



Rep. John M. Cabello

Filed: 3/22/2024

10300HB4447ham003

LRB103 34729 SPS 71326 a

1 AMENDMENT TO HOUSE BILL 4447

2 AMENDMENT NO. _____. Amend House Bill 4447 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Data
5 Broker Registration Act.

6 Section 5. Definitions. As used in this Act:

7 "Brokered personal information" means one or more of the
8 following computerized data elements about an individual, if
9 categorized or organized for dissemination to third parties:

- 10 (1) name;
- 11 (2) address;
- 12 (3) date of birth;
- 13 (4) place of birth;
- 14 (5) mother's maiden name;
- 15 (6) unique biometric data generated from measurements
16 or technical analysis of human body characteristics used

1 by the owner or licensee of the data to identify or
2 authenticate the individual, such as a fingerprint, retina
3 or iris image, or other unique physical representation or
4 digital representation of biometric data;

5 (7) name or address of a member of the individual's
6 immediate family or household;

7 (8) social Security number or other government-issued
8 identification number; and

9 (9) other information that, alone or in combination
10 with the other information sold or licensed, would allow a
11 reasonable person to identify the individual with
12 reasonable certainty.

13 "Brokered personal information" does not include publicly
14 available information.

15 "Data broker" means a business or a unit of a business,
16 separately or together, that knowingly collects and sells or
17 licenses to third parties the brokered personal information of
18 an individual with whom the business does not have a direct
19 relationship. A direct relationship with a business includes
20 if the individual is a past or present: (i) customer, client,
21 subscriber, user, or registered user of the business's goods
22 or services; (ii) employee, contractor, or agent of the
23 business; (iii) investor in the business; or (iv) donor to the
24 business.

25 "Data broker" does not include a business that conducts
26 the following activities and the collection, sale, or

1 licensing of brokered personal information incidental to
2 conducting the activities:

3 (1) developing or maintaining third-party e-commerce
4 or application platforms;

5 (2) providing 411 directory assistance or directory
6 information services, including name, address, and
7 telephone number, on behalf of or as a function of a
8 telecommunications carrier;

9 (3) collecting or transmitting information to be
10 submitted to a State or federal agency for the purpose of
11 performing a lawful check of criminal history record
12 information using fingerprints or receiving the results of
13 that check;

14 (4) collecting, maintaining, disclosing, selling,
15 communicating, or using any personal information bearing
16 on a consumer's credit worthiness, credit standing, credit
17 capacity, character, general reputation, personal
18 characteristics, or mode of living by a consumer reporting
19 agency, furnisher, or user that provides information for
20 use in a consumer report, and by a user of a consumer
21 report, but only to the extent that the activity is
22 regulated by and authorized under the Fair Credit
23 Reporting Act, 15 U.S.C. 1681 et seq.;

24 (5) collecting, processing, selling, or disclosing
25 personal data in compliance with the federal Driver's
26 Privacy Protection Act of 1994, 18 U.S.C. 2721 et seq.; or

1 (6) preventing, detecting, protecting against, or
2 responding to security incidents, identity theft, fraud,
3 harassment, malicious or deceptive activities, or any
4 illegal activity; preserving the integrity or security of
5 systems; or investigating, reporting, or prosecuting
6 individuals responsible for any such action.

7 "Data broker" also does not include:

8 (1) financial institutions, affiliates of financial
9 institutions, or data subject to Title V of the
10 Gramm-Leach-Bliley Act, 15 U.S.C. 6801 et seq.;

11 (2) insurance companies and insurance support
12 organizations; or

13 (3) law enforcement agencies, law enforcement support
14 organizations, and law enforcement vendors.

15 "Publicly available information" means information that is
16 lawfully made available through federal, State, or local
17 government records or information that a business has a
18 reasonable basis to believe is lawfully made available to the
19 general public through widely distributed media, by the
20 consumer, or by a person to whom the consumer has disclosed the
21 information, unless the consumer has restricted the
22 information to a specific audience.

23 Section 10. Annual registration.

24 (a) Annually, on or before January 31, a data broker
25 operating in this State shall:

- 1 (1) register with the Secretary of State;
- 2 (2) pay a registration fee of \$100 for use by the
3 Secretary of State to administer and enforce this Section;
4 and
- 5 (3) provide the following information:
- 6 (A) the name and primary physical, e-mail, and
7 Internet addresses of the data broker;
- 8 (B) if the data broker permits an individual to
9 opt out of the data broker's collection of brokered
10 personal information, opt out of its databases, or opt
11 out of certain sales of data:
- 12 (i) the method for requesting an opt-out;
- 13 (ii) which activities or sales the opt-out
14 applies to; and
- 15 (iii) whether the data broker permits an
16 individual to authorize a third party to perform
17 the opt-out on the individual's behalf;
- 18 (C) a statement specifying the data collection,
19 databases or sales activities from which an individual
20 may not opt out;
- 21 (D) a statement whether the data broker implements
22 a purchaser credentialing process;
- 23 (E) the number of data broker security breaches
24 that the data broker has experienced during the prior
25 year and, if known, the total number of individuals
26 affected by the breaches;

1 (F) if the data broker has actual knowledge that
2 it possesses the brokered personal information of
3 minors, a separate statement detailing the data
4 collection practices, databases, sales activities, and
5 opt-out policies that are applicable to the brokered
6 personal information of minors; and

7 (G) any additional information or explanation the
8 data broker chooses to provide concerning its data
9 collection practices.

10 (b) The Secretary of State shall publish on its website a
11 list of registered data brokers and update the list annually.

12 (c) A data broker that fails to register as required under
13 this Section shall pay a civil penalty of \$50 for each day, not
14 to exceed a total of \$10,000 for each year, it fails to
15 register; (2) an amount equal to the fees due under this
16 Section during the period it failed to register as required
17 under this Section; and (3) other penalties imposed by law.

18 (d) The Secretary of State may revoke or suspend the
19 registration of an individual or entity for a period of up to
20 one year, or bar an individual or entity from applying for
21 registration for a period of up to one year, for failure to
22 register or to pay any fee, fine, or penalty under this Act.
23 All fees, fines, and penalties shall be paid prior to
24 reinstatement or registration of any individual or entity
25 required to register as a data broker.

26 (e) The Secretary of State may adopt rules to implement

1 and administer this Section.

2 Section 15. Enforcement. A violation of this Act
3 constitutes an unlawful practice under the Consumer Fraud and
4 Deceptive Business Practices Act. All remedies, penalties, and
5 authority granted to the Attorney General by the Consumer
6 Fraud and Deceptive Business Practices Act shall be available
7 to him or her for the enforcement of this Act.

8 Section 90. The Consumer Fraud and Deceptive Business
9 Practices Act is amended by adding Section 2EEEE and 2FFFF as
10 follows:

11 (815 ILCS 505/2EEEE new)

12 Sec. 2EEEE. Motor vehicle extended warranty.

13 (a) As used in this Section, "extended warranty" means any
14 contract or agreement indemnifying the service agreement
15 holder for the motor vehicle listed on the service agreement
16 and arising out of the ownership, operation, and use of the
17 motor vehicle against loss caused by failure of any mechanical
18 or other component part, or any mechanical or other component
19 part that does not function as it was originally intended.
20 "Extended warranty" does not include the usual performance
21 guarantees by manufacturers or dealers in connection with the
22 sale of motor vehicles.

23 (b) It is an unlawful practice within the meaning of this

1 Act for any person to solicit the purchase of an extended
2 warranty through the mail.

3 (c) This Section does not apply to the seller of a motor
4 vehicle who solicits the purchase of an extended warranty for
5 that motor vehicle.

6 (815 ILCS 505/2FFFF new)

7 Sec. 2FFFF. Violations of the Data Broker Registration
8 Act. Any person who violates the Data Broker Registration Act
9 commits an unlawful practice within the meaning of this Act.

10 Section 95. The Personal Information Protection Act is
11 amended by changing Section 5 as follows:

12 (815 ILCS 530/5)

13 Sec. 5. Definitions. In this Act:

14 "Data collector" may include, but is not limited to,
15 government agencies, public and private universities,
16 privately and publicly held corporations, financial
17 institutions, retail operators, and any other entity that, for
18 any purpose, handles, collects, disseminates, or otherwise
19 deals with nonpublic personal information.

20 "Breach of the security of the system data" or "breach"
21 means unauthorized acquisition of computerized data that
22 compromises the security, confidentiality, or integrity of
23 personal information maintained by the data collector. "Breach

1 of the security of the system data" does not include good faith
2 acquisition of personal information by an employee or agent of
3 the data collector for a legitimate purpose of the data
4 collector, provided that the personal information is not used
5 for a purpose unrelated to the data collector's business or
6 subject to further unauthorized disclosure.

7 "Health insurance information" means an individual's
8 health insurance policy number or subscriber identification
9 number, any unique identifier used by a health insurer to
10 identify the individual, or any medical information in an
11 individual's health insurance application and claims history,
12 including any appeals records.

13 "Medical information" means any information regarding an
14 individual's medical history, mental or physical condition, or
15 medical treatment or diagnosis by a healthcare professional,
16 including such information provided to a website or mobile
17 application.

18 "Personal information" means either of the following:

19 (1) An individual's first name or first initial and
20 last name in combination with any one or more of the
21 following data elements, when either the name or the data
22 elements are not encrypted or redacted or are encrypted or
23 redacted but the keys to unencrypt or unredact or
24 otherwise read the name or data elements have been
25 acquired without authorization through the breach of
26 security:

1 (A) Social Security number.

2 (B) Driver's license number or State
3 identification card number.

4 (C) Account number or credit or debit card number,
5 or an account number or credit card number in
6 combination with any required security code, access
7 code, or password that would permit access to an
8 individual's financial account.

9 (D) Medical information.

10 (E) Health insurance information.

11 (F) Unique biometric data generated from
12 measurements or technical analysis of human body
13 characteristics used by the owner or licensee to
14 authenticate an individual, such as a fingerprint,
15 retina or iris image, or other unique physical
16 representation or digital representation of biometric
17 data.

18 (G) Home purchasing information.

19 (2) User name or email address, in combination with a
20 password or security question and answer that would permit
21 access to an online account, when either the user name or
22 email address or password or security question and answer
23 are not encrypted or redacted or are encrypted or redacted
24 but the keys to unencrypt or unredact or otherwise read
25 the data elements have been obtained through the breach of
26 security.

1 "Personal information" does not include publicly available
2 information that is lawfully made available to the general
3 public from federal, State, or local government records.
4 (Source: P.A. 99-503, eff. 1-1-17.)".