



February 19, 2020

The Honorable Delores Kelley  
Chair, Senate Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, Maryland 21401

**RE: SB 443 - SECURITY FEATURE FOR CONNECTED DEVICES - OPPOSE**

Dear Senator Kelley:

The Alliance for Automotive Innovation<sup>1</sup> (Auto Innovators) is writing to inform you of **our opposition to SB 443**, which requires manufactures of connected devices to equip the connected device with certain security features.

SB 443 is similar to legislation passed in California. Like the California legislation, SB 443 imposes vague and open-ended requirements that will require manufacturers to grapple with its interpretation when designing product security features.

However, SB 443 lacks a critical exemption included in California's legislation. California's law states that its provisions do not apply to a device "the functionality of which is subject to security requirements under federal law, regulations, or guidance promulgated by a federal agency pursuant to its regulatory enforcement authority." Automobiles fall under this exemption because they are already covered by cybersecurity best practice guidance published by the National Highway Traffic Safety Administration.<sup>2</sup> Additionally, the auto industry has taken proactive measures to protect consumer privacy by developing the automotive "Privacy Principles" which commit automakers to take certain steps to protect the personal data generated by their vehicles.<sup>3</sup> The Principles' fundamentals are based on the Federal Trade

---

<sup>1</sup> 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>.

<sup>2</sup> [https://www.nhtsa.gov/staticfiles/nvs/pdf/812333\\_CybersecurityForModernVehicles.pdf](https://www.nhtsa.gov/staticfiles/nvs/pdf/812333_CybersecurityForModernVehicles.pdf)

<sup>3</sup> [https://autoalliance.org/wp-content/uploads/2017/01/Consumer\\_Privacy\\_Principlesfor\\_VehicleTechnologies\\_Services-03-21-19.pdf](https://autoalliance.org/wp-content/uploads/2017/01/Consumer_Privacy_Principlesfor_VehicleTechnologies_Services-03-21-19.pdf)

Commission's (FTC) Fair Information Practice Principles (FIPPs), which, in turn, rest on privacy practice frameworks used in the United States and around the world for over forty years. These Privacy Principles have been expressly adopted by the vast majority of the auto industry and are enforceable by the Federal Trade Commission (FTC).

Additionally, given action at the federal level, SB 443 is not necessary to protect consumers in Maryland. For example, the FTC, which has broad authority over consumer product safety under section 5 of the FTC Act, issued the Internet of Things Privacy & Security in a Connected World guidance document in 2015. The FTC has also taken enforcement action against connected device manufacturers, thus developing a set of regulatory expectations for manufacturers with respect to cybersecurity. Similarly, the FTC and the National Highway Traffic Safety Administration (NHTSA) held a workshop on security and safety of autonomous vehicles in June 2017, in part to discuss developing standards.

While the California law has serious problems with its overbroad and vague language, the exemption noted above provides a crucial level of clarity for manufacturers which is missing in SB 443. At a minimum, SB 443 should be amended to include this same exemption.

Thank you for your consideration of the Auto Innovators' position. Please do not hesitate to contact me at [jfisher@autosinnovate.org](mailto:jfisher@autosinnovate.org) or 202-326-5562, should I be able to provide any additional information.

Sincerely,



Josh Fisher  
Director, State Affairs