

Congress of the United States

Washington, DC 20515

June 11, 2024

The Honorable Lina Khan
Chair
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580

Dear Chair Khan:

We are writing to thank the Federal Trade Commission (FTC) for its commitment to protect consumer data privacy and to take action against the illegal collection, use, and disclosure of personal data as it relates to connected vehicles. We urge the FTC to use the tools it has at its disposal to protect consumers from the unauthorized collection and sale of their personal data.

As vehicles become increasingly connected and capable of collecting vast amounts of data, it is crucial to fully understand the implications and potential privacy risks associated with this technology. The sale of sensitive driver data without explicit consumer consent poses significant threats to privacy and financial security, particularly when such data can include precise geolocation, driving habits, and other personal information.

Connected vehicles are equipped with numerous sensors and data collection capabilities that can transmit detailed information about consumers. If data is mishandled or misused, it can lead to privacy violations and financial exploitation. The FTC's commitment to enforcing privacy laws and holding companies accountable for their data practices is vital in maintaining public trust and ensuring consumer protection.

Recent reporting suggests that companies have been involved in the collection and sharing of sensitive consumer data, such as real-time geolocation data and driving habits, with third-party entities, such as data brokers. These practices compromise consumers' privacy.

As you know, a recent investigation has revealed that driving behavior data, including instances of speeding, hard braking, and rapid accelerations, has been shared with insurance companies. Many consumers were unaware that their driving data was being collected and shared, leading to unexpected increases in their insurance premiums. Some consumers discovered extensive records of their driving habits, which had been compiled without their explicit consent. Additionally, some consumers were enrolled in data collection programs without their explicit consent, often through incentivized dealership actions. This unauthorized data collection often occurs through smartphone applications that offer driving analysis features that gather and share

data with companies. These applications may not clearly inform consumers that their driving behavior is being tracked and sold to insurance firms.

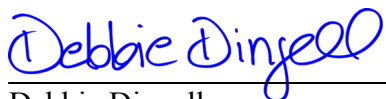
Telematics technology is also used to create driver scores that impact insurance rates. While this can lead to personalized pricing, it also presents risks of potential unfair discrimination. The lack of transparency in how driving data is collected and used exacerbates privacy concerns, and consumers often cannot access their driving scores even though insurance companies use them to determine rates.

The collection and sharing of driving data without clear and informed consent not only breaches consumer trust but also poses significant privacy risks. We appreciate the FTC's attention to industry's nefarious data practices. Acknowledgement is a significant step towards ensuring compliance, transparency, and accountability.

Consumers care about how their data is used. In Congress, we have fought for privacy protections that protect consumers, and we are actively working on bipartisan, comprehensive privacy legislation to enhance these safeguards. Our ongoing efforts focus on robust data minimization protections, ensuring that companies only collect, use, retain, and transfer data, which is necessary to reduce misuse risks and build consumer trust. Additionally, we are dedicated to ensuring that the permissible purposes for using consumers' data are consistent with their expectations and benefit rather than harm consumers.

We believe that it is imperative that the FTC take proactive steps to address the privacy risks associated with connected vehicles. As the FTC continues its work to address these challenges and continues to work towards comprehensive solutions to these challenges, we would like to work together to ensure the continued protection of consumer data and uphold our privacy norms and standards. We stand ready to support your efforts and collaborate with you to advance these critical protections for American consumers.

Sincerely,



Debbie Dingell
Member of Congress



Kathy Castor
Member of Congress