



Rep. Rita Mayfield

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10400HB4538ham004

LRB104 17029 SPS 36904 a

1 AMENDMENT TO HOUSE BILL 4538

2 AMENDMENT NO. _____. Amend House Bill 4538, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the
6 Identity Verification for Consumer Services Act.

7 Section 5. Purpose. The purpose of this Act is to protect
8 Illinois residents from identity theft by establishing
9 mandatory identity verification standards before allowing the
10 issuance of services that involve personal identifying
11 information, including credit services, telecommunications,
12 utilities, online platforms, healthcare access, and government
13 benefit systems.

14 Section 10. Definitions. As used in this Act:

15 "Covered service" means any utility, telecommunications,

1 credit account, online financial account, government benefit,
2 or other service that uses personal identifying information to
3 authorize access or extend service to those accounts or
4 benefits. "Covered service" includes any service that involves
5 a high-risk transaction. "Covered service" does not include
6 any public utility as defined in Section 3-105 of the Public
7 Utilities Act, alternative retail electric supplier as defined
8 in Section 16-102 of the Public Utilities Act, or alternative
9 gas supplier as defined in Section 19-105 of the Public
10 Utilities Act.

11 "High-risk transaction" means any transaction involving
12 the transfer of funds, issuance of credit, remote access to
13 financial records, or any financial service activation that
14 may expose personal identifying information.

15 "Identity theft" means the unauthorized acquisition and
16 use of personal identifying information to fraudulently obtain
17 credit, benefits, or services.

18 "Identity verification" means the process of verifying a
19 person's identity using 2 of the following forms of
20 authentication:

21 (1) valid, government-issued photo identification;

22 (2) proof of address, such as a recent utility bill,
23 bank statement, or rental lease;

24 (3) biometric data, such as a fingerprint or facial
25 scan;

26 (4) secure digital verification through multi-factor

1 authentication; or

2 (5) knowledge-based authentication.

3 "Personal identifying information" includes, but is not
4 limited to, full name, date of birth, social security number,
5 driver's license or State identification card number, passport
6 number, biometric identifiers, physical address, email
7 address, telephone number, financial account numbers,
8 insurance policy numbers, and medical or health-related
9 information.

10 Section 15. Identity verification requirements. An entity
11 that engages in a high-risk transaction involving a covered
12 service shall use identity verification to verify a person's
13 identity before initiating or modifying an agreement to
14 provide the covered service.

15 Section 20. Recordkeeping. An entity that provides a
16 covered service shall securely retain a record of the
17 documentation collected under the identity verification
18 process required under Section 15 for 3 years after the
19 identity verification or as long as needed for identity
20 verification purposes.

21 Section 25. Exemptions. The following are exempt from the
22 requirements of this Act:

23 (1) services exclusively performed using in-person

1 physical identification checks;

2 (2) services for individuals under the age of 13 with
3 verified parental consent, as required under State and
4 federal law;

5 (3) entities that are already subject to more
6 stringent federal identity verification regulations,
7 including, but not limited to, the customer identification
8 program regulations adopted by the Financial Crimes
9 Enforcement Network of the United States Department of the
10 Treasury;

11 (4) the Early Intervention Program when acting in
12 accordance with 89 Ill. Adm. Code 500 and regulations
13 adopted under Part C of the Individuals with Disabilities
14 Education Act (34 CFR 303.112(b)) for the purpose of
15 verifying identities; and

16 (5) the Child Care Assistance Program when acting in
17 accordance with 89 Ill. Adm. Code 500 and regulations
18 adopted under the Child Care and Development Block Grant
19 Act (45 CFR 98.20(c)) for the purpose of verifying
20 identities.

21 Section 30. Enforcement. A violation of this Act
22 constitutes an unlawful practice under the Consumer Fraud and
23 Deceptive Business Practices Act. All remedies, penalties, and
24 authority granted to the Attorney General by the Consumer
25 Fraud and Deceptive Business Practices Act shall be available

1 to the Attorney General for the enforcement of this Act.

2 Section 35. Whistleblower protections. Any employee or
3 agent of an entity that provides a covered service in this
4 State who reports in good faith the entity's noncompliance
5 with this Act shall be protected under the Whistleblower Act.

6 Section 40. Home rule. A home rule unit may not regulate
7 identity verification in a manner inconsistent with the
8 regulation by the State of identity verification under this
9 Act. This Section is a limitation under subsection (i) of
10 Section 6 of Article VII of the Illinois Constitution on the
11 concurrent exercise by home rule units of powers and functions
12 exercised by the State.

13 Section 90. The Consumer Fraud and Deceptive Business
14 Practices Act is amended by adding Section 2MMMM as follows:

15 (815 ILCS 505/2MMMM new)

16 Sec. 2MMMM. Violations of the Identity Verification for
17 Consumer Services Act. Any person who violates the Identity
18 Verification for Consumer Services Act commits an unlawful
19 practice within the meaning of this Act.

20 Section 99. Effective date. This Act takes effect January
21 1, 2027."