



HOUSE BILL 81: Restrict Use of Vehicle Telematics.

2025-2026 General Assembly

Committee:	House Insurance. If favorable, re-refer to Transportation. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	March 19, 2025
Introduced by:	Reps. Loftis, Warren, Echevarria, Almond	Prepared by:	Kristen L. Harris
Analysis of:	PCS to First Edition H81-CSTU-3		Committee Co-Counsel

OVERVIEW: *The PCS to House Bill 81 would require an insurance company or agent to obtain written consent before collecting, receiving, selling, sharing, or using an applicant's or policyholder's vehicle telematics.*

CURRENT LAW AND BACKGROUND:

In North Carolina, a motor vehicle manufacturer is allowed to install or use an electronic tracking device in conjunction with providing a vehicle subscription telematics service, provided the customer subscribes or consents to the service. G.S. 14-196.3

In 2023, at least 15 states considered legislation addressing "vehicle telematics" or "usage-based insurance."

BILL ANALYSIS:

Section 1 would require an insurance company or agent to explain to an applicant or policyholder how the vehicle telematics would be used, obtain written consent before collecting, receiving, selling, sharing, or using the data, and advise the applicant or policyholder that consent may be revoked at any time. The insurance company or agent would provide the applicant or policyholder with a reasonable way to revoke consent, and the revocation would be effective within 24 hours. Failure to comply with this provision would constitute an unfair trade practice under Chapter 58 (Insurance) and an unfair and deceptive trade practice under Chapter 75 (Monopolies, Trusts and Consumer Protection.)

Section 2 would define "vehicle telematics" and make technical changes to the existing definitions in Article 39 (Consumer and Customer Information Privacy) of Chapter 58.

Section 3 would create an exemption from North Carolina's cyberstalking statute for insurance institutions and agents that use vehicle telematics with the written consent of an applicant or policyholder.

EFFECTIVE DATE: This act would become effective October 1, 2025, and apply to contracts issued, renewed, or amended on or after that date.

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Legislative Analysis
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