

House _____ Amendment NO. _____

Offered By

1 AMEND House Bill No. 2697, Page 1, Section A, Line 2, by inserting after said section and line the
2 following:
3

4 "407.1700. 1. For the purposes of this section, the following terms shall mean:

5 (1) "Consumer product", any tangible personal property that is distributed in commerce and that is
6 normally used for personal, family, or household purposes, including any such property intended to be
7 attached to or installed in any real property without regard to whether the personal property is so attached or
8 installed;

9 (2) "High-volume third-party seller", a participant in an online marketplace who is a third-party
10 seller and who, in any continuous twelve-month period during the previous twenty-four months, has entered
11 into two hundred or more discrete sales or transactions of new or unused consumer products with an
12 aggregate total of five thousand dollars or more in gross revenue. For purposes of calculating the number of
13 discrete sales or transactions or the aggregate gross revenues under this subdivision, an online marketplace
14 shall be required to count only sales or transactions made through the online marketplace and for which
15 payment was processed by the online marketplace, either directly or through its payment processor;

16 (3) "Online marketplace", any person or entity that operates a consumer-directed, electronically-
17 based or accessed platform that:

18 (a) Includes features that allow for, facilitate, or enable third-party sellers to engage in the sale,
19 purchase, payment, storage, shipping, or delivery of a consumer product in the United States;

20 (b) Is used by one or more third-party sellers for such purposes; and

21 (c) Has a contractual or similar relationship with consumers governing its use of the platform to
22 purchase consumer products;

23 (4) "Seller", a person who sells, offers to sell, or contracts to sell a consumer product through an
24 online marketplace's platform;

25 (5) "Third-party seller", any seller, independent of an online marketplace, who sells, offers to sell, or
26 contracts to sell a consumer product through an online marketplace. This term shall not include a seller who:

27 (a) Operates the online marketplace's platform; or

28 (b) Is a business entity that has:

29 a. Made available to the general public the entity's name, business address, and working contact
30 information;

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1 b. An ongoing contractual relationship with the online marketplace to provide the online marketplace
2 with the manufacture, distribution, wholesaling, or fulfillment of shipments of consumer products; and

3 c. Provided to the online marketplace identifying information, as described in subparagraph a. of this
4 paragraph, that has been verified under subsection 2 of this section;

5 (6) "Verify", to confirm information provided to an online marketplace under this section, which
6 may include the use of one or more methods that enable the online marketplace to reliably determine that any
7 information and documents provided are valid, corresponding to the seller or an individual acting on the
8 seller's behalf; not misappropriated; and not falsified.

9 2. An online marketplace shall require any high-volume third-party seller on the online marketplace
10 to provide, no later than ten days after qualifying as a high-volume third-party seller, the following
11 information:

12 (1) Bank account information, including a bank account number or, if such seller does not have a
13 bank account, the name of the payee for payments issued by the online marketplace to such seller. The bank
14 account or payee information required under this subdivision may be provided by the seller in the following
15 ways:

16 (a) To the online marketplace; or

17 (b) To a payment processor or other third party contracted by the online marketplace to maintain
18 such information, provided that the online marketplace ensures that it may obtain such information on
19 demand from such payment processor or other third party;

20 (2) Contact information for such seller, including the following:

21 (a) With respect to a high-volume third-party seller who is an individual, the individual's name; or

22 (b) With respect to a high-volume third-party seller who is not an individual, one of the following
23 forms of contact information:

24 a. A copy of a valid government-issued identification for an individual acting on behalf of such
25 seller that includes the individual's name; or

26 b. A copy of a valid government-issued record or tax document that includes the business name and
27 physical address of such seller;

28 (3) A current working email address and phone number for such seller; and

29 (4) A business tax identification number or, if such seller does not have a business tax identification
30 number, a taxpayer identification number.

31 3. An online marketplace shall:

32 (1) Periodically, but no less than annually, notify any high-volume third-party seller on such online
33 marketplace's platform of the requirement to keep any information collected under subsection 2 of this
34 section current; and

35 (2) Require any high-volume third-party seller on such online marketplace's platform to, no later
36 than ten days after receiving the notice under subdivision (1) of this subsection, electronically certify that:

37 (a) The seller has provided any changes to such information to the online marketplace if any such
38 changes have occurred;

39 (b) There have been no changes to such seller's information; or

1 (c) Such seller has provided any changes to such information to the online marketplace.

2 4. In the event that a high-volume third-party seller does not provide the information or certification
3 required under subsections 2 and 3 of this section, the online marketplace shall, after providing the seller with
4 written or electronic notice and an opportunity to provide such information or certification no later than ten
5 days after the issuance of such notice, suspend any future sales activity of such seller until such seller
6 provides such information or certification.

7 5. (1) An online marketplace shall:

8 (a) Verify the information collected in subsection 2 of this section no later than ten days after such
9 collection; and

10 (b) Verify any change to such information no later than ten days after being notified of such change
11 by a high-volume third-party seller under subsection 3 of this section.

12 (2) In the case of a high-volume third-party seller who provides a copy of a valid government-issued
13 tax document, any information contained in such tax document shall be presumed to be verified as of the date
14 of issuance of such document.

15 (3) Data collected to comply solely with the requirements of this section shall not be used for any
16 other purpose unless required by law.

17 (4) An online marketplace shall implement and maintain reasonable security procedures and
18 practices, including administrative, physical, and technical safeguards, appropriate to the nature of the data
19 and the purposes for which the data will be used, to protect the data collected to comply with the
20 requirements of this section from unauthorized use, disclosure, access, destruction, or modification.

21 6. (1) An online marketplace shall:

22 (a) Require any high-volume third-party seller with an aggregate total of twenty thousand dollars or
23 more in annual gross revenues on such online marketplace, and that uses such online marketplace's platform,
24 to provide the information described in subdivision (2) of this subsection to the online marketplace; and

25 (b) Disclose the information described in subdivision (2) of this subsection to consumers in a clear
26 and conspicuous manner in the order confirmation message or other document or communication made to a
27 consumer after a purchase is finalized and in the consumer's account transaction history.

28 (2) The information required shall be the following:

29 (a) Subject to subdivision (3) of this subsection, the identity of the high-volume third-party seller,
30 including:

31 a. The full name of the seller, which may include the seller's name or seller's company name, or the
32 name by which the seller or company operates on the online marketplace;

33 b. The physical address of the seller; and

34 c. Contact information for the seller, to allow for the direct, unhindered communication with high-
35 volume third-party sellers by users of the online marketplace, including:

36 (i) A current working phone number;

37 (ii) A current working email address; or

38 (iii) Other means of direct electronic messaging, which may be provided to such seller by the online
39 marketplace; and

1 (b) Whether the high-volume third-party seller used a different seller to supply the consumer product
2 to the consumer upon purchase and, upon the request of an authenticated purchaser, the information described
3 in paragraph (a) of this subdivision relating to any such seller who supplied the consumer product to the
4 purchaser if such seller is different than the high-volume third-party seller listed on the product listing prior to
5 purchase.

6 (3) Subject to subdivision (2) of this subsection, upon the request of a high-volume third-party seller,
7 an online marketplace may provide for partial disclosure of the identity information required under paragraph
8 (a) of subdivision (2) of this subsection in the following situations:

9 (a) If such seller certifies to the online marketplace that the seller does not have a business address
10 and only has a residential street address, or has a combined business and residential address, the online
11 marketplace may:

12 a. Disclose only the country and, if applicable, the state in which such seller resides; and

13 b. Inform consumers that there is no business address available for the seller and that consumer
14 inquiries should be submitted to the seller by phone, email, or other means of electronic messaging provided
15 to such seller by the online marketplace;

16 (b) If such seller certifies to the online marketplace that the seller is a business that has a physical
17 address for product returns, the online marketplace may disclose the seller's physical address for product
18 returns; and

19 (c) If such seller certifies to the online marketplace that the seller does not have a phone number
20 other than a personal phone number, the online marketplace shall inform consumers that there is no phone
21 number available for the seller and that consumer inquiries should be submitted to the seller's email address
22 or other means of electronic messaging provided to such seller by the online marketplace.

23 (4) If an online marketplace becomes aware that a high-volume third-party seller has made a false
24 representation to the online marketplace in order to justify the provision of a partial disclosure under
25 subdivision (1) of this subsection or that a high-volume third-party seller who has requested and received a
26 provision for a partial disclosure under subdivision (1) of this subsection has not provided responsive answers
27 within a reasonable time frame to consumer inquiries submitted to the seller by phone, email, or other means
28 of electronic messaging provided to such seller by the online marketplace, the online marketplace shall, after
29 providing the seller with written or electronic notice and an opportunity to respond no later than ten days after
30 the issuance of such notice, suspend any future sales activity of such seller unless such seller consents to the
31 disclosure of the identity information required under paragraph (a) of subdivision (2) of this subsection.

32 (5) An online marketplace shall disclose to consumers in a clear and conspicuous manner on the
33 product listing of any high-volume third-party seller a reporting mechanism that allows for electronic and
34 telephonic reporting of suspicious marketplace activity to the online marketplace.

35 (6) If a high-volume third-party seller does not comply with the requirements to provide and disclose
36 information under this subsection, the online marketplace shall, after providing the seller with written or
37 electronic notice and an opportunity to provide or disclose such information no later than ten days after the
38 issuance of such notice, suspend any future sales activity of such seller until the seller complies with such
39 requirements.

1 7. (1) A violation of the provisions of this section shall be treated as a violation of sections 407.010
2 to 407.130 and shall be enforced solely by the attorney general. Nothing in this section shall be construed as
3 providing the basis for, or subjecting a party to, a private civil action.

4 (2) The consumer protection section of the office of the attorney general may promulgate rules and
5 regulations with respect to collecting, verifying, and disclosing information under this section, provided that
6 such rules and regulations are limited to what is necessary to collect, verify, or disclose such information.
7 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority
8 delegated in this section shall become effective only if it complies with and is subject to all of the provisions
9 of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any
10 of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date,
11 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking
12 authority and any rule proposed or adopted after the effective date of this section shall be invalid and void.

13 8. If the attorney general has reason to believe that any online marketplace has violated or is
14 violating this section or a rule or regulation promulgated under this section that affects one or more residents
15 of Missouri, the attorney general may bring a civil action in any appropriate circuit court to:

16 (1) Enjoin further such violation by the defendant;

17 (2) Enforce compliance with this section or such rule or regulation;

18 (3) Obtain civil penalties in the amount provided for under subsection 6 of this section;

19 (4) Obtain other remedies permitted under state law; and

20 (5) Obtain damages, restitution, or other compensation on behalf of residents of this state."; and

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22 Further amend said bill, Page 2, Section 570.036, Line 27, by inserting after said section and line the
23 following:

24
25 "Section B. Section 407.1700 of section A of this act shall become effective on February 28, 2023.";

26 and

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28 Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.