

Sen. Sue Rezin

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## 10300SB1126sam001

LRB103 05565 SPS 58495 a

1 AMENDMENT TO SENATE BILL 1126 2 AMENDMENT NO. . Amend Senate Bill 1126 by replacing everything after the enacting clause with the following: 3 "Section 1. Short title. This Act may be cited as the 4 5 Illinois Age-Appropriate Design Code Act. 6 Section 5. Definitions. As used in this Act: 7 "Child" or "children", unless otherwise specified, means a 8 consumer or consumers who are under 18 years of age. "Data protection impact assessment" means a systematic 9 survey to assess and mitigate risks that arise from the data 10 management practices of the business to children who are 11 12 reasonably likely to access the online service, product, or 13 feature at issue that arises from the provision of that online 14 service, product, or feature. 15 "Default" means a preselected option adopted by the

business for the online service, product, or feature.

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"Likely to be accessed by children" means it is reas	onable
to expect, based on the following indicators, that the	online
service, product, or feature would be accessed by childre	en:

- (1)the online service, product, or feature is directed to children as defined by the Children's Online Privacy Protection Act (15 U.S.C. 6501 et seq.);
- (2) the online service, product, or feature is determined, based on competent and reliable evidence regarding audience composition, to be routinely accessed by a significant number of children;
- (3) an online service, product, or feature with advertisements marketed to children;
- (4) an online service, product, or feature that is substantially similar or the same as an online service, product, or feature subject to paragraph (2);
- (5) an online service, product, or feature that has design elements that are known to be of interest to children, including, but not limited to, games, cartoons, music, and celebrities who appeal to children; and
- (6) a significant amount of the audience of the online service, product, or feature is determined, based on internal company research, to be children.
- "Online service, product, or feature" does not mean any of 23 24 the following:
  - (1) a broadband Internet access service;
- 26 (2) a telecommunications service; or

1 (3) the delivery or use of a physical product.

"Profiling" means any form of automated processing of personal information that uses personal information to evaluate certain aspects relating to a natural person, including analyzing or predicting aspects concerning a natural person's performance at work, economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

- Section 10. Requirements for businesses that provide an online service to children.
  - (a) A business that provides an online service, product, or feature likely to be accessed by children shall take all of the following actions:
    - (1) Before any new online services, products, or features are offered to the public, complete a data protection impact assessment for any online service, product, or feature likely to be accessed by children and maintain documentation of this assessment as long as the online service, product, or feature is likely to be accessed by children. A business shall biennially review all data protection impact assessments. The data protection impact assessment required by this paragraph shall identify the purpose of the online service, product, or feature, how it uses children's personal information, and the risks of material detriment to children that arise

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L	from the data management practices of the business. The
2	data protection impact assessment shall address, to the
3	extent applicable, all of the following:
4	(A) whether the design of the online product,

- (A) whether the design of the online product, service, or feature could harm children, including by exposing children to harmful, or potentially harmful, content on the online product, service, or feature;
- (B) whether the design of the online product, service, or feature could lead to children experiencing or being targeted by harmful, or potentially harmful, contacts on the online product, service, or feature;
- (C) whether the design of the online product, service, or feature could permit children to witness, participate in, or be subject to harmful, or potentially harmful, conduct on the online product, service, or feature;
- (D) whether the design of the online product, service, or feature could allow children to be party to or exploited by a harmful, or potentially harmful, contact on the online product, service, or feature;
- (E) whether algorithms used by the online product, service, or feature could harm children;
- (F) whether targeted advertising systems used by the online product, service, or feature could harm children;

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(G) whether and how the online product, service,
or feature uses system design features to increase,
sustain, or extend use of the online product, service,
or feature by children, including the automatic
playing of media, rewards for time spent, and
notifications; and

- (H) whether, how, and for what purpose the online product, service, or feature collects or processes sensitive personal information of children.
- (2) Document any risk of material detriment to children that arises from the data management practices of the business identified in the data protection impact assessment required by paragraph (1) and create a timed plan to mitigate or eliminate the risk before the online service, product, or feature is accessed by children.
- (3) Within 3 business days of a written request by the Attorney General, provide to the Attorney General a list of all data protection impact assessments the business has completed.
- (4) For any data protection impact assessment completed as required by paragraph (1), make the data protection impact assessment available, within 5 business days, to the Attorney General pursuant to a written request. To the extent any information contained in a data protection impact assessment disclosed to the Attorney General includes information subject to attorney-client

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privilege or work product protection, disclosure required by this paragraph shall not constitute a waiver of that privilege or protection.

- (5) Estimate the age of child users with a reasonable level of certainty appropriate to the risks that arise from the data management practices of the business or apply the privacy and data protections afforded to children to all consumers.
- (6) Configure all default privacy settings provided to children by the online service, product, or feature to settings that offer a high level of privacy, unless the business can demonstrate a compelling reason that a different setting is in the best interests of children.
- (7) Provide any privacy information, terms of service, policies, and community standards concisely, prominently, and using clear language suited to the age of children likely to access that online service, product, or feature.
- (8) If the online service, product, or feature allows the child's parent, guardian, or any other consumer to monitor the child's online activity or track the child's location, provide an obvious signal to the child when the child is being monitored or tracked.
- (9) Enforce published terms, policies, and community standards established by the business, including, but not limited to, privacy policies and those concerning children.

1	(10) Provide prominent, accessible, and responsive
2	tools to help children, or if applicable their parents or
3	guardians, exercise their privacy rights and report
4	concerns.
5	(b) A business that provides an online service, product,
6	or feature likely to be accessed by children shall not take any
7	of the following actions:
8	(1) Use the personal information of any child in a way
9	that the business knows, or has reason to know, is
10	materially detrimental to the physical health, mental
11	health, or well-being of a child.
12	(2) Profile a child by default unless the following
13	criteria are met:
14	(A) the business can demonstrate it has
15	appropriate safeguards in place to protect children;
16	and
17	(B) either of the following is true:
18	(i) profiling is necessary to provide the
19	online service, product, or feature requested and
20	only with respect to the aspects of the online
21	service, product, or feature with which the child
22	is actively and knowingly engaged; or
23	(ii) the business can demonstrate a compelling
24	reason that profiling is in the best interests of
25	children.

26 (3) Collect, sell, share, or retain any personal

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information that is not necessary to provide an online service, product, or feature with which a child is actively and knowingly engaged unless the business can demonstrate a compelling reason that the collecting, selling, sharing, or retaining of the personal information is in the best interests of children likely to access the online service, product, or feature.

- (4) If the end user is a child, use personal information for any reason other than a reason for which that personal information was collected, unless the business can demonstrate a compelling reason that use of the personal information is in the best interests of children.
- (5) Collect, sell, or share any precise geolocation information of children by default unless the collection of that precise geolocation information is strictly necessary for the business to provide the service, product, or feature requested and then only for the limited time that the collection of precise geolocation information is necessary to provide the service, product, or feature.
- (6) Collect any precise geolocation information of a child without providing an obvious sign to the child for the duration of that collection that precise geolocation information is being collected.
  - (7) Use dark patterns to lead or encourage children to

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provide personal information beyond what is reasonably expected to provide that online service, product, or feature to bypass privacy protections, or to take any action that the business knows, or has reason to know, is materially detrimental to the child's physical health, mental health, or well-being.

- (8) Use any personal information collected to estimate age or age range for any other purpose or retain that personal information longer than necessary to estimate age. Age assurance shall be proportionate to the risks and data practice of an online service, product, or feature.
- (c) A data protection impact assessment conducted by a business for the purpose of compliance with any other law complies with this Section if the data protection impact assessment meets the requirements of this Act. A single data protection impact assessment may contain multiple similar processing operations that present similar risks only if each relevant online service, product, or feature is addressed.
- 19 Section 15. Children's Data Protection Working Group.
  - (a) The Children's Data Protection Working Group is hereby created to deliver a report to the General Assembly, as described in subsection (e), regarding best practices for the implementation of this Act.
- 24 (b) Working Group members shall consist of residents of 25 this State with expertise in at least 2 of the following areas:

(1) children's data privacy
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- 2 (2) physical health;
- 3 (3) mental health and well-being;
- 4 (4) computer science; and
- 5 (5) children's rights.

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- 6 (c) The Working Group shall select a chairperson and a
  7 vice chairperson from among its members and shall consist of
  8 the following 8 members:
- 9 (1) two members appointed by the Governor;
- 10 (2) two members appointed by the President of the Senate;
- 12 (3) two members appointed by the Speaker of the House 13 of Representatives; and
- 14 (4) two members appointed by the Attorney General.
- 15 (d) The Working Group shall take input from a broad range 16 of stakeholders, including from academia, consumer advocacy 17 groups, and small, medium, and large businesses affected by 18 data privacy policies and shall make recommendations to the 19 General Assembly on best practices regarding, at minimum, all 20 of the following:
- 21 (1) identifying online services, products, or features 22 likely to be accessed by children;
  - (2) evaluating and prioritizing the best interests of children with respect to their privacy, physical health, and mental health and well-being and evaluating how those interests may be furthered by the design, development, and

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- 1 implementation of an online service, product, or feature;
  - (3) ensuring that age assurance methods used by businesses that provide online services, products, or features likely to be accessed by children proportionate to the risks that arise from the data management practices of the business, privacy protective, and minimally invasive;
    - (4) assessing and mitigating risks to children that arise from the use of an online service, product, or feature; and
    - (5) publishing privacy information, policies, and standards in concise, clear language suited for the age of children likely to access an online service, product, or feature.
    - (e) On or before January 1, 2024, and every 2 years thereafter, the Working Group shall submit a report to the General Assembly regarding the recommendations described in subsection (d).
  - (f) The members of the Working Group shall serve without compensation but shall be reimbursed for all necessary expenses actually incurred in the performance of their duties.
- 22 (g) The Working Group is dissolved, and this Section is 23 repealed, on January 1, 2030.
- Section 20. Data protection impact assessment. 24
- 25 (a) A business shall complete a data protection impact

- assessment on or before July 1, 2024, for any online service, 1
- product, or feature likely to be accessed by children offered 2
- to the public before July 1, 2024. 3
- 4 (b) This Section does not apply to an online service,
- 5 product, or feature that is not offered to the public on or
- after July 1, 2024. 6
- 7 Section 25. Violations; civil penalties
- 8 (a) Any business that violates this Act shall be subject
- 9 to an injunction and liable for a civil penalty of not more
- 10 than \$2,500 per affected child for each negligent violation or
- not more than \$7,500 per affected child for each intentional 11
- violation, that shall be assessed and recovered only in a 12
- 13 civil action brought by the Attorney General.
- 14 (b) If a business is in substantial compliance with the
- 15 requirements of paragraphs (1) through (4) of subsection (a)
- of Section 10, the Attorney General shall provide written 16
- notice to the business, before initiating an action under this 17
- Act, identifying the specific provisions of this Act that the 18
- 19 Attorney General alleges have been or are being violated.
- 20 (c) If, within 90 days after the notice required by
- 21 subsection (b), the business cures any noticed violation and
- 22 provides the Attorney General a written statement that the
- 23 alleged violations have been cured, and sufficient measures
- 24 have been taken to prevent future violations, the business
- 25 shall not be liable for a civil penalty for any violation cured

- under this subsection. 1
- (d) Any penalties, fees, and expenses recovered in an 2
- action brought under this Act shall be deposited into the 3
- 4 General Revenue Fund.
- 5 (e) Nothing in this Act shall be interpreted to serve as
- 6 the basis for a private right of action under this Act or any
- other law. 7
- (f) The Attorney General may solicit broad public 8
- 9 participation and adopt regulations to clarify the
- 10 requirements of this Act.".