AN ACT concerning computer technology.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 1. Short title. This Act may be cited as the Data Security on State Computers Act.

Section 5. Findings. The General Assembly finds that:

- (a) The Massachusetts Institute of Technology, in a recent study, discovered that many companies and individuals are regularly selling or donating computer hard drives with sensitive information still on them, such as credit card numbers, bank and medical records, and personal e-mail.
- (b) Illinois currently has no law addressing data security and removal of data from surplus State-owned computers that are to be (i) disposed of by sale, donation, or transfer or (ii) relinquished to a successor executive administration.
- (c) In order to ensure the protection of sensitive information relating to the State and its citizens, it is necessary to implement policies to (i) overwrite all hard drives of surplus State-owned electronic data processing equipment that are to be sold, donated, or transferred and (ii) preserve the data on State-owned electronic data processing equipment that is to be relinquished to a successor executive administration for the continuity of government functions.

Section 10. Purpose. The purpose of this Act is to (i) require the Department of Central Management Services or any other authorized agency that disposes of surplus electronic data processing equipment by sale, donation, or transfer to implement a policy mandating that computer hardware be

cleared of all data and software before disposal by sale, donation, or transfer and (ii) require the head of each Agency to establish a system for the protection and preservation of State data on State-owned electronic data processing equipment necessary for the continuity of government functions upon relinquishment of the equipment to a successor executive administration.

Section 15. Definitions. As used in this Act:

"Agency" means all parts, boards, and commissions of the executive branch of State government, including, but not limited to, State colleges and universities and their governing boards and all departments established by the Civil Administrative Code of Illinois.

"Disposal by sale, donation, or transfer" includes, but is not limited to, the sale, donation, or transfer of surplus electronic data processing equipment to other agencies, schools, individuals, and not-for-profit agencies.

"Electronic data processing equipment" includes, but is not limited to, computer (CPU) mainframes, and any form of magnetic storage media.

"Authorized agency" means an agency authorized by the Department of Central Management Services to sell or transfer electronic data processing equipment under Sections 5010.1210 and 5010.1220 of Title 44 of the Illinois Administrative Code.

"Department" means the Department of Central Management Services.

"Overwrite" means the replacement of previously stored information with a pre-determined pattern of meaningless information.

Section 20. Establishment and implementation. The Data Security on State Computers Act is established to protect

sensitive data stored on State-owned electronic processing equipment to be (i) disposed of by sale, donation, or transfer or (ii) relinquished to a successor executive administration. This Act shall be administered by Department or an authorized agency. The Department or an authorized agency shall implement a policy to mandate that hard drives of surplus electronic data processing all equipment be cleared of all data and software before being prepared for sale, donation, or transfer by (i) overwriting the previously stored data on a drive or a disk at least 10 times and (ii) certifying in writing that the overwriting process has been completed by providing the following information: (1) the serial number of the computer or other surplus electronic data processing equipment; (2) the name of the overwriting software used; and (3) the name, date, and signature of the person performing the overwriting process. The head of each State agency shall establish a system for the protection and preservation of State data on State-owned electronic data processing equipment necessary for the continuity of government functions upon it being relinquished to a successor executive administration.

Section 50. The Public Utilities Act is amended by changing Section 13-301.3 as follows:

(220 ILCS 5/13-301.3)

(Section scheduled to be repealed on July 1, 2005)

Sec. 13-301.3. Digital Divide Elimination Infrastructure Program.

(a) The Digital Divide Elimination Infrastructure Fund is created as a special fund in the State treasury. All moneys in the Fund shall be used, subject to appropriation, by the Commission to fund the construction of facilities specified in Commission rules adopted under this Section. The

Commission may accept private and public funds, including federal funds, for deposit into the Fund. Earnings attributable to moneys in the Fund shall be deposited into the Fund.

(b) The Commission shall adopt rules under which it will make grants out of funds appropriated from the Digital Divide Elimination Infrastructure Fund to eligible entities as specified in the rules for the construction of high-speed data transmission facilities in <u>eligible</u> areas of the State. For purposes of determining whether an area is an eligible area, the Commission shall consider, among other things, whether (i) in such area, advanced telecommunications services, as defined in subsection (c) of Section 13-517 of this Act, are under-provided to residential or small business end users, either directly or indirectly through an Internet Service Provider, (ii) such area has a low population density, and (iii) such area has not yet developed a competitive market for advanced services. In addition, if an entity seeking a grant of funds from the Digital Divide Elimination Infrastructure Fund is an for-which-the incumbent local exchange carrier having the duty to serve such area, and the obligation to provide advanced services to such area pursuant to Section 13-517 of this Act, the entity shall demonstrate that it has sought and obtained an exemption from such obligation pursuant to subsection (b) of Section 13-517. Any entity seeking a grant of funds from the Digital Divide Elimination Infrastructure Fund shall demonstrate to the Commission that the grant shall be used for the construction of high-speed data transmission facilities in an eligible area and demonstrate that it satisfies all other requirements of the Commission's rules. The Commission shall determine the information that it deems necessary to award grants pursuant to this Section. based-upon-a-Commission finding-that-provision-of-such-advanced-services-to-customers

in-such-area-is-either-unduly-economically-burdensome-or-will impose-a-significant-adverse--economic--impact--on--users--of telecommunications-services-generally.

- (c) The rules of the Commission shall provide for the competitive selection of recipients of grant funds available from the Digital Divide Elimination Infrastructure Fund pursuant to the Illinois Procurement Code. Grants shall be awarded to bidders chosen on the basis of the criteria established in such rules.
- (d) All entities awarded grant moneys under this Section shall maintain all records required by Commission rule for the period of time specified in the rules. Such records shall be subject to audit by the Commission, by any auditor appointed by the State, or by any State officer authorized to conduct audits.

(Source: P.A. 92-22, eff. 6-30-01.)

Section 99. Effective date. This Act takes effect upon becoming law.