

HB 2324 -- PROCUREMENT OF DRIVING DATA BY AUTOMOBILE INSURERS

SPONSOR: Lucas

This bill defines "driving data" as information collected by a vehicle through a vehicle's telematics system. A "telematics system" is a system or device in a vehicle that retrieves data generated by the vehicle, including the vehicle's global positioning system position, speed, diagnostic information and vehicle faults, trip distance or time, idling time, instances of sudden or harsh braking or driving, seat belt use, and fuel consumption.

This bill prohibits any insurer from purchasing or obtaining from any third party the driving data of a vehicle insured under a policy without the express, written consent of the owner of the vehicle regardless of how the driving data is collected or stored. The insurance company is also prohibited from purchasing or obtaining any document or report based on the driving data of a vehicle insured under a policy of automobile insurance issued by the insurer. Such document, report, or analysis can only be used:

(1) For insurance purposes after obtaining the express, written consent of the owner of the vehicle; and

(b) Upon the insurer's compliance with the privacy laws relating to the storage, usage, and sharing of the driving data.

If an insurer wants to sell, share, or otherwise distribute a vehicle's driving data, it must provide to the owner of a vehicle with:

(1) A disclosure of the types or categories of driving data for the vehicle that will be collected;

(2) A description of how the driving data will be collected;

(3) The purpose for collecting the driving data and how such data would be used, including the potential impact on premiums; and

(4) A notice that the driving data from or related to the vehicle must not be shared, sold, or otherwise distributed without the express, written consent of the owner of the vehicle.

An insurer that collects the driving data after obtaining express, written consent of the owner of the vehicle cannot sell or share such data with any third party for purposes unrelated to insurance.

An insurer is prohibited from denying automobile insurance coverage, canceling the current automobile coverage, or increasing premiums based solely on the owner of the vehicle's refusal to provide driving data.

The owner of the vehicle can request copies of any driving data or report or analysis generated from the driving data that the insurer obtained or collected about their vehicle by submitting a written request to the insurer.

The director of the Department of Commerce and Insurance will have the authority to:

- (1) Enforce the provisions of this section; and
- (2) Impose fines or other civil penalties or take the necessary corrective action for violations under this section after a hearing conducted in the same manner as a hearing conducted for the collection of fines and civil penalties or corrective actions under the insurance laws of this state or by rule adopted or order issued by the director.

The director of the Department will have rulemaking authority.

This bill is similar to HB 1121 (2025).