

Date of Hearing: May 13, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2361 (Pacheco) – As Amended April 27, 2026

Policy Committee: Insurance Vote: 16 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill limits the liability of a personal vehicle sharing program (PVSP) in the event of a loss or injury that occurs during any time when the vehicle participating in the program is under the operation and control of a person other than the vehicle owner.

Specifically, this bill reduces the PVSP's liability in such a situation, from unlimited liability to liability for bodily injury or property damage to injured third parties resulting from personal vehicle sharing in the amounts stated in the PVSP agreement, but no less than limits set forth in existing law: \$45,000 for bodily injury or death for one person, \$90,000 for bodily injury or death for all persons and \$15,000 for property damage (45/90/15), with each value tripling on January 31, 2031.

FISCAL EFFECT:

Potential costs to the California Department of Insurance (CDI) or an unknown amount, but likely less than \$150,000 (Insurance Fund).

COMMENTS:

Existing law requires a PVSP to assume all liability of the owner and be considered the owner of the vehicle for all purposes. In effect, this means there is no limit to liability a PVSP might face from an incident involving a personal vehicle used in the PVSP program. PVSP company Turo objects, noting "a PVSP can face unlimited financial exposure even when it followed the law, acted in good faith, and had no ability to prevent an incident." According to Turo, "AB 2361 addresses this imbalance by applying the same state liability limits to PVSPs that already apply to individual vehicle owners."

The Consumer Attorneys of California sees things very differently, asserting "AB 2361 would severely limit Turo's responsibility for injuries or even death arising from unsafe vehicle maintenance or negligent entrustment" and recommends a \$1 million liability requirement as a reasonable minimum to ensure individuals seriously harmed by unsafe vehicles are not left without recourse."

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