

A permanent price control on third-party delivery is unnecessary.

Now that the state's economy has reopened and pandemic-era restrictions on businesses have been lifted, restaurants in Oregon again have options when it comes to serving their customers. Some choose dine-in only, some offer pickup, and some choose to supplement their core business by offering delivery. Those that do offer delivery can do so on their own, through a courier service, or in partnership with delivery platforms like DoorDash, which allow restaurants to reach new customers and offer delivery without the start-up costs or overhead expense to their business.

Small- and medium-sized restaurants in Oregon already have the option to offer delivery with DoorDash and pay just a 15% commission per order. All other major platforms offer a similar low-cost option. These low-cost options are just one of many available to restaurants that choose to partner with DoorDash or other delivery platforms.

A permanent price control is unprecedented and the private right of action will result in frivolous litigation.

This would be the first permanent price control passed at the state level in the entire country and would set a dangerous precedent for other industries. The proposed ordinance attempts to permanently rewrite private contracts between delivery platforms and restaurants, and unfairly favors one industry over another.

The proposed bill also includes a private right of action with a penalty of \$500 per violation. Platforms process tens of thousands of orders a day (at minimum) and the PRA greatly increases the chances that the law will be exploited and lead to unnecessary litigation based on technicalities, and could ultimately cause platforms to reduce or discontinue service in Oregon.

A permanent price control could hurt customers, restaurants, and Dashers in Oregon.

History shows that price controls like this one don't work and are more likely to damage competition in the long run. In addition to lost volume and revenue, restaurants could also see reductions in service if platforms need to cut costs in the future to help make up for the disadvantage the price control creates.

Like in other markets with similar laws, customers could see higher fees. When customer fees increase, order volume decreases. Consider the potential impacts to merchants in Oregon counties:

