

119TH CONGRESS
2D SESSION

H. R. 9799

To establish a bill of rights for third-party sellers on critical trading partners,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 21, 2026

Ms. BALINT (for herself, Ms. VELÁZQUEZ, Mr. CARSON, Mr. GARCÍA of Illinois, Ms. LEE of Pennsylvania, Mrs. FOUSHEE, Ms. JAYAPAL, Mr. JOHNSON of Georgia, and Ms. SIMON) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To establish a bill of rights for third-party sellers on critical
trading partners, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Online Sellers’ Bill
5 of Rights Act of 2026”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds that—

1 (1) small and independent businesses depend on
2 dominant online marketplaces to access consumers
3 and scale their operations;

4 (2) these platforms frequently exert outsized
5 power over third-party sellers without sufficient
6 transparency or due process; and

7 (3) sellers face business risk from account sus-
8 pensions, inventory holds, and withheld funds with-
9 out timely notice or recourse.

10 (b) PURPOSE.—The purpose of this Act is to provide
11 due process and transparency protections to third-party
12 sellers using critical trading partners, while maintaining
13 a fair and competitive online marketplace.

14 **SEC. 3. SELLERS’ BILL OF RIGHTS.**

15 (a) IN GENERAL.—The Federal Trade Commission
16 shall adopt rules to promote fair terms between critical
17 trading partners and online sellers taking into consider-
18 ation public health, safety, and other factors that the
19 Commission deems relevant. Such rules shall include the
20 following:

21 (1) INVENTORY HOLDS.—

22 (A) A critical trading partner shall not
23 hold, detain, or restrict access to a seller’s in-
24 ventory for more than 30 calendar days.

1 (B) After such period, the platform shall
2 release the inventory unless it has met a legally
3 valid standard of proof that the goods are coun-
4 terfeit or otherwise unlawful.

5 (C) The platform shall notify the seller in
6 writing of any inventory hold within 72 hours
7 of the hold, detailing the rationale and applica-
8 ble appeal procedures.

9 (2) FUND HOLDS.—

10 (A) A critical trading partner shall not
11 withhold disbursement of a seller's funds for
12 more than 30 calendar days unless the platform
13 demonstrates, by a preponderance of evidence,
14 that the funds are derived from unlawful trans-
15 actions.

16 (B) Sellers must be notified in writing of
17 any hold, including the factual basis and oppor-
18 tunity for appeal.

19 (C) The platform shall notify the seller in
20 writing of any frozen funds within 72 hours of
21 the hold, detailing the rationale and applicable
22 procedures.

23 (3) GATED PRODUCTS.—If a platform imposes
24 a new restriction on a product or category after the
25 product has been received into its fulfillment net-

1 work, the seller shall be allowed to sell through re-
2 maining inventory for a reasonable period of not less
3 than 30 calendar days or have the inventory re-
4 turned at no cost and release funds from sales of the
5 product on the agreed upon schedule unless direct
6 evidence exists that the product is counterfeit or un-
7 lawful.

8 (4) POLICY CHANGES.—

9 (A) Critical trading partners shall provide
10 sellers with not less than 30 days' advance writ-
11 ten notice of any material policy changes affect-
12 ing—

13 (i) product eligibility;

14 (ii) category or listing restrictions;

15 (iii) compliance or documentation re-
16 quirements; or

17 (iv) commission or fee structures.

18 (5) TRANSPARENCY IN INVESTIGATIONS.—

19 (A) If a seller is subject to investigation,
20 account deactivation, or listing suspension, the
21 platform must provide—

22 (i) the specific policy or rule alleged to
23 have been violated;

24 (ii) the relevant facts, reports, or doc-
25 umentation;

1 (iii) the proposed penalty; and
2 (iv) specific steps the seller may take
3 to appeal or resolve the issue and an an-
4 ticipated timeline for resolution of that ap-
5 peal.

6 (B) Generic or templated responses shall
7 not satisfy these requirements.

8 (6) PRESUMPTION OF INNOCENCE.—

9 (A) No seller may be subject to suspension,
10 deactivation, inventory withholding, or fund
11 freezing solely on the basis of suspicion.

12 (B) The burden of proof shall lie with the
13 platform to demonstrate a seller's violation of
14 applicable rules or laws.

15 **SEC. 4. ENFORCEMENT.**

16 (a) RULEMAKING AUTHORITY.—The Federal Trade
17 Commission shall issue rules as necessary to carry out the
18 provisions of this Act within 180 days of enactment.

19 (b) ENFORCEMENT AUTHORITY.—A violation of this
20 Act, or standards issued pursuant to this Act, by a person,
21 partnership, or corporation operating an online platform
22 in or affecting commerce shall be an unfair method of
23 competition in violation of section 5(a)(1) of the Federal
24 Trade Commission Act (15 U.S.C. 45).

1 (c) PARENS PATRIAE.—Any attorney general of a
2 State may bring a civil action in the name of such State
3 for a violation of this Act as parens patriae on behalf of
4 natural persons residing in such State, in any district
5 court of the United States having jurisdiction of the de-
6 fendant, and may secure any form of relief provided for
7 in this section.

8 (d) PRIVATE RIGHT OF ACTION.—Notwithstanding
9 any mandatory arbitration agreement, any person who
10 shall be injured by reason of anything prohibited by this
11 act may bring a civil action in any district court of the
12 United States in the district in which the defendant re-
13 sides or is found or has an agent, without respect to the
14 amount in controversy, and shall recover threefold the
15 damages by the person sustained, and the cost of suit,
16 including a reasonable attorney’s fee.

17 **SEC. 5. DEFINITIONS.**

18 In this Act:

19 (1) CRITICAL TRADING PARTNERS.—The term
20 “critical trading partner” means any trading partner
21 that has the ability to restrict or impede—

22 (A) the access of a business user to its
23 users or customers; or

1 (B) the access of a business user to a tool
2 or service that it needs to effectively serve its
3 users or customers.

4 (2) THIRD-PARTY SELLER.—The term “third-
5 party seller” means any person or entity that sells
6 goods on a dominant platform but does not own or
7 control the platform.

8 (3) LEGALLY VALID STANDARD OF PROOF.—
9 The term “legally valid standard of proof” means
10 preponderance of the evidence or another applicable
11 legal threshold as determined appropriate by the
12 Federal Trade Commission.

13 (4) GATED PRODUCT.—The term “gated prod-
14 uct” means any product or category restricted by
15 the platform to approved sellers only.

16 **SEC. 6. RULE OF CONSTRUCTION.**

17 (a) IN GENERAL.—Nothing in this Act shall be con-
18 strued to limit any authority of the Attorney General or
19 the Federal Trade Commission under the antitrust laws
20 (as defined in the first section of the Clayton Act (15
21 U.S.C. 12)), the Federal Trade Commission Act (15
22 U.S.C. 41 et seq.), or any other provision of law or to
23 limit the application of any law.

24 (b) EFFECT ON SELLER STATUS UNDER OTHER
25 LAW.—Nothing in this Act, including the definitions in

1 section 5, or the designation of a person as a third-party
2 seller, may be construed to determine whether a critical
3 trading partner is a seller, merchant, distributor, supplier,
4 manufacturer, or any similar party under any Federal or
5 State law, including any law governing product liability,
6 breach of warranty, or consumer protection.

7 **SEC. 7. SEVERABILITY.**

8 If any provision of this Act, or the application of such
9 a provision to any person or circumstance, is held to be
10 unconstitutional, the remaining provisions of this Act, and
11 the application of the provision held to be unconstitutional
12 to any other person or circumstance, shall not be affected
13 thereby.

14 **SEC. 8. EFFECTIVE DATE.**

15 This Act shall take effect 180 days after the date of
16 enactment.

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