

COOL Online Act

U.S. Senators Tammy Baldwin (D-WI) and Rick Scott (R-FL)

Bill updates our labeling laws for the e-commerce era

Problem: The COVID-19 pandemic is already radically reshaping American retail – consumers are staying home and buying their goods online. E-Commerce’s share of total retail sales has been steadily increasing each year, and the pandemic will accelerate that trend—years of change will be concentrated in several months.

Consumer interest in Made in the USA products has spiked as Americans grapple with how to support American industries during this crisis. Findings from [a recent IBM survey](#) of U.S. consumers revealed that the pandemic has created a priority for shopping local – with 25 percent of respondents indicating they are now shopping more often at locally owned stores and buying more locally made, grown, or sourced products.

U.S. country-of-origin labeling laws require products to display their country of origin prominently. That is why, in brick-and-mortar stores, consumers are able to pick up any product and read the country-of-origin information. *When consumers buy items online, websites do not display the country-of-origin for the product being sold because our labeling laws were written before the advent of online shopping.* Similarly, in-person consumers are also able to know where their sellers are located. They know where the retailer is paying taxes, and they see jobs created for American retail workers. *However, the online shoppers do not see the store, they only see a website, and therefore may not know where the seller is located.*

As e-commerce grows, it will pull more stores out of retail ground locations. The pandemic is projected to make big companies bigger, while many mom-and-pop stores will struggle to survive. Congress must act to support American industries.

Solution: The COOL Online Act ensures that online consumers get the same access to country-of-origin and seller location information that in-person shoppers have.

The bipartisan COOL Online Act will update our labeling laws for the e-commerce era by amending the Federal Trade Commission Act. Specifically, the bill requires:

- The country-of-origin labeling for a product, as required by existing law, be clearly and conspicuously stated in the website’s description of the product
- Clear disclosure of the country in which the seller of the product is located (and, if applicable, the country in which any parent corporation of such seller is located) in the online product listing

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