



ENGROSSED SENATE BILL No. 5

DIGEST OF SB 5 (Updated April 5, 2023 10:32 am - DI 149)

Citations Affected: IC 24-15; noncode.

Synopsis: Consumer data protection. Establishes a new article in the Indiana Code concerning consumer data protection, to take effect January 1, 2026. Sets forth the following within the new article: (1) Definitions of various terms that apply throughout the article. (2) Exemptions from the bill's requirements concerning the responsibilities of controllers of consumers' personal data. (3) The rights of an Indiana consumer to do the following: (A) Confirm whether or not a controller is processing the consumer's personal data. (B) Correct inaccuracies in (Continued next page)

Effective: Upon passage; January 1, 2026.

Brown L, Buchanan, Ford Jon, Walker K, Perfect, Koch, Doriot, Donato, Bassler, Randolph Lonnie M

(HOUSE SPONSORS — LEHMAN, ROWRAY, JETER, HAMILTON)

January 9, 2023, read first time and referred to Committee on Commerce and Technology. January 30, 2023, amended, reported favorably — Do Pass. February 7, 2023, read second time, amended, ordered engrossed. February 8, 2023, engrossed. February 9, 2023, read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

February 28, 2023, read first time and referred to Committee on Judiciary. April 6, 2023, amended, reported — Do Pass.



Digest Continued

the consumer's personal data that the consumer previously provided to a controller. (C) Delete the consumer's personal data held by a controller. (D) Obtain a copy or representative summary of the consumer's personal data that the consumer previously provided to the controller. (E) Opt out of the processing of the consumer's personal data for certain purposes. (4) The responsibilities of controllers of consumers' personal data. (5) The roles of controllers and processors with respect to a consumer's personal data. (6) Requirements for data protection impact assessments by controllers of consumers' personal data. (7) Requirements for processing de-identified data or pseudonymous data. (8) Limitations as to the scope of the new article. (9) The authority of the attorney general to investigate and enforce suspected or actual violations of the new article. (10) The preemption of local rules, regulations, and laws regarding the processing of personal data. Allows the attorney general to publish certain resources on the attorney general's website.



First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 5

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 24-15 IS ADDED TO THE INDIANA CODE AS
2	A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE
3	JANUARY 1, 2026]:
4	ARTICLE 15. CONSUMER DATA PROTECTION
5	Chapter 1. Applicability
6	Sec. 1. (a) This article applies to a person that conducts business
7	in Indiana or produces products or services that are targeted to
8	residents of Indiana and that during a calendar year:
9	(1) controls or processes personal data of at least one hundred
0	thousand (100,000) consumers who are Indiana residents; or
1	(2) controls or processes personal data of at least twenty-five
2	thousand (25,000) consumers who are Indiana residents and
3	derives more than fifty percent (50%) of gross revenue from
4	the sale of personal data.
5	(b) This article does not apply to any of the following:
6	(1) Either of the following:
7	(A) The state, a state agency, or a body, authority, board,



1	bureau, commission, district, or agency of any pontical
2	subdivision of the state.
3	(B) A third party under contract with an entity described
4	in clause (A), when acting on behalf of the entity. This
5	clause does not exempt data held or created by third
6	parties outside of the scope of the contract with the entity.
7	(2) Any financial institutions and affiliates, or data subject to
8	Title V of the federal Gramm-Leach-Bliley Act (15 U.S.C.
9	6801 et seq.).
10	(3) Any covered entity or business associate governed by the
11	privacy, security, and breach notification rules issued by the
12	United States Department of Health and Human Services (45
13	CFR Parts 160 and 164) pursuant to HIPAA.
14	(4) Any nonprofit organization.
15	(5) Any institution of higher education.
16	(6) Any public utility (as defined in IC 8-1-2-1(a)) or service
17	company affiliated with a public utility (as defined in
18	IC 8-1-2-1(a)). For purposes of this subdivision, "service
19	company" means an associate company within a holding
20	company system organized specifically for the purpose of
21	providing goods or services to a public utility (as defined in
22	IC 8-1-2-1(a)) in the same holding company system.
23	Sec. 2. The following information and data are exempt from this
24	article:
25	(1) Protected health information under HIPAA and related
26	regulations under 45 CFR Part 160, 45 CFR Part 162, and 45
27	CFR Part 164.
28	(2) Patient identifying information for purposes of 42 U.S.C.
29	290dd-2.
30	(3) Any of the following:
31	(A) Identifiable private information for purposes of the
32	federal policy for the protection of human subjects under
33	45 CFR Part 46.
34	(B) Identifiable private information that is otherwise
35	information collected as part of human subjects research
36	under the good clinical practice guidelines issued by the
37	International Council for Harmonisation of Technical
38	Requirements for Pharmaceuticals for Human Use.
39	(C) The protection of human subjects under 21 CFR Parts
40	50 and 56.
41	(D) Personal data used or shared in research conducted in
42	accordance with the requirements set forth in this article.



1	(E) Other research conducted in accordance with
2	applicable law.
3	(4) Information and documents created for purposes of the
4	federal Health Care Quality Improvement Act of 1986 (42
5	U.S.C. 11101 et seq.).
6	(5) Patient safety work product for purposes of the federal
7	Patient Safety and Quality Improvement Act (42 U.S.C.
8	299b-21 et seq.).
9	(6) Information derived from any of the health care related
10	information set forth in this section that is de-identified in
11	accordance with the requirements for de-identification under
12	HIPAA.
13	(7) Information:
14	(A) originating from;
15	(B) intermingled with so as to be indistinguishable from; or
16	(C) treated in the same manner as;
17	information that is exempt under this section and that is
18	maintained by a covered entity or business associate, as
19	defined in HIPAA, or a program or qualified service
20	organization under 42 U.S.C. 290dd-2.
21	(8) Information used only for public health activities and
22	purposes, as authorized by HIPAA.
23	(9) The collection, maintenance, disclosure, sale,
24 25	communication, or use of any personal information bearing
25	on a consumer's credit worthiness, credit standing, credit
26	capacity, character, general reputation, personal
27	characteristics, or mode of living by:
28	(A) a consumer reporting agency, furnisher, or user that
29	provides information for use in a consumer report; or
30	(B) a user of a consumer report;
31	but only to the extent that such activity is regulated by and
32	authorized under the federal Fair Credit Reporting Act (15
33	U.S.C. 1681 et seq.).
34	(10) Personal data collected, processed, sold, or disclosed in
35	compliance with the federal Driver's Privacy Protection Act
36	of 1994 (18 U.S.C. 2721 et seq.).
37	(11) Personal data regulated by the federal Family
38	Educational Rights and Privacy Act (20 U.S.C. 1232g et seq.).
39	(12) Personal data collected, processed, sold, or disclosed in
40	compliance with the federal Farm Credit Act (12 U.S.C. 2001
41	et seq.).
42	(13) Data processed or maintained:



1	(A) in the course of an individual applying to, employed by,
2	or acting as an agent or independent contractor of a
	controller, processor, or third party, to the extent that the
4	data is collected and used within the context of that role;
5	(B) as emergency contact information for an individual
6	under this article and used for emergency contact
7	purposes; or
8	(C) that is necessary to retain to administer benefits for
9	another individual relating to the individual under clause
10	(A) and used for the purposes of administering those
11	benefits.
12	Sec. 3. A:
13	(1) controller; or
14	(2) processor;
15	that complies with the Children's Online Privacy Protection Act
16	(15 U.S.C. 6501 et seq.), and with any rules or regulations under
17	that act, satisfies any obligation to obtain parental consent under
18	this article.
19	Chapter 2. Definitions
20	Sec. 0.5. The definitions in this chapter apply throughout this
21	article.
22	Sec. 1. (a) "Affiliate" means a legal entity that:
23	(1) controls, is controlled by, or is under common control with
24	another legal entity; or
25	(2) shares common branding with another legal entity.
26	(b) For purposes of this section, "control", with respect to a
27	company, means:
28	(1) ownership of, or the power to vote, more than fifty percent
29	(50%) of the outstanding shares of any class of voting security
30	of the company;
31	(2) control in any manner over the election of a majority of
32	the directors or of individuals exercising similar functions; or
33	(3) the power to exercise controlling influence over the
34	management of the company.
35	Sec. 2. "Aggregate data" means information:
36	(1) that relates to a group or category of consumers;
37	(2) from which individual consumer identities have been
38	removed; and
39	(3) that is not linked or reasonably linkable to any consumer.
40	Sec. 3. "Authenticate" means to verify through reasonable
41	means that a consumer who is entitled to exercise the personal data
42	rights provided by IC 24-15-3 is the same consumer exercising such



1	rights with respect to particular personal data.
2	Sec. 4. (a) "Biometric data" means data that:
3	(1) is generated by automatic measurements of an individual's
4	biological characteristics, such as a fingerprint, a voiceprint,
5	images of the retina or iris, or other unique biological
6	patterns or characteristics; and
7	(2) is used to identify a specific individual.
8	(b) The term does not include:
9	(1) a physical or digital photograph, or data generated from
10	a physical or digital photograph;
11	(2) a video or audio recording, or data generated from a video
12	or audio recording; or
13	(3) information collected, used, or stored for health care
14	treatment, payment, or operations under HIPAA.
15	Sec. 5. "Business associate" has the meaning set forth in 45 CFR
16	160.103.
17	Sec. 6. "Child" means any individual who is less than thirteen
18	(13) years of age.
19	Sec. 7. (a) "Consent" means a clear affirmative act that signifies
20	a consumer's freely given, specific, informed, and unambiguous
21 22 23	agreement to process personal data relating to the consumer.
22	(b) For purposes of this section, a "clear affirmative act"
	includes a written statement, including a statement written by
24	electronic means, or any other unambiguous affirmative action.
25	Sec. 8. (a) "Consumer" means an individual who:
26	(1) is a resident of Indiana; and
27	(2) is acting only for a personal, family, or household purpose.
28	(b) The term does not include an individual acting in a
29	commercial or employment context.
30	Sec. 9. "Controller" means a person that, alone or jointly with
31	others, determines the purpose and means of processing personal
32	data.
33	Sec. 10. "Covered entity" has the meaning set forth in 45 CFR
34	160.103.
35	Sec. 11. "Decision that produces legal or similarly significant
36	effects concerning a consumer" means a decision made by a
37	controller that results in the provision or denial by the controller
38	of:
39	(1) financial and lending services;
40	(2) housing;
41	(3) insurance;
1 2	(4) education enrollment;



1	(5) criminal justice;
2	(6) employment opportunities;
3	(7) health care services; or
4	(8) access to basic necessities, such as food and water.
5	Sec. 12. "De-identified data" means data that cannot reasonably
6	be linked to an identified or identifiable individual because a
7	controller that possesses the data:
8	(1) takes reasonable measures to ensure that the data cannot
9	be associated with an individual;
10	(2) publicly commits to maintaining and using the data
11	without attempting to re-identify the data; and
12	(3) obligates any recipients of the data through contractual
13	requirements to comply with all applicable provisions of this
14	article.
15	Sec. 13. "Health care provider" has the meaning set forth in
16	IC 4-6-14-2.
17	Sec. 14. "Health record" has the meaning set forth in
18	IC $1-1-4-5(a)(6)$.
19	Sec. 15. "HIPAA" refers to the federal Health Insurance
20	Portability and Accountability Act of 1996 (42 U.S.C. 1320d et
21	seq.).
22	Sec. 16. "Identified or identifiable individual" means an
23	individual who can be readily identified, directly or indirectly.
24	Sec. 17. "Institution of higher education" means a public or
25	private college or university.
26	Sec. 18. "Nonprofit organization" means any organization
27	exempt from taxation under Section 501(c)(3), 501(c)(6), or
28	501(c)(12) of the Internal Revenue Code.
29	Sec. 19. (a) "Personal data" means information that is linked or
30	reasonably linkable to an identified or identifiable individual.
31	(b) The term does not include:
32	(1) de-identified data;
33	(2) aggregate data; or
34	(3) publicly available information.
35	Sec. 20. (a) "Precise geolocation data" means information
36	derived from technology, including global positioning system level
37	latitude and longitude coordinates, that directly identifies the
38	specific location of a natural person with precision and accuracy
39	within a radius of one thousand seven hundred fifty (1,750) feet.
40	(b) The term does not include:
41	(1) the content of communications; or

(2) any data generated by or connected to advanced utility



1	metering infrastructure systems or equipment for use by a
2	utility.
3	Sec. 21. "Processing", with respect to personal data, means any
4	operation or set of operations performed, whether by manual or
5	automated means, on personal data or on sets of personal data,
6	such as the collection, use, storage, disclosure, analysis, deletion, or
7	modification of personal data.
8	Sec. 22. "Processor" means a person that processes personal
9	data on behalf of a controller.
10	Sec. 23. "Profiling" means any form of solely automated
11	processing performed on personal data to evaluate, analyze, or
12	predict personal aspects related to an identified or identifiable
13	individual's economic situation, health or health records, personal
14	preferences, interests, reliability, behavior, location, or movements.
15	Sec. 24. "Protected health information" has the meaning set
16	forth in 45 CFR 160.103.
17	Sec. 25. "Pseudonymous data" means personal data that cannot
18	be attributed to a specific individual because additional
19	information that would allow the data to be attributed to a specific
20	individual is:
21	(1) kept separately; and
22	(2) subject to appropriate technical and organizational
23	measures;
24	to ensure that the personal data is not attributed to an identified or
25	identifiable individual.
26	Sec. 26. "Publicly available information" means information:
27	(1) that is lawfully made available through federal, state, or
28	local government records; or
29	(2) that a business has a reasonable basis to believe is lawfully
30	made available:
31	(A) to the general public through widely distributed media;
32	(B) by the consumer to whom the information pertains; or
33	(C) by a person to whom the consumer has disclosed the
34	information;
35	unless the consumer has restricted the information to a
36	specific audience.
37	Sec. 27. (a) "Sale of personal data" means the exchange of
38	personal data for monetary consideration by a controller to a third
39	party.
40	(b) The term does not include:

(1) the disclosure of personal data to a processor that

processes the personal data on behalf of the controller;



41

1	(2) the disclosure of personal data to a third party for
2	purposes of providing a product or service requested by:
3	(A) the consumer; or
4	(B) the parent of a child;
5	to whom the personal data pertains;
6	(3) the disclosure or transfer of personal data to an affiliate of
7	the controller;
8	(4) the disclosure of information that the consumer:
9	(A) intentionally made available to the general public via
10	a channel of mass media; and
11	(B) did not restrict to a specific audience; or
12	(5) the disclosure or transfer of personal data to a third party
13	as an asset that is part of a proposed or actual merger,
14	acquisition, bankruptcy, or other transaction in which the
15	third party assumes control of all or part of the controller's
16	assets.
17	Sec. 28. "Sensitive data" means a category of personal data that
18	includes any of the following:
19	(1) Personal data revealing racial or ethnic origin, religious
20	beliefs, a mental or physical health diagnosis made by a health
21	care provider, sexual orientation, or citizenship or
22	immigration status.
23	(2) Genetic or biometric data that is processed for the purpose
24	of uniquely identifying a specific individual.
25	(3) Personal data collected from a known child.
26	(4) Precise geolocation data.
27	Sec. 29. "State agency" has the meaning set forth in IC 1-1-15-3.
28	Sec. 30. (a) "Targeted advertising" means the displaying of an
29	advertisement to a consumer in which the advertisement is selected
30	based on personal data obtained from that consumer's activities
31	over time and across nonaffiliated websites or online applications
32	to predict the consumer's preferences or interests.
33	(b) The term does not include:
34	(1) advertisements based on activities within a controller's
35	own or affiliated websites or online applications;
36	(2) advertisements based on the context of a consumer's
37	current search query, visit to a website, or online application;
38	(3) advertisements directed to a consumer in response to the
39	consumer's request for information or feedback; or
40	(4) the processing of personal data solely for measuring or
41	reporting advertising performance, reach, or frequency.
42	Sec. 31. "Third party", with respect to a context to which this



1	article applies, means a natural or legal person, public authority,
2	agency, or body other than:
3	(1) the consumer;
4	(2) the controller;
5	(3) the processor; or
6	(4) an affiliate of the processor or the controller.
7	Sec. 32. "Trade secret" has the meaning set forth in IC 24-2-3-2.
8	Chapter 3. Personal Data; Consumer Rights
9	Sec. 1. (a) A consumer may invoke one (1) or more rights set
10	forth in subsection (b) by submitting to a controller a request
11	specifying the rights the consumer wishes to invoke. A known
12	child's parent or legal guardian may invoke on behalf of the child
13	one (1) or more rights set forth in subsection (b) with respect to the
14	processing of personal data belonging to the known child by
15	submitting to a controller a request specifying the rights the
16	consumer wishes to invoke on behalf of the child. Except as
17	provided in IC 24-15-7-1(c) and IC 24-15-7-2, and subject to any
18	limitations or conditions set forth in subsections (b) and (c), a
19	controller shall comply with an authenticated consumer request to
20	exercise a right set forth in subsection (b).
21	(b) A consumer has the following rights:
22	(1) To confirm whether or not a controller is processing the
23 24	consumer's personal data and, subject to the limitations set
24	forth in subdivision (4), to access such personal data.
25	(2) To correct inaccuracies in the consumer's personal data
26	that the consumer previously provided to a controller, taking
27	into account the nature of the personal data and the purposes
28	of the processing of the consumer's personal data. Upon
29	receiving a request from a consumer under this subdivision,
30	a controller shall correct inaccurate information as requested
31	by the consumer, taking into account the nature of the
32	personal data and the purposes of the processing of the
33	consumer's personal data.
34	(3) To delete personal data provided by or obtained about the
35	consumer.
36	(4) To obtain either:
37	(A) a copy of; or
38	(B) a representative summary of;
39	the consumer's personal data that the consumer previously
40	provided to the controller. Information provided to a
41	consumer under this subdivision must be in a portable and, to

the extent technically practicable, readily usable format that



41

allows the consumer to transmit the data or summary to another controller without hindrance, in any case in which the processing is carried out by automated means. The controller has the discretion to send either a copy or a representative summary of the consumer's personal data under this subdivision, taking into account the nature of the personal data and the purposes of the processing of the consumer's personal data. A controller is not required to provide a copy or a representative summary of a consumer's personal data to the same consumer under this subdivision more than one (1) time in a twelve (12) month period. (5) To opt out of the processing of the consumer's personal

- data for purposes of:
 - (A) targeted advertising;
 - (B) the sale of personal data; or
 - (C) profiling in furtherance of decisions that produce legal or similarly significant effects concerning the consumer.
- (c) Except as otherwise provided in this article, a controller shall comply with a request by a consumer to exercise a consumer right set forth in subsection (b) as follows:
 - (1) A controller shall respond to the consumer without undue delay, but in any case not later than forty-five (45) days after receipt of the consumer's request under this section. The response period prescribed by this subdivision may be extended once by an additional forty-five (45) days when reasonably necessary, taking into account the complexity and number of the consumer's requests, as long as the controller informs the consumer of any such extension within the initial forty-five (45) day response period, along with the reason for the extension.
 - (2) If a controller declines to take action regarding the consumer's request, the controller shall inform the consumer without undue delay, but in any case not later than forty-five (45) days after receipt of the consumer's request under this section, of the justification for declining to take action, and shall provide instructions for how to appeal the decision under subsection (d).
 - (3) Information provided in response to a consumer request shall be provided by a controller free of charge, up to one (1) time annually per consumer. If requests from a consumer are manifestly unfounded, excessive, or repetitive, the controller may charge the consumer a reasonable fee to cover the



1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

1	administrative costs of complying with the request or decline
2	to act on the request. The controller bears the burden of
3	demonstrating the manifestly unfounded, excessive, or
4	repetitive nature of the request.
5	(4) If a controller is unable to authenticate the request using
6	commercially reasonable efforts, the controller shall not be
7	required to comply with a request to initiate an action under
8	this section and may request that the consumer provide
9	additional information reasonably necessary to authenticate
10	the consumer and the consumer's request.
11	(5) A controller that has obtained personal data about a
12	consumer from a source other than the consumer is
13	considered to comply with a request by the consumer under
14	subsection (b)(3) to delete the consumer's personal data if the
15	controller:
16	(A) retains:
17	(i) a record of the consumer's request for deletion; and
18	(ii) the minimum data necessary to ensure that the
19	consumer's personal data remains deleted from the
20	controller's records; and
21	(B) does not use the data retained under clause (A)(ii) for
22	any other purpose.
23	(d) A controller shall establish a process for a consumer to
24	appeal, within a reasonable period of time after the consumer's
25	receipt of a decision by the controller under subsection (c)(2), the
26	controller's refusal to take action on a request by the consumer
27	under this section. The appeal process shall be conspicuously
28	available and similar to the process for submitting requests to
29	invoke a right under this section. Not later than sixty (60) days
30	after receipt of an appeal, a controller shall inform the consumer
31	in writing of any action taken or not taken in response to the
32	appeal, including a written explanation of the reasons for the
33	decisions. If the appeal is denied, the controller shall also provide
34	the consumer with an online mechanism, if available, or other
35	method through which the consumer may contact the attorney
36	general to submit a complaint.
37	Chapter 4. Data Controller Responsibilities; Transparency
38	Sec. 1. Except as provided in IC 24-15-7-2, a controller has the
39	following responsibilities:
40	(1) A controller shall limit the collection of personal data to

what is adequate, relevant, and reasonably necessary in relation to the purposes for which such data is processed, as



41

1	disclosed to the consumer.
2	(2) Except as otherwise provided in this article, a controller
3	shall not process personal data for purposes that are neither
4	reasonably necessary for nor compatible with the disclosed
5	purposes for which the personal data is processed, unless the
6	controller obtains the consumer's consent.
7	(3) A controller shall establish, implement, and maintain
8	reasonable administrative, technical, and physical data
9	security practices to protect the confidentiality, integrity, and
10	accessibility of personal data. The data security practices
11	required under this subdivision must be appropriate to the
12	volume and nature of the personal data at issue.
13	(4) A controller shall not process personal data in violation of
14	state and federal laws that prohibit unlawful discrimination
15	against consumers. A controller shall not discriminate against
16	a consumer for exercising any of the consumer rights set forth
17	in this article, including by denying goods or services to the
18	consumer, charging different prices or rates for goods and
19	services, or providing a different level or quality of goods or
20	services, or providing a different rever or quanty or goods of services to the consumer. However, nothing in this subdivision
21	shall be construed to:
22	(A) require a controller to provide a product or service
23	that requires the personal data of a consumer that the
24	controller does not collect or maintain; or
25	(B) prohibit a controller from offering a different price,
26	rate, level, quality, or selection of goods or services to a
27	consumer, including offering goods or services for no fee,
28	if the consumer has exercised the consumer's right to opt
29	out under IC 24-15-3-1(b)(5) or if the offer is related to a
30	consumer's voluntary participation in a bona fide loyalty,
31	rewards, premium features, discount, or club card
32	program.
33	(5) A controller shall not process sensitive data concerning a
34	•
35	consumer without obtaining the consumer's consent, or, in the case of the processing of sensitive data concerning a known
36	case of the processing of sensitive data concerning a known child, without processing such data in accordance with the
37	
38	federal Children's Online Privacy Protection Act (15 U.S.C. 6501 et seq.).
39	**
40	Sec. 2. Any provision of a contract or agreement of any kind
	that purports to waive or limit in any way a consumer's rights
41	under IC 24-15-3 is contrary to public policy and is void and



42

unenforceable.

1	Sec. 3. A controller shall provide consumers with a reasonably
2	accessible, clear, and meaningful privacy notice that includes:
3	(1) the categories of personal data processed by the controller;
4	(2) the purpose for processing personal data;
5	(3) how consumers may exercise their consumer rights under
6	IC 24-15-3, including how a consumer may appeal a
7	controller's decision with regard to the consumer's request;
8	(4) the categories of personal data that the controller shares
9	with third parties, if any; and
10	(5) the categories of third parties, if any, with whom the
11	controller shares personal data.
12	Sec. 4. If a controller sells a consumer's personal data to third
13	parties or uses a consumer's personal data for targeted advertising,
14	the controller shall clearly and conspicuously disclose such activity,
15	as well as the manner in which a consumer may exercise the right
16	to opt out of such sales or use.
17	Sec. 5. A controller shall establish, and shall describe in a
18	privacy notice provided under section 3 of this chapter, one (1) or
19	more secure and reliable means for consumers to submit a request
20	to exercise their rights under IC 24-15-3. Such means must take
21	into account:
22	(1) the ways in which consumers normally interact with the
23	controller;
24	(2) the need for the secure and reliable communication of such
25	requests; and
26	(3) the ability of the controller to authenticate the identity of
27	the consumer making the request.
28	A controller may not require a consumer to create a new account
29	in order to exercise the consumer's rights under IC 24-15-3 but
30	may require a consumer to use an existing account.
31	Sec. 6. The attorney general may maintain on the attorney
32	general's website a list of resources for controllers, including
33	sample privacy notices and disclosures, to assist controllers in
34	complying with this chapter.
35	Chapter 5. Responsibility According to Role; Controllers and
36	Processors
37	Sec. 1. A processor shall adhere to the instructions of a
38	controller and shall assist the controller in meeting its obligations
39	under this chapter. Such assistance shall include the following:
40	(1) Assisting the controller in meeting the controller's
41	obligation to respond to consumer requests under IC 24-15-3

by appropriate technical and organizational measures, insofar



1	as this is reasonably practicable, and taking into account the
2	nature of processing and the information available to the
3	processor.
4	(2) Taking into account the nature of processing and the
5	information available to the processor, assisting the controller
6	in meeting the controller's obligations in relation to:
7	(A) the security of processing the personal data; and
8	(B) the notification of a breach of security of the system of
9	the processor under IC 24-4.9;
0	in order to meet the controller's obligations.
11	(3) Providing necessary information to enable the controller
12	to conduct and document data protection impact assessments
13	under IC 24-15-6.
14	Sec. 2. (a) A contract between a controller and a processor shall
15	govern the processor's data processing procedures with respect to
16	processing performed on behalf of the controller. The contract
17	must be binding and clearly set forth instructions for processing
18	personal data, the nature and purpose of processing, the type of
19	data subject to processing, the duration of processing, and the
20	rights and obligations of both parties. The contract must also
21	include requirements that the processor do the following:
22	(1) Ensure that each individual processing personal data is
23 24	subject to a duty of confidentiality with respect to the data.
24	(2) At the controller's direction, delete or return all personal
25	data to the controller as requested at the end of the provision
26	of services, unless retention of the personal data is required by
27	law.
28	(3) Upon the reasonable request of the controller, make
29	available to the controller all information in its possession
30	necessary to demonstrate the processor's compliance with the
31	obligations in this chapter.
32	(4) Allow, and cooperate with, reasonable assessments by the
33	controller or the controller's designated assessor.
34	Alternatively, the processor may arrange for a qualified and
35	independent assessor to conduct an assessment of the
36	processor's policies and technical and organizational
37	measures in support of the processor's obligations under this
38	chapter using an appropriate and accepted control standard
39	or framework and assessment procedure for such
10	assessments. The processor shall provide a report of any such

assessment to the controller upon request.

(5) Subject to subsection (b), engage any subcontractor



41

1	pursuant to a written contract that requires the subcontractor
2	to meet the obligations of the processor with respect to the
3	personal data.
4	(b) Nothing in this section shall be construed to relieve a
5	controller or a processor from the liabilities imposed on the
6	controller or processor by virtue of its role in the processing
7	relationship.
8	Sec. 3. Determining whether a person is acting as a controller or
9	a processor with respect to a specific processing of data is a fact
10	based determination that depends upon the context in which
11	personal data is processed. A processor that continues to adhere to
12	a controller's instructions with respect to a specific processing of
13	personal data remains a processor.
14	Chapter 6. Data Protection Impact Assessments
15	Sec. 1. (a) The data protection impact assessment requirements
16	set forth in this chapter apply to processing activities created or
17	generated after December 31, 2025, and are not retroactive to any
18	processing activities created or generated before January 1, 2026.
19	(b) A controller shall conduct and document a data protection
20	impact assessment of each of the following processing activities
21	involving personal data:
22	(1) The processing of personal data for purposes of targeted
23	advertising.
24	(2) The sale of personal data.
25	(3) The processing of personal data for purposes of profiling,
26	if such profiling presents a reasonably foreseeable risk of:
27	(A) unfair or deceptive treatment of, or unlawful disparate
28	impact on, consumers;
29	(B) financial, physical, or reputational injury to
30	consumers;
31	(C) a physical or other intrusion upon the solitude or
32	seclusion, or the private affairs or concerns, of consumers,
33	if such intrusion would be offensive to a reasonable person;
34	or
35	(D) other substantial injury to consumers.
36	(4) The processing of sensitive data.
37	(5) Any processing activities involving personal data that
38	present a heightened risk of harm to consumers.
39	(c) Data protection impact assessments conducted under this
40	chapter shall identify and weigh the benefits that may flow, directly
41	and indirectly, from the processing to the controller, the consumer,

other stakeholders, and the public against the potential risks to the



	16
1	rights of the consumer associated with such processing, as
2	mitigated by safeguards that can be employed by the controller to
3	reduce such risks. The use of de-identified data and the reasonable
4	expectations of consumers, as well as the context of the processing
5	and the relationship between the controller and the consumer
6	whose personal data will be processed, shall be factored into this
7	assessment by the controller.
8	(d) A single data protection impact assessment may address a
9	comparable set of processing operations that include similar
10	activities.
11	(e) A data protection impact assessment conducted by a
12	controller for the purpose of compliance with other laws or
13	regulations may be used to comply with this section if the
14	assessment has a reasonably comparable scope and effect to an

assessment conducted under this section.

- Sec. 2. (a) The attorney general may request, pursuant to a civil investigative demand, that a controller disclose any data protection impact assessment that is relevant to an investigation conducted by the attorney general. Upon receipt of such a request, the controller shall make the data protection impact assessment available to the attorney general. Subject to subsection (b), the attorney general may evaluate the data protection impact assessment for a controller's compliance with the responsibilities set forth in IC 24-15-4.
- (b) Data protection impact assessments are confidential and exempt from public inspection and copying under IC 5-14-3-4. The disclosure of a data protection impact assessment pursuant to a request from the attorney general does not constitute a waiver of attorney-client privilege or work product protection with respect to the assessment and any information contained in the assessment.
- Chapter 7. Processing De-identified Data or Pseudonymous Data; Exemptions
 - Sec. 1. (a) A controller in possession of de-identified data shall:
 - (1) take reasonable measures to ensure that the data cannot be associated with an individual;
 - (2) publicly commit to maintaining and using de-identified data without attempting to re-identify the data; and
 - (3) contractually obligate any recipients of the de-identified data to comply with all provisions of this chapter.
- (b) This chapter shall not be construed to require a controller or processor to:
 - (1) re-identify de-identified data or pseudonymous data;



1	(2) maintain data in identifiable form; or
2	(3) collect, obtain, retain, or access any data or technology;
3	in order to be capable of associating an authenticated consumer
4	request with personal data.
5	(c) This chapter shall not be construed to require a controller or
6	processor to comply with a request of a consumer under IC 24-15-3
7	if all of the following conditions are met:
8	(1) The controller is not reasonably capable of associating the
9	request with the personal data or it would be unreasonably
10	burdensome for the controller to associate the request with
11	the personal data.
12	(2) The controller does not use the personal data to recognize
13	or respond to the specific consumer who is the subject of the
14	personal data, or associate the personal data with other
15	personal data about the same specific consumer.
16	(3) The controller does not sell the personal data to any third
17	party or otherwise voluntarily disclose the personal data to
18	any third party other than a processor.
19	Sec. 2. The:
20	(1) rights of a consumer set forth in IC 24-15-3-1(b)(1)
21	through IC 24-15-3-1(b)(4); and
22	(2) responsibilities of a controller under IC 24-15-4-1(1)
23	through IC 24-15-4-1(5);
24	do not apply to pseudonymous data in any case in which the
25	controller is able to demonstrate that any information necessary to
26	identify the consumer is kept separately and is subject to effective
27	technical and organizational controls that prevent the controller
28	from accessing such information.
29	Sec. 3. A controller that discloses pseudonymous data or
30	de-identified data shall exercise reasonable oversight to monitor
31	compliance with any contractual commitments to which the
32	pseudonymous data or de-identified data is subject and shall take
33	appropriate steps to address any breaches of those contractual
34	commitments.
35	Chapter 8. Limitations
36	Sec. 1. (a) This article shall not be construed to restrict a
37	controller's or processor's ability to do any of the following:
38	(1) Comply with federal, state, or local laws, rules, or
39	regulations or, in the case of an owner of a riverboat licensed
40	under IC 4-33-6, implement and operate a facial recognition
41	program approved by the Indiana gaming commission.

(2) Comply with a civil, criminal, or regulatory inquiry,



1	investigation, subpoena, or summons by a federal, state, local,
2	or other governmental authority.
3	(3) Cooperate with law enforcement agencies concerning
4	conduct or activity that the controller or processor reasonably
5	and in good faith believes may violate federal, state, or local
6	laws, rules, or regulations.
7	(4) Investigate, establish, exercise, prepare for, or defend legal
8	claims.
9	(5) Provide a product or service specifically requested by a
10	consumer, perform a contract to which the consumer, or a
11	parent of a child, is a party, including fulfilling the terms of a
12	written warranty, or take steps at the request of the consumer
13	or parent before entering into a contract.
14	(6) Take immediate steps to protect an interest that is
15	essential for the life or physical safety of the consumer or of
16	another individual, if the processing cannot be manifestly
17	based on another legal basis.
18	(7) Prevent, detect, protect against, or respond to security
19	incidents, identity theft, fraud, harassment, malicious or
20	deceptive activities, or any illegal activity, investigate, report,
21	or prosecute those responsible for any such action, and
22	preserve the integrity or security of systems.
23	(8) Engage in public or peer reviewed scientific or statistical
24	research that is in the public interest and that adheres to all
25	applicable ethics and privacy laws and is approved,
26	monitored, and governed by an institutional review board, or
27	a similar independent oversight entity, that determines if:
28	(A) the information is likely to provide substantial benefits
29	that do not exclusively accrue to the controller;
30	(B) the expected benefits of the research outweigh the
31	privacy risks; and
32	(C) the controller has implemented reasonable safeguards
33	to mitigate privacy risks associated with research,
34	including any risks associated with re-identification.
35	(9) Assist another controller, processor, or third party with
36	any obligation described in this section.
37	(b) Processing personal data for a purpose expressly identified
38	in subsection (a)(1) through (a)(9) does not by itself make a person
39	a controller with respect to such processing.
40	Sec. 2. The obligations imposed on a controller or a processor

under this article do not prohibit or restrict a controller or

processor from collecting, using, or retaining data to do the



41

1	following:
2	(1) Conduct internal research to develop, improve, or repair
3	products, services, or technology.
4	(2) Effectuate a product recall.
5	(3) Identify and repair technical errors that impair existing or
6	intended functionality.
7	(4) Perform internal operations that are:
8	(A) reasonably compatible with the expectations of the
9	consumer;
10	(B) reasonably anticipated based on the consumer's
11	existing relationship with the controller; or
12	(C) otherwise compatible with:
13	(i) processing data in furtherance of the provision of a
14	product or service specifically requested by a consumer,
15	or the parent of a child; or
16	(ii) the performance of a contract to which the consumer
17	is a party.
18	Sec. 3. The obligations imposed on a controller or a processor
19	under this article do not apply if compliance by the controller or
20	processor with this article would violate an evidentiary privilege
21	under Indiana law. This article shall not be construed to prohibit
22	a controller or processor from providing, as part of a privileged
23	communication, personal data concerning a consumer to a person
24	covered by an evidentiary privilege under Indiana law.
25	Sec. 4. A controller or processor that discloses personal data to
26	a third party controller or processor in compliance with this article
27	is not in violation of this article if the third party controller or
28	processor that receives and processes the personal data violates
29	this article, as long as, at the time of disclosing the personal data,
30	the disclosing controller or processor did not have actual
31	knowledge that the recipient intended to commit a violation. A
32	third party controller or processor receiving personal data from a
33	controller or processor is likewise not in violation of this article
34	solely because of the transgressions of the controller or processor
35	from which it receives such personal data.
36	Sec. 5. This article:
37	(1) shall not be construed as an obligation imposed on
38	controllers and processors that adversely affects the rights or
39	freedoms of any persons, such as exercising the right of free
40	speech under the First Amendment to the Constitution of the
41	United States; and

(2) does not apply to personal data in the context of a purely



1	personal or household activity.
2	Sec. 6. Nothing in this article shall be construed as requiring a
3	controller to disclose trade secrets.
4	Sec. 7. (a) Personal data processed by a controller for a purpose
5	authorized under this chapter may not be processed for any other
6	purpose unless otherwise allowed under this article. Personal data
7	processed by a controller under this chapter may be processed to
8	the extent that such processing is:
9	(1) reasonably necessary and proportionate to a purpose
10	authorized under this chapter; and
11	(2) adequate, relevant, and limited to what is necessary in
12	relation to the specific purpose.
13	(b) Personal data collected, used, or retained under section 2 of
14	this chapter:
15	(1) shall, as applicable, take into account the nature and
16	purpose of the collection, use, or retention; and
17	(2) must be subject to reasonable administrative, technical,
18	and physical measures to:
19	(A) protect the confidentiality, integrity, and accessibility
20	of the personal data; and
21	(B) reduce reasonably foreseeable risks of harm to
22	consumers relating to such collection, use, or retention of
23	the personal data.
24	(c) If a controller processes personal data pursuant to an
25	exemption under this chapter, the controller bears the burden of
26	demonstrating that such processing:
27	(1) qualifies for the exemption; and
28	(2) complies with the requirements set forth in this section.
29	Chapter 9. Investigative Authority
30	Sec. 1. Whenever the attorney general has reasonable cause to
31	believe that any person has engaged in, is engaging in, or is about
32	to engage in any violation of this article, the attorney general is
33	empowered to issue a civil investigative demand to investigate the
34	suspected violation.
35	Chapter 10. Enforcement
36	Sec. 1. The attorney general has exclusive authority to enforce
37	the provisions of this article.
38	Sec. 2. (a) The attorney general may initiate an action in the
39	name of the state and may seek an injunction to restrain any
40	violations of this article and a civil penalty not to exceed seven
41	thousand five hundred dollars (\$7,500) for each violation under



42

this article.

1	(b) The attorney general may recover reasonable expenses
2	incurred in investigating and preparing the case, including
3	attorney's fees, in any action initiated under this chapter.
4	Sec. 3. (a) Before initiating an action under section 2 of this
5	chapter, the attorney general shall provide a controller or
6	processor thirty (30) days written notice identifying the specific
7	provisions of this article that the attorney general alleges have been
8	or are being violated. If within the thirty (30) day period set forth
9	in this section, the controller or processor:
10	(1) cures the alleged violation; and
11	(2) provides the attorney general an express written statement
12	that:
13	(A) the alleged violation has been cured; and
14	(B) actions have been taken to ensure no further such
15	violations will occur;
16	the attorney general shall not initiate an action against the
17	controller or processor.
18	(b) If a controller or processor:
19	(1) continues the alleged violation following the thirty (30) day
20	period set forth in subsection (a); or
21	(2) breaches an express written statement provided to the
22	attorney general under subsection (a)(2);
23	the attorney general may initiate an action under section 2 of this
24	chapter.
25	Sec. 4. Nothing in this article shall be construed as providing the
26	basis for a private right of action for violations of this article or
27	any other law.
28	Chapter 11. Preemption; Other Laws
29	Sec. 1. This article supersedes and preempts all rules,
30	regulations, codes, ordinances, and other laws adopted by a city,
31	county, city and county, municipality, or local agency regarding
32	the processing of personal data by controllers or processors.
33	Sec. 2. Any reference to federal, state, or local law or statute in
34	this article includes any accompanying rules, regulations, or
35	exemptions.
36	SECTION 2. [EFFECTIVE UPON PASSAGE] (a) As used in this
37	SECTION, "controller" has the meaning set forth in IC 24-15-2-9,
38	as added by this act.
39	(b) The attorney general may, not later than December 31, 2025,
40	establish on the attorney general's website a list of resources for
41	controllers, including sample privacy notices and disclosures, to
	, <u> </u>

assist controllers in complying with IC 24-15-4, as added by this



- 1 act.
- 2 3 (c) This SECTION expires July 1, 2026. SECTION 3. An emergency is declared for this act.



COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Technology, to which was referred Senate Bill No. 5, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 10, delete "consumers;" and insert "consumers who are Indiana residents;".

Page 1, line 12, after "consumers" insert "who are Indiana residents".

Page 5, line 6, delete "photograph;" and insert "photograph, or data generated from a physical or digital photograph;".

Page 6, line 36, delete "include the content of communications or" and insert "**include:**

- (1) the content of communications; or
- (2) any data generated by or connected to advanced utility metering infrastructure systems or equipment for use by a utility."

Page 6, delete lines 37 through 38.

Page 8, line 12, delete "includes:" and insert "**includes any of the following:**".

Page 8, line 13, delete "personal" and insert "Personal".

Page 8, line 16, delete "status;" and insert "status.".

Page 8, line 17, delete "genetic" and insert "Genetic".

Page 8, line 18, delete "individual;" and insert "individual.".

Page 8, line 19, delete "personal" and insert "Personal".

Page 8, line 19, delete "child; and" and insert "child.".

Page 8, line 20, delete "precise" and insert "Precise".

Page 13, line 18, delete "Fulfilling" and insert "Assisting the controller in meeting".

Page 13, line 31, after "protection" insert "impact".

Page 14, line 33, after "Protection" insert "Impact".

Page 14, line 34, after "protection" insert "impact".

Page 14, line 38, after "protection" insert "impact".

Page 15, line 16, after "protection" insert "impact".

Page 15, line 27, after "protection" insert "impact".

Page 15, line 30, after "protection" insert "impact".

Page 15, line 36, after "protection" insert "impact".

Page 15, line 39, after "protection" insert "impact".

Page 15, line 41, after "protection" insert "impact".

Page 16, line 1, after "protection" insert "impact".



Page 16, line 3, after "protection" insert "impact".

Page 16, line 39, delete "IC 24-15-3-1(b)(5);" and insert "IC 24-15-3-1(b)(4);".

Page 17, line 15, delete "regulations." and insert "regulations or, in the case of an owner of a riverboat licensed under IC 4-33-6, implement and operate a facial recognition program approved by the Indiana gaming commission."

Page 17, line 36, delete "to preserve the".

Page 17, line 37, delete "integrity or security of systems, or to".

Page 17, line 38, delete "action." and insert "action, and preserve the integrity or security of systems.".

Page 19, line 30, delete "chapter shall, as applicable, take into account the nature and" and insert "chapter:

- (1) shall, as applicable, take into account the nature and purpose of the collection, use, or retention; and
- (2) must be subject to reasonable administrative, technical, and physical measures to:
 - (A) protect the confidentiality, integrity, and accessibility of the personal data; and
 - (B) reduce reasonably foreseeable risks of harm to consumers relating to such collection, use, or retention of the personal data.".

Page 19, delete lines 31 through 38.

Page 20, between lines 10 and 11, begin a new paragraph and insert:

- "Sec. 2. (a) The attorney general may initiate an action in the name of the state and may seek an injunction to restrain any violations of this article and a civil penalty not to exceed seven thousand five hundred dollars (\$7,500) for each violation under this article.
- (b) The attorney general may recover reasonable expenses incurred in investigating and preparing the case, including attorney's fees, in any action initiated under this chapter."

Page 20, line 11, delete "Sec. 2. (a)" and insert "Sec. 3. (a) This section applies before January 1, 2028."

Page 20, line 11, after "under" insert "section 2 of".

Page 20, line 26, delete "to violate this article" and insert "the alleged violation".

Page 20, line 30, delete "in the name of the state" and insert "under section 2 of this chapter.".

Page 20, delete lines 31 through 36, begin a new paragraph and insert:

"(c) This section expires January 1, 2028.".



Page 20, line 37, delete "Sec. 3." and insert "Sec. 4.". and when so amended that said bill do pass.

(Reference is to SB 5 as introduced.)

PERFECT, Chairperson

Committee Vote: Yeas 11, Nays 0.

SENATE MOTION

Madam President: I move that Senate Bill 5 be amended to read as follows:

Page 2, line 25, delete "HIPAA." and insert "HIPAA and related regulations under 45 CFR Part 160, 45 CFR Part 162, and 45 CFR Part 164."

Page 11, between lines 8 and 9, begin a new line block indented and insert:

- "(5) A controller that has obtained personal data about a consumer from a source other than the consumer is considered to comply with a request by the consumer under subsection (b)(3) to delete the consumer's personal data if the controller:
 - (A) retains:
 - (i) a record of the consumer's request for deletion; and
 - (ii) the minimum data necessary to ensure that the consumer's personal data remains deleted from the controller's records; and
 - (B) does not use the data retained under item (ii) for any other purpose.".

Page 20, line 28, delete "This section applies before January 1, 2028.".

Page 21, delete line 8.

(Reference is to SB 5 as printed January 31, 2023.)

BROWN L



COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 5, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 16, delete "Any" and insert "Either".

Page 11, line 21, delete "item (ii)" and insert "clause (A)(ii)".

Page 13, between lines 30 and 31, begin a new paragraph and insert:

"Sec. 6. The attorney general may maintain on the attorney general's website a list of resources for controllers, including sample privacy notices and disclosures, to assist controllers in complying with this chapter."

Page 21, after line 31, begin a new paragraph and insert:

"SECTION 2. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "controller" has the meaning set forth in IC 24-15-2-9, as added by this act.

- (b) The attorney general may, not later than December 31, 2025, establish on the attorney general's website a list of resources for controllers, including sample privacy notices and disclosures, to assist controllers in complying with IC 24-15-4, as added by this act.
 - (c) This SECTION expires July 1, 2026. SECTION 3. An emergency is declared for this act.".

and when so amended that said bill do pass.

(Reference is to SB 5 as reprinted February 8, 2023.)

TORR

Committee Vote: yeas 12, nays 0.

