

137G.2 Restaurant and food delivery platform — requirements — penalties.

1. A food delivery platform shall be prohibited from all of the following:

a. Using a restaurant's likeness without the consent of the restaurant owner or the owner's designee in a manner that could be reasonably interpreted to falsely suggest sponsorship or endorsement by the restaurant.

b. Taking and arranging for the delivery or pickup of an order from a restaurant without the consent of the restaurant owner or the owner's designee.

c. Intentionally inflating or altering a restaurant's pricing without the consent of the restaurant owner or the owner's designee, except that a food delivery platform may charge additional fees to the consumer if the fees are noted separately to the consumer.

d. Attempting to charge a restaurant, or expecting the restaurant to pay or absorb any fee, commission, or charge without the consent of the restaurant owner or the owner's designee.

2. A food delivery platform shall do all of the following:

a. Clearly provide to the consumer a mechanism to express concerns regarding an order directly to the food delivery platform.

b. Remove a restaurant from the food delivery platform's services within ten days of receiving the restaurant's request for removal unless an agreement between the food delivery platform and the restaurant states otherwise.

3. An agreement between a food delivery platform and a restaurant to take and arrange for the delivery or pickup of orders shall include all of the following:

a. Authorization for the food delivery platform to take and arrange for the delivery and pickup of orders from the restaurant.

b. Clear identification of any fee, commission, or charge that the restaurant will be required to pay or absorb.

4. An agreement between a food delivery platform and a restaurant to take and arrange for the delivery or pickup of orders shall not include provisions, clauses, or covenants that require a restaurant to indemnify a food delivery platform, or any employee, independent contractor, or agent of the food delivery platform, for any damages or harm caused by the actions or omissions of the food delivery platform or any employee, independent contractor, or agent of the food delivery platform.

5. a. A provision of an agreement between a food delivery platform and a restaurant, or the obtaining of consent, that is contrary to [this chapter](#) is void and unenforceable.

b. An aggrieved restaurant or the attorney general may seek judicial enforcement of the requirements of [this chapter](#) in an action brought against a food delivery platform in the county in which the violation occurred. The following civil penalties shall be imposed for a violation of [this chapter](#):

(1) A one thousand dollar penalty for a first violation.

(2) A two thousand five hundred dollar penalty for a second violation.

(3) A ten thousand dollar penalty for a third and subsequent violation.

6. a. The attorney general or a restaurant may, in addition to penalties imposed pursuant to [subsection 5](#), bring an action to enjoin a violation of [this chapter](#). If the court finds a violation of [this chapter](#), the court shall issue an injunction against a food delivery platform and may require the platform to pay to the injured restaurant all profits derived from, or damages resulting from, the wrongful acts and order that the wrongful acts be terminated.

b. If the court finds that the food delivery platform committed a wrongful act in bad faith in violation of [this chapter](#) by not entering into an agreement or obtaining consent, the court, in the court's discretion, shall:

(1) Enter a judgment in an amount not to exceed three times the amount of profits and damages.

(2) Award reasonable attorney's fees to the restaurant.

[2022 Acts, ch 1099, §104, 106; 2023 Acts, ch 66, §156, 159, 161](#)

Applicability of section to agreements between restaurants and food delivery platforms, see [2022 Acts, ch 1099, §106; 2023 Acts, ch 66, §156, 159, 161](#)

Section not amended; section history revised