

SENATE BILL 351

C4
SB 984/25 – FIN

6lr1947
CF 6lr1949

By: Senator A. Washington

Introduced and read first time: January 23, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Private Passenger Motor Vehicle Insurance – Use of Programs That Measure**
3 **the Operation of an Insured Vehicle**

4 FOR the purpose of requiring an insurer that issues or delivers private passenger motor
5 vehicle insurance policies in the State to disclose the use of a program that measures
6 the operation of an insured vehicle and to establish a process by which a policyholder
7 may correct or appeal data the policyholder believes to be erroneous; requiring the
8 Maryland Insurance Administration to adopt regulations limiting the types and
9 amounts of data that may be collected through a program that measures the
10 operation of an insured vehicle for use by a private passenger motor vehicle insurer;
11 prohibiting an insurer that issues, sells, or delivers private passenger motor vehicle
12 insurance policies in the State from using data collected through a program that
13 measures the operation of an insured vehicle to take certain actions with respect to
14 a policy; prohibiting insurers with respect to certain private passenger motor vehicle
15 insurance policies from initiating a premium increase in increments of less than a
16 certain number of months from the date the policy goes into effect; and generally
17 relating to private motor vehicle insurance and the use of programs that measure
18 the operation of an insured vehicle.

19 BY repealing and reenacting, without amendments,
20 Article – Insurance
21 Section 12–106(b)
22 Annotated Code of Maryland
23 (2017 Replacement Volume and 2025 Supplement)

24 BY adding to
25 Article – Insurance
26 Section 12–307 and 19–521
27 Annotated Code of Maryland
28 (2017 Replacement Volume and 2025 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Insurance
3 Section 27-501(t)
4 Annotated Code of Maryland
5 (2017 Replacement Volume and 2025 Supplement)

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

8 **Article – Insurance**

9 12-106.

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

12 **12-307.**

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

18 **19-521.**

19 (A) (1) AN INSURER THAT ISSUES OR DELIVERS PRIVATE PASSENGER
20 MOTOR VEHICLE INSURANCE POLICIES IN THE STATE SHALL DISCLOSE TO THE
21 APPLICANT AT THE TIME OF APPLICATION OR THE POLICYHOLDER AT THE TIME OF
22 RENEWAL ANY USE OF A PROGRAM THAT MEASURES THE OPERATION OF AN
23 INSURED VEHICLE.

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

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

31 (C) THE ADMINISTRATION SHALL ADOPT REGULATIONS TO LIMIT THE
32 TYPES AND AMOUNT OF DATA THAT MAY BE COLLECTED BY A PROGRAM THAT
33 MEASURES THE OPERATION OF AN INSURED VEHICLE FOR USE BY AN INSURER THAT

1 ISSUES OR DELIVERS PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICIES
2 IN THE STATE.

3 (D) THE ADMINISTRATION MAY REQUIRE AN INSURER THAT USES A
4 PROGRAM THAT MEASURES THE OPERATION OF AN INSURED VEHICLE TO
5 ESTABLISH AND IMPLEMENT A GOVERNANCE PLAN THAT INCLUDES:

6 (1) MONITORING THE PROGRAM TO ENSURE THAT IT DOES NOT
7 COLLECT OR PROCESS DATA IN A MANNER THAT IS UNFAIRLY DISCRIMINATORY,
8 IMPACTS PREMIUM RATES IN A MANNER THAT LACKS ACTUARIAL JUSTIFICATION,
9 OR OTHERWISE VIOLATES THIS ARTICLE;

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

14 (3) PERIODICALLY REPORTING TO THE ADMINISTRATION ON:

15 (I) THE SCOPE, METHODOLOGIES, AND FINDINGS OF THE
16 PROGRAM MONITORING IN ACCORDANCE WITH THE GOVERNANCE PLAN; AND

17 (II) ANY CORRECTIVE ACTION OR MITIGATION MEASURE TAKEN
18 IN ACCORDANCE WITH THE GOVERNANCE PLAN.

19 27-501.

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

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

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

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

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

30 (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

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

7 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Insurance
8 Administration shall adopt the regulations required under § 19–521(c) of the Insurance
9 Article, as enacted by Section 1 of this Act, on or before July 1, 2027.

10 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2026.