



Date: December 2022
To: Food Delivery Platforms
From: Consumer Protection Division, Department of Facilities and Administrative Services
Subject: Delivery Commission Caps and Expanded Delivery Radiuses

Introduction

The Consumer Protection Division in the City of Seattle's Department of Facilities and Administrative Services has responsibility for enforcing the Delivery Commission Caps Ordinance (chapter [7.30](#) of the Seattle Municipal Code (SMC)), which took effect on Nov. 30, 2022. This memo provides guidance to food delivery platforms for two specific issues—opting out of delivery commission caps and expanded delivery radiuses.

Opting out of delivery services agreement with a 15% commission cap

A restaurant cannot opt to pay more and a food delivery platform cannot charge more than 15% for “delivery services” as defined by [SMC 7.30.020](#) because delivery to any location within Seattle city limits is governed by the 15% cap.

Instead, the restaurant can agree to pay more for *additional* services beyond “delivery services”. If those additional services are already included in an existing contract between a restaurant and a food delivery platform that complies with the 15% delivery services cap, there is nothing in the ordinance that prohibits the platforms from requiring the restaurant to affirmatively select, or “opt-in”, to the 15% package, so long as the platform is meeting all conditions outlined at [SMC 7.30.032.B](#).

Existing contracts that do not comply with the ordinance are subject to a civil infraction and \$250 penalty. If there is no existing contract, a food delivery platform must offer a 15% package, and the restaurant can opt to have an agreement with services beyond “delivery services” for more than 15%. In either scenario, a food delivery platform must offer the 15% package to restaurants.

Expanded delivery radiuses

The ordinance does not regulate delivery radiuses but instead regulates “delivery services,” which are defined in [SMC 7.30.020](#) as services provided by a food delivery platform that “... (2) facilitate and/or perform delivery of food and/or beverage orders to any location within Seattle city limits”. The reference to “any location within Seattle city limits” governs the scope of the 15% commission cap. It does not require delivery to *every* location within Seattle city limits and does not prohibit delivery radiuses.

Food delivery platforms may charge a higher fee for delivery only to locations *outside* Seattle city limits, such as Bellevue or Shoreline. While the ordinance does not require a mandatory minimum delivery radius or prevent food delivery platforms from charging restaurants more for delivery to locations outside the City, it does require fees for delivery anywhere within City limits to be capped at 15%, no matter what delivery radius is included in the food delivery platform agreement. For example, if the basic plan has a delivery area of one square mile for 15%, the plus and premier levels for two and five square miles cannot exceed 15%. However, it is permissible for the basic plan to charge 10%, and other two plans to charge 12% and 15%, respectively.

Questions

Please email consumerprotection@seattle.gov or call 206-386-1267.