

HOUSE BILL No. 1160

DIGEST OF INTRODUCED BILL

Citations Affected: IC 24-4.3.

Synopsis: Internet media. Prohibits a person doing business in Indiana as an Internet media service from entering into a contract with an individual who is less than 18 years of age. Provides for an individual who is damaged as a result of a violation to file a complaint with the attorney general. Specifies civil remedies for a violation.

Effective: July 1, 2015.

Judy

January 12, 2015, read first time and referred to Committee on Judiciary.



First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1160



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 24-4.3 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2015]:
4 **ARTICLE 4.3. INTERNET MEDIA**
5 **Chapter 1. General Provisions**
6 **Sec. 1. This article does not relieve a person from complying**
7 **with any other applicable law.**
8 **Chapter 2. Definitions**
9 **Sec. 1. The definitions in this chapter apply throughout this**
10 **article.**
11 **Sec. 2. "Contract" refers to an agreement between an Internet**
12 **media service and an individual who:**
13 **(1) agrees to the terms and conditions of use of the Internet**
14 **media service; and**
15 **(2) receives access to the web site, application, or other**



- 1 Internet service in exchange for agreeing to the terms and
2 conditions of use.
- 3 **Sec. 3. "Division" refers to the consumer protection division of**
4 **the office of the attorney general.**
- 5 **Sec. 4. "Doing business in Indiana" means:**
6 (1) making; or
7 (2) causing others to make;
8 **available an Internet media service for use in Indiana.**
- 9 **Sec. 5. "Internet media service" refers to a web site, an**
10 **application, or any other Internet service that requires a user to**
11 **agree to terms and conditions of use.**
- 12 **Chapter 3. Internet Media Contracts**
- 13 **Sec. 1. A person doing business in Indiana as an Internet media**
14 **service may not enter into a contract with a resident of Indiana**
15 **who is less than eighteen (18) years of age.**
- 16 **Sec. 2. An individual, or the parent or guardian of an individual,**
17 **who sustains damage as a result of a violation of section 1 of this**
18 **chapter may file a complaint with the division.**
- 19 **Sec. 3. The division shall notify Indiana residents of the rights**
20 **and duties created by this article, including the right to file a**
21 **complaint with the division concerning an issue resulting from a**
22 **violation of section 1 of this chapter.**
- 23 **Sec. 4. The division shall investigate complaints received**
24 **concerning violations of this article.**
- 25 **Sec. 5. The division may adopt rules under IC 4-22-2 to**
26 **implement this article.**
- 27 **Chapter 4. Civil Remedies**
- 28 **Sec. 1. A person who fails to comply with IC 24-4.3-3-1 commits**
29 **a deceptive act that is actionable by the attorney general under this**
30 **chapter.**
- 31 **Sec. 2. A person doing business in Indiana as an Internet media**
32 **service who contracts or seeks to contract with the state:**
33 (1) may be prohibited from contracting with the state; or
34 (2) may have an existing contract with the state voided;
35 **if the person, an affiliate or principal of the person, or an agent**
36 **acting on behalf of the person does not or has not complied with**
37 **this article, regardless of whether this article is preempted by**
38 **federal law.**
- 39 **Sec. 3. In an action under this chapter, the attorney general may**
40 **obtain any or all of the following:**
41 (1) An injunction to enjoin future violations of IC 24-4.3-3-1.
42 (2) A civil penalty of not more than the following:



1 (A) Ten thousand dollars (\$10,000) for the first violation of
 2 IC 24-4.3-3-1.
 3 (B) Twenty-five thousand (\$25,000) dollars for each
 4 violation after the first violation.
 5 For purposes of this subdivision, each contract in violation of
 6 IC 24-4.3-3-1 is considered a separate violation.
 7 (3) All money the defendant obtained through violation of
 8 IC 24-4.3-3-1.
 9 (4) The attorney general's reasonable costs in:
 10 (A) the investigation of the deceptive act; and
 11 (B) maintaining the action.
 12 (5) Reasonable attorney's fees.
 13 (6) Costs of the action.
 14 Any civil penalties collected under this section must be deposited
 15 in the state general fund.
 16 Sec. 4. In an action under this chapter, the court may void or
 17 limit the application of contracts or clauses resulting from
 18 deceptive acts and order restitution or reparation for damage
 19 sustained by the victim of the deceptive act.
 20 Sec. 5. An action brought under this chapter may not be brought
 21 more than two (2) years after the occurrence of the deceptive act.
 22 Sec. 6. An action under this chapter may be brought in the
 23 circuit or superior court of Marion County.
 24 Sec. 7. The attorney general may employ counsel to represent
 25 the state in an action under this chapter.

