

By: Walle

H.B. No. 4443

A BILL TO BE ENTITLED

AN ACT

relating to the disclosure of information by online marketplaces to inform consumers; creating a civil penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 12, Business & Commerce Code, is amended by adding Chapter 608 to read as follows:

Chapter 608. Online Marketplace Disclosure

Sec. 608.001. SHORT TITLE. This chapter may be cited as the Online Marketplace Disclosure Act.

Sec. 608.002. PURPOSE. The purpose of this chapter is to protect consumers from purchasing stolen and counterfeit merchandise on the Internet.

Sec. 608.003. DEFINITIONS. In this chapter:

(1) "Consumer product" means any tangible personal property which is distributed in commerce and which is normally used for personal, family, or household purposes, including any such property intended to be attached to or installed in any real property without regard to whether it is so attached or installed.

(2) "High volume third-party seller" means a participant in an online marketplace who is a third-party seller and who, in any continuous 12 month period during the previous 24 months, has entered into 200 or more discrete sales or transactions of new or unused consumer products resulting in the accumulation of an aggregate total of \$5,00 or more in gross revenues.

1 (3) "Online marketplace" means any electronically
2 based or accessed platform that:

3 (a) includes features that allow for,
4 facilitate, or enable third party sellers to engage in the sale,
5 purchase, payment, storage, shipping, or delivery of a consumer
6 product in the United States; and

7 (b) hosts one or more third party sellers.

8 (4) "Seller" means a person who sells, offers to sell,
9 or contracts to sell a consumer product through an online
10 marketplace.

11 (5) "Third-party seller" means any seller,
12 independent of an operator, facilitator, or owner of an online
13 marketplace, who sells, offers to sell, or contracts to sell a
14 consumer product in the United States through an online
15 marketplace.

16 (6) "Verify" means to confirm information provided to
17 an online marketplace pursuant to this section.

18 Sec. 608.004. VERIFICATION REQUIRED. An online marketplace
19 shall require that any high-volume third party seller on the online
20 marketplace provide the online marketplace with the following
21 information within 24 hours of becoming a high-volume seller:

22 (a) bank account information;

23 (b) contact information;

24 (c) business tax identification number or if a
25 high-volume third party seller does not possess a business tax
26 identification number, a tax identification number; and

27 (d) any other websites or online marketplaces the

1 high-volume third party seller is currently offering the consumer
2 products for sale or advertising the consumer products.

3 Sec. 608.005. DISCLOSURE REQUIRED. Any online marketplace
4 shall require a high-volume third party seller:

5 (a) to provide identifying information to the online
6 marketplace; and

7 (b) to provide a conspicuously placed link that
8 identifies the third-party high volume seller to consumers.

9 Sect. 608.006. ENFORCEMENT BY ATTORNEY GENERAL. The
10 attorney general shall enforce this chapter. The attorney general
11 may:

12 (a) recover a civil penalty of \$10,000 for each
13 violation of this chapter; and

14 (b) seek equitable relief to restrain a violation of
15 this chapter.

16 SECTION 2. This act takes effect September 1, 2021.