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February 2, 2022

Maryland General Assembly
House Economic Matters Committee

Dear Chairman Wilson, Vice-Chairman Crosby and Honorable Members of the Committee,

On behalf of The Home Depot and our 8,000 plus associates across the state of Maryland, we submit this written testimony in support of House Bill 295: Commercial Law - Consumer Protection – Online Marketplace Disclosure Requirements (INFORM Consumers Act of 2022) (HB 295), introduced by Delegate Qi.

Organized retail crime (ORC), a \$68.9 billion industry, puts Home Depot associates in harm's way, leaves consumers at risk of unknowingly buying potentially unsafe and tampered goods, and undermines legitimate businesses by forcing them to compete against deceptively cheap products. The lucrative nature and ease with which stolen goods can be sold via online marketplaces has created organized criminal rackets, which are often connected to other criminal activities such as human trafficking, drug trafficking, corruption, bribery, and money laundering.

Dominant online marketplaces must protect consumers from bad actors seeking to defraud consumers into believing their products are legitimate, and most importantly, safe. HB 295 is setting a basic verified seller standard to ensure legitimate small businesses can use the Internet to reach customers around the globe, and bad actors can be identified and stopped.

We understand and respect that law enforcement resources across the state of Maryland are already stretched thin. They need the tools and resources to investigate, track and prosecute organized criminal activity that targets Main Street stores and unsuspecting consumers. HB 295 will help pull back the veil on illegitimate high-volume sellers online, making it easier for law enforcement to differentiate between the good and bad actors.

Over twenty other states are considering similar legislation and the US Congress has a version of the INFORM Consumers Act under consideration. While a federal solution would be ideal, Maryland cannot wait for the US Congress to act, and continue to allow criminals to take advantage of vulnerable Marylanders and businesses.

We thank the Committee for hearing this bill and ask for a favorable report on House Bill 295.

Brian Gamberini
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The Home Depot, Mid-Atlantic Region