

SB0984/463629/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 984
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Telematics Systems**” and substitute “**Programs That Measure the Operation of an Insured Vehicle**”; in line 3, strike “ , sells,”; in line 4, strike “certain”; in lines 4 and 5 and 10 and 11, in each instance, strike “telematics systems” and substitute “a program that measures the operation of an insured vehicle”; in line 5, strike “an appeals” and substitute “a”; in the same line, strike “challenge” and substitute “correct or appeal”; in line 8, strike “telematic systems” and substitute “a program that measures the operation of an insured vehicle”; in line 10, strike “obtained” and substitute “collected”; in line 11, strike “to establish certain premiums or”; in line 13, strike “telematics” and substitute “programs that measure the operation of an insured vehicle”; in line 12, after “policy,” insert “prohibiting insurers with respect to certain private passenger motor vehicle insurance policies from initiating a premium increase in increments of less than a certain number of months from the date the policy goes into effect;”; after line 13, insert:

“BY repealing and reenacting, without amendments,

Article – Insurance

Section 12–106(b)

Annotated Code of Maryland

(2017 Replacement Volume and 2024 Supplement)”;

and in line 16, after “Section” insert “12–307 and”; in the same line, strike “and 27–908”; and after line 18, insert:

“BY repealing and reenacting, with amendments,

Article – Insurance

Section 27–501(t)

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Annotated Code of Maryland
(2017 Replacement Volume and 2024 Supplement)”.

AMENDMENT NO. 2

On page 1, after line 21, insert:

“12-106.

(b) This section applies only to a binder or policy, other than a renewal policy, of personal insurance, commercial property insurance, and commercial liability insurance.

12-307.

EXCEPT AS PROVIDED IN § 12-106 OF THIS TITLE, WITH RESPECT TO PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICIES THAT MEASURE THE OPERATION OF AN INSURED VEHICLE, AN INSURER MAY NOT INITIATE A PREMIUM INCREASE IN INCREMENTS OF LESS THAN 6 MONTHS FROM THE DATE THE POLICY GOES INTO EFFECT.”.

On pages 1 and 2, strike in their entirety the lines beginning with line 23 on page 1 through line 8 on page 2, inclusive.

On page 2, in line 9, strike “(B)” and substitute “(A) (1)”; in line 11, strike “INSURED” and substitute “APPLICANT AT THE TIME OF APPLICATION OR THE POLICYHOLDER AT THE TIME OF RENEWAL”; strike beginning with “TELEMATICS” in line 11 down through “OR” in line 12 and substitute “A PROGRAM THAT MEASURES THE OPERATION OF AN INSURED”; after line 12, insert:

“(2) THE DISCLOSURE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE PROVIDED IN THE MANNER SPECIFIED BY THE ADMINISTRATION.

(B) AN INSURER THAT IMPLEMENTS THE USE OF A PROGRAM THAT MEASURES THE OPERATION OF AN INSURED VEHICLE SHALL ESTABLISH A PROCESS BY WHICH THE POLICYHOLDER MAY CORRECT OR APPEAL DATA COLLECTED THROUGH THE PROGRAM THAT THE POLICYHOLDER BELIEVES IS ERRONEOUS.”;

in lines 9, 15, and 27, in each instance, strike “, SELLS,”; in line 14, strike “TELEMATICS SYSTEMS” and substitute “A PROGRAM THAT MEASURES THE OPERATION OF AN INSURED VEHICLE”; in line 15, after “PRIVATE” insert “PASSENGER”; in line 18, strike “TELEMATICS SYSTEM” and substitute “PROGRAM THAT MEASURES THE OPERATION OF AN INSURED VEHICLE”; in the same line, strike “PERIODICALLY” and substitute “ESTABLISH AND IMPLEMENT A GOVERNANCE PLAN THAT INCLUDES”; strike beginning with “AUDIT” in line 19 down through “BIAS” in line 21 and substitute “MONITORING THE PROGRAM TO ENSURE THAT IT DOES NOT COLLECT OR PROCESS DATA IN A MANNER THAT IS UNFAIRLY DISCRIMINATORY, IMPACTS PREMIUM RATES IN A MANNER THAT LACKS ACTUARIAL JUSTIFICATION, OR OTHERWISE VIOLATES THIS ARTICLE;

(2) CORRECTING OR MITIGATING A FINDING THAT THE PROGRAM COLLECTS OR PROCESSES DATA IN A MANNER THAT IS UNFAIRLY DISCRIMINATORY, IMPACTS PREMIUM RATES IN A MANNER THAT LACKS ACTUARIAL JUSTIFICATION, OR OTHERWISE VIOLATES THIS ARTICLE”;

in line 22, strike “(2)” and substitute “(3)”; in the same line, strike “SUBMIT A REPORT” and substitute “PERIODICALLY REPORTING”; in the same line, strike “SUMMARIZING” and substitute “ON:

(Over)

(I);

in line 23, strike “AUDIT” and substitute “PROGRAM MONITORING IN ACCORDANCE WITH THE GOVERNANCE PLAN; AND”

(II) ANY CORRECTIVE ACTION OR MITIGATION MEASURE TAKEN IN ACCORDANCE WITH THE GOVERNANCE PLAN”;

and after line 23, insert:

“27-501.

(t) With respect to private passenger motor vehicle insurance, an insurer may not:

(1) require an applicant or a policyholder to participate in a program that measures the operation of an insured vehicle as a condition for underwriting a private passenger motor vehicle insurance risk [unless the insurer:

(1) only offers private passenger motor vehicle insurance products that require insureds to participate in a program that measures the operation of an insured vehicle;

(2) discloses the information in item (1) of this subsection to:

(i) the applicant at the time of application; and

(ii) the policyholder at the time of renewal; and

(3) includes the information in item (1) of this subsection in any advertising materials for the insurance products offered by the insurer]; OR

(2) USE DATA COLLECTED THROUGH A PROGRAM THAT MEASURES THE OPERATION OF AN INSURED VEHICLE TO CANCEL, REFUSE TO RENEW, OR REFUSE TO UNDERWRITE A PRIVATE PASSENGER AUTOMOBILE INSURANCE POLICY RISK.”.

On pages 2 and 3, strike in their entirety the lines beginning with line 24 on page 2 through line 7 on page 3, inclusive.

On page 3, in line 10, strike “December 31, 2025” and substitute “July 1, 2026”.