



March 1, 2022

The Honorable Chris Head  
Chair, House Commerce and Energy Subcommittee #4  
Pocahontas Building, Room E210  
900 East Main Street  
Richmond, VA 23219

**Re: Concerns with SB 341 (Regulating the Disclosure of Third-Party Seller Information on Online Marketplaces)**

Chair Head and members of the Subcommittee,

On behalf of the undersigned member companies of the Coalition to Protect America's Small Sellers (PASS) and the tens of millions of individuals who use these eCommerce platforms, we write to respectfully express our concerns with SB 341. However, while we appreciate recent amendments to the bill to align with the consensus approach negotiated by stakeholders at the federal level, we feel strongly that a national standard is required to accomplish the goals of this legislation. We respectfully ask the committee to not advance SB 341.

We share the goal of protecting consumers and curtailing organized retail crime (ORC). Our member companies heavily invest in efforts to protect consumers who use our platforms, including technological tools, processes, and personnel to prevent prohibited, stolen, and counterfeit items from being listed on our platforms. Additionally, we proactively partner with retailers, rights owners, and regulators; implement clear policies; and work collaboratively with law enforcement and other relevant stakeholders to enforce our policies to find, remove, and hold accountable bad actors unlawfully using our marketplace.

However, we are concerned about moving forward with legislation that will ultimately lead to differing state-by-state regulations for small online sellers at a time when they can least afford

it. Rather than enacting state marketplace seller verification regulations, we are supportive of examining ways that Virginia could holistically address bad actors engaged in ORC or other illicit activities through coordination and collaboration between law enforcement agencies, retailers, brand owners, online marketplaces, and other relevant stakeholders.

As you are aware, legislation like SB 341 known as the INFORM Consumers Act has been hotly debated both in Congress and nearly two-dozen states over the last two years. Congress is moving forward on this issue, and the PASS Coalition, along with major retailers, manufacturers, and consumer groups, endorsed the current version of the federal INFORM Consumers Act because it provides necessary protections for consumers and small business sellers. Importantly, the legislation that is advancing in Congress specifically preempts state laws like SB 341. We believe a national solution is best to address this issue to avoid a collection of differing state standards that burden small businesses and entrepreneurs who use online marketplaces to reach customers and ultimately fails to accomplish the underlying goals of addressing ORC.

We appreciate the opportunity to share our concerns with SB 341. As a coalition of third-party eCommerce platforms powered by small sellers, including hundreds of thousands across Virginia, our companies are deeply committed to protecting consumers who use our platforms, including preserving the privacy of our sellers. We welcome the opportunity to work with the General Assembly and other partners to combat illegal goods, protect consumers, and support small businesses rather than creating a patchwork of state requirements.

Sincerely,

PASS Coalition  
eBay  
Etsy  
Mercari  
OfferUp  
Pinterest  
Poshmark  
Redbubble  
1st Dibs

cc: Members of the House Commerce and Energy Subcommittee #4  
The Honorable Kathy Byron

**About the PASS Coalition**

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The PASS Coalition is a policy-oriented coalition of third-party marketplaces and eCommerce platforms that have joined forces to educate policymakers on the benefits and variance of our

business models while also working collaboratively to find thoughtful solutions to consumer protection, competition and economic development issues impacting eCommerce. Together, our member companies enable hundreds of thousands of small businesses and individual sellers throughout Virginia to reach customers down the street and around the world. These online small businesses and individual sellers are located across Virginia communities large and small, rural and urban, and provide access to consumers for a wide variety of products. These entrepreneurs have been especially instrumental during the COVID-19 crisis in helping consumers receive essential goods while sheltering in place or socially distancing.