HOUSE DOCKET, NO. 4004 FILED ON: 1/17/2025

HOUSE . . . . . No. 3774

The Commonwealth of Massachusetts

PRESENTED BY:

Daniel J. Ryan

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to third party delivery fees.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Daniel J. Ryan	*2nd Suffolk*	*1/17/2025*
Russell E. Holmes	*6th Suffolk*	*4/28/2025*
James B. Eldridge	*Middlesex and Worcester*	*6/11/2025*
Michelle L. Ciccolo	*15th Middlesex*	*10/28/2025*

HOUSE DOCKET, NO. 4004 FILED ON: 1/17/2025

HOUSE . . . . . No. 3774

By Representative Ryan of Boston, a petition (accompanied by bill, House, No. 3774) of Daniel J. Ryan relative to third party delivery fees and distributions to cities and towns for transportation infrastructure. Transportation.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act relative to third party delivery fees.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 1 of Mass General Laws Chapter 159B is amended by adding the following definitions:

"Covered establishment", a restaurant or other eating or drinking establishment offering same-day food or drink for sale in a single commercial transaction through any third-party delivery service platform.

"Customer", an individual using a third-party delivery service platform to place an online order.

“Delivery -assessments”, the fee paid by the customer to the third party delivery service company.

"Department", the department of public utilities.

11 "Online order", an order for food or drinks placed by a customer through a third-party
12 delivery service platform provided by a third-party delivery service company for pickup or
13 delivery in the commonwealth.

14 "Purchase price", the menu price publicly offered on the third-party delivery service
15 platform by a covered establishment. The purchase price shall not include any taxes, gratuities or
16 other fees that may make up the total cost charged to the customer for an online order.

17 "Third-party delivery service company", a corporation, partnership, sole proprietorship or
18 other entity qualified to do business in the commonwealth that is engaged in facilitating same-
19 day delivery or pickup of food and beverages through a third-party delivery service platform for
20 20 or more separately owned and operated covered establishments.

21 SECTION 2. Said chapter 159B is hereby further amended by adding the following
22 section:-

23 SECTION 23. (a)Annually, not later than February 1, each third-party delivery service
24 company shall submit to the director of the number of deliveries from the previous calendar year
25 that originated in each city or town and the amount collected from delivery-assessments.
26 Notwithstanding any other law, a delivery assessment of no less than $.50 per order shall be
27 applied to orders. The delivery assessment shall not apply to items that are not subject to state
28 sales tax.

29 (b) The department shall have the ability to adjust the delivery assessment no less than
30 every two years based on inflation.

31 (b) The division shall: (i) proportionately distribute ½ of the amount received from the
32 fund to a city or town based on the number of rides from the previous calendar year that
33 originated within that city or town to address the impact of transportation network services on
34 municipal roads, bridges and other transportation infrastructure or any other public purpose
35 substantially related to the operation of transportation network services in the city or town
36 including, but not limited to, the complete streets program established in section 1 of chapter 90I
37 of the General Laws and other programs that support alternative modes of transportation;
38 provided that, if the amount of the distribution to a city or town is $25,000 or less, the chief
39 executive officer as defined in section 7 of chapter 4 of the General Laws, may expend such
40 funds for these purposes without further appropriation; and (ii) distribute 1/2 of the amount
41 collected to the Commonwealth Transportation Fund established in section 2ZZZ of chapter 29
42 of the General Laws.