

June 2, 2022

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515 The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives Washington, DC 20515

Re: Co-Sponsor H.R. 5502 – the Integrity, Notification, and Fairness in Online Marketplaces for Consumers Act

Dear Speaker Pelosi and Republican Leader McCarthy:

On behalf of the National Retail Federation, we are writing to encourage you to cosponsor the Integrity, Notification, and Fairness in Online Retail Marketplaces for Consumers (INFORM Consumers) Act (H.R. 5502).

NRF is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and internet retailers from the United States and more than 45 countries. Retail is the nation's largest private-sector employer, supporting one in four U.S. jobs — 52 million working Americans. Contributing \$3.9 trillion to annual GDP, retail is a daily barometer for the nation's economy.

The surge in organized retail crime (ORC) has been detrimental to retailers, employees, consumers and the economy. Protecting the American consumer — no matter how they shop — is of the utmost priority. According to the latest NRF ORC survey, ORC thefts cost retailers an average of \$720,000 for every \$1 billion in sales in 2020, up from about \$450,000 five years earlier. In addition to the overall increase in ORC, retailers have noted the increased violence tied to these crimes. The stolen products end up being sold online and through other avenues.

ORC is a national problem affecting retailers both large and small that warrants federal intervention. The INFORM Consumers Act is a critical part of the solution. By requiring online marketplaces to verify the identity of high-volume third-party sellers, the bill makes it more difficult to fence stolen merchandise online, thereby reducing demand for stolen products.

H.R. 5502 has garnered overwhelming bipartisan support as well as support from industry and law enforcement since it addresses both retail and consumer safety concerns. Likewise, the bill will ensure that small businesses can continue to operate online without an undue burden of compliance regulations that will continue to vary state by state without the implementation of a federal, uniform standard.

We respectfully ask that you join your colleagues on both sides of the aisle in cosponsoring H.R. 5502 and working toward its inclusion in the final Bipartisan Innovation Act conference package.

Sincerely,

David French

Senior Vice President Government Relations

cc: Members of the U.S. House of Representatives