

SB1624



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB1624

Introduced 2/15/2019, by Sen. Suzy Glowiak

SYNOPSIS AS INTRODUCED:

815 ILCS 530/10
815 ILCS 530/55 new

Amends the Personal Information Protection Act. Provides that a data collector required to report breaches to more than 100 Illinois residents as a result of a single breach must also report to the Attorney General. Provides that the Attorney General shall report to the General Assembly specified information concerning breaches of data security by February 1 of each year.

LRB101 10546 JLS 55652 b

A BILL FOR

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 Personal Information Protection Act is
5 amended by changing Section 10 and by adding Section 55 as
6 follows:

7 (815 ILCS 530/10)

8 Sec. 10. Notice of breach; notice to Attorney General.

9 (a) Any data collector that owns or licenses personal
10 information concerning an Illinois resident shall notify the
11 resident at no charge that there has been a breach of the
12 security of the system data following discovery or notification
13 of the breach. The disclosure notification shall be made in the
14 most expedient time possible and without unreasonable delay,
15 consistent with any measures necessary to determine the scope
16 of the breach and restore the reasonable integrity, security,
17 and confidentiality of the data system. The disclosure
18 notification to an Illinois resident shall include, but need
19 not be limited to, information as follows:

20 (1) With respect to personal information as defined in
21 Section 5 in paragraph (1) of the definition of "personal
22 information":

23 (A) the toll-free numbers and addresses for

1 consumer reporting agencies;

2 (B) the toll-free number, address, and website
3 address for the Federal Trade Commission; and

4 (C) a statement that the individual can obtain
5 information from these sources about fraud alerts and
6 security freezes.

7 (2) With respect to personal information defined in
8 Section 5 in paragraph (2) of the definition of "personal
9 information", notice may be provided in electronic or other
10 form directing the Illinois resident whose personal
11 information has been breached to promptly change his or her
12 user name or password and security question or answer, as
13 applicable, or to take other steps appropriate to protect
14 all online accounts for which the resident uses the same
15 user name or email address and password or security
16 question and answer.

17 The notification shall not, however, include information
18 concerning the number of Illinois residents affected by the
19 breach.

20 (b) Any data collector that maintains or stores, but does
21 not own or license, computerized data that includes personal
22 information that the data collector does not own or license
23 shall notify the owner or licensee of the information of any
24 breach of the security of the data immediately following
25 discovery, if the personal information was, or is reasonably
26 believed to have been, acquired by an unauthorized person. In

1 addition to providing such notification to the owner or
2 licensee, the data collector shall cooperate with the owner or
3 licensee in matters relating to the breach. That cooperation
4 shall include, but need not be limited to, (i) informing the
5 owner or licensee of the breach, including giving notice of the
6 date or approximate date of the breach and the nature of the
7 breach, and (ii) informing the owner or licensee of any steps
8 the data collector has taken or plans to take relating to the
9 breach. The data collector's cooperation shall not, however, be
10 deemed to require either the disclosure of confidential
11 business information or trade secrets or the notification of an
12 Illinois resident who may have been affected by the breach.

13 (b-5) The notification to an Illinois resident required by
14 subsection (a) of this Section may be delayed if an appropriate
15 law enforcement agency determines that notification will
16 interfere with a criminal investigation and provides the data
17 collector with a written request for the delay. However, the
18 data collector must notify the Illinois resident as soon as
19 notification will no longer interfere with the investigation.

20 (c) For purposes of this Section, notice to consumers may
21 be provided by one of the following methods:

22 (1) written notice;

23 (2) electronic notice, if the notice provided is
24 consistent with the provisions regarding electronic
25 records and signatures for notices legally required to be
26 in writing as set forth in Section 7001 of Title 15 of the

1 United States Code; or

2 (3) substitute notice, if the data collector
3 demonstrates that the cost of providing notice would exceed
4 \$250,000 or that the affected class of subject persons to
5 be notified exceeds 500,000, or the data collector does not
6 have sufficient contact information. Substitute notice
7 shall consist of all of the following: (i) email notice if
8 the data collector has an email address for the subject
9 persons; (ii) conspicuous posting of the notice on the data
10 collector's web site page if the data collector maintains
11 one; and (iii) notification to major statewide media or, if
12 the breach impacts residents in one geographic area, to
13 prominent local media in areas where affected individuals
14 are likely to reside if such notice is reasonably
15 calculated to give actual notice to persons whom notice is
16 required.

17 (d) Notwithstanding any other subsection in this Section, a
18 data collector that maintains its own notification procedures
19 as part of an information security policy for the treatment of
20 personal information and is otherwise consistent with the
21 timing requirements of this Act, shall be deemed in compliance
22 with the notification requirements of this Section if the data
23 collector notifies subject persons in accordance with its
24 policies in the event of a breach of the security of the system
25 data.

26 (e) (1) This subsection does not apply to data collectors

1 that are covered entities or business associates and are in
2 compliance with Section 50.

3 (2) Any data collector required to issue notice pursuant to
4 this Section to more than 100 Illinois residents as a result of
5 a single breach of the security system shall provide notice to
6 the Attorney General of the breach, including:

7 (A) A description of the nature of the breach of
8 security or unauthorized acquisition or use.

9 (B) The number of Illinois residents affected by such
10 incident at the time of notification.

11 (C) Any steps the data collector has taken or plans to
12 take relating to the incident.

13 Such notification must be made within 14 business days of
14 the data collector's discovery of the security breach, or when
15 the data collector provides notice to consumers pursuant to
16 this Section, whichever is sooner. If the date of the breach is
17 unknown at the time the notice is sent to the Attorney General,
18 the data collector shall send the Attorney General the date of
19 the breach as soon as possible.

20 (3) Any data collector that maintains or stores, but does
21 not own or license, computerized data that includes personal
22 information that is required to notify the owner or licensee of
23 the information that there has been a breach of the security of
24 the data, shall notify the Attorney General of the following:

25 (A) A description of the nature of the breach of
26 security or unauthorized acquisition or use.

1 (B) The number of Illinois residents affected by such
2 incident at the time of notification.

3 (C) Any steps the data collector has taken or plans to
4 take relating to the incident, including the steps the data
5 collector has taken to inform the owner or licensee of the
6 breach and what measures, if any, the data collector has
7 taken to notify Illinois residents.

8 Such notification must be made within 14 business days of
9 the data collector's discovery of the security breach, or when
10 the data collector provides notice to the owner or licensee of
11 the information pursuant to this section, whichever is sooner.
12 If the date of the breach is unknown at the time the notice is
13 sent to the Attorney General, the data collector shall send the
14 Attorney General the date of the breach as soon as possible.

15 (Source: P.A. 99-503, eff. 1-1-17; 100-201, eff. 8-18-17.)

16 (815 ILCS 530/55 new)

17 Sec. 55. Report to General Assembly. The Attorney General
18 shall report to the General Assembly by February 1 of each year
19 the following:

20 (1) the total number of Illinois residents affected by
21 a breach of security in the preceding calendar year;

22 (2) the total number of breaches of security affecting
23 more than 100 Illinois residents as a result of a single
24 breach in the preceding calendar year;

25 (3) the total number of records breached;

- 1 (4) the mean and median breach size;
- 2 (5) the types of data most commonly breached including,
3 but not limited to, social security numbers, drivers'
4 license numbers, financial account numbers, medical or
5 health insurance information, and credentials for online
6 accounts;
- 7 (6) the most common types of breaches including, but
8 not limited to, malware, hacking, physical breaches, and
9 breaches caused by error or misuse;
- 10 (7) the industry sectors most affected by security
11 breaches;
- 12 (8) the number of breaches for which there was no
13 compliance with the notice requirements of this Act; and
- 14 (9) any other information the Attorney General deems
15 relevant.