



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4985

by Rep. Nabeela Syed

SYNOPSIS AS INTRODUCED:

New Act

Creates the Surveillance-Based Price Discrimination Act. Provides that a person shall not use surveillance data as part of an automated decision system to inform the individualized price assessed to a consumer for goods or services. Sets forth exemptions to the provision. Provides that the Attorney General shall enforce the Act. Sets forth provisions concerning private rights of action and penalties for violations.

LRB104 17757 SPS 31189 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 1. Short title. This Act may be cited as the
5 Surveillance-Based Price Discrimination Act.

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

7 "Automated decision system" means any system, software, or
8 process, including one derived from machine learning,
9 statistics, or other data processing or artificial
10 intelligence techniques and excluding passive computing
11 infrastructure, that uses computation, the result of which is
12 used to assist or replace human decision-making.

13 "Behaviors" mean an individual's observable, measurable,
14 or inferred actions, habits, preferences, interests, or
15 vulnerabilities, including an individual's political,
16 personal, or professional affiliations, web browsing history,
17 purchase history, financial circumstances, or consumer
18 behaviors.

19 "Biometric information" means data or information
20 generated by the technological, processing, measurement, or
21 analysis of a consumer's biological, physical, or behavioral
22 characteristics, that can be used for the purpose of uniquely
23 identifying an individual. "Biometric information" includes

1 fingerprints, voiceprints, scans or records of an eye retina
2 or iris, facial maps, facial geometry, facial templates,
3 genetic information, or other unique biological, physical, or
4 behavioral patterns or characteristics.

5 "Consumer" has the meaning set forth in the Consumer Fraud
6 and Deceptive Business Practices Act.

7 "Genetic information" has the meaning set forth in the
8 Health Insurance Portability and Accountability Act of 1996,
9 as specified in 45 CFR 160.103.

10 "Individualized" means specific to an individual or group,
11 band, class, or tier of individuals with particular personal
12 characteristics, behaviors, or biometric information.

13 "Insurer" means every person engaged as principal,
14 indemnitor, surety, or contractor in the business of making
15 insurance contracts.

16 "Personal characteristics" means individual qualities,
17 features, attributes, or traits, including immutable
18 characteristics, such as race and eye color, mutable
19 characteristics, such as address, weight, citizenship, or
20 parenthood status, and any other personally identifiable
21 information that could be used to identify an individual,
22 including social security number, name, or phone number.

23 "Price" means the amount charged to a consumer in relation
24 to a transaction, including all related costs and fees, and
25 any other material terms of the transaction that has a direct
26 bearing on the amount paid by the consumer or the value of the

1 good or service to the consumer.

2 "Surveillance data" means data obtained through
3 observation, inference, or surveillance of a consumer that is
4 related to personal characteristics, behaviors, or biometric
5 information of the individual or group, band, class, or tier
6 of individuals of which the individual is a part.
7 "Surveillance data" includes information gathered, purchased,
8 or otherwise acquired.

9 Section 10. Prohibit surveillance-based price
10 discrimination.

11 (a) A person shall not use surveillance data as part of an
12 automated decision system to inform the individualized price
13 assessed to a consumer for goods or services. A person does not
14 violate this subsection if the person assesses different
15 prices to different consumers based on the cost of providing
16 the good or service to the different consumers.

17 (b) This Section shall not apply to:

18 (1) an insurer in compliance with the Illinois
19 Insurance Code that only uses risk-relevant data as part
20 of an automated decision system that informs decisions
21 related to any costs assessed to a consumer for an
22 insurance policy; or

23 (2) an entity that declines to extend credit at
24 specific terms to a consumer or enter into a transaction
25 with a consumer based on data provided in a consumer

1 report in compliance with the Fair Credit Reporting Act.

2 Section 15. Enforcement. The Attorney General shall
3 enforce this Act. A person who violates this Act shall be
4 subject to a civil penalty not to exceed \$10,000 for each
5 violation and reasonable attorney's fees. A violation of any
6 provision of this Act shall constitute a separate violation
7 with respect to each consumer or transaction.

8 Section 20. Private right of action.

9 (a) A person aggrieved by a violation of this Act may bring
10 a civil action on behalf of themselves or a group of similarly
11 situated persons to restrain further violations and to recover
12 damages, costs, and reasonable attorney's fees, including the
13 greater of:

14 (1) the amount of actual damages sustained;

15 (2) \$3,000 for each violation; or

16 (3) 3 times the amount of actual damages sustained, if
17 it is established by clear and convincing evidence that
18 the person who violated this Act engaged in bad faith
19 conduct or intentionally violated this Act.

20 (b) A violation of any provision of this Act shall
21 constitute a separate violation with respect to each consumer
22 or transaction.

23 Section 25. Relationship with other laws. Nothing in this

1 Act, including the enforcement authority granted to the
2 Attorney General, preempts or otherwise affects any other
3 right, claim, remedy, presumption, or defense available at law
4 or in equity.

5 Section 30. Rulemaking. The Attorney General may adopt
6 rules necessary to implement and enforce this Act.