

# HOUSE BILL 267

C4

01r0883

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By: **Delegates C. Watson and Dumais**

Introduced and read first time: January 20, 2020

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Private Passenger Automobile Insurance – Use of ~~Vehicle~~ Telematics**

3 FOR the purpose of authorizing an insurer that issues, sells, or delivers private passenger  
4 automobile insurance policies in the State to use data obtained through ~~vehicle~~  
5 telematics from a specific vehicle only for establishing an insurance premium for a  
6 policy that insures that vehicle ~~and if the vehicle owner~~ named insured consents to  
7 the data collection ~~and sharing, or~~ for claims investigation purposes including fraud,  
8 or for rate filing purposes using aggregated telematics data; prohibiting an insurer  
9 that issues, sells, or delivers private passenger automobile insurance policies in the  
10 State from ~~selling data obtained through vehicle telematics to another person or~~  
11 ~~providing data obtained through vehicle telematics to another person for~~  
12 ~~consideration;~~ except under certain circumstances, using telematics data to cancel,  
13 not renew, or refuse to underwrite a private passenger insurance policy; authorizing  
14 an insurer that issues, sells, or delivers private passenger automobile insurance  
15 policies in the State to share data obtained through telematics with the named  
16 insured, with a person other than the named insured under certain circumstances,  
17 or in accordance with a court order; authorizing an insurer that issues, sells, or  
18 delivers private passenger automobile insurance policies in the State to sell or  
19 exchange for other consideration certain aggregated telematics data only under  
20 certain circumstances; defining “~~vehicle~~ telematics”; and generally relating to the  
21 use of data obtained through ~~vehicle~~ telematics by private passenger automobile  
22 insurers in the State.

23 BY adding to  
24 Article – Insurance

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Section 27–908  
 2 Annotated Code of Maryland  
 3 (2017 Replacement Volume and 2019 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 5 That the Laws of Maryland read as follows:

6 **Article – Insurance**

7 **27–908.**

8 (A) IN THIS SECTION, “~~VEHICLE~~ **TELEMATICS**” MEANS A METHOD OF  
 9 **COLLECTING ~~AND SHARING~~ DATA RELATED TO ANY OF THE FOLLOWING DATA**  
 10 **POINTS REGARDING A VEHICLE OR DRIVER USING RECORDING SENSORS ~~IN THE~~**  
 11 **VEHICLE, OR A TELECOMMUNICATIONS DEVICE FOR TRANSMITTAL OF THE DATA,**  
 12 **AND A SECURED SERVER TO STORE THE DATA, ~~WHICH MAY INCLUDE:~~**

13 (1) **VEHICLE SPEED, LOCATION, MILEAGE, AND OPERATING HOURS;**

14 (2) **DRIVER ACCELERATION, BRAKING, AND CORNERING HABITS;**

15 (3) **DISTRACTED DRIVING DUE TO TELEPHONE USE;**

16 (4) **ROAD AND WEATHER CONDITIONS; ~~AND~~**

17 (5) **ENGINE DIAGNOSTICS; ~~AND~~**

18 (6) **ANY OTHER DATA POINT RELATED TO THE USE AND OPERATION**  
 19 **OF THE INSURED VEHICLE THAT HAS BEEN FILED WITH AND APPROVED BY THE**  
 20 **COMMISSIONER.**

21 (B) AN INSURER THAT ISSUES, SELLS, OR DELIVERS PRIVATE PASSENGER  
 22 AUTOMOBILE INSURANCE POLICIES IN THE STATE:

23 (1) MAY USE DATA OBTAINED THROUGH ~~VEHICLE~~ **TELEMATICS** FROM  
 24 A SPECIFIC VEHICLE ONLY:

25 (I) ~~1.~~ FOR ESTABLISHING AN INSURANCE PREMIUM FOR  
 26 THE POLICY THAT INSURES THAT VEHICLE; ~~AND~~

27 ~~2.~~ IF THE ~~VEHICLE OWNER~~ **NAMED INSURED** CONSENTS  
 28 TO THE DATA COLLECTION ~~AND SHARING; OR~~

29 (II) FOR CLAIMS INVESTIGATION **PURPOSES, INCLUDING**  
 30 **FRAUD; OR**

1                    (III) FOR RATE FILING PURPOSES USING AGGREGATED  
2 TELEMATICS DATA;

3                    ~~(2) MAY NOT SELL DATA OBTAINED THROUGH VEHICLE TELEMATICS~~  
4 ~~TO ANOTHER PERSON; AND~~

5                    ~~(3) MAY NOT PROVIDE DATA OBTAINED THROUGH VEHICLE~~  
6 ~~TELEMATICS TO ANOTHER PERSON FOR CONSIDERATION.~~

7                    (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
8 PARAGRAPH, MAY NOT USE TELEMATICS DATA WHOLLY OR PARTLY TO CANCEL, NOT  
9 RENEW, OR REFUSE TO UNDERWRITE A PRIVATE PASSENGER AUTOMOBILE  
10 INSURANCE POLICY; AND

11                    (II) IF THE NAMED INSURED DOES NOT CONSENT TO THE USE OF  
12 TELEMATICS, MAY REFUSE TO UNDERWRITE A PRIVATE PASSENGER AUTOMOBILE  
13 INSURANCE POLICY ONLY IF THE INSURER'S UNDERWRITING GUIDELINES REQUIRE  
14 RATING ALL POLICIES USING TELEMATICS DATA;

15                    (3) MAY SHARE DATA OBTAINED THROUGH TELEMATICS:

16                    (I) WITH THE NAMED INSURED;

17                    (II) WITH A PERSON OTHER THAN THE NAMED INSURED ONLY IF  
18 THE NAMED INSURED PROVIDES CONSENT; OR

19                    (III) IN ACCORDANCE WITH A COURT ORDER; AND

20                    (4) MAY SELL OR EXCHANGE FOR OTHER CONSIDERATION  
21 AGGREGATED TELEMATICS DATA THAT DOES NOT CONTAIN ANY PERSONAL  
22 INFORMATION, AS DEFINED IN § 4-101 OF THE GENERAL PROVISIONS ARTICLE,  
23 ONLY IF THE DATA WILL BE USED FOR AUTOMOBILE INSURANCE RATING OR  
24 VEHICLE SAFETY PURPOSES.

25                    SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 October 1, 2020.