



TECHNET
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INNOVATION ECONOMY

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January 7, 2020

Ald. Robert Bauman
Ald. Marl Borkowski
Ald. Cavalier Johnson
Ald. Nik Kovac
Ald. Michael Murphy
City of Milwaukee
200 E. Wells Street
Milwaukee, WI 53202

Re: Ordinance 191476 - An ordinance relating to a municipal service fee on food delivery network services.

Dear Members of the Milwaukee Public Works Committee:

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents more than three million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance. TechNet is committed to advancing the public policies and private sector initiatives that make the U.S. the most innovative country in the world.

On behalf of our membership, TechNet respectfully opposes the introduced ordinance relating to a municipal service fee on food delivery network services. Since food delivery network companies came to market, this technology has allowed small businesses to get their food to the masses that may never have occurred in its absence. Restaurants that cannot afford to hire a delivery driver can utilize food delivery network companies' businesses to grow their delivery and takeout orders throughout the City of Milwaukee.

Moreover, this ordinance lacks parity by providing an uncompetitive advantage to multi-national pizza chains and sandwich shops that offer the same service but would not be subjected to the tax under this proposal.

TechNet and its members understand the importance of transportation systems and road infrastructure. However, drivers subject to this tax are already investing into the infrastructure system through various motor fuel taxes and wheel taxes.

As Wisconsin and Milwaukee continue to gain national attention as start-up technology hub, ordinances such as these create an impediment to future growth in this industry and can chill innovation in the City.

We recommend members of the Council study this issue in-depth and work closely with the companies to find a better solution moving forward.

Thank you for your consideration on this matter and please do not hesitate to reach out with any questions.

Sincerely,



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Cc: Ald. Nikiya Dodd
Molly Kuether-Steele