

116TH CONGRESS
1ST SESSION

S. 3073

To require online marketplaces to disclose certain verified information regarding sellers of children’s products to inform consumers.

IN THE SENATE OF THE UNITED STATES

DECEMBER 17, 2019

Mr. CASSIDY (for himself, Mr. TILLIS, and Mr. MENENDEZ) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To require online marketplaces to disclose certain verified information regarding sellers of children’s products to inform consumers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stopping All Nefarious
5 Toys in America Act” or “SANTA Act”.

6 **SEC. 2. DISCLOSURE OF INFORMATION BY ONLINE MAR-**
7 **KETPLACES TO INFORM CONSUMERS.**

8 (a) VERIFICATION REQUIRED.—Any online market-
9 place that sells, allows, facilitates, or enables the online

1 sale of children’s products shall verify the identity of the
2 seller of a new and unused children’s product through re-
3 quiring the following information to be provided by the
4 seller:

- 5 (1) Verified bank account information.
- 6 (2) Government issued photo identification.
- 7 (3) Government issued record verifying the indi-
8 vidual or business contact information. Contact in-
9 formation shall be verified on an ongoing basis to
10 ensure seller is available for consumer outreach.

11 (b) INFORMATION REQUIRED.—Any online market-
12 place that sells, allows, facilitates, or enables the online
13 sale of a children’s product shall disclose to consumers in
14 a conspicuous manner or through a link on the product
15 listing, the following information:

- 16 (1) The identity of any seller of a new chil-
17 dren’s product which shall include—
 - 18 (A) the full name of the seller;
 - 19 (B) the full business address of the seller;
 - 20 (C) whether the seller is the manufacturer,
21 importer, retailer, or reseller of the children’s
22 product; and
 - 23 (D) contact information for the seller, in-
24 cluding phone number and working email ad-
25 dress.

1 (2) Any other information determined appro-
2 priate by the Federal Trade Commission.

3 (c) FULFILLMENT OR SHIPMENT BY DIFFERENT
4 PARTY THAN SELLER.—In addition to the requirements
5 of subsection (b), an online marketplace that warehouses,
6 distributes, or otherwise fulfills the children’s product
7 order shall disclose to the consumer prior to purchase the
8 identification of the seller supplying the children’s product
9 if different than the seller listed on the product listing
10 page.

11 (d) ENFORCEMENT.—

12 (1) UNFAIR AND DECEPTIVE ACTS OR PRAC-
13 TICES.—A violation of subsection (a), (b), or (c)
14 shall be treated as a violation of a rule defining an
15 unfair or deceptive act or practice prescribed under
16 section 18(a)(1)(B) of the Federal Trade Commis-
17 sion Act (15 U.S.C. 57a(a)(1)(B)).

18 (2) POWERS OF FEDERAL TRADE COMMIS-
19 SION.—

20 (A) IN GENERAL.—The Federal Trade
21 Commission shall enforce this Act in the same
22 manner, by the same means, and with the same
23 jurisdiction, powers, and duties as though all
24 applicable terms and provisions of the Federal
25 Trade Commission Act (15 U.S.C. 41 et seq.)

1 were incorporated into and made a part of this
2 Act.

3 (B) PRIVILEGES AND IMMUNITIES.—Any
4 person that violates subsection (a), (b), or (c)
5 shall be subject to the penalties, and entitled to
6 the privileges and immunities, provided in the
7 Federal Trade Commission Act (15 U.S.C. 41
8 et seq.).

9 (3) REGULATIONS.—The Federal Trade Com-
10 mission may promulgate regulations under section
11 553 of title 5, United States Code, as necessary with
12 respect to collecting and verifying information under
13 this section.

14 (4) AUTHORITY PRESERVED.—Nothing in this
15 Act shall be construed to limit the authority of the
16 Federal Trade Commission under any other provi-
17 sion of law.

18 (e) DEFINITIONS.—In this Act:

19 (1) CHILDREN’S PRODUCT.—The term “chil-
20 dren’s product” means a consumer product designed
21 or intended primarily for children 12 years of age or
22 younger. In determining whether a consumer prod-
23 uct is primarily intended for a child 12 years of age
24 or younger, each of the following factors shall be
25 considered:

1 (A) A statement by the manufacturer
2 about the intended use of the product, including
3 a label on the product, if such statement is rea-
4 sonable.

5 (B) Whether the product is represented in
6 its packaging, display, promotion, or advertising
7 as appropriate for use by children 12 years of
8 age or younger.

9 (C) Whether the product is commonly rec-
10 ognized by consumers as being intended for use
11 by a child 12 years of age or younger.

12 (2) ONLINE MARKETPLACE.—The term “online
13 marketplace” means any electronically based or
14 accessed platform that hosts sellers, including third
15 party sellers, and includes features that allow for,
16 facilitate, or enable the sale, purchase, payment,
17 storage, shipping, or delivery of a consumer product
18 in the United States.

19 (3) SELLER.—The term “seller” means a per-
20 son who imports, stores, sells, offers for sale, distrib-
21 utes, ships, or delivers a consumer product through
22 an online marketplace. The term “seller” includes
23 third party sellers.

24 (4) THIRD PARTY SELLER.—The term “third
25 party seller” means any seller independent of an op-

1 erator, facilitator, or owner of an online market-
2 place, and which imports, stores, sells or offers for
3 sale, distributes, ships, or delivers a consumer prod-
4 uct in the United States through an online market-
5 place.

6 **SEC. 3. OTHER AUTHORITIES.**

7 Nothing in this Act shall be construed to limit or oth-
8 erwise affect any other Federal authority, rule, regulation,
9 or standard that applies to children's products, including
10 the provisions of section 230 of the Communications Act
11 of 1934 (47 U.S.C. 230) as such provisions apply to an
12 online marketplace.

13 **SEC. 4. EFFECTIVE DATE.**

14 This Act shall take effect 180 days after the date of
15 the enactment of this Act.

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