

Testimony of
American Property Casualty Insurance Association (APCIA)
House Environment and Transportation
House Bill 1464 Vehicle Laws - Vehicle Data - Ownership and Use
March 5, 2020

Letter of Opposition

The American Property Casualty Insurance Association (APCIA) is a national trade organization representing nearly 60 percent of the U.S. property casualty insurance market. In Maryland, APCIA members write over 43% of the personal auto market. APCIA appreciates the opportunity to provide written comments in opposition of House Bill 1464. APCIA opposes this bill which does not address the issue of the insured's contractual duty to cooperate in an auto policy when investigating claims. This refusal could be detrimental to the insurer when determining what happened during an accident.

HB 1464 governs ownership and use of data collected by a vehicle, any vehicle, not just an AV. It follows the form of current federal and state event data recorder laws, the vehicle owner owns the data collected by the vehicle, and controls access to the data with exceptions for first responders/law enforcement and subpoena. Section D specifically addresses automated vehicles, and allows manufacturers, insurers and dealers to collect and distribute aggregate non identifiable data. It preserves the ability to access vehicle data via authorization of the owner, or subpoena from an adverse party. APCIA supports those concepts.

However, Section (E), restricts an insurer from taking any action based "solely" on the refusal of the insured to allow access to data. For example every auto liability insurance policy has a "duty to cooperate" provision, so an insured refusing access to vehicle data is essentially a refusal by the insured to provide facts of the accident. There are auto insurers that only offer "usage based" auto insurance, that is dependent on access to driving data, thus rendering an entire business model unusable in Maryland. Section (E) effectively hamstring an insurer from able to properly handle claims or using data to evaluate the risk, and we urge the committee to remove that section.

For all these reasons, the APCIA urges the Committee to provide an unfavorable report on House Bill 1464.

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