



The Honorable Phil Mendelson
ChairD.C. Council
1350 Pennsylvania Avenue, NW,
Washington, D.C. 20004

December 16, 2024

Dear Chair Mendelson:

We, the undersigned coalition of advocates, respectfully write to express our strong **opposition to B25-0416**. Approving this bill would threaten economic opportunities for thousands of District residents who rely on app-based delivery platforms and deprive the public, businesses, and community leaders of the opportunity to provide meaningful input.

This bill would threaten economic opportunities for drivers by adding barriers to entry

B25-0416 would upend existing regulations for carrier-for-hire services by imposing new registration and insurance requirements. It also obligates companies to collect and turn over data on individual orders and introduces sweeping regulatory changes without input from affected businesses or workers. These measures raise costs, create new barriers for drivers seeking supplemental income, and risk denying due process to drivers. Given that most drivers work fewer than 10 hours per week, the added complexity could undermine the flexibility and accessibility that app-based work provides,

threatening economic opportunities by making it harder for drivers to supplement their income.

Delivery services provide essential access to goods and services, and adding new regulations threatens access for DC residents

Carrier-for-hire services are critical for increasing access to food, groceries, and household necessities, especially for District residents in food deserts or with limited mobility. Between 2021 and 2022, 54 percent and 41 percent of adults surveyed nationwide reported they were likely to have frequently used an app to deliver food and groceries, respectively,¹ and studies suggest the average order frequency for groceries will increase at a 12 percent annual rate over the next five years.² For residents in food deserts, particularly in Wards 7 and 8, delivery services increase access to fresh and diverse foods.

For the 10 percent of D.C. residents living with disabilities that affect their mobility, delivery services can ensure they have access to medical prescriptions, household essentials, food, and other lifesaving goods and services.³ The same is true for the District's elderly residents who have limited access to driving or medical conditions that restrict their mobility. Indeed, for the District's most vulnerable, carrier-for-hire services are often a lifeline in an otherwise unaccommodating world.

Delivery services fuel DC's small business community and local economy

Increasing barriers for drivers also risks causing ripple effects for small businesses in the District. Restricting opportunities for drivers limits access to food and groceries, making it more difficult for small businesses, restaurants, and grocers to reach their customers efficiently. In the District, small businesses account for 98.1 percent of all businesses,⁴ and the growing District restaurant industry alone employs over 61,000 individuals.⁵ Many of these businesses depend on delivery services to sustain operations and reach a broader customer base.

¹ See http://progresschamber.org/wp-content/uploads/2022/07/COP_Civic-Innovation_ANALYSIS.pdf

² See <https://www.grocerydive.com/news/online-grocery-sales-will-increase-at-12-annual-rate-over-5-years-report/641578>

³ See https://www.cdc.gov/ncbddd/disabilityandhealth/impacts/pdfs/DC_Disability.pdf

⁴ See <https://advocacy.sba.gov/wp-content/uploads/2023/11/2023-Small-Business-Economic-Profile-DC.pdf>

⁵ See <https://restaurant.org/getmedia/163b6733-b054-4fd5-a157-bb4f7f990b53/District-of-Columbia.pdf>

For local businesses and restaurants, especially those operating on tight margins, delivery services provide a critical revenue stream. Limiting driver availability through further restrictions could reduce order volume, undermine profitability, and force some businesses to cut jobs or close entirely.

Our city is renowned for its vibrant restaurant scene and thriving small business community. With 95 percent of DC restaurants independently owned⁶ and 28.6 percent of all DC businesses minority-owned, introducing new barriers to delivery services could disproportionately harm small, community-based establishments. This would not only weaken the local economy but also diminish the diversity and accessibility of goods and services available to DC residents. Ensuring a flexible and accessible delivery ecosystem is essential to supporting District businesses and the communities they serve.

Given these significant impacts, we urge the Council to **reject B25-0416**. Without the proper public legislative process, advancing this bill risks undermining economic opportunities and essential services for District residents. More time is needed to engage with drivers, consumers, small businesses, and community leaders to fully understand the implications of any new regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Brianna January". The signature is fluid and cursive, with the first name being more prominent.

Brianna January
Director, State and Local Government Relationships
Northeast Region

Chamber of Progress
DMV Black Restaurant Week
Greater Washington Board of Trade
Greater Washington DC Black Chamber of Commerce, Inc.
The DC Center for Independent Living

⁶ See <https://wtop.com/business-finance/2023/11/were-in-trouble-dc-restaurant-owner-survey-paints-a-bleak-picture/>