



BOSTON CITY COUNCIL

Committee on Government Operations
Gabriela Coletta Zapata, Chair

One City Hall Square 5th Floor, Boston, MA 02201 ♦ Phone: (617) 635-3040 ♦ city.council@boston.gov

REPORT OF COMMITTEE CHAIR

April 2, 2025

Dear Councilors,

The Committee on Government Operations was referred the following docket for consideration:

Docket #0407, Message and order for your approval an Ordinance for Road Safety and Accountability for Delivery Providers.

This matter was sponsored by Mayor Michelle Wu and referred to the Committee on February 5, 2025.

Summary of Legislation

Docket #0407, is an ordinance that establishes regulations governing the oversight of Third-Party Delivery Services within the City of Boston. The Ordinance proposes three primary regulations: mandatory registration with the city for large delivery platforms, requirement of insurance coverage to protect individuals involved in accidents with delivery drivers, and obligatory data sharing with the city to facilitate proactive safety and congestion management.

Among other definitions, the proposed Ordinance defines 5 key terms related to the scope, including Third-Party Delivery Operators ("Operator"), Third Party Delivery Order ("Order"), Third-Party Delivery Provider ("Provider"), Third-Party Delivery Services ("Services") and Third-Party Delivery Vehicle ("Vehicle").

As filed, the Ordinance would apply to every Third-Party Delivery Provider operating within the City of Boston, excluding small businesses with a small number of delivery drivers or other types of deliveries, such as those made by FedEx, UPS, or Amazon and require they provide insurance covering liability, personal injury, and collision for every Third Party Operator, on any mode of transportation.

The proposed Ordinance would require all Providers to apply for a permit to operate their platform in the City of Boston. To obtain this permit, Providers would be required to show proof that they have obtained insurance coverage, proof that they have provided Operators with insurance related disclosures, and certification that they (the Provider) will comply with specific data reporting requirements (described in the Ordinance below). Permits issued pursuant to this Ordinance will be issued by the Boston Transportation Department (BTD) and may be revoked, suspended, or subject to non-renewal. The proposed Ordinance also requires providers to provide BTD with particular data related to Third Party Delivery Services, Orders, and Operators.

Regarding enforcement, if a Provider fails to obtain/maintain a valid permit issued by BTD and accepts that accepts a fee for facilitating services while such Provider does not have a valid Permit, the Provider shall be fined three hundred dollars (\$300) per day-per restaurant from which Services are available and/or three hundred dollars (\$300) per Order. The BTD Commissioner may also seek an injunction from a court of competent jurisdiction prohibiting the provision of Services by any unpermitted Provider. This Ordinance applies to every Third-Party Delivery Provider operating within the City of Boston.



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Information Received at Hearing

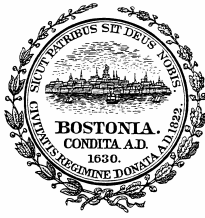
The Committee held a hearing on Monday, February 24, 2025, a working session on Tuesday, March 11, 2025 and Thursday, March 20, 2025. On behalf of the Administration, the Committee heard testimony from Jascha Franklin-Hodge, Chief of Streets; Nick Gove, Deputy Chief of Transportation; Daniel Lander, Senior Advisor on Policy; and Dan Humphreys, Deputy Superintendent of Field Services of the Boston Police Department. On behalf of Providers within the industry, the Committee heard testimony from industry representatives, including Christina Kennedy, New England Government Relations Manager for DoorDash; Josh Bocian, Senior Manager Government Affairs of the Northeast for GrubHub and JR. Starrett, Director of State and Local Government Affairs for GrubHub.

At the Committee hearing on February 24, the Administration panel testified that food delivery applications significantly support local restaurants and provide essential convenience to residents but that the unregulated growth of these services has raised serious public safety and quality-of-life concerns, stressing the importance of the proposed measures to provide transparency, reduce accidents, and improve overall street safety. The Administration highlighted frequent reports from residents about reckless driving, illegal parking, and increased traffic congestion, negatively impacting neighborhoods, clarifying that these measures aim not to overly burden the industry but to establish basic accountability and responsibility. The Administration emphasized that aggregated and anonymized data, as stipulated in the Ordinance, would adequately protect privacy while significantly enhancing the city's ability to manage and mitigate road safety risks.

Councilors raised questions regarding the effectiveness of insurance and registration mandates in changing driver behavior and ensuring safer streets. The Administration acknowledged it was difficult to guarantee behavioral changes but emphasized that mandatory insurance would at least provide coverage for accidents involving delivery drivers, addressing an identified gap. Conversation with the Administration further explored practical enforcement logistics, discussing how city resources, including police and transportation department staff, could be efficiently utilized or supported through ordinance-related revenue.

On behalf of Providers within the industry, representatives testified to the need for improved safety measures but raised concerns about operational impacts and costs associated with the proposed regulations. It was argued that overly stringent regulations could result in higher consumer costs, decreased flexibility for drivers, and potential reduction in service areas, disproportionately impacting underserved neighborhoods. During their testimony, industry representatives proposed alternative approaches, including cooperative safety initiatives between the city and delivery companies, voluntary data-sharing arrangements, and tailored insurance programs that would mitigate risks without imposing heavy financial burdens.

Councilors questioned the representatives on the Industry's willingness to participate voluntarily in data sharing and whether adequate insurance coverage could be realistically achieved without the Ordinance. The industry representatives assured the Committee of their commitment to improving safety through ongoing driver education, enhanced technology to monitor driving behaviors, and collaborative efforts with city officials; however, they maintained reservations about mandatory data sharing due to privacy concerns and competitive disadvantages.



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At the March 11th working session, discussion focused on clarifying specific details and definitions in the Ordinance, ensuring no ambiguities or unintended loopholes existed. During the session, conversation raised questions regarding the scope of the Ordinance, particularly concerning the inclusion of grocery delivery services like Instacart. There was extensive discussion clarifying that grocery and convenience stores would be excluded, focusing specifically on platforms delivering food from restaurants. Councilors expressed concerns about potential loopholes, where companies providing multiple services (like grocery and restaurant delivery) could be exempted unintentionally.

Further discussions centered on defining "third-party delivery orders," ensuring that requests originating from customers, restaurants, or platforms themselves were clearly covered by the Ordinance. There was a focus on ensuring the language was precise to prevent ambiguity or unintended exclusions. Councilors debated the implications of different thresholds for regulation, particularly whether small-scale delivery providers should be exempt from certain requirements.

Insurance coverage requirements sparked significant discussion, with Councilors questioning whether proposed coverage limits were adequate or excessive compared to state requirements. Concerns were raised about insurance availability for delivery modes like bicycles and e-bikes, acknowledging that insurance products for these modes may not currently exist.

Councilors explored data-sharing requirements, highlighting concerns about consumer privacy, proprietary business information, and the operational feasibility of frequent reporting. Adjustments were proposed to reduce reporting frequency from monthly to quarterly, delay submissions until after quarterly earnings reports, and ensure data anonymization.

At the March 20th working session, the Committee engaged in detailed discussions to clarify and refine the ordinance definitions and requirements regarding permits, insurance, data reporting, and enforcement for third-party delivery services operating within Boston.

Regarding the applicability of the Ordinance, the Committee discussed refining definitions to clarify which providers the Ordinance would apply to, as well as when and how insurance coverage would be required. With respect to providers, the Committee discussed the threshold number of orders that would trigger the Ordinance's applicability. During discussion, the Administration maintained their proposal for a one-million-order threshold annually, reasoning that it captures the primary market players—Uber Eats, DoorDash, and Grubhub—and provides an equitable starting point for new entrants. Regarding when the Ordinance would require insurance coverage and to what extent, the Committee discussed the concept of "active operator status" and potential challenges related to bicycle and e-bike delivery coverage. The Committee found general consensus on the idea that the Ordinance should apply when Operators are operating in "active status," which would be the period of time from when an Operator accepts an order until its completion or cancellation. Regarding covered vehicles, the Committee acknowledged that such insurance products currently do not widely exist and highlighted the necessity of industry cooperation in developing feasible coverage options.

Data reporting and privacy were also extensively discussed. During the working session the Committee discussed revising the data submission requirements to quarterly rather than monthly, and allowing for submissions to occur after quarterly earnings reports to protect proprietary business information.



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During this working session, the Committee also discussed a proposed amendment establishing a delivery fee of 15 cents per Order, the purpose of which is to cover ordinance enforcement and related infrastructure improvements. Councilors voiced concerns about ensuring the fee does not pass onto consumers, local businesses, or delivery operators.

Summary of Amendments

The Ordinance as amended inserts the following language regarding “Operator Active Status” under 17-22.2 Definitions:

“Operator Active Status (“Active Status”): The period during which an Operator accepts a Third-Party Delivery Order until the Order is either completed or canceled. This includes the time spent traveling to the food service establishment to pick up the Order, waiting at the food service establishment for the Order, and transporting the Order to the delivery destination.”

The Ordinance as amended inserts language under 17-22.2 Definitions within the definition of Third-Party Delivery Order to clarify that an Order is a service that is performed by a Third-Party Delivery Operator. As amended, the definition reads as:

“Third-Party Delivery Order (“Order”): A single request for Third-Party Delivery Services either originating from or ending at a location in the City of Boston that is performed by a Third-Party Delivery Operator.”

The Ordinance as amended strikes and inserts language under 17-22.2 Definitions within the definition of Third-Party Delivery Provider (“Provider”) which states that a Provider includes any person or entity that facilitates more than 1,000,000 Orders per year originating or ending in the City of Boston. As amended, the definition reads as:

“Third-Party Delivery Provider (“Provider”): Any person or entity that operates a website, mobile application, or other internet-based service that facilitates, offers, or arranges for the on-demand delivery by a third party of food or beverages prepared by more than one food service establishment, excluding grocery or convenience stores. Provided that the term “Provider” does not include: (a) any such operator that facilitates, offers, or arranges fewer than 1,000,000 orders each week; and (b) a food service establishment that facilitates, offers, or arranges for the delivery of only its own food or beverages”

The Ordinance as amended strikes language under 17-22.4 Third-Party Delivery Provider Permit Process that states that BTDC shall grant, renew, or revoke a providers permit based on whether or not it is consistent with the public interest and in its place inserts the following language:

“BTDC shall not grant or renew a Permit unless the Provider has satisfied the requirements of this section. BTDC may revoke a Permit if the Provider is not in compliance with this section.”

The Ordinance as amended strikes language under 17-22.5 Insurance clause (b) stating that insurance coverage requirements shall be determined by BTDC and in its place inserts the following language:

“Insurance coverage requirements shall include:”

The Ordinance as amended strikes language under 17-22.5 Insurance clause (i) which requires Providers



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provide coverage for liability, personal injury, collision, and medical payment in the event that any uninsured or underinsured Operator is involved in a crash and in its place inserts the following language:

“Coverage for liability in the event that any uninsured or underinsured Operator is involved in an accident. The Provider must ensure that the Operator, the Provider, or any combination of the two maintains liability insurance that insures an Operator of a Vehicle for liability to third parties with coverage amounts of not less than \$50,000 for damages arising out of bodily injury sustained by any one person in an accident, not less than \$100,000 for damages arising out of bodily injury sustained by all persons injured in an accident, and \$30,000 for all damages arising out of damage to or destruction of property in an accident.”

The Ordinance as amended strikes language under 17-22.5 Insurance clause (ii) requiring insurance coverage for all modes of transportation and in its place inserts the following language:

“Coverage for Operators using all modes of transportation for which registration is required by M.G.L. c. 90, § 1A, as well as electric bicycles and motorized bicycles”

The Ordinance as amended inserts the following language under 17-22.5 Insurance clause (b) (iii) to clarify that insurance requirements only extend to Operators who are operating in “active status” as defined above:

“Coverage for all times during which an Operator is in Active Status.”

The Ordinance as amended inserts the following language beneath 17-22.5 Insurance clause (b) (iii) regarding compliance with all applicable federal, state, and local laws and regulations governing insurance requirements for vehicles:

“(iv.) The Provider shall ensure compliance with all applicable federal, state, and local laws and regulations governing insurance requirements for Vehicles, including any future laws or regulations that may impose additional insurance requirements on such Vehicles when used for commercial purposes.”

The Ordinance as amended strikes language under 17-22.6 Data Reporting Requirements (a) regarding monthly reporting requirements and in its place inserts the following language:

“No later than the end of each quarter, each Provider shall submit to BTB, in a format approved by BTB, data related to each Order in the previous quarter, which shall include only anonymized data to protect consumer privacy. The data shall include:”

The Ordinance as amended strikes language under 17-22.6 Data Reporting Requirements (a) (iii) regarding data on the power source of the vehicle.

The Ordinance as amended strikes language under 17-22.6 Data Reporting Requirements (a) (v) requiring the 15 digit FIPS code and in its place inserts the following language:

“(iv.) the 12-digit FIPS Code for the census block group to which the Order was delivered”

The ordinance as amended strikes language under 17-22.6 Data Reporting Requirements (a) (vii) regarding data reporting requirements on the total time an Operator spent delivering an order.



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The Ordinance as amended strikes language under 17-22.6 Data Reporting Requirements (b) and rephrases the requirement to clarify the limits of the additional data BTM may request from Providers and in its place inserts the following language:

“b. Each Provider shall submit to BTM, upon BTM request, additional data for the purposes of congestion management and other legitimate regulatory needs, which may include the total number of Operators that utilized the Provider's digital network within specified geographic areas and time periods and broken out by mode of transportation as determined by BTM.

The Ordinance as amended inserts the following language under 17-22.6 Data Reporting Requirements (b) to safeguard data reported pursuant to this ordinance:

“c. BTM shall implement and maintain reasonable security procedures and practices, including operational, administrative, technical, and physical safeguards, to protect the trip data from unauthorized access, destruction, use, modification, or disclosure.”

“d. BTM shall not use the data for any purpose other than regulating traffic safety, congestion management, policy development, or traffic enforcement within the City of Boston.”

Committee Chair Recommended Action

As Chair of the Committee on Government Operations I recommend moving the listed docket from the Committee to the full Council for discussion and formal action. At this time, my recommendation to the full Council will be that this matter **OUGHT TO PASS IN A NEW DRAFT**.

Gabriela Coletta Zapata, Chair
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