



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 1023 (Substitute S-1 as reported)
Senate Bill 1024 (Substitute S-1 as reported)
Sponsor: Senator Roger Victory (S.B. 1023)
Senator Curtis Hertel, JR. (S.B. 1024)
Committee: Regulatory Reform

CONTENT

Senate Bill 1023 (S-1) would amend the Michigan Consumer Protection Act to do the following:

- Require an online marketplace to require a high-volume third-party seller on its platform to provide specified information to the marketplace within 10 days after qualifying as a high-volume third-party seller on the platform.
- Require an online marketplace to suspend a seller's future sales activity if it did not provide the required information until that information was provided.
- Require an online marketplace to implement and maintain reasonable security procedures and practices to protect the collected information from unauthorized use, disclosure, or destruction.
- Require a high-volume third-party seller that used an online marketplace's platform and that had an aggregate total of \$20,000 or more in annual gross revenue on the marketplace to provide additional information.
- Specify that only the Attorney General could enforce the bill's provisions.
- Prohibit a political subdivision from establishing, mandating, or otherwise requiring an online marketplace or seller to undertake measures other than those specified in the bill to verify or disclose the same or similar information as that would be subject to the bill.

Senate Bill 1024 (S-1) would amend the Act to specify that a violation of Section 3o, which Senate Bill 1023 (S-1) would create, would constitute an unfair, unconscionable method, act, or practice in the conduct of trade or commerce.

The bills are tie-barred, and each bill would take effect January 1, 2023.

Proposed MCL 445.903n & 445.903o (S.B. 1023)
MCL 445.903 (S.B. 1024)

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bills would have an indeterminate fiscal impact on the Attorney General and no fiscal impact on local units of government. The Attorney General would experience additional administrative costs in the Business Support Services unit to support the enforcement of this bill. It is unknown if the administrative costs would be greater than current appropriations.

Date Completed: 5-12-22

Fiscal Analyst: Cory Savino, PhD

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Bill Analysis @ www.senate.michigan.gov/sfa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.