
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 895 Session of
2021

INTRODUCED BY REGAN, STEFANO, MENSCH, YUDICHAK, LAUGHLIN,
PITTMAN, MARTIN, AUMENT, YAW, SABATINA, BREWSTER AND
ROBINSON, OCTOBER 18, 2021

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,
OCTOBER 18, 2021

AN ACT

1 Amending the act of December 17, 1968 (P.L.1224, No.387),
2 entitled "An act prohibiting unfair methods of competition
3 and unfair or deceptive acts or practices in the conduct of
4 any trade or commerce, giving the Attorney General and
5 District Attorneys certain powers and duties and providing
6 penalties," providing for disclosure of information by online
7 marketplaces to inform customers.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. The act of December 17, 1968 (P.L.1224, No.387),
11 known as the Unfair Trade Practices and Consumer Protection Law,
12 is amended by adding a section to read:

13 Section 9.4. Disclosure of Information by Online

14 Marketplaces to Inform Customers.--(a) The following shall
15 apply:

16 (1) An online marketplace shall require that a high-volume
17 third-party seller on the online marketplace provide the online
18 marketplace with all of the following information within twenty-
19 four hours of becoming a high-volume third-party seller:

1 (i) Accurate bank account information that has been
2 confirmed directly by the online marketplace, a payment
3 processor or other third party contracted by the online
4 marketplace. If the high-volume third-party seller does not have
5 a bank account, the name of the payee for payments issued by the
6 online marketplace to the high-volume third-party seller. The
7 high-volume third-party seller may provide the bank account or
8 payee information under this subclause to the online
9 marketplace, a payment processor or other third party contracted
10 by the online marketplace to maintain the information. The
11 online marketplace may obtain the bank account or payee
12 information under this subclause on demand from a payment
13 processor or other third party contracted by the online
14 marketplace.

15 (ii) Contact information, including all of the following:

16 (A) If the high-volume third-party seller is an individual,
17 a copy of a government-issued photo identification for the
18 individual that includes the individual's name and physical
19 address.

20 (B) If the high-volume third-party seller is not an
21 individual, all of the following:

22 (I) A copy of a government-issued photo identification for
23 an individual acting on behalf of the high-volume third-party
24 seller that includes the individual's name and physical address.

25 (II) A copy of a government-issued record or tax document
26 that includes the business name and physical address of the
27 high-volume third-party seller.

28 (III) A working email address and working telephone number
29 for the high-volume third-party seller.

30 (C) A business tax identification number. If the high-volume

1 third-party seller does not have a business tax identification
2 number, a taxpayer identification number.

3 (D) Whether the high-volume third-party seller is
4 exclusively advertising or offering the consumer product on the
5 online marketplace or currently advertising or offering for sale
6 the same consumer product on any other Internet websites other
7 than the online marketplace.

8 (2) The online marketplace shall verify the information
9 provided by the high-volume third-party seller under clause (1)
10 and each change to the information within three days. If the
11 high-volume third-party seller provides a copy of a valid
12 government-issued tax document under clause (1)(ii)(B)(II),
13 information contained within the tax document shall be presumed
14 to be verified as of the date of issuance of such record or
15 document.

16 (3) The online marketplace shall, on at least an annual
17 basis, notify the high-volume third-party seller on the online
18 marketplace that the high-volume third-party seller must inform
19 the online marketplace of each change to the information
20 provided by the high-volume third-party seller under clause (1)
21 within three days of receiving the notice under this clause. As
22 part of the notice under this clause, the online marketplace
23 shall instruct the high-volume third-party seller to
24 electronically certify that the high-volume third-party seller's
25 information under clause (1) is unchanged or that the high-
26 volume third-party seller is providing a change to the
27 information. If the online marketplace becomes aware that the
28 high-volume third-party seller has not complied with the
29 provisions of this clause, the online marketplace shall suspend
30 the high-volume third-party seller's participation on the online

1 marketplace until the high-volume third-party seller complies
2 with the provisions of this clause.

3 (b) The following shall apply:

4 (1) Except as provided under clause (2), an online
5 marketplace shall require a high-volume third-party seller on
6 the online marketplace to provide all of the following
7 information:

8 (i) The identity of the high-volume third-party seller,
9 including all of the following information:

10 (A) The full name of the high-volume third-party seller.

11 (B) The full physical address of the high-volume third-party
12 seller.

13 (C) Whether the high-volume third-party seller engages in
14 the manufacturing, importing or reselling of consumer products.

15 (D) Contact information for the high-volume third-party
16 seller, including a functioning telephone number and email
17 address. The online marketplace may provide the functioning
18 email address to the high-volume third-party seller by the
19 online marketplace.

20 (ii) Any other information determined to be necessary by the
21 online marketplace to address any potential circumvention or
22 evasion of the requirements under this clause.

23 (2) Subject to clause (3), upon the request of the high-
24 volume third-party seller, the online marketplace may provide
25 for partial disclosure of the identity information required
26 under clause (1) in any of the following situations:

27 (i) If the high-volume third-party seller demonstrates to
28 the online marketplace that the high-volume third-party seller
29 does not have a business address and only has a residential
30 street address, the online marketplace may:

1 (A) direct the high-volume third-party seller to disclose
2 only the country and, if applicable, the state where the high-
3 volume third-party seller resides on the product listing; and

4 (B) inform consumers that there is no business address
5 available for the high-volume third-party seller and that
6 consumer inquiries should be submitted to the high-volume third-
7 party seller by telephone or email.

8 (ii) If the high-volume third-party seller demonstrates to
9 the online marketplace that the seller is a business that has a
10 physical address for product returns, the online marketplace may
11 direct the high-volume third-party seller to disclose the high-
12 volume third-party seller's physical address for product
13 returns.

14 (iii) If the high-volume third-party seller demonstrates to
15 the online marketplace that the high-volume third-party seller
16 does not have a telephone number other than a personal telephone
17 number, the online marketplace shall inform consumers that there
18 is no telephone number available for the high-volume third-party
19 seller and that consumer inquiries should be submitted to the
20 high-volume third-party seller's email.

21 (3) If an online marketplace becomes aware that a high-
22 volume third-party seller has made a false representation to the
23 online marketplace in order to justify the provision of a
24 partial disclosure under clause (2) or that a high-volume third-
25 party seller who has requested and received a provision for a
26 partial disclosure under clause (2) has not provided responsive
27 answers within a reasonable time period to consumer inquiries
28 submitted to the high-volume third-party seller by telephone or
29 email, the online marketplace shall withdraw the provision for
30 partial disclosure under clause (2) and require the full

1 disclosure of the high-volume third-party seller's identity
2 information required under clause (1) within three business
3 days' notice to the high-volume third-party seller.

4 (4) The online marketplace shall disclose to a consumer, in
5 a conspicuous manner on the product listing of the high-volume
6 third-party seller, a reporting mechanism that allows for
7 electronic and telephonic reporting of suspicious marketplace
8 activity to the online marketplace and a message encouraging
9 the consumer to report suspicious activity to the online
10 marketplace.

11 (c) In addition to the requirements under subsection (b), an
12 online marketplace that warehouses, distributes or otherwise
13 fulfills a consumer product order shall disclose to the consumer
14 the identification of a high-volume third-party seller supplying
15 the consumer product if different than the seller listed on the
16 product listing page.

17 (d) Violations of this section shall be declared unlawful
18 under section 3 of this act and shall be subject to the
19 penalties imposed under this act.

20 (e) A political subdivision may not establish, mandate or
21 otherwise require an online marketplace to verify information
22 from a high-volume third-party seller on a one-time or ongoing
23 basis or disclose information to consumers.

24 (f) The Bureau of Consumer Protection within the Office of
25 Attorney General may promulgate regulations regarding the
26 collection and verification of information from high-volume
27 third-party sellers under subsections (a) and (b).

28 (g) As used in this section:

29 "Consumer product" means tangible personal property that is
30 distributed in commerce and is normally used for personal,

1 family or household purposes, including tangible personal
2 property intended to be attached to or installed in real
3 property without regard to whether the tangible personal
4 property is attached or installed.

5 "High-volume third-party seller" means a participant in an
6 online marketplace who is a third-party seller and who, in any
7 continuous twelve-month period during the previous twenty-four
8 months, has entered into two hundred or more discrete sales or
9 transactions of new or unused consumer products resulting in the
10 accumulation of an aggregate total of five thousand dollars
11 (\$5,000) or more in gross revenues.

12 "Online marketplace" means an electronically based or
13 accessed platform that hosts high-volume third-party sellers and
14 includes features which allow for, facilitate or enable high-
15 volume third-party sellers to engage in the sale, purchase,
16 payment, storage, shipping or delivery of a consumer product in
17 the United States.

18 "Seller" means a person who sells, offers to sell or
19 contracts to sell a consumer product through an online
20 marketplace.

21 "Third-party seller" means a seller, independent of an
22 operator, facilitator or owner of an online marketplace, who
23 sells, offers to sell or contracts to sell a consumer product in
24 the United States through an online marketplace. The term shall
25 not include a seller who:

26 (1) is operating as a business entity that has made the
27 business entity's name, business address and working contact
28 information available to the general public;

29 (2) has an ongoing contractual relationship with the owner
30 of the online marketplace to provide for the manufacture,

1 distribution, wholesaling or fulfillment of the shipment of
2 consumer products; and

3 (3) has provided verified information under subsection (a).

4 "Verify" means to confirm information provided to an online
5 marketplace by the use of any of the following:

6 (1) A third-party or proprietary identity verification
7 system that has the capability to confirm a seller's name, email
8 address, physical address and telephone number.

9 (2) A combination of a two-factor authentication, a public
10 records search and the presentation of a government-issued
11 identification.

12 Section 2. This act shall take effect in 180 days.