

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 1295 (Delegate Ziegler, *et al.*)  
Environment and Transportation

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Vehicle Laws - Fully Autonomous Vehicles

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This bill expressly authorizes a fully autonomous vehicle to be operated on a highway in the State without a human driver when (1) the vehicle meets certain technical specifications and standards; (2) a person submits a first responder interaction plan to the Motor Vehicle Administration (MVA) before operating the vehicle; and (3) the owner of the vehicle submits proof of the required security (*i.e.*, insurance coverage) to MVA before operating the vehicle. Specified data collected by fully autonomous vehicles is subject to the Online Data Privacy Act. MVA must revoke a person's license to sell vehicles directly to consumers if the person violates the bill's requirements.

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Fiscal Summary

**State Effect:** MVA can implement the bill's requirements, including programming changes for unique registrations and the storage of first responder interaction plans, using existing budgeted resources. It is anticipated that the Department of State Police (DSP) can modify its enforcement processes and activities to account for fully autonomous vehicles using existing budgeted resources. Revenues are not anticipated to be materially affected.

**Local Effect:** It is anticipated that local law enforcement agencies can modify their enforcement processes and activities to account for fully autonomous vehicles using existing budgeted resources. Revenues are not affected.

**Small Business Effect:** Potential meaningful.

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## Analysis

### Bill Summary:

#### *Definitions*

“Automated driving system” means the hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of whether it is limited to a specific operational design domain.

“Dynamic driving task” means all of the real-time operational functions required to operate a motor vehicle on a highway, including specified functionalities.

“Fully autonomous vehicle” means a motor vehicle equipped with an automated driving system designed to function without a human driver, including specified automation systems.

“Human driver” means an individual in a vehicle with a valid license to operate a vehicle who is able to perform the dynamic driving task.

“Minimal risk condition” means a stable, stopped condition to which a human driver or an automated driving system may bring a fully autonomous vehicle after performing the dynamic driving task fallback to reduce the risk of a crash when a given trip cannot or should not be continued.

“Operational design domain” means operating conditions under which a given automated driving system is specifically designed to function, including conditions subject to (1) environmental restrictions; (2) geographic restrictions; (3) time-of-day restrictions; or (4) the requisite presence or absence of certain traffic or roadway characteristics.

“Personal data” means any information that is linked or can be reasonably linked to an identified or identifiable consumer. It does not include de-identified data or publicly available information.

#### *Fully Autonomous Vehicles Authorized*

A person is authorized to operate a fully autonomous vehicle on a highway in the State without a human driver and with the automated driving system engaged if the vehicle:

- will achieve a minimal risk condition if a failure of the automated driving system occurs that renders the system unable to perform the entire dynamic driving task relevant to its intended operational design domain;

- is capable of operating in accordance with the Maryland Vehicle Law, unless MVA has adopted a regulation exempting autonomous vehicles from specific provisions of law; and
- displays the required manufacturer's certification label indicating that the vehicle is in compliance with all applicable federal motor vehicle safety standards, including any exemption granted by the National Highway Traffic Safety Administration.

Before operating a fully autonomous vehicle on a highway in the State without a human driver and with the automated driving system engaged, a person responsible for operating the vehicle or the manufacturer of either the vehicle or the vehicle's automated driving system must submit a first responder interaction plan to MVA. The first responder interaction plan must include information on:

- how to communicate with a fleet support specialist who is available during the times the fully autonomous vehicle is in operation;
- how to safely remove the fully autonomous vehicle from the highway and steps to properly tow the vehicle;
- how to recognize whether the vehicle is operating autonomously; and
- any other information that the manufacturer, owner, or MVA considers necessary, including information regarding hazardous conditions or public safety risks associated with the operation of the vehicle.

A person must submit evidence to MVA, in the manner required by MVA, certifying that all required security is in effect before operating a fully autonomous vehicle without a human driver.

#### *Application of the Maryland Vehicle Law to Fully Autonomous Vehicles*

When a fully autonomous vehicle is operating with the automated driving system engaged, the system is considered to (1) be the vehicle operator for determining compliance with the Maryland Vehicle Law; (2) satisfy electronically all physical acts required by a vehicle driver; and (3) be licensed to operate the vehicle.

A human driver may operate a fully autonomous vehicle that is designed to allow human operation if the automated driving system is not engaged.

In the event of a vehicle crash involving a fully autonomous vehicle, the vehicle or the person operating the vehicle must comply with State law governing accidents and accident reporting. However, all notice and reporting requirements must be satisfied within 15 days after a vehicle crash involving a fully autonomous vehicle, unless an extension is granted, as specified.

A transportation network company, for-hire vehicle company, or other ground passenger transportation company may use fully autonomous vehicles. Any provision of the Maryland Vehicle Law that by its nature applies only to a human driver does not apply to the operator of a fully autonomous vehicle with the automated driving system engaged while being used by one of these entities. However, this may not be interpreted to exempt the person who is engaging the automated driving system from the requirements for operation of fully autonomous vehicles under the bill. All fully autonomous vehicles must be equipped with an accessible user interface such that individuals with disabilities are able to independently access all aspects and user features of the interface.

A fully autonomous vehicle that is designed to be operated exclusively by the automated driving system for all trips is not subject to State motor vehicle equipment laws that relate to or support motor vehicle operation by a human driver seated in the vehicle or are not relevant for an automated driving system.

#### *Local Authority*

A State agency or local political subdivision may not prohibit the operation of fully autonomous vehicles on highways under their jurisdiction or otherwise enact or keep in effect rules or ordinances that would impose taxes, fees, or other requirements specific to the operation of vehicles.

#### *Online Data Privacy Act and Safety Investigations*

Personal data collected by an autonomous vehicle is subject to the State Online Data Privacy Act. If MVA has information, data, or other evidence indicating that an autonomous vehicle is not in safe mechanical condition and may endanger persons on the highway, MVA may issue a request for relevant information to the person who submitted the required first responder interaction plan, and a response to this request must comply with specified requirements.

After considering and evaluating all responses, if MVA determines that an autonomous vehicle is not in safe mechanical condition and may endanger persons on the highway, MVA may send a notice of intent to suspend the vehicle registration or impose restrictions on the operation of the vehicle to the person who submitted the first responder interaction plan or the person's successor.

The notice must include:

- a description of MVA's reasons for suspending the registration or restricting operation of the vehicle and the supporting evidence; and

- a statement requiring a certification of correction or adjustment be submitted within a specified time, including an explanation of how the safety issues have been addressed.

If a certification of correction or adjustment is not filed in a timely manner or is found by MVA to be insufficient, MVA must notify the person that the vehicle registration is suspended or its operations are restricted. MVA must remove the suspension or restriction upon the receipt of the required certification.

A person may request a hearing to dispute MVA's findings within 10 days after the date the notice of intent is issued; the hearing must be held within 30 days after the request is submitted. A decision to uphold the determination of MVA may be appealed to the circuit court for the county in which the requestor resides.

### *Financial Responsibility*

A fully autonomous vehicle must maintain proof of financial responsibility, personal injury protection benefits, and uninsured motorist benefits as required under current law. A fully autonomous vehicle with its automated driving system engaged must maintain proof of financial responsibility of *at least* \$1.0 million combined single limit per occurrence for third-party liability.

Makers of insurance policies and self-insurance may coordinate with each other to determine which entity satisfies personal injury protection and uninsured motorist requirements. Financial responsibility may be satisfied through an insurance policy or a surplus lines policy.

The bill prohibits the requirement of higher limits or additional coverages solely based on the vehicle's use of an automated driving system.

### **Current Law:**

#### *Autonomous Vehicles*

Autonomous vehicles are governed and regulated primarily at the federal level through plans and guidance developed by the U.S. Department of Transportation. The current [Automated Vehicles – Comprehensive Plan](#) includes the three major goals of promoting collaboration and transparency, modernizing the regulatory environment, and preparing the transportation system for autonomous vehicles. Among other things, it includes safety and operational standards developed by the Society of Automotive Engineers International.

Chapters 500 and 501 of 2023 authorize an autonomous vehicle converter to sell, transfer, lease, offer for sale, or resell a converted autonomous vehicle or a motor vehicle purchased by an autonomous vehicle converter with the intent to convert the motor vehicle into a converted autonomous vehicle. This authorization only extends to motor vehicles intended for commercial or industrial use. A converted autonomous vehicle is a motor vehicle that (1) is equipped with an aftermarket automated driving system capable of operating in accordance with some or all of the automated driving standards; (2) meets or exceeds weight or capacity thresholds established under federal law; and (3) is capable of operating in accordance with applicable State and federal law.

### *Maryland Vehicle Law*

Titles 11 through 27 of the Transportation Article, which are also considered the “Maryland Vehicle Law,” statutorily regulate the use of vehicles on the State’s roads and highways. Among numerous other requirements and provisions, the Maryland Vehicle Law:

- grants general regulatory authority of vehicles in the State to MVA;
- specifies the types of vehicles that must be titled and registered with MVA;
- specifies that an individual must be appropriately licensed to operate a motor vehicle on a highway in the State;
- specifies the required security (*i.e.*, insurance coverage) that must apply for a motor vehicle that is registered in the State;
- includes specific requirements that apply for standard rental vehicles and vehicles rented through a peer-to-peer car sharing program;
- specifies the procedures that must be followed and general requirements that apply when a person is involved in an accident involving a motor vehicle;
- specifies the rules of the road that must be followed when a person is operating a vehicle on a road or highway in the State; and
- includes specifications for the type of technology and equipment that is authorized or required to be used or prohibited from use on motor vehicles.

### *Maryland Online Data Privacy Act of 2024*

Chapters 454 and 455 of 2024 (the Maryland Online Data Privacy Act of 2024) established new consumer protections and rights, as well as disclosure obligations, relating to online personal data controlled or processed by certain entities that conduct business in the State or provide services or products that are targeted to residents of the State. Violation of the Maryland Online Data Privacy Act is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act (MCPA), subject to MCPA’s civil and criminal penalty provisions.

**Small Business Effect:** The bill expressly authorizes for-hire vehicle companies and other ground passenger transportation companies to use fully autonomous vehicles, and some of these companies are likely small businesses. A small business that purchases an autonomous vehicle may experience significant personnel cost savings compared to a traditional vehicle (after the likely significant initial cost to purchase such a vehicle).

**Additional Comments:** MVA advises that, currently, there are no vehicles operating in the State that fit the definition of fully autonomous vehicles, and the bill could affect the work of the Connected and Automated Vehicles (CAV) Working Group, which was established in 2015 and is staffed by MVA. According to MVA, the working group has developed a statewide strategic framework and issues testing permits to interested companies. More information about the working group's ongoing activities can be found on the [CAV Working Group website](#).

DSP advises that the bill's provisions exempting fully autonomous vehicles from specified State motor vehicle equipment laws are unclear. Depending on interpretation, the bill may require changes to DSP regulations, additional officer training, and alteration of enforcement procedures.

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### Additional Information

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years; however, legislation with similar provisions has been proposed. For example, see SB 949 and HB 1256 of 2025.

**Designated Cross File:** SB 909 (Senator Love, *et al.*) - Judicial Proceedings.

**Information Source(s):** Maryland Municipal League; Department of State Police; Maryland Department of Transportation; Department of Legislative Services

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