

State of Arkansas
95th General Assembly
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A Bill

SENATE BILL 405

By: Senator J. Dismang
By: Representative Maddox

For An Act To Be Entitled

AN ACT TO AMEND THE ONLINE MARKETPLACE CONSUMER
INFORM ACT; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE ONLINE MARKETPLACE CONSUMER
INFORM ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 4-119-102(3), concerning the definition of "online marketplace" used under the Online Marketplace Consumer Inform Act, is amended to read as follows:

(3) "Online marketplace" means any electronically based or electronically accessed consumer-directed platform that:

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

(B) Hosts one (1) or more third-party sellers;

SECTION 2. Arkansas Code § 4-119-102(6), concerning the definition of "verify" used under the Online Marketplace Consumer Inform Act, is amended to read as follows:

(6) "Verify" means to confirm information provided to an online marketplace under § 4-119-103 by the use of+

~~(A) A third party or proprietary identity verification system that has the capability to confirm a seller's name, email address, physical address, and telephone number; or~~



~~(B) A combination of two factor authentication, public records search, and the presentation of a government issued identification~~
one (1) or more reliable methods that enable the online marketplace to determine that any information and documents provided are:

(A) Valid;

(B) Corresponding to the seller or an individual acting on behalf of the seller; and

(C) Not misappropriated or falsified.

SECTION 3. Arkansas Code § 4-119-103 is amended to read as follows:

4-119-103. Online marketplace – Verification required.

(a) An online marketplace shall require a high-volume third-party seller to provide to the online marketplace ~~within twenty-four (24) hours~~
within ten (10) days of becoming a high-volume third-party seller:

(1)(A)(i) Bank account information, the accuracy of which has been confirmed directly by the online marketplace, a payment processor, or other third party contracted by the online marketplace.

(ii) If the high-volume third-party seller does not have a bank account, then the name of the payee for payments issued by the online marketplace to the high-volume third-party seller.

(B) The bank account information or payee information described in subdivision (a)(1)(A)(i) or subdivision (a)(1)(A)(ii) of this section may be provided by the high-volume third-party seller:

(i) To the online marketplace; or

(ii) To a payment processor or other third party contracted by the online marketplace to maintain the information, provided that the online marketplace may obtain the information ~~on demand~~ within three (3) business days from the payment processor or other third party contracted by the online marketplace;

(2)(A) Contact information for the high-volume third-party seller.

(B) As used in subdivision (a)(2)(A) of this section, “contact information” includes:

(i) If the high-volume third-party seller is an individual, ~~a copy of a government issued photo identification for the individual high volume third party seller that includes the high volume~~

~~third party seller's name and physical address~~ the individual's name;

(ii) If the high-volume third-party seller is not an individual, then:

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

(b) A copy of a government-issued record or tax document that includes the business name and physical address of the high-volume third-party seller; and

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

(3) A business tax identification number or, if the high-volume third-party seller does not have a business tax identification number, a taxpayer identification number; ~~and~~

~~(4) Whether or not the high-volume third-party seller:~~

~~(A) Is exclusively advertising or offering a consumer product on the online marketplace; and~~

~~(B) Is currently advertising or offering for sale the same consumer product or products on any other internet websites other than the online marketplace.~~

(b)(1) An online marketplace shall verify:

(A) The information provided in subsection (a) of this section within ~~three (3)~~ ten (10) days; and

(B) Any changes to the information described in subsection (a) of this section within ~~three (3)~~ ten (10) days of receipt of any changes to the information that is provided to the online marketplace by a high-volume third-party seller.

(2) If a high-volume third-party seller provides a copy of a valid government-issued tax document, then the information contained within the tax document shall be presumed to be verified as of the date of issuance of the record or document.

(3)(A) An online marketplace shall, at least annually:

(i) Notify each high-volume third-party seller operating on the online marketplace that the high-volume third-party seller shall inform the online marketplace of any changes to the information provided by the high-volume third-party seller under subsection (a) of this

section within ~~three (3)~~ ten (10) days of receiving the notification; and

(ii) Instruct each high-volume third-party seller, as part of the notification, to electronically certify either that the high-volume third-party seller's information is unchanged or that the high-volume third-party seller is providing changes to the information described in subsection (a) of this section.

(B) If the online marketplace becomes aware that a high-volume third-party seller has not certified that the high-volume third-party seller's information is unchanged or has not provided the changed information within ~~three (3)~~ ten (10) days of receiving the notification, then the online marketplace shall suspend the high-volume third-party seller's participation on the online marketplace until the high-volume third-party seller either certifies that the high-volume third-party seller's information is unchanged or provides the information that has changed and the information is verified.

(c) An online marketplace shall require a high-volume third-party seller ~~in~~ with an aggregate total of twenty thousand dollars (\$20,000) or more in annual gross revenues on the online marketplace to provide and disclose to consumers in a conspicuous manner and in bold print on the product listing or, for information other than the high-volume third-party seller's full name, through a conspicuously placed link on the listing of the consumer product listing including through a hyperlink, in the order confirmation message, or other document or communication made to the consumer after the purchase is finalized and in the consumer's account transaction history:

(1) The identity of the high-volume third-party seller that shall include:

(A) The full name of the high-volume third-party seller that may include without limitation the seller's name or seller's company name or the name by which the seller or the seller's company operates on the online marketplace;

(B) The full physical address of the high-volume third-party seller; and

~~(C)(i) Whether the high-volume third-party seller also engages in the manufacturing, importing, or reselling of consumer products; and~~

~~(D)(i) Contact information for the high-volume third-party~~

seller, including a working telephone number, ~~and~~ working email address, or other means of direct electronic messaging that may be provided to the seller by the online marketplace, if the requirements of this item do not prevent an online marketplace from monitoring the communications between a high-volume third party seller and a user of the online marketplace for potential fraud, abuse, or spam.

(ii) The working email address required under subdivision ~~(e)(1)(D)(i)~~ (c)(1)(C)(i) of this section may be provided to the high-volume third-party seller through the online marketplace if assigned to the high-volume third-party seller; and

(2) Any other information determined to be necessary to address circumvention or evasion of the requirements of this chapter if the additional information is limited to what is necessary to address such circumvention or evasion.

(d) Except as provided in subsection (b) of this section, upon the request of a high-volume third-party seller, an online marketplace may provide for partial disclosure of the identifying information required under subsection (c) of this section if:

(1) The high-volume third-party seller demonstrates to the online marketplace that the high-volume third-party seller does not have a business address and only has a residential street address, the online marketplace may:

(A) Direct the high-volume third-party seller to disclose only the country and, if applicable, the state in which the high-volume third-party seller resides on the listing of the consumer product;

(B) Inform a consumer that there is no business address available for the high-volume third-party seller; and

(C) Inform a consumer that any consumer inquiries should be submitted to the high-volume third-party seller by telephone or email;

(2) The high-volume third-party seller demonstrates to the online marketplace that the seller is a business that has a physical address for consumer product returns, then the online marketplace may direct the high-volume third-party seller to disclose the high-volume third-party seller's physical address for consumer product returns; or

(3) A high-volume third-party seller demonstrates to the online marketplace that the high-volume third-party seller only has a personal

telephone number, the online marketplace shall inform consumers that there is no telephone number available for the high-volume third-party seller and that any consumer inquiries should be submitted to the high-volume third-party seller's email address.

(e) If an online marketplace becomes aware that a high-volume third-party seller has made a false representation to the online marketplace in order to justify the provision of a partial disclosure under subsection (d) of this section or that a high-volume third-party seller who has requested and received a provision for a partial disclosure under subsection (d) of this section has not provided responsive answers within a reasonable time frame to consumer inquiries submitted to the high-volume third-party seller by telephone or email address, then the online marketplace shall withdraw its provision for partial disclosure and require full disclosure of the high-volume third-party seller's identity information required under subsection (c) of this section within ~~three (3)~~ ten (10) business days' notice to the high-volume third-party seller.

(f) An online marketplace shall disclose to a consumer, in a conspicuous manner and in bold print on the consumer product listing of any high-volume third-party seller, a reporting mechanism that allows for electronic and telephonic reporting of suspicious marketplace activity to the online marketplace and a message encouraging individuals seeking goods for purchase to report suspicious activity to the online marketplace.

(g) In addition to the requirements of subsection (f) of this section, an online marketplace that warehouses, distributes, or otherwise fulfills a consumer product order shall disclose to the consumer the identification of any high-volume third-party seller supplying the consumer product if different than the seller listed on the product listing page.

APPROVED: 4/14/25