

SENATE BILL 325: Limit Online Marketplace Regulations.

2023-2024 General Assembly

Committee: Senate Commerce and Insurance. If favorable, **Date:** April 25, 2023

re-refer to Judiciary. If favorable, re-refer to

Rules and Operations of the Senate

Introduced by: Sens. Perry, Lazzara, Moffitt

Prepared by: Karyl Smith

Analysis of: First Edition Committee Co-Counsel

OVERVIEW: Senate Bill 325 would prohibit counties and cities from regulating certain online marketplaces.

CURRENT LAW: There are currently no North Carolina statutes that expressly authorize or prohibit the local government regulation of the operation of online marketplaces.

BILL ANALYSIS: Senate Bill 325 would prohibit counties or cities from doing the following:

- ➤ Regulating the operation of an online marketplace.
- Requiring an online marketplace to provide personally identifiable information of users, unless pursuant to a subpoena or court order.

This bill would also define "online marketplace" as a person or entity that does both of the following:

- ➤ Provides for consideration, regardless of whether the consideration is deducted as a fee from the transaction, an online application, software, website, system, or other medium through which a service is advertised in this State or is offered to the public as available in this State.
- > Provides, directly or indirectly, or maintains a platform for services by performing any of the following:
 - o Providing a payment system that facilitates a transaction between two platform users.
 - Transmitting or otherwise communicating the offer or acceptance of a transaction between the two platform users.
 - Owning or operating the infrastructure or technology that brings two or more users together.

EFFECTIVE DATE: Senate Bill 325 would become effective when it becomes law.



Legislative Analysis Division 919-301-1976

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