

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 Digital Purchase Transparency Act.

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

7 "Blockchain-based asset" means a digital good whose
8 ownership and access are verified through a decentralized
9 ledger technology and that cannot be unilaterally revoked or
10 altered by the seller after the transaction.

11 "Clear and conspicuous" means in a manner that clearly
12 calls attention to the language. "Clear and conspicuous"
13 includes using larger type than the surrounding text, using
14 contrasting type, font, or color to the surrounding text of
15 the same size, and setting off the surrounding text by using
16 symbols or other marks.

17 "Digital application or game" means an application or game
18 that a person accesses and manipulates using a specialized
19 electronic gaming device, computer, mobile device, tablet, or
20 other device with a display screen, including any add-ons or
21 additional content for that application or game.

22 "Digital audio work" means a work that results from the
23 fixation of a series of musical, spoken, or other sounds that

1 are transferred electronically, including prerecorded or live
2 songs, music, oral readings of books or other written
3 materials, speeches, ringtones, and other sound recordings.

4 "Digital audiovisual work" means a series of related
5 images and accompanying sounds that, when shown in succession,
6 impart an impression of motion, including motion pictures,
7 musicals, videos, news and entertainment programs, and live
8 events.

9 "Digital book" means a work that is generally recognized,
10 in the ordinary and usual sense, as a book of fiction or
11 nonfiction and that is transferred electronically.

12 "Digital code" means a code that provides the person who
13 holds the code a right to obtain an additional digital good or
14 a digital audiovisual work, digital audio work, or digital
15 book that may be obtained by any means, including tangible
16 forms and electronic mail, regardless of whether the code is
17 designated as song code, video code, or book code. "Digital
18 code" includes: (i) codes that are used to access or obtain any
19 specified digital goods or any additional digital goods that
20 have been previously purchased; and (ii) promotion cards or
21 codes that are purchased by a retailer or other business
22 entity for use by the retailer's or entity's customers.

23 "Digital good" includes, whether electronically or
24 digitally delivered or accessed, a digital audiovisual work,
25 digital audio work, digital book, digital code, or digital
26 application or game. "Digital good" does not include a cable

1 television service; satellite relay television service;
2 Internet access service; telecommunications service; or any
3 other distribution of television, video, radio, Internet, or
4 telecommunications service. "Digital good" also does not
5 include any service that is clearly and conspicuously
6 identified at the point of sale as being a monthly
7 subscription service.

8 Section 10. Required disclosures.

9 (a) It is unlawful for a seller of a digital good to offer
10 for sale or advertise a digital good to a consumer using the
11 terms "buy" or "purchase" or any other term that a reasonable
12 person would understand to confer an ownership interest in
13 that digital good unless either:

14 (1) at the time of each transaction, the seller:

15 (A) provides to the consumer a complete list of
16 restrictions and conditions for the license, including
17 any circumstances under which access may be revoked;
18 and

19 (B) receives an affirmative acknowledgment from
20 the consumer that the consumer received from the
21 seller:

22 (i) a license to access the digital good; and

23 (ii) a notice that the seller may unilaterally
24 revoke access to the digital good if the seller no
25 longer holds the right to the digital good; or

1 (2) before executing each transaction, the seller
2 provides to the consumer a clear and conspicuous statement
3 that: (i) states in plain language that buying or
4 purchasing a digital good is a license; and (ii) includes
5 a hyperlink, quick response code, URL, or other similar
6 method to access the terms and conditions of the license.

7 Any affirmative acknowledgment from the consumer or clear
8 and conspicuous statement required under this subsection shall
9 be distinct and separate from any other terms and conditions
10 of the transaction.

11 (b) This Section does not require a person to download a
12 digital good or prohibit a person from storing a digital good
13 on a server for access through the Internet.

14 Section 15. Limitations. This Act does not apply to:

15 (1) a subscription-based service that advertises or
16 offers for sale access to any digital good solely for the
17 duration of the subscription;

18 (2) a digital good that is advertised or offered to a
19 person without monetary consideration;

20 (3) a digital good that is advertised or offered to a
21 person and that the seller cannot revoke access to after
22 the transaction, including making the digital good
23 available at the time of purchase for permanent offline
24 download to an external storage source to be used without
25 a connection to the Internet;

1 (4) a blockchain-based asset, including a non-fungible
2 token, where ownership is decentralized and not subject to
3 unilateral revocation by the seller;

4 (5) an educational or noncommercial digital good that
5 is provided by a public library, educational institution,
6 or open-source platform; or

7 (6) content owners or licensors whose digital goods
8 are sold by a third party.

9 Section 20. Enforcement. A violation of any of the
10 provisions of this Act is an unlawful practice under the
11 Consumer Fraud and Deceptive Business Practices Act. All
12 remedies, penalties, and authority granted to the Attorney
13 General by that Act shall be available to the Attorney General
14 for the enforcement of this Act.

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

17 (815 ILCS 505/2MMMM new)

18 Sec. 2MMMM. Violations of the Digital Purchase
19 Transparency Act. Any person who violates the Digital Purchase
20 Transparency Act commits an unlawful practice within the
21 meaning of this Act.