



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4447

Introduced 1/16/2024, by Rep. John M. Cabello

SYNOPSIS AS INTRODUCED:

815 ILCS 505/2EEEE new
815 ILCS 530/5
815 ILCS 530/55 new

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that it is an unlawful practice within the meaning of the Act for any person to solicit the purchase of an extended warranty through the mail. Amends the Personal Information Protection Act. Provides that, annually, on or before January 31, a data broker operating in the State shall: (1) register with the Secretary of State; (2) pay a registration fee of \$100; and (3) provide specified information. Provides penalties for data brokers that fail to register with the Secretary of State. Provides that the Attorney General may maintain an action in circuit court to collect penalties and to seek injunctive relief. Defines "data broker" and "brokered personal information".

LRB103 34729 SPS 64577 b

1 AN ACT concerning business.

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

4 Section 5. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by adding Section 2EEEE as follows:

6 (815 ILCS 505/2EEEE new)

7 Sec. 2EEEE. Motor vehicle extended warranty.

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

18 (b) It is an unlawful practice within the meaning of this
19 Act for any person to solicit the purchase of an extended
20 warranty through the mail.

21 Section 10. The Personal Information Protection Act is
22 amended by changing Section 5 and by adding Section 55 as

1 follows:

2 (815 ILCS 530/5)

3 Sec. 5. Definitions. In this Act:

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

7 (1) Name.

8 (2) Address.

9 (3) Date of birth.

10 (4) Place of birth.

11 (5) Mother's maiden name.

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

18 (7) name or address of a member of the individual's
19 immediate family or household.

20 (8) Social Security number or other government-issued
21 identification number.

22 (9) Other information that, alone or in combination
23 with the other information sold or licensed, would allow a
24 reasonable person to identify the individual with
25 reasonable certainty.

1 "Brokered personal information" does not include publicly
2 available information to the extent that it is related to an
3 individual's business or profession.

4 "Data broker" means a business or a unit of a business,
5 separately or together, that knowingly collects and sells or
6 licenses to third parties the brokered personal information of
7 an individual with whom the business does not have a direct
8 relationship. A direct relationship with a business includes
9 if the individual is a past or present: (i) customer, client,
10 subscriber, user, or registered user of the business's goods
11 or services; (ii) employee, contractor, or agent of the
12 business; (iii) investor in the business; or (iv) donor to the
13 business.

14 "Data broker" does not include a business that conducts
15 the following activities and the collection, sale, or
16 licensing of brokered personal information incidental to
17 conducting the activities:

18 (1) developing or maintaining third-party e-commerce
19 or application platforms; or

20 (2) providing 411 directory assistance or directory
21 information services, including name, address, and
22 telephone number, on behalf of or as a function of a
23 telecommunications carrier;

24 "Data collector" may include, but is not limited to,
25 government agencies, public and private universities,
26 privately and publicly held corporations, financial

1 institutions, retail operators, and any other entity that, for
2 any purpose, handles, collects, disseminates, or otherwise
3 deals with nonpublic personal information.

4 "Breach of the security of the system data" or "breach"
5 means unauthorized acquisition of computerized data that
6 compromises the security, confidentiality, or integrity of
7 personal information maintained by the data collector. "Breach
8 of the security of the system data" does not include good faith
9 acquisition of personal information by an employee or agent of
10 the data collector for a legitimate purpose of the data
11 collector, provided that the personal information is not used
12 for a purpose unrelated to the data collector's business or
13 subject to further unauthorized disclosure.

14 "Health insurance information" means an individual's
15 health insurance policy number or subscriber identification
16 number, any unique identifier used by a health insurer to
17 identify the individual, or any medical information in an
18 individual's health insurance application and claims history,
19 including any appeals records.

20 "Medical information" means any information regarding an
21 individual's medical history, mental or physical condition, or
22 medical treatment or diagnosis by a healthcare professional,
23 including such information provided to a website or mobile
24 application.

25 "Personal information" means either of the following:

26 (1) An individual's first name or first initial and

1 last name in combination with any one or more of the
2 following data elements, when either the name or the data
3 elements are not encrypted or redacted or are encrypted or
4 redacted but the keys to unencrypt or unredact or
5 otherwise read the name or data elements have been
6 acquired without authorization through the breach of
7 security:

8 (A) Social Security number.

9 (B) Driver's license number or State
10 identification card number.

11 (C) Account number or credit or debit card number,
12 or an account number or credit card number in
13 combination with any required security code, access
14 code, or password that would permit access to an
15 individual's financial account.

16 (D) Medical information.

17 (E) Health insurance information.

18 (F) Unique biometric data generated from
19 measurements or technical analysis of human body
20 characteristics used by the owner or licensee to
21 authenticate an individual, such as a fingerprint,
22 retina or iris image, or other unique physical
23 representation or digital representation of biometric
24 data.

25 (G) Motor vehicle purchasing information.

26 (H) Home purchasing information.

1 (i) the method for requesting an opt-out;
2 (ii) which activities or sales the opt-out
3 applies to; and

4 (iii) whether the data broker permits an
5 individual to authorize a third party to perform
6 the opt-out on the individual's behalf;

7 (C) a statement specifying the data collection,
8 databases or sales activities from which an individual may
9 not opt out;

10 (D) a statement whether the data broker implements
11 a purchaser credentialing process;

12 (E) the number of data broker security breaches
13 that the data broker has experienced during the prior year
14 and, if known, the total number of individuals affected by
15 the breaches;

16 (F) if the data broker has actual knowledge that
17 it possesses the brokered personal information of minors,
18 a separate statement detailing the data collection
19 practices, databases, sales activities, and opt-out
20 policies that are applicable to the brokered personal
21 information of minors; and

22 (G) any additional information or explanation the
23 data broker chooses to provide concerning its data
24 collection practices.

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

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

7 (d) The Attorney General may maintain an action in circuit
8 court to collect the penalties imposed by this Section and to
9 seek injunctive relief.