

# Legislative Analysis



## THIRD-PARTY ONLINE SERVICES

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

### House Bill 6173 (proposed substitute H-1)

**Sponsor: Rep. Sarah L. Lightner**

**Committee: Regulatory Reform**

**Complete to 12-1-20**

Analysis available at  
<http://www.legislature.mi.gov>

## SUMMARY:

House Bill 6173 would add a new section 3 $\text{l}$  to the Michigan Consumer Protection Act to provide that if a ***third party*** offers online services that are performed by a state agency, department, or division, the third party must do all of the following:

- Have a ***conspicuous notification*** on its website stating that it is not an agency, department, or division of the state.
- Have a conspicuous notification on its website stating that its services are not endorsed or approved by an agency, department, or division of the state.
- Provide a link on its website to the state agency, department, or division website where a person can use the online service.
- Before a transaction for an online service is completed, ensure that there is a conspicuous notification of any fee it will charge for the online service.

***Third party*** would mean a person that is not a state agency, department, or division.

***Conspicuous notification*** would mean, at a minimum, for a notification that is on a website, a notification that is on the opening page of that website, is in a type size that is the same or larger than the largest type size on that website, and is in boldface, capital letters.

Failure to comply with the above requirements would be a violation of section 3 $\text{l}$ .

The Michigan Consumer Protection Act states that unfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce are unlawful, and it lists activities that constitute these methods, acts, or practices. The bill would add a violation of section 3 $\text{l}$  to that list. The bill would also require certain disclosures by a third party that offers online services that are performed by a state agency or department.

MCL 445.903 and proposed MCL 445.903 $\text{l}$

## FISCAL IMPACT:

The bill would not have a direct fiscal impact on the state or local units of government.

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