

HOUSE BILL NO. 5487

October 27, 2021, Introduced by Reps. Tisdell, Steckloff, Weiss, Hall, Aiyash, Hertel, Brixie, Breen, Lilly, Rogers, Frederick and Yaroch and referred to the Committee on Judiciary.

A bill to amend 1976 PA 331, entitled
"Michigan consumer protection act,"
(MCL 445.901 to 445.922) by adding section 30.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 **Sec. 30. (1) An online marketplace shall require a high-volume**
2 **third-party seller on the online marketplace to provide the online**
3 **marketplace with all of the following information within 3 business**
4 **days of becoming a high-volume third-party seller:**
5 **(a) Bank account information, the accuracy of which has been**

1 confirmed directly by the online marketplace or by a payment
2 processor or other third party contracted by the online marketplace
3 in accordance with this subdivision, or, if the high-volume third-
4 party seller does not have a bank account, the name of the payee
5 for payments issued by the online marketplace to the high-volume
6 third-party seller. An online marketplace may direct a high-volume
7 third-party seller to provide the bank account or payee information
8 to a payment processor or other third party, instead of the online
9 marketplace, if the online marketplace has contracted with the
10 payment processor or other third party to maintain the information
11 and may obtain the information on demand from the payment processor
12 or other third party.

13 (b) Contact information, including all of the following:

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

17 (ii) If the high-volume third-party seller is not an
18 individual, either of the following:

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

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

25 (iii) A working email address and working telephone number for
26 the high-volume third-party seller.

27 (c) A business tax identification number or, if the high-
28 volume third-party seller does not have a business tax
29 identification number, a taxpayer identification number.

1 (d) Whether the high-volume third-party seller is exclusively
2 advertising or offering the consumer product or products on the
3 online marketplace or is currently advertising or offering for sale
4 the same consumer product or products on another internet website
5 besides the online marketplace.

6 (2) A high-volume seller shall notify the online marketplace
7 of any changes to the information provided under subsection (1).
8 The online marketplace shall, on at least an annual basis, notify
9 each high-volume third-party seller on its online marketplace of
10 this requirement and instruct the seller to do 1 of the following
11 within 3 business days of receiving the notice:

12 (a) Electronically certify that the seller's information
13 provided under subsection (1) is unchanged.

14 (b) Electronically certify that the seller's information
15 provided under subsection (1) has changed and provide updated
16 information that meets the requirements of subsection (1).

17 (3) If a high-volume third-party seller does not provide the
18 requisite information within 3 business days of becoming a high-
19 volume third-party seller as required under subsection (1) or
20 respond to a notice within 3 business days of receipt as required
21 under subsection (2), the online marketplace shall suspend the
22 high-volume third-party seller's participation on the online
23 marketplace until the seller has complied with subsection (1) or
24 (2), as applicable.

25 (4) Within 3 business days of receiving information under
26 subsection (1) or (2), the online marketplace shall verify the
27 information. If a high-volume third-party seller provides a copy of
28 a valid government-issued tax document, information contained
29 within that document is considered verified as of the date of

1 issuance of the document.

2 (5) The attorney general may promulgate rules pursuant to the
3 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
4 24.328, regarding the collection and verification of information
5 under this section. Rules promulgated under this subsection must be
6 limited to what is necessary to collect and verify information
7 under this section.

8 (6) A political subdivision shall not establish, mandate, or
9 otherwise require an online marketplace to verify information from
10 high-volume third-party sellers on a 1-time or ongoing basis.

11 Enacting section 1. This amendatory act takes effect 180 days
12 after the date it is enacted into law.

13 Enacting section 2. This amendatory act does not take effect
14 unless all of the following bills of the 101st Legislature are
15 enacted into law:

16 (a) Senate Bill No. ____ or House Bill No. 5486 (request no.
17 02444'21 *).

18 (b) Senate Bill No. ____ or House Bill No. 5485 (request no.
19 03417'21 *).