

May 19, 2021

The Honorable Maria Cantwell
Chair, Senate Committee on Commerce, Science, Transportation
425 Hart Senate Building
Washington, D.C. 20510

The Honorable Roger Wicker
Ranking Member, Senate Committee on Commerce, Science, Transportation
425 Hart Senate Building
Washington, D.C. 20510

Dear Chairwoman Cantwell and Ranking Member Wicker,

On behalf of the undersigned organizations, we are writing today to express some serious concerns related to the *Integrity, Notification and Fairness in Online Retail Marketplaces (INFORM) for Consumers Act*, reintroduced in the Senate by Sens. Durbin (D-IL), Cassidy (R-LA), Hirono (D-HI), Grassley (R-IA), Coons (D-DE), and Tillis (R-NC).

On its face, the intent of the bill is to increase transparency and improve accountability for small businesses using online marketplaces amid the increasing rates of the sale of illicit or counterfeit goods online.

While the intent of the INFORM Act is admirable, we have concerns related to the security, privacy, and equity implications for small businesses that utilize online marketplaces, who tend to be women businesses of one, largely operating out of their homes.

Specifically, we take issue with three main areas of the bill:

- **Public Disclosure of Personal Information Would Violate Seller Privacy:** As drafted, the INFORM Act would require small business owners who sell via online marketplaces to publicly disclose their full names, business address, phone number and emails even if personal. Disclosure of this kind of personal information could open up small business owners to risk of discrimination, harassment or in the worst case scenario, violence.
- **Requirement of a Government Issued ID Would Limit Access to eCommerce Marketplaces:** The INFORM Act would require small business owners who are utilizing an online marketplace to authenticate their identities via government issued identification, in addition to publicly disclosing their full names, business addresses, email addresses and phone numbers. This requirement can prove to be a barrier to access for millions of Americans who do not have government-issued IDs. For instance, 11% of Americans do not have government-issued photo IDs¹ and nationally, up to 25%

¹Horwitz, Sari. "Getting a Photo I.D. So You Can Vote is Easy. Unless You're Poor, Black, Latino, or Elderly". *The Washington Post*. May 23, 2016. Accessed May 19, 2021.

of African Americans of voting age do not have government issued photo IDs². Strict government ID requirements can also serve as a barrier to the elderly, the undocumented population and communities of color to sell online.

- **High Volume Third Party Seller Threshold is too Low:** As drafted, the INFORM Act would require “high volume third party sellers” to publicly disclose their full names, business addresses, email addresses, and phone numbers. The bill defines a “high volume third party seller” as one who exceeds \$5,000 in transactions of new and unused goods or has 200 or more in discrete sales for 12 continuous months in a 24 month period. This threshold falls on the lower end and risks capturing small business owners who may only sell a handful of high value goods or who sell a large quantity of inexpensive goods.

The need for the INFORM Act exists, small business owners are eager to ensure the integrity of the products they sell online so that their businesses can continue to thrive. The Covid-19 pandemic has proven challenging for so many businesses, however, one of the silver linings has been the movement of small businesses into multi-channel businesses, successfully leveraging these online channels not just to sustain their businesses, but in many cases to see them grow.

We look forward to working with you and your staff to address the safety, privacy, and equity issues as outlined above.

Thank You,

American Independent Business Coalition
National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship
(National ACE)
National LGBT Chamber of Commerce
National Association for the Self-Employed (NASE)
National Association for Women’s Business Owners (NAWBO)
Small Business & Entrepreneurship Council
Southern Consumers Alliance
United States Hispanic Chamber of Commerce (USHCC)
U.S. Black Chambers, INC (USBC)
Women Impacting Public Policy (WIPP)

https://www.washingtonpost.com/politics/courts_law/getting-a-photo-id-so-you-can-vote-is-easy-unless-you-are-poor-black-latino-or-elderly/2016/05/23/8d5474ec-20f0-11e6-8690-f14ca9de2972_story.html

² American Civil Liberties Union: “Oppose Voter ID Legislation- Fact Sheet”, 2017.
<https://www.aclu.org/other/oppose-voter-id-legislation-fact-sheet>

CC: Schumer and McConnell