

March 6, 2020

The Honorable Kumar Barve House Environment and Transportation Committee Room 251 House Office Building Annapolis, Maryland 21401

> HB 1464: - Vehicle Data - Ownership and Use Position: Unfavorable

Dear Delegate Barve:

The Alliance for Automotive Innovation¹ (Auto Innovators) opposes HB 1464, which imposes vague and open-ended requirements concerning vehicle data. Auto Innovators and our members understand that consumers want to know how vehicle technologies and services can deliver benefits to them while respecting their privacy. Our members are committed to providing all their customers with a high level of protection of their personal data and maintaining their trust.

Maintaining Consumer Privacy and Cybersecurity

The protection of consumer personal information is a priority for the automotive industry. Through the development of the "Consumer Privacy Protection Principles for Vehicle Technologies and Services," Auto Innovators' members committed to take steps to protect the personal data generated by their vehicles. These Privacy Principles are enforceable through the Federal Trade Commission and provide heightened protection for geolocation data and how drivers operate their vehicles.² With increasing vehicle connectivity, customer privacy must be a priority. Many of the advanced technologies and services in vehicles today are based upon

¹ Formed in 2020, the Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. The newly established organization, a combination of the Association of Global Automakers and the Alliance of Automobile Manufacturers, is directly involved in regulatory and policy matters impacting the light-duty vehicle market across the country. Members include motor vehicle manufacturers, original equipment suppliers, technology and other automotive-related companies and trade associations. The Alliance for Automotive Innovation is headquartered in Washington, DC, with offices in Detroit, MI and Sacramento, CA. For more information, visit our website http://www.autosinnovate.org.

² https://autoalliance.org/wp-content/uploads/2017/01/Consumer_Privacy_Principlesfor_VehicleTechnologies_Services.pdf

information obtained from a variety of vehicle systems and involve the collection of information about a vehicle's location or a driver's use of a vehicle. Consumer trust is essential to the success of vehicle technologies and services.

Automotive Specific Concerns

HB 1464 seems to apply to essentially any vehicle-related data collected from the vehicle, which will impact motor vehicle safety, performance, and security. Automakers use vehicle-level data they collect for analysis related to motor vehicle safety, performance, and security to comply with the standards set forth by the National Highway Traffic Safety Administration (NHTSA). For example, how would an automaker provide Transportation Recall Enhancement, Accountability and Documentation (TREAD) data if they are not allowed access to the vehicle data?

Automakers also use this information for enhancing R&D, manufacturing, and consumer warranties. Moreover, this data is crucial to the development, training, implementation, and assessment of automated vehicle technologies, advanced driver-assistance systems, and other life-saving vehicle technologies. If automakers are prohibited from collecting such information, that would negatively result in automakers not being able to use the information to develop, test, and deploy vehicles and technologies that will save lives.

Under HB 1464, if the vehicle owner is the owner of the data, this suggests automakers would have an obligation to provide that data to the vehicle owner, even though that is not spelled out in the law. This creates uncertainty about whether automakers would need to provide certain vehicle data types that are considered proprietary or trade secret to the vehicle owner.

Much of the information that automakers collect is tied to vehicles, rather than individuals. Automakers often use the Vehicle Identification Number ("VIN") to identify the vehicle from which information is collected. HB 1464 creates confusion around what "nonindividualized and nonpersonalized" means in the definition of "nonidentifying data". Does that mean that data that is linked to a VIN number but not a vehicle owner could be retrieved?

Given HB 1464's harmful implications around the development and delivery of advanced vehicle technologies, safety compliance, and services provided to consumers we urge the committee to report the bill as unfavorable.

Thank you for your consideration of Auto Innovators' position. Please do not hesitate to contact me at <u>jfisher@autosinnovate.org</u> or 202-326-5562, should I be able to provide any additional information.

Sincerely,

Josh Fisher

Director, State Affairs

Alliance for Automotive Innovation