Virginia Alcoholic Beverage Control Authority

Chief Executive Officer Dale F. Farino



Chair Timothy D. Hugo

Vice Chair L. Mark Stepanian

Board of Directors William D. Euille Gregory F. Holland Lisa N. Jennings

October 29, 2024

The Honorable Barbara A. Favola General Assembly Building, Room 509 201 North 9th Street Richmond, Virginia 23219

The Honorable David L. Bulova General Assembly Building, Room 909 201 North 9th Street Richmond, Virginia 23219

Dear Committee Chairs:

Pursuant to Enactment Clause 5 of Chapters 105 and 159 of the 2024 Virginia Acts of Assembly, Virginia ABC is pleased to present this report on our recommendations regarding the continuation of the thirdparty delivery license in the Commonwealth. Virginia ABC was pleased to include approximately 40 stakeholders in this endeavor, and we are most appreciative of the earnest and candid input from that group.

The stakeholder group diligently studied Virginia's third-party delivery license with diverse participation from third-party delivery licensees, restaurant and grocery industries, and alcohol industry experts. The group considered current safeguards in place at third-party delivery licenses and the effectiveness of the Virginia ABC-led training efforts. Virginia ABC's Bureau of Law Enforcement completed over 200 underage buyer checks, and the ongoing efforts of stakeholders and Virginia ABC led to underage buyer compliance rates for third-party delivery licensees increasing to approximately 90%.

The stakeholders reached a consensus to make the third-party delivery license permanent and to retain the requirement for the completion of a Board-approved public safety course to build on the improved underage buyer compliance rates the third-party delivery providers and Virginia ABC have achieved. After discussing the report, Virginia ABC's Board recommends that, instead of making the third-party delivery license permanent, the expiration of the third-party delivery license be extended by two years.

Virginia ABC trusts this report satisfactorily addresses the issues that the General Assembly requested be addressed, and we would be pleased to present our findings and recommendations to the full Committees at a time of your choosing.

Sincerely,

Dale F. Farino



VIRGINIA ABC REPORT ON "THIRD-PARTY DELIVERY LICENSES" PURSUANT TO CHAPTERS 105 AND 159 OF THE 2024 ACTS OF ASSEMBLY

I. Introduction

During the COVID-19 pandemic response, Virginia alcohol delivery laws allowed expanded opportunities for the delivery of wine, beer, and mixed beverages, frequently described as "cocktails to go," by Virginia ABC-licensed retailers. As part of these expanded opportunities for delivery, retailers could either self-deliver the alcoholic beverages to consumers or use third-party delivery providers to deliver the alcoholic beverages to consumers. Similar developments occurred in many states.

When the General Assembly addressed the expansion of alcohol delivery options, the General Assembly created a new license, the third-party delivery license, to regulate this new economic activity. The creation of the license ensured the third-party delivery providers would be subject to appropriate regulatory oversight, similar to Virginia ABC's regulation of self-delivery by retail licensees, with a licensing and license fee structure to accommodate the unique nature of the third-party delivery business. Third-party delivery licenses are issued to an entity to cover the entire state, and the license fee for the third-party delivery license is commensurately higher in recognition of the scope of the license privileges and the expenses necessary to monitor compliance by third-party delivery licensees. The newly created third-party delivery license, along with the rest of the new cocktails to go legislative authorization, was set to sunset, after one intermediate extension, on July 1, 2024.

In 2023, Virginia ABC conducted underage buyer operations to assess alcohol delivery compliance by third-party delivery licensees. The 2023 underage buyer operations, of which only thirtyone were completed, found only a 58% compliance rate by third-party delivery licenses. During the 2024 General Assembly Session, HB 688, patroned by Delegate Leftwich, and SB 635, patroned by Senator Rouse, generally removed the sunset on the cocktails to go legislative authorization. However, in



response to the unacceptable 58% underage buyer compliance rate found for third-party delivery licensees, HB 688 and SB 635 repealed the third-party delivery license, effective July 1, 2026, and directed Virginia ABC to convene the present work group to study the third-party delivery license. The work group's stakeholder list may be found in Appendix 1.

II. Work Group Meetings

Virginia ABC conducted three work group meetings, on June 12, 2024, August 12, 2024, and September 11, 2024. The study outline for these meetings may be found in Appendix 2. During these meetings, stakeholders described their experience with the third-party delivery license, asked questions to Virginia ABC about relevant prior and ongoing enforcement actions, and provided detailed information about their strategies to prevent unlawful deliveries to those younger than twenty-one years of age. The work group heard the following presentations, which are attached as appendices, from stakeholders regarding their best practices to prevent deliveries to underage individuals:

- "Delivery and Courier Education" by Michelle Blackwell from Uber Eats (Appendix 3)
- "Alcohol Delivery: Safety and Compliance Protocols Overview" by Chad Horrell from DoorDash (Appendix 4)
- "Third Party Delivery Best Practices" by Maria Jackson from Instacart (Appendix 5)

All these presentations included delivery personnel training as a key component of their plans. To ensure that delivery personnel received adequate training, current law requires delivery personnel to complete a Virginia ABC-approved public safety training course. Virginia ABC has created and made available a free public safety training course for delivery personnel, Responsible Alcohol Delivery Driver ("RADD") Training, and has also certified effective third-party training programs. Katie Crumble, director of Virginia ABC's Community Health and Engagement Division, presented to the stakeholder group on these topics, and her presentation is attached as Appendix 6.



The work group, as directed by the General Assembly, also reviewed and compared the laws of other states regarding third-party delivery licenses. Tom Kerr, on behalf of the Adult Beverage Alliance, presented "Alcohol Delivery Requirements in Other Jurisdictions." This presentation, attached as Appendix 7, outlined the ongoing developments in this evolving marketplace in which most states now allow alcohol delivery. Third parties, as in Virginia, may delivery alcohol in about thirty states, and such third parties must hold a permit or a license in about eighteen of the thirty states.

Virginia ABC also provided information to the stakeholder group to further the goals and requirements for the work group. In response to stakeholder questions, Virginia ABC's Chief Operations Officer and Director of Law Enforcement Operations, Tom Kirby, presented on Virginia ABC's 2023 operations. The results of the 2023 operations were previously reported to the General Assembly. In addition, after completing more than the 200 required third-party delivery underage buyer operations required by the 2024 General Assembly, Chief Kirby also reported the findings from these operations to the stakeholder group. Both of the above presentations are included as Appendices 8 and 9, respectively. Virginia ABC's 2024 operations found that the underage buyer compliance rate for thirdparty delivery licensees improved from 58% in 2023 to approximately 90% in 2024.

III. Recommendations

Virginia ABC and the third-party delivery licensees have demonstrated that they can achieve acceptable rates of underage buyer compliance, and it would be appropriate to allow third-party delivery licensees to continue responsible alcohol delivery in Virginia. The vastly improved results for the 2024 underage buyer operations show that the current system, with its requirements for age verification and the completion of a Virginia ABC-approved public safety training course, is working. These features of the third-party delivery licensing system have now enabled third-party delivery providers to reach a level of underage buyer compliance, 90%, at least comparable to rates found during underage buyer operations at brick-and-mortar retailers, at which Virginia ABC has found an 87% year-



to-date compliance rate. Therefore, the work group recommends that the third-party delivery license not be repealed and instead be made permanent. Continued requirement of a Virginia ABC-approved public safety training course and ongoing, routine enforcement would provide the necessary regulatory structure to protect public safety and allow this marketplace to develop. A legislative draft reflecting the group's consensus is attached as Appendix 10.

On October 29, 2024, the ABC Board reviewed the report. Following discussion, the Board voted to recommend extension of the sunset for an additional two years.



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VIRGINIA ABC REPORT ON "THIRD-PARTY DELIVERY LICENSES"

PURSUANT TO CHAPTERS 105 AND 159 OF THE 2024 ACTS OF ASSEMBLY

LIST OF APPENDICES

- App 1 Stakeholder List 08.15.2024
- App 2 Study Outline for Third Party Delivery Final
- App 3 2024.08.07 Uber Eats Presentation before VA ABC
- App 4 2024.08.07 VA ABC Presentation Doordash
- App 5 2024.08.07 Instacart VA Delivery Best Practices Presentation
- App 6 2024.08.07 Cocktails to Go Workgroup RADD Training Update Corrected
- App 7 2024.08.07 Adult Beverage Alliance Virginia Third Party Delivery Presentation
- App 8 2024.08.07 BLE 2023 Operations Presentation (Tom Kirby)
- App 9 2024.08.07 3rd Party Delivery Summary 2024 Industry Copy
- App 10 Alcohol Delivery Legislation 2026 Sunset Repeal. 2025 Session.
- App 11 VA 3PD Recommendations Comments (FINAL)



- 1. Nicole Brenner, Uber; NBrenner@reedsmith.com
- 2. Ken Hutcheson, Walmart and Anheuser Busch; ken@olddominionpublicaffairs.com
- 3. Jeff Palmore, Amazon; jeff@capsquarestrategies.com
- 4. Lindsay Winter, Amazon; lindswin@amazon.com
- 5. Clay Byrd, Amazon; claytoby@amazon.com
- 6. Tom Kerr, The Adult Beverage Alliance; tom@alcohol.law
- Tommy Herbert on behalf of Virginia Restaurant, Lodging, and Travel Association; tommy@vrlta.org
- 8. Travis Smiley on behalf of Virginia Food Industry Association; traviss@vafoodindustry.org
- 9. Robert T. Bohannon; lobbyist for Food Lion; rbohannon@hunton.com
- 10. Michele Blackwell, Uber; mblackwell@uber.com
- 11. LaTonya Hucks-Watkins, Office of Legal Counsel; latonya.hucks-watkins@virginiaabc.com
- 12. Sarah Ross, Office of Legal Counsel; sarah.ross@virginiaabc.com
- 13. Maureen Mshar, Office of Legal Counsel; maureen.mshar@virginiaabc.com
- 14. Katie Crumble, Community Health and Engagement; katie.crumble@virginiaabc.com
- 15. Matt Santucci, Community Health and Engagement; matthew.santucci@virginiaabc.com
- 16. Sarah Davlin, Community Health and Engagement; sarah.davlin@virginiaabc.com
- 17. Thomas McNeil, Instacart; thomas.mcneil@instacart.com
- 18. Maria Jackson, Instacart; maria.jackson@instacart.com
- 19. Chad Horrell, Doordash; chad.horrell@doordash.com
- 20. Tray Adams, Doordash; tadams@mwcllc.com, tadams@mcguirewoods.com
- 21. Ross Grogg, DISCUS; rgrogg@kemperconsult.com
- 22. Cindy DiFranco, Virginia Spirits Association; cindy@principle-advantage.com
- 23. Angela Bezik, Virginia Spirits Association; abezik@principle-advantage.com
- 24. Tom Kirby, Chief, Bureau of Law Enforcement; thomas.kirby@virginiaabc.com
- 25. Marc Haalman, Special Agent in Charge, Bureau of Law Enforcement; marc.haalman@virginiaabc.com
- 26. John Daniel, Chief Government Affairs Officer and General Counsel; john.daniel@virginiaabc.com
- 27. Craig Maxey, Administrative Law Judge and Government Affairs Officer; William.maxey@virginiaabc.com
- 28. Robert Melvin, R Street Institute; rmelvin@rstreet.org
- 29. Kendall Kirby, Summer Hire; kendall.kirby@virginiaabc.com
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- 34. Heidi Schlicher Cook, Walmart and Anheuser Busch; heidi@olddominionpublicaffairs.com
- 35. Dale Farino, Virginia ABC; dale.farino@virginiaabc.com
- 36. Rebecca Leach, Walmart; rebecca.leach@walmart.com
- 37. Jarrett Dieterle, R Street Institute; jdieterle@rstreet.org
- 38. Tom Lisk, Cozen O'Connor; tlisk@cozen.com
- 39. Jodi Roth, Virginia Retail Federation; jroth@virginiaretailfederation.com
- 40. Margaret Durkin, TechNet; mdurkin@technet.org

STUDY OUTLINE FOR CHAPTERS 105 AND 159 OF THE 2024 ACTS OF ASSEMBLY THIRD-PARTY DELIVERY LICENSES

June 12 @2pm – 4pm – Initial Stakeholder Meeting

- Present Work Plan
- Meeting dates
- Scope and goals of study
- Initial thoughts and/or concerns of stakeholder group

August 7 @2pm – 4pm – Working Towards Compliance

- Alcohol Delivery Requirements in Other Jurisdictions—Michelle Blackwell (Uber) and Tom Kerr (Adult Beverage Alliance)
- Industry presentation on best practices—Maria Jackson (Instacart) and Chad Horrell (Doordash)
- Overview of Virginia ABC's Responsible Alcohol Delivery Driver (RADD) training— Virginia ABC Community Health and Engagement
- Experiences of retailers and delivery providers in current alcohol delivery system
- Thoughts on training—Licensee provided and Virginia ABC provided

September 11 @2pm – 4pm – BLE Presentation and Stakeholder Discussion

- Presentation from BLE regarding decoy operations (Thomas Kirby)
- Should third-party delivery license continue beyond current July 1, 2026 sunset?
- Review any suggested statutory modifications necessary
- Thoughts by stakeholders of important elements to be included in a final report to the General Assembly
- Discuss plan for email, concurrence, or dissent by stakeholders
- Closing issues to be discussed and/or agreed upon

By Email – Group Review

- Circulation of draft report and opportunity for review and comment by stakeholders
- Concurrence or dissent with the report by stakeholders

By November 15, 2024 – Final Report

• ABC submits Final Report to individuals designated in Chapters 105 and 159



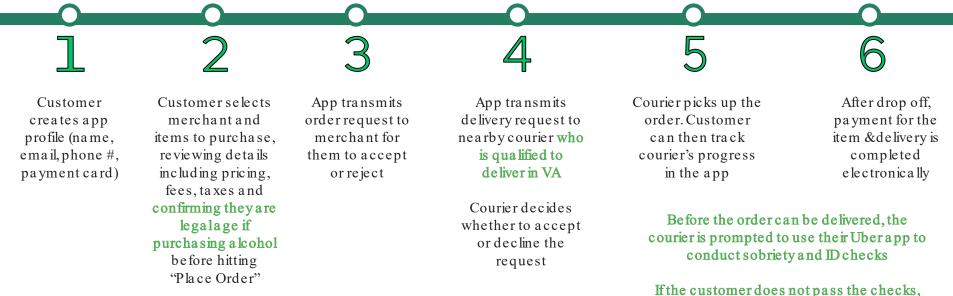
Presentation to VA Cocktails to-Go Working Group: Delivery and Courier Education

Wednesday, August 7, 2024

Topics we'll cover

- 01 Alcohol delivery for Eats accounts
- **02** Alcoholdelivery & education in Virginia
- **03** Alcoholdelivery & education in other jurisdictions
- 04 Uberfor Teens: Helping Keep Teens safe
- **05** Questions?

How orders with alcohol work on Uber Eats



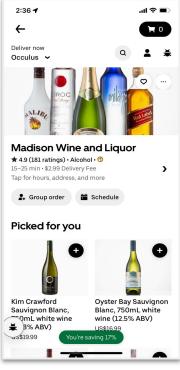
Confidential- Contains technical, commercial, and financial information of Uber

the courier is prompted to return a koholto the merchant and is paid for the return trip

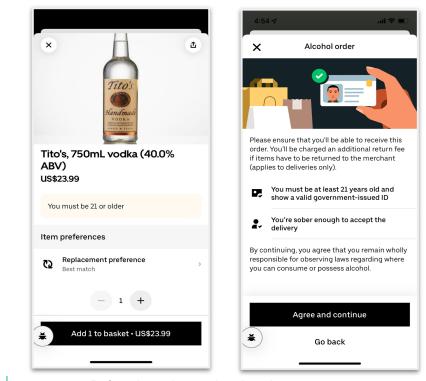
Supporting customer safety



Prioritizing customer safety

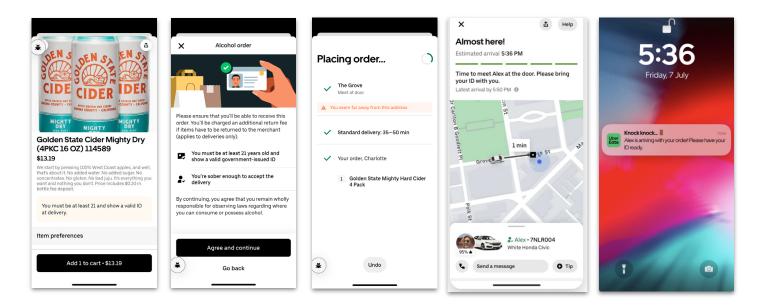


Customers are alerted to age restrictions when browsing various alcoholic items on the menu



Before the order can be placed, customers agree to being 21+ and needing to show the courier a valid ID

Notifying customers of age and ID verification requirements



Before customers can place an order, they are notified that they must be 21+ and and required to show a valid ID in order to receive an order that contains alcohol

Once the order has been placed, customers are reminded to show proof of a valid ID to the courier when the order arrives

Alcohol items are hidden from customers located in dry zones, such as college dorms



In accordance with Virginia State requirements, Uber leverages geofences to set up specific zones where all alcoholic items will be blocked from being purchased if an eater is located inside one of those zones

Removing underage or intoxicated customers

Underage customers

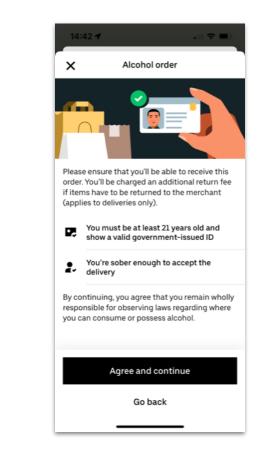
Alcoholic items are removed from their marketplace view after a customer below 21yrsattempts to order alcohol a second time.

Intoxicated customers

Recipients who are reported by couriers as being intoxicated when the delivery was attempted will have alcohol removed from their marketplace after reaching a third cancellation for intoxication.

Customers can opt -out at any point

To support those who are sober, customers can optut of seeing alcohol altogether via Support.



Courier safety education + compliance

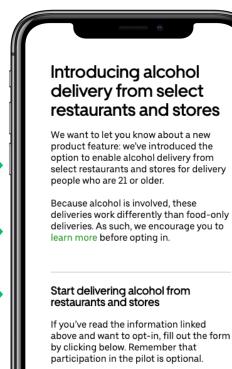


Couriers opt into alcohol delivery

Delivery people must be 21+ to participate in alcohol trips

Delivery people opt-in to receiving alcohol trips

Continued compliance is key



Alcohol Delivery in Virginia

- ✓ Must be 21+to participate in alcoholtrips.
- Must have a valid driver's license, vehicle inspection and vehicle registration.
- Must, prior to delivering alcoholic beverages, complete and pass, with a score no less than 80%, a Board-approved public safety course.

Introducing alcohol delivery from select restaurants and stores

We want to let you know about a new product feature: we've introduced the option to enable alcohol delivery from select restaurants and stores for delivery people who are 21 or older.

Because alcohol is involved, these deliveries work differently than food-only deliveries. As such, we encourage you to learn more before opting in.

Start delivering alcohol from restaurants and stores

If you've read the information linked above and want to opt-in, fill out the form by clicking below. Remember that participation in the pilot is optional.

- Has not been convicted, within the last 7 years, of driving under the influence.
- Has not been convicted, within the last 3 years of more than three moving violations.
- Are not required to register as a sex offender.

Alcohol Delivery Education in Virginia

- ✓ Training components must provide educational objectives and at least <u>60</u> minutes of learning time to participants.
- Courier must take a test after the training.



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Content on safe alcohol delivery



FOUNDATION FOR

ADVANCING ALCOHOL RESPONSIBILITY.ORG



Step 1: Check sobriety

State law requires that the customer be sober. Common signs of intoxication include impaired reactions and coordination, stumbling, fumbling for their ID, and slurred speech

Step 2: Request the ID

State law requires that the customer present a valid, government-issued photo ID from the customer. *This identification can be a US driver's license, passport (US or international), US state ID or US military ID. The only acceptable non-US IDs are passports. IDs such as library cards, school IDs, or identification without a photo are not acceptable*

Step 3: Checking Identity

Please check the person to whom you're handing the alcohol matches the photo of the person on the $\ensuremath{\mathsf{ID}}$

Step 4: Confirming Age (21+) and Scanning the ID

Using your Driver App, follow the prompts to scan the barcode on the back of the to confirm the customer is over 21. This step must be completed for all customers, no matter what age they appear. It is illegal to deliver alcohol to anyone under 21

Step 5: Complete the trip

Hand the customer their order and complete the trip. If the customer can't provide a valid government issued ID, you can cancel the trip. You'll be paid to return the order to the store

Content on safe alcohol delivery

Let's get started!

These safety tips were reviewed by **Responsibility.org** to help ensure they encompass effective and best practices.

Let's go! 🞸 🔶



Introduction to Alcohol Safety

To safely perform alcohol deliveries, it's important to understand that delivering alcohol to anyone who is **not 21 or older**, or who **appears intoxicated**, is against the law and Uber's Community Guidelines. X

Cales or delly size of elegand to What will I learn? ♀ →



Step 1: Check Sobriety

Before you hand off the alcohol, make sure it's safe to hand off to the customer. How do you know if someone is **intoxicated**? Common signs include:

 Impaired reactions and coordination
 Stumbling
 Fumbling for their ID
 Sumpling for their ID

ок 👌 🗕



Step 2: Request ID

Please request a valid government-issued photo ID from the customer.

What's a valid ID? The app can accept:

- A US driver's license,
 Passport (US or
- international),

US state ID, or

tary ID. What if.. →

	-

What if the customer does not have an ID?

If the customer does not produce a valid ID, please tap the "Customer doesn't have valid ID" button in your Driver app, which will initiate a return trip. > You can let the customer know that you can't deliver the alcohol without a valid ID.

This will *not* impact your driver or courier rating.



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Step 4: Confirming Age

Using your Driver App, follow the prompts to scan the backside of the customer's ID to confirm the customer is 21 or older.

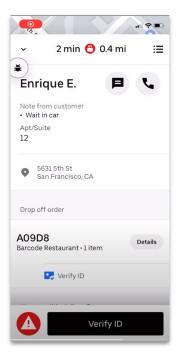
- Place the barcode in the frame and make sure it fills the screen
- Avoid glares or shadows in the photo \overline{\uverline{\uverline{\uver

But what if.. 🔶

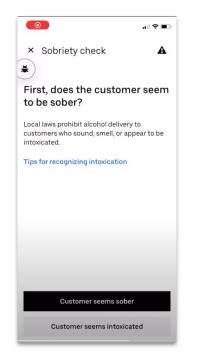




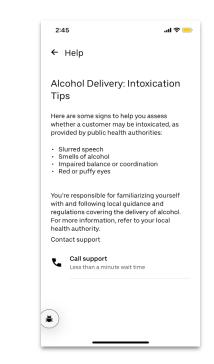
Sobriety check



The app guides couriers through a recipient sobriety check before the alcohol can be delivered.

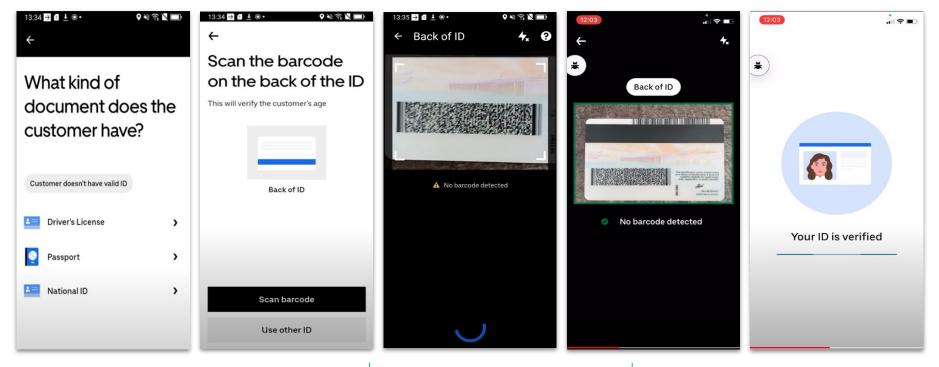


Uber Eats shows a list of common signs of intoxication to help couriers ensure the customer is sober.



If the courier indicates that the customer appears sober, the app prompts the courier to continue with the delivery process.

Age verification process



App prompts the courier to verify the recipient's ID with inapp technology → confirms whether the ID is unexpired and the recipient is at least 21. This ID scan process involves both a review of the recipient's ID, as well as a scan of the DOB and ID expiration date. The app won't allow the courier to proceed with the delivery until the courier completes the age verification process.

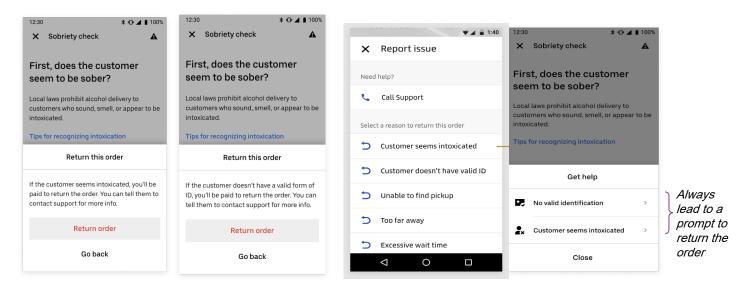
Order returns (if needed)

INTOXICATED CUSTOMER	EXPIREDID	UNDERAGE CUSTOMER	RETURN THE ORDER
12:30 * 🕩 🖌 🕯 100%	12:30 * 🕩 🖌 🕯 100%	12:30 * 🕩 🖌 🗈 100%	▼⊿ ≡ 1:4
X Sobriety check	← Manual ID entry	← Manual ID entry	× Report issue
First, does the customer	Enter the information exactly as it appears on the document.	Enter the information exactly as it appears on the document.	Need help?
seem to be sober?	Full Name	Full Name	1 cillourset
Local laws prohibit alcohol delivery to customers who sound, smell, or appear to be	Christopher Edwards	Christopher Edwards	Call Support
intoxicated. Tips for recognizing intoxication	Expired ID	Date of Birth	5
Return this order	If the customer has no current form of ID, you'll be paid to return the order. You can tell	Underage customer	Return this order? You'll be paid to return this order
If the customer seems intoxicated, you'll be	them to contact support for more info.	If the customer is underage, you'll be paid to return the order. You can tell them to	to the store.
paid to return the order. You can tell them to contact support for more info.	urn the order. You can tell them to Return order contact support for more info	RETURN ORDER	
Return order	Use different ID	Return order	NOT NOW
Go back	Review customer info	Review customer info	

The app helps couriers follow state laws by prompting a return trip when the recipient is underage, intoxicated, or not home.

The app changes the courier's destination back to the retailer, and the courier is paid for the return trip.

In-app support for couriers



Trips with alcohol also have customized app support options to show additional, contextual information to help the courier in the case of an underage or intoxicated customer.

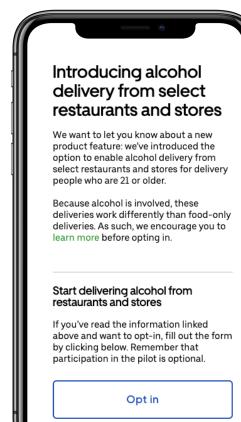
If at any point they feel unsafe, the courier can call 911 from inside the app

Alcohol delivery and education in other states



Alcohol Delivery in Alabama

- ✓ 3PD apps must submit their alcoholde livery education for approval by the Alabama Alcoholic Beverage Control Board.
- □ Couriers must successfully complete the education.



Every 24 months, each courier must complete a current education.

Alcohol Delivery in Mississippi

- ✓ Must be 21+to participate in alcoholtrips.
- □ Must complete education submitted to the state.
- The education must address topics such as identifying underage persons, intoxicated persons, and fake or altered identification.

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Because alcohol is involved, these deliveries work differently than food-only deliveries. As such, we encourage you to learn more before opting in.

Start delivering alcohol from restaurants and stores

If you've read the information linked above and want to opt-in, fill out the form by clicking below. Remember that participation in the pilot is optional.

Alcohol Delivery in Oregon

- ✓ 3PD apps must submit their alcoholde livery education.
- Prior to delivery, a courier must complete the education.

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Eats for Teens

Keeping Teens safe through risk mitigation for age-restricted items



Overview of Uber for Teens

.ul 🕆 🔳

.at 🚍



Teen

Ube	Enter your mobile number
1.2M RATINGS	Enter mobile number
4.6 ****	Continue
What's N Version 3.495 We update the it faster and m of the enhance	By proceeding you consent to get calls, Whatsapp or SMS messages, including by automated dialer, from Uber and it affiliates to the number provided. Text "STOP" to 80203 to opt out
Preview	Continue with Apple
Choo: destin	G Continue with Google
7128	Continue with Facebook
Today Ox	
Dei	
1.00	vnloads the Uber app a



You're invited to Uber for teens

Accept the invite from Sarah Jones to get your own Uber account. Then you can request rides and place orders without your parent or quardian.

Sarah will be able to:

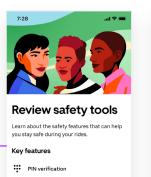
- Pay for your trips and orders
- (O) Track your rides and orders
- Get trip and order notifications Learn more about Uber for teens



No thanks

Accepts to Join Parent/Guardian's Family Profile as Teen

Teens' Safety Tools Onboarding (mandatory)



- Trip sensing with RideCheck+
- Live trip tracking

(\$) Audio recording

Start review

Teen goes through Safety Tools onboarding: Pin verification Enhanced Ride Check Auto-share with Guardians Auto-audio recording

Have your PIN ready Trip safety sensing Your driver can't start a trip without your PIN. With RideCheck+, we use enhanced sensors It will help you make sure you get into the right and GPS data to detect if your ride goes off car with the right driver. course, stops unexpectedly, or ends early. We'll message you to make sure everything's OK. Before entering the vehicle Learn more about RideCheck+ Find your 4-digit PIN in your trip details Give the PIN to your driver Hait until the driver enters the PIN into their device Next Next 7:28 42 --1 2 **-**II 0:04 Trip automatically shared with Maria Live trip tracking Audio recordina Your parent or guardian can follow your ride to Want to record sound during your trips? make sure you get where you need to go. Choose Allow mic access, then turn audio They'll also receive notifications when you recording on in your settings. request a ride while you're on-trip and when you arrive at your destination You, your driver, and your guardian can't listen to the recordings. They're encrypted, and we can only hear them if you reportant issue. Learn more about recording Allow mic access Maybe later

Parent/Guardian enables SMS Downloads the Uber app and and Email invitation for their goes through regular onboarding process

7:28

7:28

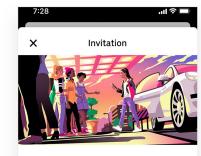
Helping Keep Teens Safe

Priorities

Keep teens safe when using the Uber platform, including when ordering food, through a teen friendly view on the Uber Eats app

Mitigation measures

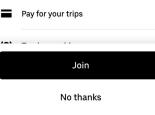
- Limiting the merchants (only allowing restaurants, not allowing for grocers or other retailers) and types of products teens can view/order
- Courier standards
- Frequent audits and order notifications for parents
- Blocking Teen accounts from viewing ads for age restricted items (alcohol)



You're invited to Uber for teens

Sarah Jones (123-456-7890) has invited you to get your own Uber account. When you join, you'll be able to request rides without your parent or guardian.

Sarah will be able to:





Review safety tools

Learn about the safety features that can help you stay safe during your rides.

Key features

- PIN verification
- Trip sensing with RideCheck+
- Live trip tracking
- (Audio recording

Start review

Helping ensure couriers meet safety standards

1.Parent/ Guardian starts Teen onboarding



- •
- Guardian invites Teen to create an account and join Family Profile (in the Rides app)

2. Teen has their own Uber Teen account



Teen creates independent Teen account (linked to parent/guardian's Family profile) in the Mobility app 3. Selected Couriers only

4. Safety Protections



Delivery people with high ratings, high tenure and no Safety History are eligible for Teens.



- Teen isonly be able to see Restaurants and no Age Restricted items ((e.g. alcohol)
- Restricted items (e.g. alcohol) communications and advertising will be disabled in-app and via CRM to comply with legal and ethical guide lines.

Safety features overview

Teen-friendly view: Age-restricted items that teens are not old enough to buy, such as alcohol and some medications, will be filtered out.

Restaurant-only orders: To reduce the risk of teens viewing other merchants

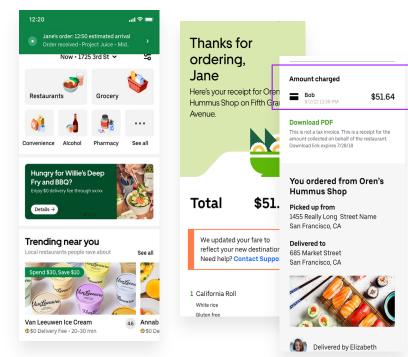
Order notifications to parents/guardians: Parents and guardians are notified every time their teen orders food, and they are able to see which items are in the delivery. We encourage parents and guardians to speak with their child regarding any personal rules or boundaries around ordering food.

Highly-rated delivery people: Only couriers who have passed local screening and background check requirements and are highligated and experienced will be able to receive delivery requests from teen account holders. Couriers can choose to opt-out of receiving teen trips at any time.

Limiting deliveries to Uber Eats Couriers: Only merchants who leverage Uber Eats couriers (rather than their own delivery people) are available in the Teens friendly view in order to ensure additional oversight of courier practices

Teen exclusion from ads: Exclude teens from marketing comms / ads entirely

Daily and weekly audits: To help ensure items that Teens are ordering age appropriate



Uber Eats | Proprietary and confidential. Do not distribute



Thank you!

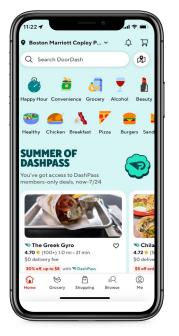
Alcohol De livery

Safety and Compliance Protocols Overview

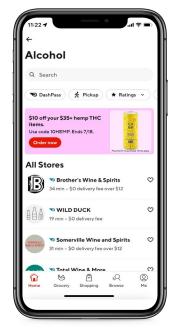
Chad Horrell Senior Manager, DoorDash Government Relations

Consumers Order Alcohol from Merchant -Retailers

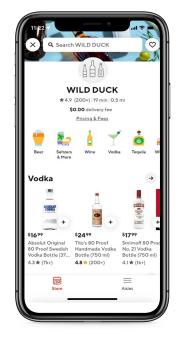
Consumer searches for alcohol merchantretailer and adds item to cart



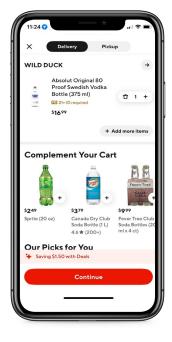
Opens DoorDash app



Clicks on Alcohol page

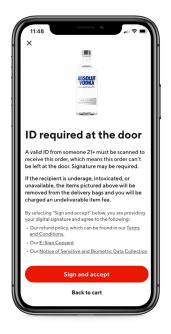


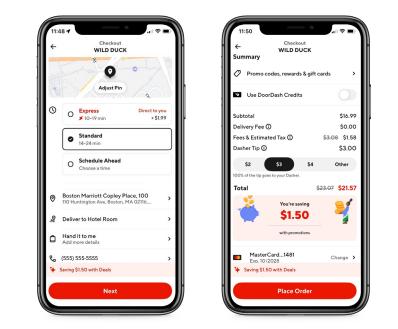
Selects Merchant



Adds Alcohol to Cart

Consumer places order with selected Mx





Consumer accepts the conditions for alcohol delivery

Consumer verifies their delivery and payment information

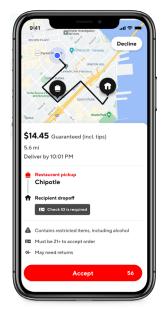
App the 0 U ourney 5 Consumer

Confidential

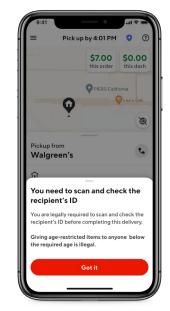
Dasher Delivery Flow

In the Dasher App, DoorDash flags orders that contain alcohol and then an alcohol specific delivery flow is triggered

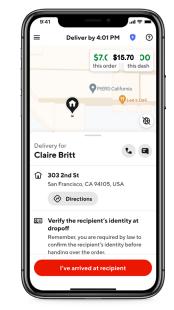
Inform Dasher order contains agegated products before acceptance



Dasher (2 1+) is informed the order contains **alcohol before acceptance**

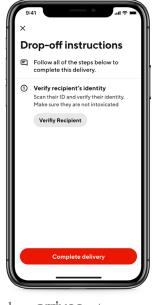


Dasher is **reminded** about the alcohol delivery process

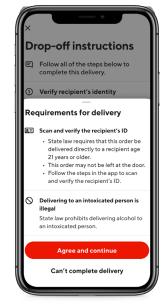


Dasher **commences** the delivery trip

Upon arrival, the Dasher is reminded to scan the consumer's ID



Dasher **arrives** at consumer address



Dasher is reminded of the **requirements**

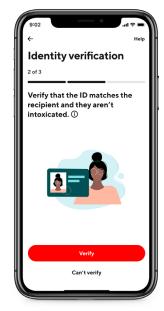


Dasher is **reminded** to scan the consumer's ID

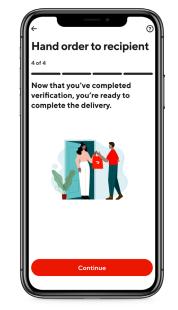
2 ID checks at the door and Dasher receives compliance prompts



Dasher scans the consumer's ID (reads barcode to ensure **validity**, **not fraudulent**, and **not expired**.



Dasher then does another ID Check to help ensure the ID is valid and also confirms the recipient **matches** their ID

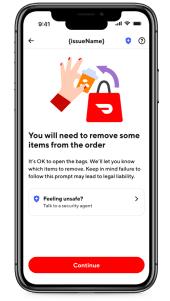


Dasher then **completes** the delivery

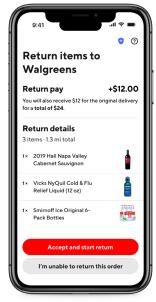
If there is any issue, the app notifies the Dasherto not hand over the order, and then the Dasher is prompted to return the alcohol

Issue verifying	
recipient	
You will need to remove some items. We'll you know which ones. This will not affect y completion rating.	
Recipient is intoxicated	>
No one is available to receive order	>
Recipient doesn't have an ID	>
Recipient isn't 21 years or older	>
ID is expired	`
Additional help	
Dasher Support Chat	>

Dasher chooses return reason



Provided with follow-up instructions



Return pay outlined and return starts

7

Dashers 21+ are contractually obligated to comply with the <u>Delivering Alcohol Guidelines</u>

Age and ID Verification

Check for Intoxication

Restricted Locations

Refuse Delivery

- Check every consumer's ID
- A valid ID must include a photograph, date of birth, and also not be expired
- Do not deliver alcohol if the consumer is visibly intoxicated
- Signs of intoxication: glassy eyes, smells of alcohol, impaired motor function, slurred speech, etc.
- Do **NOT** deliver to a public or private school, college campus, prison, locker, or business that sells alcohol
- If any doubts about the circumstances, do not complete the delivery and contact support
- Dasher still gets paid

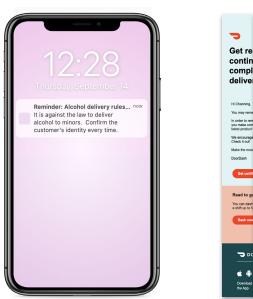
Goal: Ensure Dashers are aware of the steps for safe and legal alcohol delivery.

Dashers receive strategic reminders about compliance principles

Messaging Strategy

Encourage Dashers' confidence in the requirements, which include checking a consumer's ID, assessing intoxication and avoiding restricted areas, like colleges.

Dashers **routinely receive compliance reminders** to help ensure they are meeting regulatory requirements



Text Message Reminders

Email Reminders

_	7	CONGRATULATIONS ON
- I	Taking th	COMPLETING ALCOHOL
Get ree	Alcohol L	DELIVERIES!
contin	Dear Dasher,	
compli	As the Massachusetts Alc Control Commission rece	You're helping people celebrate with their favorite drinks, so it's important to keep in
deliver	they are actively running on alcohol deliveries incl. campuses. We would like crucial reminders with yo responsible and compilar	Include a lands of a langevaler to seep in mind that school deliveness work differently than regular delivereits. To help you remain compliant with local and national alcohol delivery laws and regulations, check out some of the most important quidelines below.
Hi Channing,	First, Massachusetts rec hold a transportation pr	
You may remer	alcohol deliveries. You r this permit on you at all to version is acceptable) wh	Please follow all guidelines on each of your alcohol deliveries, paying special attention
In order to rem you make comp latest product f	alcohol in Massachusetts	to sections where Dashers are personally ***********************************
We encourage Check it out!	Download Permit	Review Guidelines
Make the most		
Get certifi		
	always have the right to r scenarios such as:	Important reminders:
Read to go	 If you are suspicious ID passes the ID scar 	important reminders.
You can dash a shift up to 5	state, shows evidence resemble the recipion	 Verify the recipient's identity by following instructions in the Dasher app before you hand them an order containing alcohol.
Dash now	 If you suspect that the someone else who is 	Do not leave an alcohol order unattended or hand it to someone else who
	 If the customer asks y specific residential ad 	cannot produce a valid ID (even if they claim that someone over 21 is inside and can't come to the door).
- P 0	If a delivery cannot be co returning the alcohol to th undeliverable order, and :	 You have a right to refuse delivery if the recipient is intoxicated, underage, and/or presents a valid ID but appears to be underage.
	You can find additional go regulations by visiting our	 You cannot consume alcohol prior to or be under the influence while dashing.
	Should you have any que deliveries, please don't h	
🔹 🖷	trustandsafety Bdoorda	Beview Guidelines

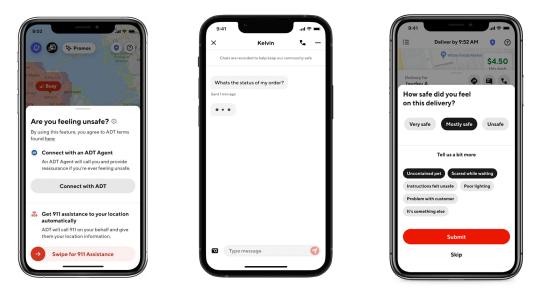
Goal: Ensure Dashers are aware of the steps for safe and legal alcohol delivery.

Our Trust and Safety teams work every day to help ensure the safety of Merchants, Dashers, and Consumers

Trust and Safety

Reactive: Helps investigate and remediate situations to remove high-risk and malicious consumers or Dashers, stop fraudulent activities, and enforce safety policies

Proactive: Work with legal and compliance to implement updated or new policies to protect Dashers, Merchants, and consumers

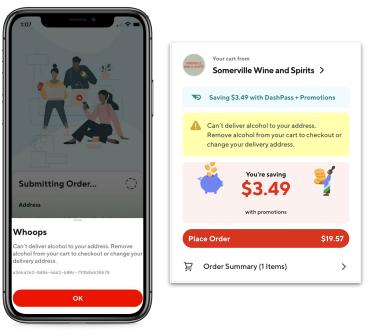


For example, DoorDash has industryleading safety tools which help Dashers feel and be safe

Robust Alcohol Geofencing Tech Blocks Deliveries to College Addresses



We've implemented technology to block alcohol deliveries to college campuses across VA



Consumers in a blocked radius cannot checkout with alcohol

Goal: Prevent the delivery of alcohol to college campuses.



Presented by Instacart

PICTURES.

Agenda

01 Third Party Delivery Overview	05	Alcohol
02 Driver Training and Reminders	06	Curbsic
03 Age Verification	07	Instaca

04 Undeliverable Alcohol and Returns



ol Payment

side

cart's Carrot Commitment



Third Party Delivery Overview

- Third party platforms are generally run by non-licensed entities that do not own the products offered for sale on the platform (which differ from retailer platforms).
- Third parties act as a conduit between the seller and the purchaser, providing a space for businesses and customers to find one another and facilitate the purchasing process between the customer and the business.



instacart



Shipt U



PAGE 3

Third Party Delivery Overview (cont.)

- Generally, retailers offering alcohol beverages for sale via a third party platform not only own the product, but are solely responsible for controlling and managing all aspects of such sales.
- For example, the retailer is responsible for:
 - Selecting the alcohol beverages to include on the platform; Ο
 - Pricing such alcohol beverages; Ο
 - Accepting or rejecting all orders for alcohol beverages; and Ο
 - Confirming the ability of the consumer to purchase alcohol beverages. Ο





Shopper Alcohol Module

Approved NC400D-02300

Driver Training

Most third party platforms require delivery drivers to undergo specific alcohol delivery training.

- covering topics including:
 - Compliance with the law 0
 - Ο
 - Ο forms of ID
 - Ο
- for delivery drivers.



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The specific format differs among companies, but there is strong consensus regarding the importance of training in the industry

How to identify and refuse delivery to an intoxicated customer Recognizing valid forms of government issued and false or altered

Refusing delivery for suspicion of purchase for a minor. Allowing third parties to offer internal training specifically focused on alcohol delivery is preferred to requiring drivers to complete a more general responsible beverage service (RBS) training course which is typically more geared to on-sale consumption, and less instructive

Compliance Reminders

In addition to training, many third parties also provide frequent compliance reminders to drivers.

- Instacart, for example, sends regular reminders to all delivery shoppers regarding the significance of complying with all laws, especially ensuring no delivery to minors.
- Instacart also issues monthly newsletters that include updates and tips regarding shopper obligations when delivering alcohol.







Age Verification

Age verification is a standard practice for all third party companies offering alcohol delivery though the specific requirements vary from company to company.

verification process.



The following slides outline Instacart's specific age

Instacart Age Verification

Customer Representations

To continue with an alcohol purchase, the customer must accept a click-through Alcohol Agreement and enter his or her birthday into the app to certify that her or she is of legal purchase age.

<	BevMo! order
	Alcohol - Date of Birth
	se your order contains alcohol, we need to kno ate of birth.
	nopper will ask to see the recipient's driver's e or state ID in person.
PASSP	ORTS CANNOT BE ACCEPTED.
Mont 07	
perso	alid government ID will be present to accept th and that the recipient will not be intoxicated. Yo nal shopper will ask to see the recipient's ID tless of age. You agree that alcohol is not
perso regard return When	and that the recipient will not be intoxicated. Ye nal shopper will ask to see the recipient's ID dless of age. You agree that alcohol is not able and is not being purchased for resale.
perso regard return When	and that the recipient will not be intoxicated. Ye nal shopper will ask to see the recipient's ID dless of age. You agree that alcohol is not able and is not being purchased for resale. you use Instacart to place an order for alcohol
perso regard return When vou au	and that the recipient will not be intoxicated. Ye nal shopper will ask to see the recipient's ID dless of age. You agree that alcohol is not able and is not being purchased for resale. you use Instacart to place an order for alcohol uthorize the purchase and delivery of those
perso regard return When vou at	and that the recipient will not be intoxicated. Yo nal shopper will ask to see the recipient's ID dless of age. You agree that alcohol is not able and is not being purchased for resale. you use Instacart to place an order for alcohol uthorize the purchase and delivery of those Continue
perso regard return When vou au	and that the recipient will not be intoxicated. Ye nal shopper will ask to see the recipient's ID dless of age. You agree that alcohol is not able and is not being purchased for resale. you use Instacart to place an order for alcohol uthorize the purchase and delivery of those Continue Delivery address



Key Provisions of Agreement

- An adult over 21 will be available to accept the order
- The recipient will not be visibly intoxicated at the time of delivery
- The purchase is being made from the retail store (not from Instacart)
- Any returns must be made directly to the retail store

Instacart Age Verification At the Retail Store

that it was reviewed.





• When the delivery driver (internally referred to as a "Shopper" at instacart) checks out with the order at a store, a retail store employee MUST review the "Consumer Age Verification" screen and acknowledge

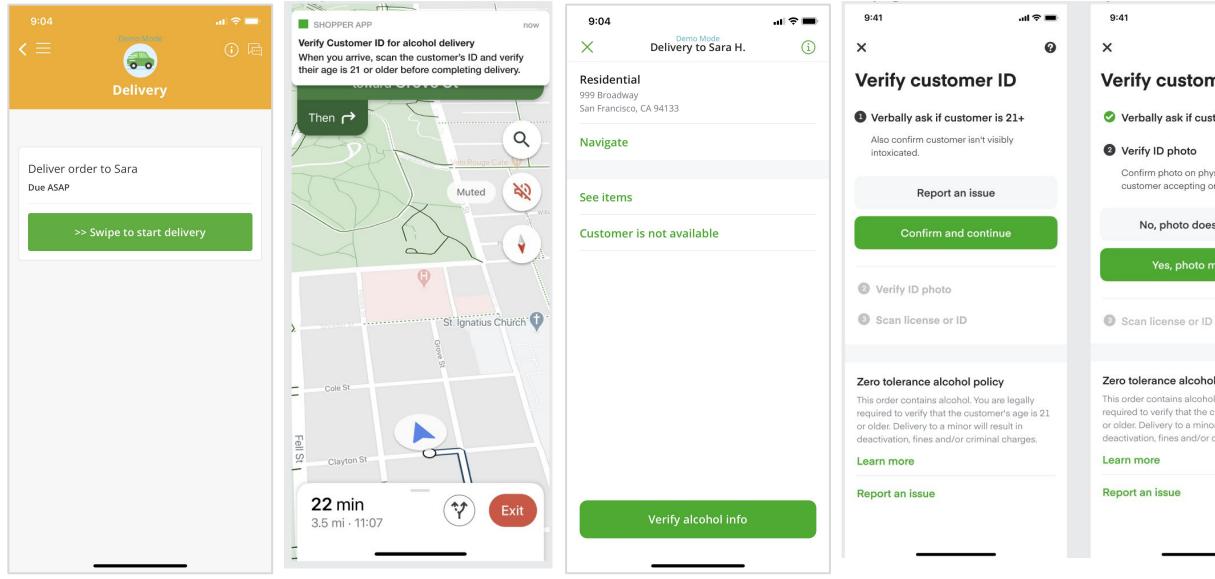
Instacart Age Verification At the Time of Delivery:

- At the delivery location, the Shopper will request and examine the recipient's ID to ensure that it belongs to the recipient and that the recipient is over 21 years old.
- The Shopper will assess the recipient for signs of intoxication.
- Assuming the recipient is not visibly intoxicated, the Shopper will scan the recipient's ID.
- If the customer is under 21, visibly intoxicated, or not at home-or, if the shopper suspects the alcohol has been purchased by someone who is of age with the intent to provide the alcohol to a minor-the Shopper will politely refuse delivery and return the undeliverable alcohol to the retailer.





Shopper Alcohol Flow: Begin Delivery through begin scan



There is a 10 second delay until option to enter manually

0 Verify customer ID

Verbally ask if customer is 21+

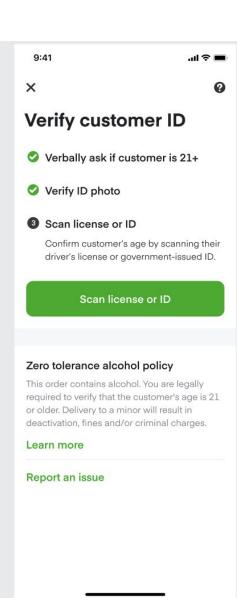
Confirm photo on physical ID matches customer accepting order.

No, photo doesn't match

Yes, photo matches

Zero tolerance alcohol policy

This order contains alcohol. You are legally required to verify that the customer's age is 21 or older. Delivery to a minor will result in deactivation, fines and/or criminal charges.





Shopper Alcohol Flow: valid scan

Scan the barcode on the back of the driver's license or government-issued ID
SCANDIT
Enter information manually

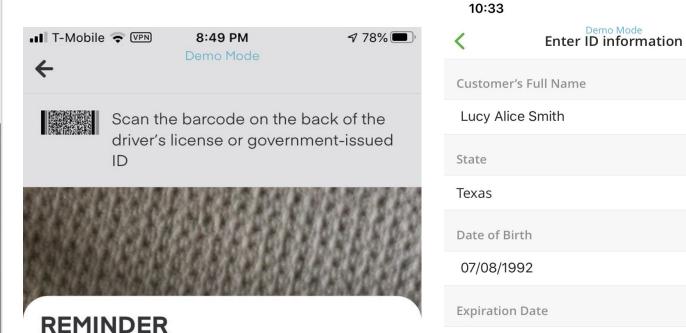
10:33		ull ᅙ 🔲
<	Demo Mode Enter ID information	Next
Customer'	's Full Name	
Lucy Alic	e Smith	
State		
Texas		\vee
Date of Bir	rth	
07/08/19	92	
Expiration	Date	
07/08/20	22	
	\square	
	Information	
	auto-populate	es

post-scan

9:06		
×	Demo Mode Delivery to Sara H.	í
Residential 999 Broadway Gan Francisco, C	A 94133	
Navigate		
See items		
Customer is	not available	
\rightarrow	Complete delivery	

Shopper Alcohol Flow: Happy path - valid manual entry





You MUST ensure that the information you enter is correct. Providing alcoholic beverages to anyone under 21 is strictly prohibited and could subject you to criminal and civil penalties. Failure to comply with alcohol delivery requirements may also result in revocation of alcohol delivery privileges or deactivation.

OK

Cancel

Shopper must type info into these fields themselves

07/08/2022

. II 🛜 1

9:06		''II 🕹
×	Demo Mode Delivery to Sara H.	i
Resident 999 Broadv San Francis		
Navigate	2	
See item	IS	
Custome	er is not available	
\rightarrow	Complete delivery	

Instacart Age Verification Additional Restrictions for Alcohol Orders

Alcohol orders may ONLY be requested by the consumer through the standard ordering flow on the Instacart website or App.

- Shoppers may not accept special requests for alcohol received from the consumer through the App's messaging function or through a text or phone call.
 - Shoppers who attempt to fill a request for alcohol through the messaging feature of the App Ο will lose their ability to deliver alcohol on the Instacart platform.
- Shoppers are required to verify the recipient's age at the time of delivery before handing over an order.
 - Shoppers must scan the ID, or if there are technical difficulties, must manually enter the Ο information.
 - Shoppers who fail to perform this step may lose their ability to deliver alcohol orders, and in Ο some cases, may result in deactivation of the Shopper's account.



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Age Verification **Privacy Considerations**

Instacart has been safely delivering alcohol consistent with the afore referenced age verification requirements for over seven years in numerous jurisdictions.

- Instacart does not require customers to upload a copy of their physical ID at the time of order, consistent with the requirements for wine direct to consumer shipping.
 - Requiring customers to upload a copy of their ID presents numerous privacy concerns Ο including other risks, data breaches which have been a ripe issue in recent years.
 - The privacy risk associated with collecting personally identifying information (PII) at the time Ο or order, significantly outweighs any responsible delivery benefits.



Undeliverable Alcohol and Returns

Most third party delivery companies have policies addressing undeliverable alcohol. Alcohol may be undeliverable for a variety of reasons, including but not limited to:

- Recipient is a minor;
- Recipient is obviously intoxicated;
- Recipient refuses to provide ID;
- No one is home to receive the order; or
- Product is damaged in transit.









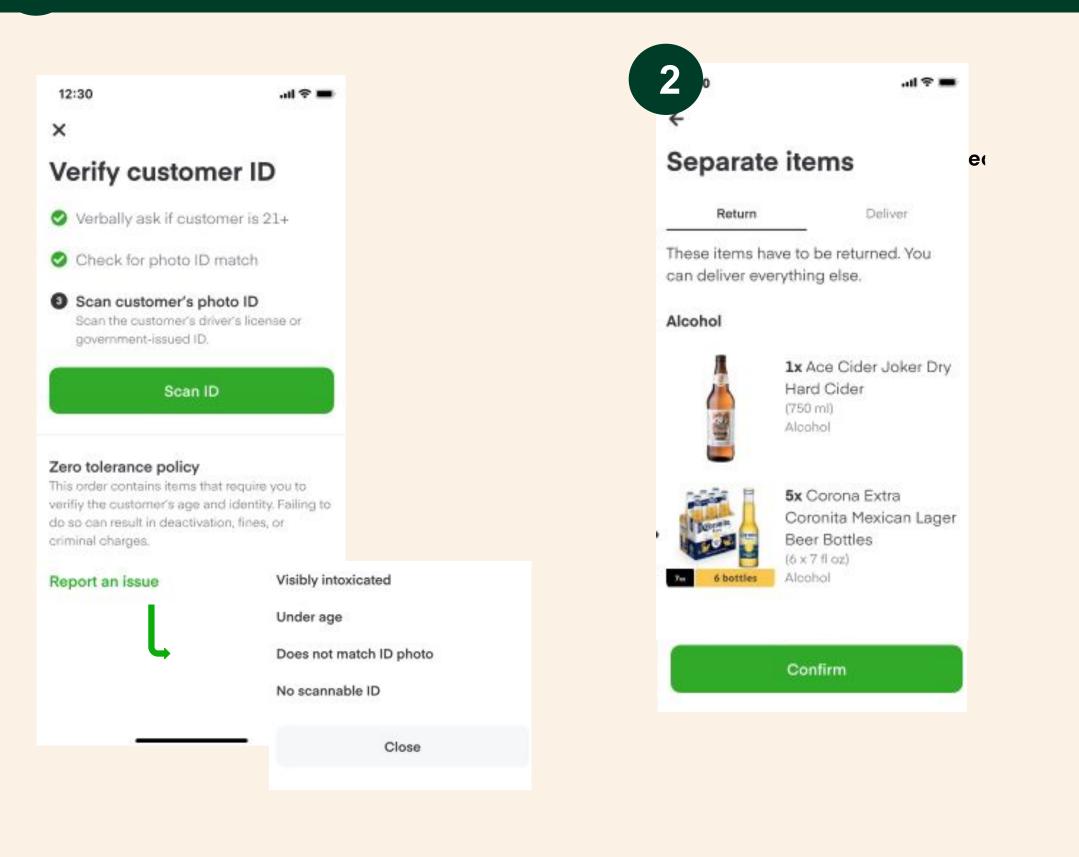
Returns - Instacart's Policy

- - Ο
- refunds are made by the retailer.

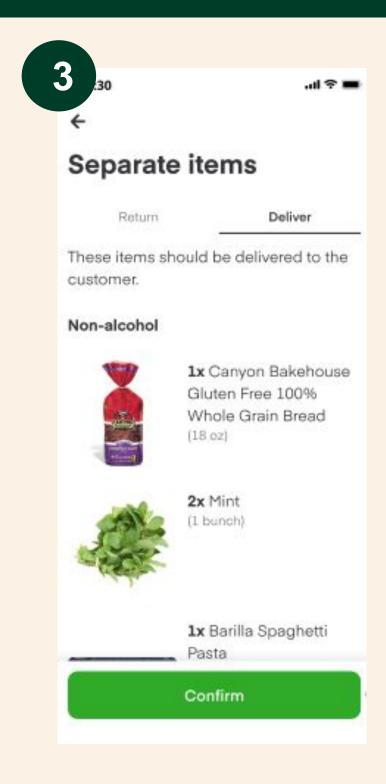


If a product is undeliverable, Shoppers must return the product to the retailer from which the sale is made. Instacart Shoppers are incentivized to return undeliverable alcohol. Currently, Shoppers are paid \$15.00 to return undeliverable alcohol. • The consumer does not pay for undeliverable product, regardless of the reason the product was undeliverable. Instacart does not charge consumers for alcohol sales;

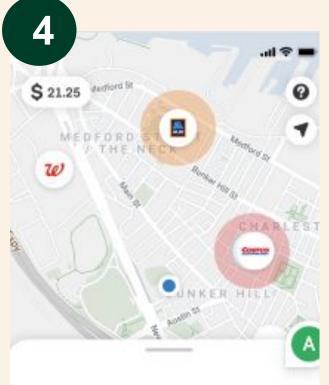
Verify Customer ID, Item Separation (Source: Figma)



<i>instacart

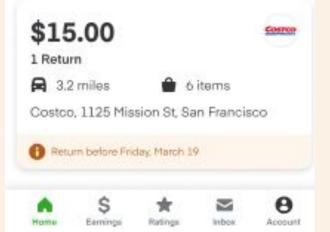


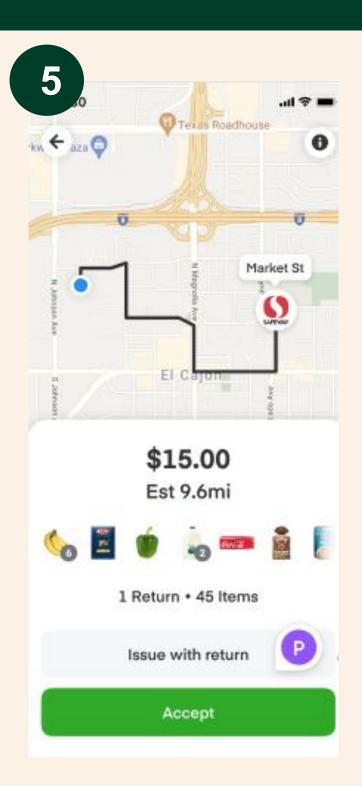
Return Batch Details



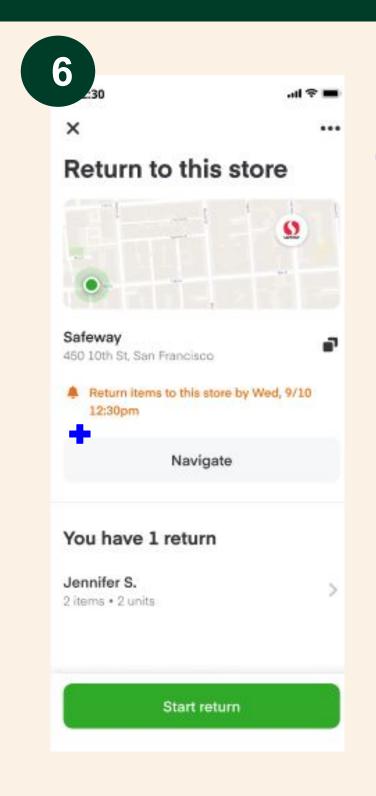
1 return to complete

Complete all returns before their due date to continue receiving new batches.





<i>instacart



Driver Support

- Many third party delivery companies offer real-time support to drivers to address questions that arise during delivery including:
 - ID related questions
 - Returning undeliverable product
 - Belligerent customers
 - Technology challenges, etc.
- For example, Instacart has the Care Team, Doordash has Dasher Support, and Shipt has Shipt Support.





Alcohol Payment

Generally, when a consumer checks out from a third-party platform with alcohol beverages, the retailer receives the full amount the consumer paid for the alcohol beverage via a payment processing system such as "Stripe" or "Square."

- The retailer's name typically appears on the consumer's credit card receipt and the third party does not receive or retain any portion of the amount paid for the alcohol beverage. All funds go directly from the consumer to the retailer.
- Once the retailer receives the consumer's payment, the retailer and/or the customer pays the third-party platform a fee for its facilitation services.



Curbside/Pickup

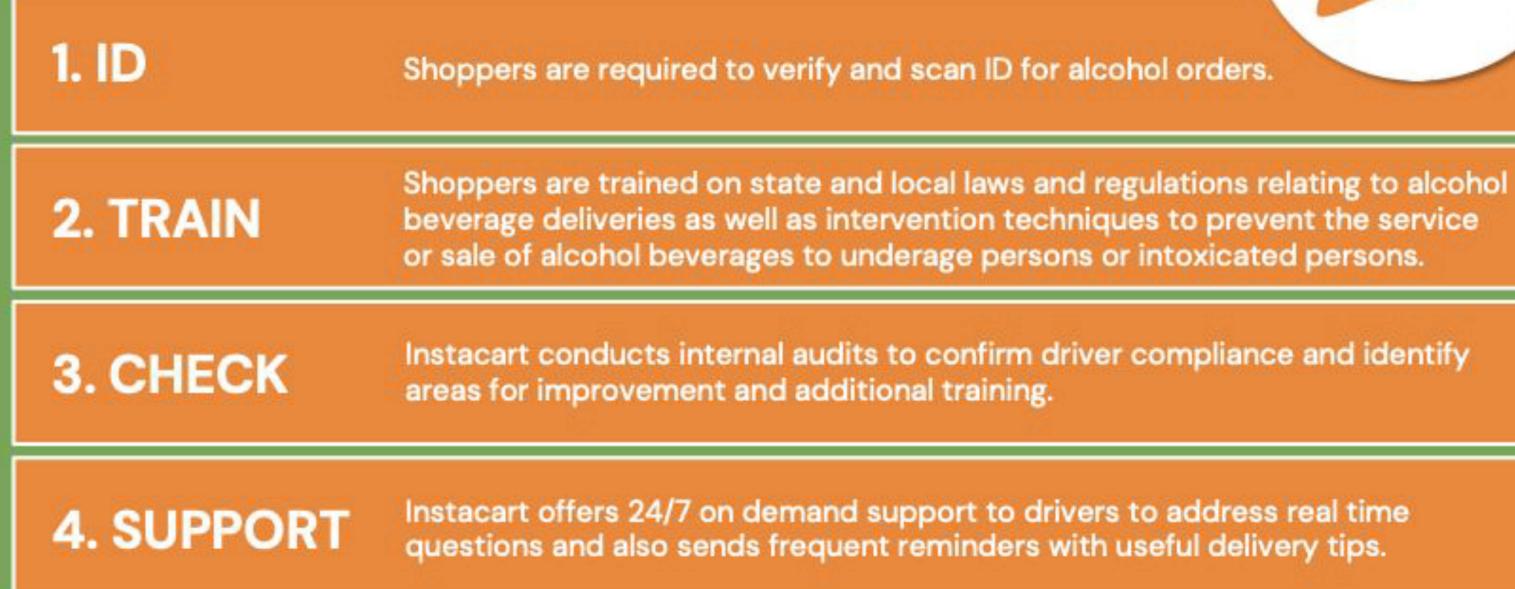


In response to consumer and retailer demand, as well as differing state regulations, many third party companies offer alternative delivery models that allow consumers to pick up the product in-store or curbside. Regardless of the delivery model, the same safety protocols and age verification requirements are followed.



Instacart's Carrot Commitment

Instacart is strongly committed to ensuring compliant deliveries. Instacart's Carrot Commitment outlines the core principles Instacart follows to ensure safe delivery:







Thank you!





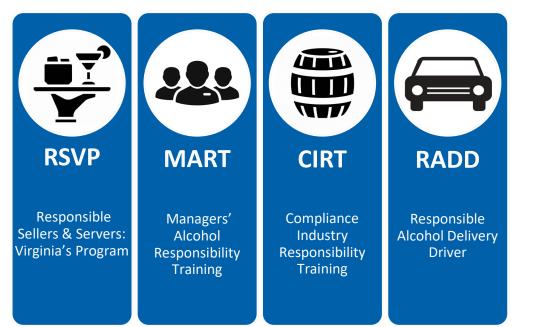
Third-Party Delivery License Study

Virginia ABC Community Health & Engagement Division Responsible Alcohol Delivery Driver (RADD) Training



Virginia ABC's Licensee Training Programs

Training



Seller/Server Training Approval Program (STAP)

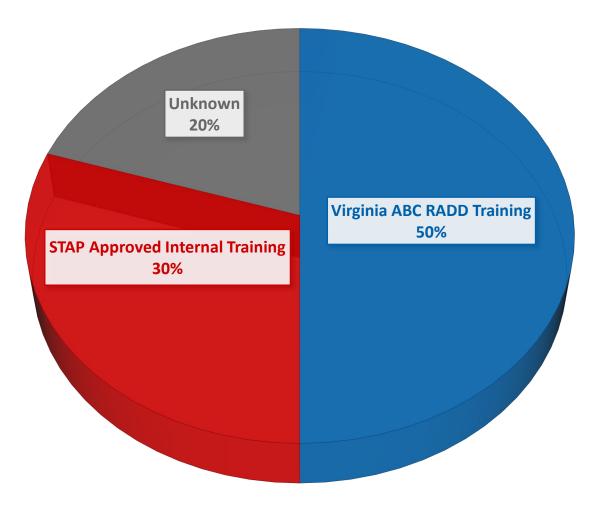


Resources





Training Utilization







RADD Training





RADD Overview

Format

- Online
- Pre and Post tests
- Must receive 80%+ on post-test to receive certificate of completion

RADD Training Goals	
Goal 1:	Increase alcohol licensee and delivery driver knowledge and understanding of delivery laws and regulations.
Goal 2:	Encourage licensees and drivers to stay informed of alcoholic beverage delivery laws and regulations in Virginia.
Goal 3:	Increase alcohol delivery compliance.

RADD Training Modules				
Module 1:	Virginia ABC Laws and Regulations			
Module 2:	Checking IDs			
Module 3:	Delivery Compliance			
Module 4:	Overview of Virginia ABC resources			
RADD Training Learning Objectives				
Learning Objective 1:	Demonstrate an understanding of alcoholic beverage related laws and regulations.			
Learning Objective 2:	Examine identification types in an effort to prevent fake ID use and sales of alcoholic beverages to underage customers.			

Learning Objective 3: Proactively prevent intoxication and underage sales.

Learning Objective 4: Understand and locate available Virginia ABC programs and resources.



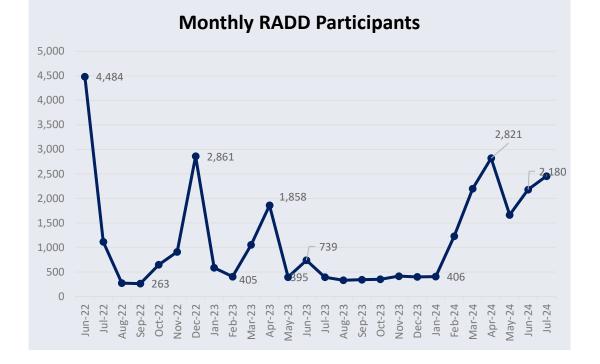


RADD Performance Indicators

Statistic	Total
*Total Trainings since launch	30,773
**Total Trained in FY22	4,484
Total Trained in FY23	11,105
Total Trained in FY24	12,730
Total Trained in FY25 YTD	2,454
Monthly Average Trained	1,184
Evaluation Completion Rate	58.12%
Average Assessment Score	89.92%

* This number includes training renewals

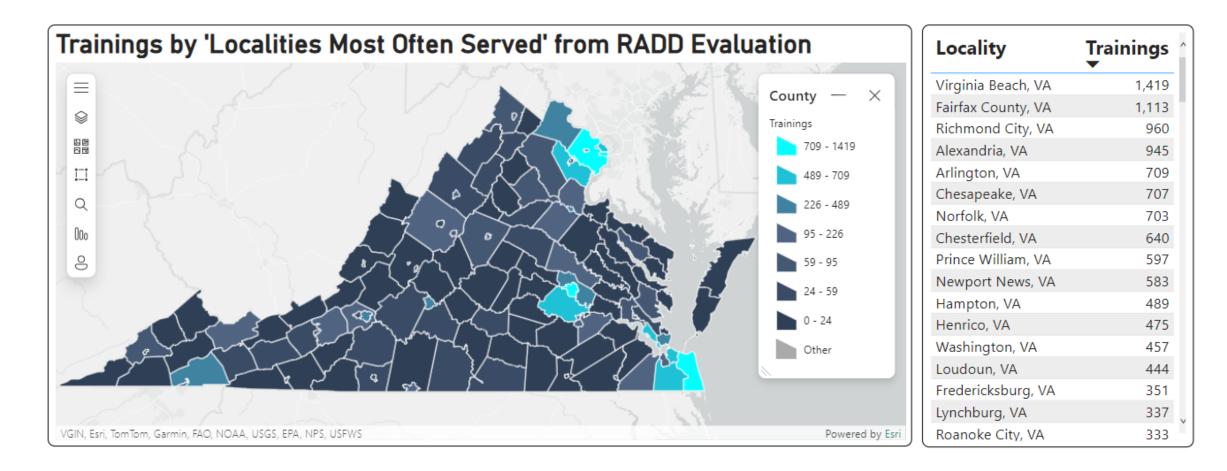
** RADD Training launched June 2022 therefore it was only available for one month in FY22







RADD Participation Map







RADD Evaluation

Please indicate your level of agreement with the following statements:

•	STRONGLY DISAGREE	DISAGREE ¥	NEITHER AGREE NOR DISAGREE	AGREE 🔻	STRONGLY _	TOTAL 🔻
 The training covered topics that	8.44%	0.36%	2.65%	22.38%	66.17%	17,318
are relevant to my job.	1,461	63	459	3,876	11,459	
 I gained new knowledge from this training. 	7.82% 1,354	0.57% 98	3.15% 546	24.02% 4,160	64.44% 11,160	17,318
 I feel more confident in my ability to make responsible deliveries after taking this training. 	7.70% 1,334	0.38% 65	3.80% 658	22.12% 3,830	66.01% 11,431	17,318
 I know how to locate additional	7.44%	0.26%	2.76%	25.42%	64.12%	17,318
resources on delivery, if needed.	1,288	45	478	4,402	11,105	
 The training was an appropriate	8.30%	2.73%	6.49%	25.26%	57.22%	17,318
amount of time.	1,437	473	1,124	4,374	9,910	



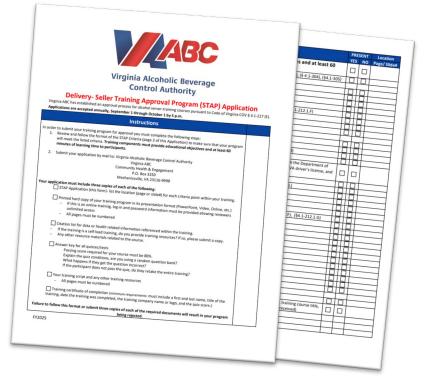
STAP Program





STAP Requirements

- STAP certification for delivery driver trainings developed by entities other than the Authority.
- Virginia ABC has established STAP as an approval process for alcohol server training courses pursuant to COV 4.1-227.E.
- Applications are accepted **September 1-October 1**.





STAP Performance Indicators

FY23

STAP Delivery Training Approved Provider	Туре
Gopuff	Internal
Instacart	Internal
Point Pickup Technology	Internal
STAP FY Total	6,196

FY24

STAP Delivery Training Approved Provider	Туре
Gopuff	Internal
Instacart	Internal
Point Pickup Technology	Internal
Rserving	External
STAP FY Total	6,393







Contact Information

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Alcohol Delivery Requirements in Other Jurisdictions

Virginia ABC Third Party Delivery Working Group

August 7, 2024

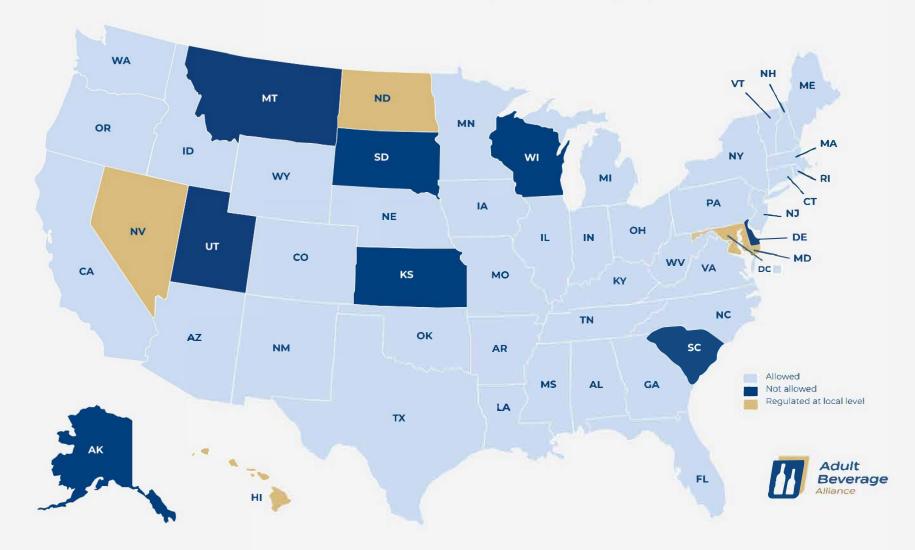


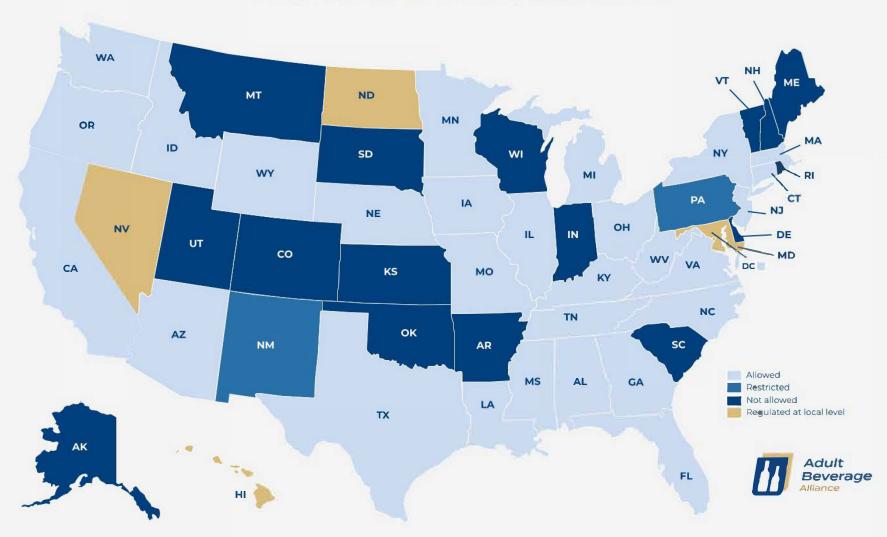
Alcoholic Beverage Delivery: Overview

- Retailers can currently deliver alcoholic beverages in 40 states.
- Retailers can use third parties to deliver alcoholic beverages in about 30 states.
- Third parties must hold a permit to deliver alcoholic beverages in 18 states.



Off-Premises Retailer Delivery by Retailer Employees

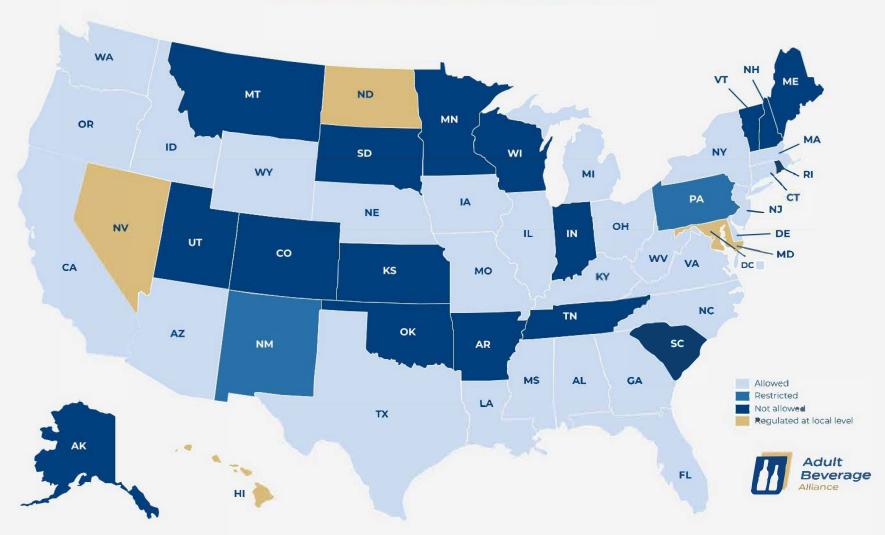




Off-Premises Retailer Alcohol Delivery by Third Parties

WA NH VT ME MT ND MN OR MA ID NY SD WI WY MI RI СТ PA IA NJ NE NV OH IN IL DE UT со wv /~ MD VA DC CA KS мо KY NC TN ок AZ SC NM AR Allowed - Third party permit required MS AL GA Allowed - No third party permit required Restricted - Third party permit required LA тх Third party delivery prohibited Regulated at local level AK Adult Beverage Alliance FL HI

Off-Premises Retailer Alcohol Delivery by Third Parties (Third Party Permit Required)



On-Premises Alcohol Retailer: Third Party Delivery

Alcoholic Beverage Delivery: Key considerations in different jurisdictions

- Commodities: delivery can vary between beer, wine, and spirits.
- *License types:* delivery rules often vary by retail license type. Offpremises v. on-premises, and sometimes within each category.
- On-premises retailers and cocktails-to-go: e.g., manufacturer-sealed v. mixed drinks; food requirements.
- Local considerations.



Alcoholic Beverage Delivery: Third Parties Third party delivery considerations

- Who can deliver? Independent contractors
- Third party permits.
- Driver education.
- Background checks.
- Age verification rules.
- Packaging/labeling rules.
- Quantity limits.



Alcoholic Beverage Delivery: Third party delivery considerations

- Geographical limits.
- Ecommerce functions.
- Hours of sale.
- Undeliverable orders.
- Liability-shifting.
- Recordkeeping, reporting, and data retention.



Virginia ABC E-Commerce Public Safety Operations

December 1, 2023





The Virginia Alcoholic Beverage Control's Bureau of Law Enforcement conducted several e-commerce Public Safety Operations with Regions 1, 5 and 6 in the following localities of the state to ensure compliance with Virginia Title 4.1-304 and 4.1-212 regarding the sale and service of cocktails for off premises consumption.

Localities:

Region 1

- Montgomery County
- Radford City
- Roanoke City
- Roanoke County

Region 5

- Fredericksburg City
- Hanover County
- Spotsylvania County
- Stafford County

Region 6

- Chesterfield County
- Henrico County
- Richmond City





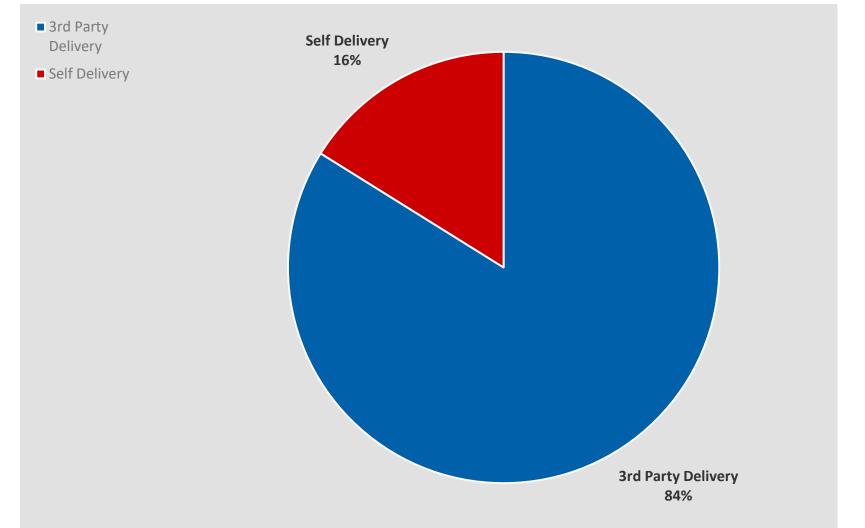
- Agents identified licensed establishments utilizing third party delivery services such as DoorDash and Uber Eats
- Agents also found several licensees that made "self" deliveries where the alcohol could be ordered online
- Agents ordered the alcohol that was delivered to an approved underage buyer in a safe location under close Agent supervision
- Upon delivery the underage buyer would approach the delivery driver to receive the alcoholic beverage(s)







Delivery Services Used







- During the operation, Agents placed online orders for alcohol to ensure compliance with the appropriate guidelines as well as the Code of Virginia. The operational objectives are listed below:
 - Order two cocktails with no meal
 - Order more than four cocktails
 - Have the underage buyer accept the alcohol
 - Check for a secure lid or cap on the alcohol delivered



 Observe (if visible) where the mixed beverages for delivery were stored for transport in the vehicle





Orders Denied Up Front or Cancelled



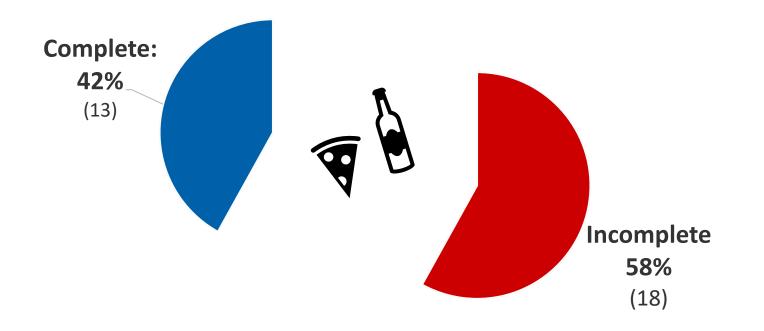
56 establishments were contacted to place orders

- 1 order was not picked up after 1.5 hours and was cancelled
- 24 orders were not accepted for various reasons:
 - Not delivering alcohol at this time
 - No driver available
 - DoorDash website not working
 - Establishment too busy to deliver
 - Credit card blocked by DoorDash





Delivery Orders Attempted by UABs (31)









Noted Violations

- Alcohol transported in the front seat of the vehicle
- Failed to check for proper ID
- Driver delivering alcohol after the sale was denied
- Driver asking UAB if they have a friend with a valid ID
- Food requirement not met
- Container not properly secured or sealed





3rd Party Delivery Underage Buyer Public Safety Operations

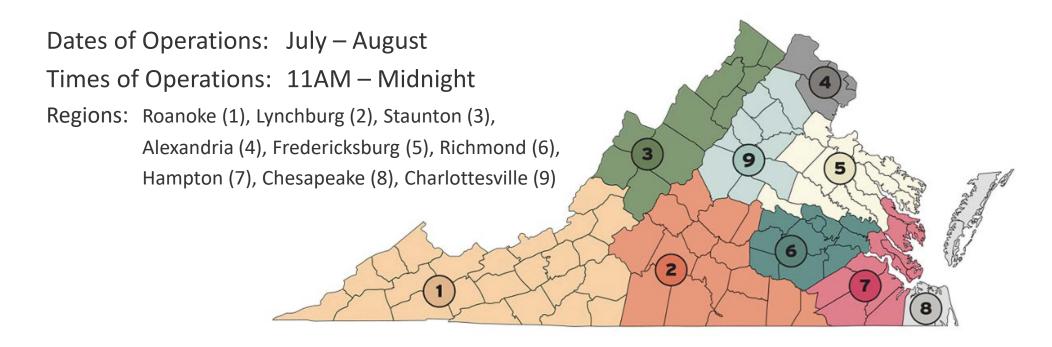
VA ABC BUREAU OF LAW ENFORCEMENT

September 11, 2024





The Virginia Alcoholic Beverage Control's Bureau of Law Enforcement conducted operations to ensure compliance of the sale and delivery of alcohol from licensed establishments and licensed third-party delivery companies. These operations were conducted pursuant to the General Assembly enactment outlined in HB688 & SB635.







Operation:

- Agents identified licensed establishments utilizing licensed third-party delivery services such as DoorDash and Uber Eats
- Agents ordered the alcohol that was delivered to an ABC employed underage buyer in a safe location under close Agent supervision
- Upon delivery the underage buyer would approach the delivery driver to receive the alcoholic beverage(s)





During the operations agents attempted to purchase alcohol from on and off premised licensed establishments in order to check for compliance with VA Code sections 4.1-212.1, or 4.1-212.2, Agents attempted to do the following, but not limited to, when placing an order

ORDERING:

- 1) Order two mixed beverages with no meal.
- 2) Order more than four mixed beverages.
- 3) Order a mixed beverage over 16 ounces.
- 4) Order a mixed beverage with no mixer.
- 5) Order more than four cases of wine or beer.



RECEIVING:

- 1) Have the UAB accept the alcohol.
- 2) Check to make sure the mixed beverage container has no straw holes or other openings.
- 3) Check to make sure the mixed beverage container displays the name of the licensee purchased from.
- 4) Check to make sure the mixed beverage is clearly marked with the phrase "contains alcoholic beverages".
- 5) Observe where the mixed beverages were stored in the vehicle for transport for the delivery.





Delivery Services Used:

- Grubhub
- UberEats
- DoorDash
- Amazon
- Instacart
- Walmart

*The above companies represented what was available to deliver alcohol in Virginia during the period of operations.

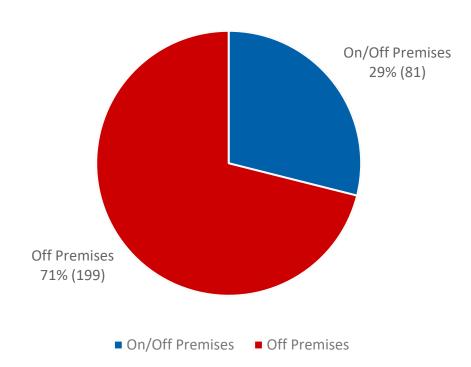






On/Off Premises

Percentage of the different types of licenses used when ordering:



Type of License





Orders Placed

280 establishments were contacted to place orders

- 252 orders were UAB (underage buyer) checks
 - 208 were 'no sales'
 - 22 were sales
 - 22 were N/A (the alcohol did not make it to the destination of the UAB)
- 28 orders were regulatory checks without the use of a UAB

An additional 24 attempts were made to place orders and were removed from our data:

- The prepaid card did not work
- Account was flagged as fraudulent
- Cancelled by Agent because order was not picked up by a driver
- Cancelled by Agent because the time kept getting pushed back
- 304 Total attempts





Type of Alcohol used in Ordering

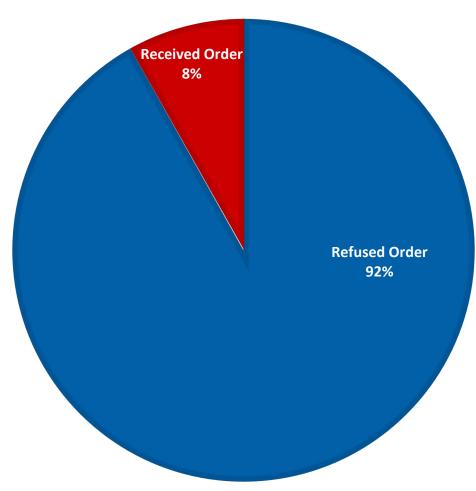
Mixed Beverage 19%

Orders Delivered after the UAB ID was Checked

■ Refused Order ■ Received Order

- **209** UAB orders had a delivery driver that checked the ID
 - **192** of those orders were refused.
 - 17 orders were delivered after checking the ID of a UAB.





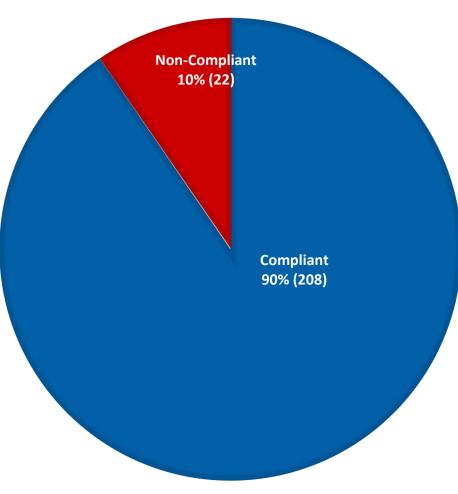




Compliance Percentage Rate

■ Compliant ■ Non-Compliant

 90% of the UAB orders were compliant with the regulations







Mixed Beverage Packaging and Meal Requirement

There were 55 order attempts that contained mixed beverages

- 26 of these 55 attempts required a meal to be purchased.
- 39 of the 55 orders were delivered
 - 32 were packaged properly
 - 7 were not packaged properly





After Hours

There were 21 attempted orders placed, to be delivered past 11PM

• 15 of those orders were denied

(the app or restaurant did not allow the order to be placed)

• 6 orders were delivered after 11PM







Potential Violations

Some of the deliveries resulted in criminal and regulatory charges:

- Delivery to a person under the age of 21
- Improper delivery storage (front seat of vehicle)
- Mixed beverages delivered without food
- Delivery after 11PM
- Delivery of more than 4 cases of beer
- Delivery of more than 4 mixed beverages
- Improper Packaging





Time and Money Spent on Operations

- Approximately \$110,742 in operational costs
- Approximately 1,809 total employee hours





CONCLUSION

- Training is working. Emphasis on education and training, by Virginia ABC and thirdparty delivery licensees, has improved UAB compliance rate for deliveries from 58% (2023) to approximately 90% (2024).
- Compliance rate found during the UAB operations is generally comparable to compliance rates in ongoing Virginia ABC UAB operations on licensees' premises (87% YTD) and in Virginia ABC stores (98% YTD).





Be it enacted by the General Assembly of Virginia:

1. That the first, second, and fourth enactments of Chapter 105 and Chapter 159 of the Acts of Assembly of 2024 are repealed.

Uber

October 22, 2024

Mr. John Daniel Virginia Alcoholic Beverage Control Authority 7450 Freight Way Mechanicsville, Virginia 23116

Mr. Daniel,

Uber would like to thank you for the opportunity to participate in this summer's Third-Party Delivery License Working Group and the opportunity to provide comments on the group's draft report and recommendations. As noted in the report, conversations about alcohol delivery in the Commonwealth began in response to the COVID-19 pandemic, nearly 4 years ago. In that time, Uber has maintained a positive working relationship with regulators and policymakers to help implement safe and legal alcohol delivery in Virginia. As the 2025 General Assembly Session approaches, we would like to express our support for the report's current recommendations and look forward to continuing to work with ABC on an alcohol delivery framework that benefits consumers, merchants, couriers, and the Commonwealth.

Over several months and three Working Group sessions, the working group evaluated current alcohol delivery practices in numerous jurisdictions and sought input from various stakeholders. Because of this, Uber is supportive of the working group's recommendation to repeal the sunset provisions in HB 688 and SB 635, passed during the 2024 General Assembly Session. By removing the sunset, third-party delivery companies will continue to help Virginia restaurants and merchants reach consumers throughout the Commonwealth. This is a significant step for alcohol delivery in Virginia.

As shared during the Working Group sessions, Uber is a technology platform that connects third-party merchants, consumers, and independent couriers to enable and facilitate orders for alcohol and other items via the Uber Eats app. Through Uber Eats:

- Consumers select products-including but not limited to alcoholic beverages-for purchase, select the merchant they are purchasing from, place their order from the merchant's digital storefront on the Uber Eats platform, provide their payment information directly when the order is placed, and as related to alcoholic beverages agree to provide proof of age in order for the merchant's goods to be delivered;
- Merchants hold relevant licenses, establish and maintain a digital storefront on the Uber Eats platform;
- Couriers accept and complete requests for alcohol delivery; and
- Uber Eats helps consumers find local merchants, facilitates payment to the merchant, and, in some cases, connects an independent courier to the merchant and consumer to deliver products to the consumer.

Uber plays a role in educating all parties regarding their responsibilities, especially as they pertain to regulatory or legal obligations and Uber's policies or contractual terms and conditions. However, as a technology platform, there are limits to the degree of control Uber

Eats has over human behavior. This limit extends to consumer, merchant, and courier behavior; all parties have their own role to play in helping complete safe alcohol deliveries.

To that end, Uber takes the safety of alcohol deliveries facilitated through the platform extremely seriously, and we recognize that courier education remains a top priority for regulators and policymakers in Virginia. Couriers who deliver alcohol on the Uber platform receive educational materials that include information on (1) signs of intoxication, (2) acceptable and legal forms of identification, and (3) tips on what to do when he or she is unable to confirm a consumer's age.

Uber would like to thank the Virginia ABC for its leadership during the working group, we look forward to continuing to work with Virginia regulators and policymakers on these matters, and we hope to continue this productive partnership in the future.

Sincerely, Michen Slachould

Michele Blackwell Senior Public Policy Manager - P&C, Americas, US South