

June 4, 2024

The Honorable Joy Hollingsworth Seattle City Council 600 Fourth Avenue 2nd Floor Seattle, WA 98104

Dear Councilmember Hollingsworth:

On behalf of Chamber of Progress – a tech industry association working to ensure all Americans benefit from technological leaps – I write to urge you to bring a vote on CB 120775, which would adjust the minimum compensation scheme for delivery drivers while maintaining many of the protections and transparency requirements implemented under the PayUp standard. This bill will provide much needed relief to local restaurants and shops, app based drivers who need a volume of orders to make ends meet, and consumers who depend on delivery services for essentials like food and groceries.

Small businesses, delivery drivers, and consumers deserve relief from skyrocketing prices and plummeting orders. CB 120775 will help stabilize prices and restore earning opportunities while still protecting drivers' wages.

The current situation is untenable for drivers, consumers, and small businesses.

While well-intentioned, the current pay standard has led to an increase in the price for goods and services that consumers depend on. That increase in prices has also translated into a reduction in demand, ironically limiting earning opportunities for drivers and restaurants.

Since the PayUp standard went into effect in January, delivery drivers have reported a dramatic drop in orders and tips, forcing them to either work more

hours or accept lower overall earnings.¹ Restaurants and other small businesses who depend on delivery services to reach customers have also reported decreased orders, threatening their already thin margins.² Customers who depend on delivery services for access to food, groceries, and other everyday essentials have felt their budgets stretched or been forced to abandon deliveries altogether.³

The new proposal is a better-calibrated effort to protect drivers' wages. It would preserve many of the protections that are currently in place, including a guaranteed minimum pay standard, without threatening consumers' access to fresh food and groceries.

We urge you to move forward with a vote on the new proposal without delay. Current market conditions are not serving delivery drivers, small businesses, or consumers. The Council must take immediate action to bring down prices and restore earning opportunities for drivers by moving forward with CB 120775.

Sincerely,

Robert Singleton

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Director of Policy & Public Affairs, Western US

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https://www.seattletimes.com/seattle-news/seattle-council-may-make-u-turn-on-delivery-drivers-pay-as-fees-increase/

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