

COOL Online Act

Senators Baldwin and Vance introduce legislation to require country of origin labeling for imported products sold online

Background

When Americans shop in stores, they can see where an imported product was made. But when they shop online, they are buying blind; they cannot know whether a good was foreign-made. The reason is simple: country-of-origin labeling requirements do not apply to e-commerce.

Chinese companies have exploited this loophole. Just as they took over American shelves in the last two decades, Chinese-made goods are taking hold in online marketplaces. Chinese merchants now represent two-fifths of all sellers and 75 percent of new sellers on Amazon. American consumers are unwittingly enabling the Chinese takeover of e-commerce.

Most Americans want to fix the problem. According to a November 2022 poll by Morning Consult, 79 percent of Americans believe online retailers should be required to provide the same country-of-origin information as in-person retailers, and 81 percent would purchase more American-made goods if they could.

What the Bill Does

The COOL Online Act would require products sold online to include in the product description information about the product's country of origin and the seller's principal place of business. The legislation simply extends currently existing county-of-origin labeling requirements that already apply to imported products—to those same products when sold online.

The legislation does not add new labeling requirements—only imported products that are already required to be physically marked will be required to include the country-of-origin information in the online product description. The Federal Trade Commission is directed to enforce violations as an unfair or deceptive practice, though a safe harbor is provided to retailers who rely on country-of-origin information provided by a third-party manufacturer, importer, or distributor. Used articles, food products, and prescription drugs are exempt as are small sellers (with annual sales under \$20,000 and fewer than 200 sales).

Support

Thousands of American businesses and organizations from across the country support the COOL Online Act. The legislation was reported out of the Senate Commerce Committee in the 117th Congress by voice vote and passed the Senate as part of the United States Innovation and Competition Act in 2021.

To get information or to cosponsor this bill, please contact Brian Conlan brian_conlan@baldwin.senate.gov or Wells King at wells_king@vance.senate.gov.