



**SB351 Private Passenger Motor Vehicle Insurance-Use of Programs that Measure the  
Operation of the Insured Vehicle  
Position: FAV**

February 11, 2026

The Honorable Pam Beidle, Chair  
Senate Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, Maryland 21401  
cc: Members, Senate Finance

Chair Beidle and Members of the Committee,

Economic Action Maryland Fund supports SB351 which expands transparency and consumer protections related to the use of telematics in auto insurance.

Auto insurance rates have increased more than 20% for many drivers over the past 5 years. Economic Action Maryland Fund recently conducted a survey of more than 500 Marylanders statewide and found that 74% of survey respondents had seen their auto insurance increase in the past year, with 65% seeing an increase between \$50-\$250 a year in their costs. Coupled with rising costs for utilities, medical care, and food, drivers are eager to find ways to reduce their insurance rates.

Under these circumstances, telematics programs may appeal to drivers as a way to save money and get rates more fairly tailored to their actual driving practices. Under such programs drivers agree to let insurers collect data about how they drive, in the hope that they'll be rewarded with significant discounts if they're viewed as safe drivers. Leading insurers claim that participants in these programs can save 15% to 40% on their insurance rate<sup>1</sup>.

Unfortunately, the Maryland Insurance Administration's (MIA) 2025 report on the use of telematics found that *there was roughly only a 31.16% chance that a policyholder would experience a premium decrease due to their enrollment in a telematics program*<sup>2</sup>.

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1

[https://consumerfed.org/press\\_release/consumer-reports-investigates-auto-insurance-telematics-program-s-highlighting-whats-known-and-unknown-about-consumer-data-collected-and-used-by-insurers/](https://consumerfed.org/press_release/consumer-reports-investigates-auto-insurance-telematics-program-s-highlighting-whats-known-and-unknown-about-consumer-data-collected-and-used-by-insurers/)

2

<https://insurance.maryland.gov/Consumer/Appeals%20and%20Grievances%20Reports/Telematics-Survey-Report-2025.pdf>

*Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.*



To enroll in a telematics program, consumers agree to allow programs to collect a large degree of data about their driving habits. Yet, the savings seem unlikely to materialize for many drivers.

SB351 ensures that consumers have clear, transparent notice about the use of telematics prior to initiating or renewing a policy. The MIA's report underscores the importance of notice finding that *consumers need to be aware of what is collected and how the data is used prior to consenting to enroll in one of these program*. The programs require active monitoring and engagement by the driver.

In response, SB351 requires insurers to provide a governance plan related to their data collection, use of algorithms and underwriting, and more. While the governance plan is not prescriptive, this will ensure that all insurance companies that use telematics **have** a governance plan and provide reports to the MIA.

As insurance rates soar across the state and consumers seek new ways to reduce costs, telematics provide one avenue for price decreases. SB351 provides important transparency and oversight for this technology.

For all these reasons, we support SB351 and urge a favorable report.

Best,

Marceline White  
Executive Director

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