
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1594 Session of
2021

INTRODUCED BY TOMLINSON, SANKEY, THOMAS, MILLARD, TOPPER,
SCHROEDER, FARRY, STAATS, POLINCHOCK, KAIL, MOUL, BURNS,
QUINN AND DELOZIER, JUNE 10, 2021

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JUNE 10, 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:

20 (i) Accurate bank account information that has been

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

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

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

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

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

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

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

29 (C) A business tax identification number. If the high-volume
30 third-party seller does not have a business tax identification

1 number, a taxpayer identification number.

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

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

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

1 with the provisions of this clause.

2 (b) The following shall apply:

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

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

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

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

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

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

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

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

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

30 (A) direct the high-volume third-party seller to disclose

1 only the country and, if applicable, the state where the high-
2 volume third-party seller resides on the product listing; and
3 (B) inform consumers that there is no business address
4 available for the high-volume third-party seller and that
5 consumer inquiries should be submitted to the high-volume third-
6 party seller by telephone or email.

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

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

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

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

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

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

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

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

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

27 (g) As used in this section:

28 "Consumer product" means tangible personal property that is
29 distributed in commerce and is normally used for personal,
30 family or household purposes, including tangible personal

1 property intended to be attached to or installed in real
2 property without regard to whether the tangible personal
3 property is attached or installed.

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

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

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

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

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

28 (2) has an ongoing contractual relationship with the owner
29 of the online marketplace to provide for the manufacture,
30 distribution, wholesaling or fulfillment of the shipment of

1 consumer products; and

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

3 "Verify" means to confirm information provided to an online

4 marketplace by the use of any of the following:

5 (1) A third-party or proprietary identity verification

6 system that has the capability to confirm a seller's name, email

7 address, physical address and telephone number.

8 (2) A combination of a two-factor authentication, a public

9 records search and the presentation of a government-issued

10 identification.

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