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Chairman Wilson, Vice-Chairman Crosby, and Honorable Members of the House Economic Matters Committee,

My name is Bryan Lowe, Regional Director of State and Local Government Relations for Walgreens. We are proud to operate 154 stores in Maryland and very proud to be an integral part of bringing an end to COVID-19 with the hard work of our team members currently administering vaccines in Maryland and throughout the country. Thank you for the opportunity to provide written support of HB 295.

Online retail has reached unprecedented numbers in recent years, but especially during COVID. While we all appreciate the convenience of on-line shopping, there are bad actors that have emerged to the detriment of trusting consumers - your constituents. From fraudulent PPE to baby formula, consumers are not being given full transparency to make informed decisions.

HB 295 requires online marketplaces to know who is selling on their platforms by collecting and verifying basic information of high-volume sellers (those sellers who have more than 200 transactions *and* sales of more than \$5,000 per year) – name, contact information, bank account and tax ID number – to be clear – bank account and tax ID information is shared *ONLY* with the marketplace platform. The bill also requires marketplaces to disclose the true name and contact information of a high-volume third-party seller to the consumer in a conspicuous manner, while also protecting the seller’s privacy.

[71.6% of third-party sellers](#)¹ on Amazon’s marketplace have come from non-United States companies selling direct to American consumers. Big Tech platforms remain fiercely opposed to strong transparency and accountability laws despite the link to a large seller population based in counterfeit hubs like China.

In addition to leveling the playing field for legitimate businesses, it *protects consumers*. Online marketplaces have been instrumental during the COVID-19 crisis in helping customers receive essential goods while sheltering in place or social distancing. As more and more Maryland residents are shopping online they deserve to be protected from [counterfeit PPE](#)², [expired baby formula](#)³, [buying exploding batteries](#)⁴ and [goods stolen from local business](#)⁵.

A [2019 Wall Street Journal](#)⁶ investigation found 4,152 items for sale on Amazon’s website that federal agencies declared unsafe, were labeled deceptively or were banned by federal regulators. Among those items, at least 2,000 listings for toys and medications lacked warnings about health risks to children. It is

¹ <https://www.marketplacepulse.com/articles/47-of-top-amazon-sellers-based-in-us-38-based-in-china>

² <https://www.wsj.com/articles/u-s-agents-seize-10-million-counterfeit-n95-face-masks-11613603061>

³ <https://www.cnbc.com/2019/10/20/amazon-is-shipping-expired-baby-formula-and-other-out-of-date-foods.html>

⁴ <https://www.today.com/news/loose-lithium-ion-batteries-cause-fire-hazard-being-sold-major-t208884>

⁵ <https://www.businessinsider.com/apnewsbreak-fbi-amazon-drivers-part-of-major-theft-ring-2019-8>

⁶ <https://www.wsj.com/articles/amazons-heavy-recruitment-of-chinese-sellers-puts-consumers-at-risk-11573489075>



important to note that Maryland-based retailers' policies would have barred these items from reaching their shelves or risk facing penalties, fines and potential closure.

HB 295 will ensure consumers have all of the facts when making purchases for their families. The bill simply requires verification of sellers - standard that all consumers deserve the right to have. It should also be noted that in addition to retailers like Walgreens, this measure will also even the playing field for small businesses who are continually undermined by these sophisticated crime rings selling stolen and counterfeit merchandise – as they generally do so at a cost lower.

All states have their own consumer protection laws, and this issue is no different. Law enforcement needs the tools and resources to investigate, track and prosecute organized criminal activity that targets Main Street stores and unsuspecting consumers. This bill does that. I respectfully ask that you please support this legislation.

Thank you for your consideration,

Bryan Lowe
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