenuous and a insincere politican. That's why I made this statement on here. I know Julie won't care.

I support deliveristas and their nature of their work. They need protections for their work. Wages and anti police protections are needed especially when Trump is taking office in 2025. They shouldn't be deported because they are operating a ebike especially when Intro 606 will pass in the council. Thank you

Christopher leon johnson 12/9/24

My name is Imam Muhammad Shahidullah and I represent the congregation of Dawah USA Mosque in Queens. With many people in our congregation increasingly looking to use delivery work as a way to support themselves, I hope that the Council will take this opportunity to support our community by passing Int 1133-2024 and Int 1135-2024.

I'm the imam last 26 years, im also first responder, chaplain, media personality and multifaith speaker & scholar, trained Imam, and community organizer. I earned my Master's degree in Islamic History and Culture from the University of Dhaka. I played an active role in several prominent organizations, including the NYPD Clergy Council, NYC Mayor's Faith-Based Advisory, Queens Clergy group & Interfaith Council, Una-Usa, C3, Peace Center of USA, DUNY, and the NYC Imams Council, among other .

Im also working with C3-105th Precinct, the Department of Transportation (DOT), Queens District Attorney's Office and the Queens Borough President's office. I'm also serves as Vice President for UNA-USA, and is the Director of both Darul Uloom NY and Elhaam Academy, a NYS approved K-12 private school.

We know that delivery work is an inviting, low-barrier way to earn income for many in our pews. For some, it has been a way to make ends meet on top of another job, while for others, it has been a crucial lifeline at a time when they may need it most. Above all, it is a pathway to opportunity and to make an honest living.

That's why on behalf of our congregation, I support Int 1133-2024 and Int 1135-2024 and apply the City's minimum pay rules to grocery delivery. Many people in my congregation got their start doing this kind of work with food delivery from restaurants, and we've seen that the city has been focused on making sure that those workers are supported. We appreciate the work of the Council and that city policymakers have been paying attention to these important issues.

However, even as many of these companies have expanded their services to offer delivery from grocery stores, too, some companies that exclusively deliver from grocery stores are not treated the same way and don't have to comply with the minimum pay rate. I have heard the frustrations from congregants that not all deliveries are paid the same way, even though they are doing the same work.

We need to resolve the uncertainty and the unfairness in the current law with this glaring loophole. People are trying to support themselves and their families, and they should get equal pay for doing the same work. These are humble, hard-working New Yorkers who just want to know how they will be paid at the end of the week. Their pay shouldn't depend on what delivery app a customer uses to place their order!

For many brothers and sisters in our congregation, the path to prosperity comes with roadblocks. It's up to the Council to pass laws that will help overcome these challenges, no matter their circumstances in life. Passing these bills would be a step in the right direction, putting more money in their pockets and helping set them upon this course.

Thank you for your attention to this important matter for so many of my congregation members.

Sincerely,

Imam Muhammad Shahidullah

imam@dawahusa.org





December 9, 2024

Presented to:

Committee on Consumer and Worker Protection Hearing on Intros 1133 and 1135, 2024.

Hon. Julie Menin, Chair Prepared By: Luis Cortes

My name is Luis Cortes. I'm the Director of Los Deliveristas Unidos (LDU), the organizing campaign launched by Worker's Justice Project in 2020 to protect the rights and safety of New York City's 65,000 app delivery workers. Thank you to this committee for providing the opportunity to speak on this important matter.

I am here to speak in support of Intros 1133 and 1135, 2024.

LDU is proud to have pioneered the historic protections for app delivery workers that are the basis for the bills before this committee today. This is an opportunity to act urgently -- the longer we wait to provide such protections, the more we expose these essential workers to needless risk and labor abuse.

In particular, the minimum pay requirement through Intro 1135 will extend real material benefits to all delivery workers, regardless of who contracts them or what goods they carry, just as it has done for app-based delivery workers who deliver from restaurants.

Minimum pay is essential for delivery workers. As independent contractors, deliveristas struggle to afford their own operating costs while generating billions of dollars in revenue for the app companies. They do this without employee benefits, medical insurance or safety protections, relying on themselves to purchase expensive vehicles and equipment to ensure their livelihood.

We strongly support this bill as a critical extension of the right to a living wage for all delivery workers. However, our experience has taught us that the app-based companies will retaliate against any attempt at regulation. History has shown that they will find ways to skirt compliance with the minimum pay requirement, including by introducing opaque payment and scheduling systems, locking out workers, deactivating them arbitrarily and by making it harder for customers to provide tips.

We must be prepared and respond to such retaliation, just as we have with DoorDash, Uber and GrubHub by introducing bills around tipping, pay and scheduling transparency, and deactivations. Without such protections, service delivery companies cannot be trusted to pay workers what they are owed by the law.

To ensure the success of minimum pay, we call on the City Council to also provide all delivery workers – those covered by the current law and by this new proposal – with these necessary protections against corporate retaliation, including for tipping, pay and scheduling transparency as well as protection from lockouts and deactivations.

Thank you.

Testimony on Int 1133-2024 and Int 1135-2024

My name is Philip Craig, and I represent the congregation of Greater Springfield Community Church in Queens, NY. With many people in our congregation increasingly looking to use delivery work as a way to support themselves, I hope that the Council will take this opportunity to support our community by passing Int 1133-2024 and Int 1135-2024.

I have been the Pastor here for 13 years, we incorporated the first free dental program with NYU in NYC, Food Pantry and a Youth Program that produces young investors and entrepreneurs. We are focused on the empowerment and betterment of our people in our community.

We know that delivery work is an inviting, low-barrier way to earn income for many in our pews. For some, it has been a way to make ends meet on top of another job, while for others, it has been a crucial lifeline at a time when they may need it most. Above all, it is a pathway to opportunity and to make an honest living.

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We need to resolve the uncertainty and the unfairness in the current law with this glaring loophole. People are trying to support themselves and their families, and they should get equal pay for doing the same work. These are humble, hard-working New Yorkers who just want to know how they will be paid at the end of the week. Their pay shouldn't depend on what delivery app a customer uses to place their order!

For many brothers and sisters in our congregation, the path to prosperity comes with roadblocks. It's up to the Council to pass laws that will help overcome these challenges, no matter their circumstances in life. Passing these bills would be a step in the right direction, putting more money in their pockets and helping set them upon this course.

Thank you for your attention to this important matter for so many of my congregation members.

Sincerely,

Rev. Dr. Phil Craig Greater Springfield Community Church NYC Mayor Candidate Von S. Del Valle,

During the COVID pandemic, I worked with two major delivery apps that saw unprecedented growth as people relied heavily on contactless services. These platforms became a vital source of income for many Americans, enabling them to make ends meet by using their cars, bikes, and electric vehicles for deliveries. The surge in demand also led to a noticeable increase in bike and moped traffic in urban areas, with delivery workers racing against the clock to meet tight deadlines. Unfortunately, this often resulted in dangerous situations, including accidents that endangered both the workers themselves and pedestrians.

To address these issues and create a safer, more sustainable system for delivery workers and the public, I propose the following measures:

Ensure Safety for Delivery Workers and Pedestrians

Develop policies to protect delivery workers and pedestrians by improving street safety infrastructure.

Hold third-party delivery platforms accountable for enforcing strict safety standards and regulations.

Provide Education and Critical Thinking Skills

Establish training programs for delivery workers and drivers, focusing on road safety, navigation, and effective time management.

Promote critical thinking skills to help workers make safe and efficient decisions while on the job.

Implement an ID Verification System

Introduce a driver ID system to verify delivery workers and ensure accountability, creating a safer environment for everyone involved.

VonNYC 4 Innovating Our City Von S. Del Valle Mayor Candidate 2025





December 9, 2024

Presented to:

Committee on Consumer and Worker Protection Hearing on Intros 1133 and 1135, 2024.

Hon. Julie Menin, Chair

Prepared By: William Medina

Good morning. My name is William Medina. I'm an organizing leader with Los Deliveristas Unidos and I've been a deliverista in New York City since 2019.

I am here to support Intros 1133 and 1135 that will extend basic protections and a living wage to deliveristas who deliver grocery store goods. As independent contractors, delivery workers have to pay for our own vehicles, our own operating expenses, our own medical costs, on top of our rent and living expenses. As a deliverista, I can tell you how much we struggled to afford those costs before the minimum pay law was passed. And I can tell you how transformative minimum pay has been. It has allowed us to work without always wondering if we're going to survive, if we're going to have enough money to pay our expenses, to do our jobs.

The minimum amount needed to survive and cover our operating expenses is fair and just compensation because we receive no benefits or help from the app companies for our costs. All contracted delivery workers deserve such fairness, regardless of the kind of goods we carry.

While we fill in this loophole and cover workers who deliver grocery goods, we also need to fill in the loopholes that have allowed the app companies to avoid compliance with the minimum pay law since it began implementation.

As a deliverista and an organizer, I see how multibillion-dollar companies like DoorDash, UberEats and others routinely try to avoid complying with the law, by locking workers out of their accounts so they don't have to pay our on-call time, by creating unjust scheduling systems to limit the amount we work, by deactivating workers to avoid paying, and blocking our tips.

As we extend minimum pay to grocery workers, we have to be prepared for how the app companies covered by this new law will also retaliate. Our concern is that Instacart and other companies will have a blueprint from DoorDash, from UberEats and from others for retaliating and avoiding compliance with the new law.

We need to have a blueprint too. We need to extend to all workers the tipping, pay transparency, and deactivation protection bills that have already been introduced and we need to pass them now. Having that complete package of protections is the best way to ensure company compliance and the success of minimum pay.

All delivery workers deserve a living wage. Implementing a minimum pay law for workers who are currently not covered is essential, but it's not enough. For workers to receive what they deserve under the law, we must close the loopholes that allow app companies to circumvent compliance with the minimum pay law.

Thank you.

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