

1 A bill to be entitled
2 An act relating to online marketplace transparency;
3 creating s. 559.953, F.S.; defining terms; requiring
4 online marketplaces to require high-volume third-party
5 sellers using their service to provide certain
6 information to the online marketplace within a
7 specified timeframe; requiring the online marketplace
8 to verify such information, or changes to such
9 information, within a specified timeframe; providing
10 that information on valid government-issued tax
11 documents is presumed verified as of the issuance
12 date; requiring an online marketplace to update and
13 require certification of the updated information at
14 least annually; requiring the online marketplace to
15 suspend certain sellers who do not provide such a
16 certification or updated information; requiring online
17 marketplaces to disclose certain information in a
18 specified manner; requiring disclosure of suppliers;
19 providing for enforcement; authorizing the Department
20 of Legal Affairs to adopt rules; preempting the
21 regulation of the verification and disclosure of such
22 information to the department; providing an effective
23 date.

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25 Be It Enacted by the Legislature of the State of Florida:

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27 Section 1. Section 559.953, Florida Statutes, is created
28 to read:

29 559.953 Disclosure of information by online marketplaces.—

30 (1) DEFINITIONS.—As used in this section, the term:

31 (a) "Consumer product" means a product that is used or
32 bought for use primarily for personal, family, or household
33 purposes.

34 (b) "High-volume third-party seller" means a participant
35 in an online marketplace that is a third-party seller and that,
36 in any continuous 12-month period during the previous 24 months,
37 has entered into 200 or more discrete sales or transactions of
38 new or unused consumer products resulting in the accumulation of
39 an aggregate total of \$5,000 or more in gross revenues. Only
40 sales or transactions made through the online marketplace for
41 which payment was processed by the online marketplace, either
42 directly or through the seller's payment processor, count
43 towards the calculation for the number of discrete sales or
44 transactions or the gross revenues.

45 (c) "Online marketplace" means any consumer-directed
46 electronically based or accessed platform that:

47 1. Includes features that allow for, facilitate, or enable
48 third-party sellers to engage in the sale, purchase, payment,
49 storage, shipping, or delivery of a consumer product in the
50 United States;

51 2. Is used by one or more third-party sellers for such
52 purposes; and

53 3. Has a contractual or similar relationship with
54 consumers governing their use of the platform to purchase
55 consumer products.

56 (d) "Seller" means a person who sells, offers to sell, or
57 contracts to sell a consumer product through an online
58 marketplace.

59 (e) "Third-party seller" means any seller, independent of
60 an operator, a facilitator, or an owner of an online
61 marketplace, that sells, offers to sell, or contracts to sell a
62 consumer product in the United States through an online
63 marketplace. The term does not include, with respect to an
64 online marketplace:

65 1. A seller that operates the online marketplace;

66 2. A business entity that has made available to the
67 general public the entity's name, business address, and working
68 contact information;

69 3. A business entity with an ongoing contractual
70 relationship with the online marketplace to provide the online
71 marketplace with the manufacture, distribution, wholesaling, or
72 fulfillment of shipments of consumer products; or

73 4. A business entity that has provided to the online
74 marketplace identifying information that has been verified.

75 (f) "Verify" means to confirm information and

76 documentation provided to an online marketplace by the use of
77 one or more methods that enable the online marketplace to
78 reliably determine that any information and documents provided
79 which correspond to the seller or an individual acting on the
80 seller's behalf are valid, not misappropriated, and not
81 falsified.

82 (2) VERIFICATION.—

83 (a) An online marketplace shall require that any high-
84 volume third-party seller on the online marketplace provide the
85 online marketplace with all of the following information within
86 10 business days after qualifying as a high-volume third-party
87 seller:

88 1. Deposit account information from a financial
89 institution. If the high-volume third-party seller does not have
90 deposit account information at a financial institution, such
91 seller must provide the online marketplace with the name of the
92 payee for payments issued by the online marketplace to the high-
93 volume third-party seller, and the information must be confirmed
94 by the online marketplace or by another third party contracted
95 by the online marketplace.

96 2. Contact information, including all of the following:

97 a. A valid e-mail address and working phone number.

98 b. If the high-volume third-party seller is an individual,
99 a copy of a valid government-issued photo identification for the
100 individual which includes the individual's name and physical

101 address.

102 c. If the high-volume third-party seller is not an
103 individual, either a copy of a government-issued photo
104 identification for an individual acting on behalf of such seller
105 which includes such individual's name and physical address or a
106 copy of a government-issued record or tax document that includes
107 the business name and physical address of the high-volume third-
108 party seller.

109 3. A business tax identification number or, if the high-
110 volume third-party seller does not have a business tax
111 identification number, a taxpayer identification number.

112 (b) The online marketplace shall verify the information
113 the high-volume third-party seller provides under this
114 subsection within 10 business days after receiving such
115 information. If the high-volume third-party seller provides any
116 changes to the information, the online marketplace must verify
117 such changes within 10 business days after receiving the
118 information. If a high-volume third-party seller provides a copy
119 of a valid government-issued tax document, the information
120 contained within such tax document shall be presumed verified as
121 of the date of issuance of such document.

122 (c) The online marketplace shall, on at least an annual
123 basis, notify each high-volume third-party seller on the online
124 marketplace that such seller must inform the online marketplace
125 of any changes to the information previously provided by the

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126 seller within 10 business days after receiving the notification.
127 The notification must require the high-volume third-party seller
128 to either electronically certify that the high-volume third-
129 party seller's information is unchanged or provide changes to
130 the information as necessary. If the online marketplace becomes
131 aware that a high-volume third-party seller has not certified
132 that such information is unchanged or provided such changed
133 information within 10 business days after receiving such
134 notification, the online marketplace must suspend the selling
135 privileges of the high-volume third-party seller until such
136 seller provides such certification or changed information.

137 (3) DISCLOSURE.—

138 (a) An online marketplace shall disclose to consumers in a
139 conspicuous manner on the product listing, through a
140 conspicuously placed link on the product listing, or in the
141 order confirmation message or other document or communication
142 made to the consumer after the purchase is finalized and in the
143 consumer's account transaction history, all of the following
144 information of any high-volume third party seller with an
145 aggregate total of \$20,000 or more in annual gross revenues on
146 its online platform:

147 1. The full name of the high-volume third-party seller.

148 2. The full physical address of the high-volume third-
149 party seller. If the full physical address of the high-volume
150 third-party seller is the primary residential address of such

151 high-volume third-party seller, only the city, state, and
152 country of the high-volume third-party seller is required to be
153 disclosed.

154 3. Contact information for the high-volume third-party
155 seller, including a working telephone number and working e-mail
156 address to allow for direct, unhindered communication with the
157 high-volume third-party seller. If the only telephone number of
158 the high-volume third-party seller is the personal telephone
159 number of the high-volume third-party seller, then only the
160 working e-mail address is required to be disclosed or the online
161 marketplace must provide other means of electronic messaging to
162 contact such seller.

163 4. The identification of any seller that supplies the
164 consumer product to the consumer upon purchase, if such seller
165 is different than the high-volume third-party seller listed on
166 the consumer product listing before the purchase.

167 (b) If an online marketplace becomes aware that a high-
168 volume third-party seller has made a false representation to the
169 online marketplace in order to restrict access to the full
170 physical address, telephone number, or e-mail address required
171 in paragraph (a), the online marketplace must, after providing
172 the seller with written or electronic notice, require the full
173 disclosure of the high-volume third-party seller's full physical
174 address, telephone number, and e-mail address. If such
175 information is not disclosed within 10 business days after

176 notification, the online marketplace must suspend the selling
177 privileges of the high-volume third-party seller on the online
178 marketplace until the required information is disclosed.

179 (c) An online marketplace shall provide to consumers, in a
180 conspicuous manner on the consumer product listing of any high-
181 volume third-party seller, a reporting mechanism that allows for
182 electronic and telephonic reporting of suspicious marketplace
183 activity to the online marketplace and a message encouraging
184 individuals seeking goods for purchase to report suspicious
185 activity to the online marketplace.

186 (d) This subsection does not prevent an online marketplace
187 from providing any additional measures, electronic or otherwise,
188 that it deems necessary to prevent the sale of fraudulent,
189 stolen, or counterfeit consumer products on its platform.

190 (4) ENFORCEMENT.—A violation of this section constitutes a
191 violation of the Deceptive and Unfair Trade Practices Act under
192 part II of chapter 501. A person who violates this section is
193 subject to the penalties and remedies provided therein.

194 (5) RULES.—The Department of Legal Affairs may adopt rules
195 with respect to collecting and verifying information under this
196 section, provided that such rules are limited to what is
197 necessary to collect and verify such information.

198 (6) PREEMPTION.—The regulation of the requirement for
199 online marketplaces to verify information from high-volume
200 third-party sellers on a one-time or ongoing basis or disclose

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201 | information to consumers is preempted to the department. A local
202 | governmental entity may not establish, mandate, or otherwise
203 | require the verification or disclosure of such information.

204 | Section 2. This act shall take effect July 1, 2022.