
SENATE COMMITTEE ON INSURANCE

Senator Susan Rubio, Chair
2025 - 2026 Regular

Bill No:	AB 815	Hearing Date:	July 9, 2025
Author:	Ortega		
Version:	July 2, 2025 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Brandon Seto		

SUBJECT: Vehicle insurance: vehicle classification

DIGEST: Prohibits a motor vehicle from being classified as a common carrier, commercial vehicle, for-hire vehicle, permissive-use vehicle, or livery solely for the reason that an automobile liability insurance policyholder is using the vehicle for public social services or social service transportation, as defined.

ANALYSIS:

Existing law:

- 1) Stipulates that all drivers and all owners of a motor vehicle shall at all times be able to establish financial responsibility, which includes possessing insurance, pursuant to Vehicle Code, Section 16021, and shall at all times carry in the vehicle, evidence of the form of financial responsibility in effect for the vehicle.
- 2) Defines “social service transportation” as transportation services provided by private non-profit organizations or individuals to either individuals who are senior citizens or individuals or groups of individuals who have special transportation needs because of physical or mental conditions and supported in whole or in part by funding from private or public agencies.
- 3) Defines “public social services” to mean those activities and functions of state and local government administered or supervised by the State Department of Social Services or the State Department of Health Services and involved in providing aid or services or both, including health care services and medical assistance, to those people of the state who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby.
- 4) Provides that no motor vehicle insured pursuant to a policy of insurance, as described in the Insurance Code, shall be classified as a common carrier, livery, or for-hire vehicle solely for the reason that the named insured vehicle policyholder is performing volunteer services for a non-profit charitable organization or governmental agency involved in providing social service transportation as defined above.

This bill:

- 1) States that for purposes of insurance, a motor vehicle cannot be classified as a common carrier, commercial vehicle, for-hire vehicle, permissive-use vehicle, or livery solely for the reason that an automobile liability insurance policyholder is using

the vehicle for public social services or social service transportation, as defined in existing law. This prohibition would include instances when the policyholder is using the vehicle to provide services in the manner described above, as an employee.

- 2) Specifies that the bill's provisions do not impair, affect, or change the rights, duties, or obligations of the employer of the named insured policyholder.

Background

According to the Author:

"Workers who provide essential support services for individuals with mental, physical, and behavioral health conditions are being misclassified by their auto insurance companies. The result is denied claims, unaffordable premiums, loss of coverage, or even forcing workers to drop clients or leave the industry entirely. These workers offer social service assistance to their clients, not commercial transportation of people or goods. AB 815 would prevent auto insurance companies from misclassifying these social service workers as commercial drivers for simply performing their duties to provide the critical services Californians need to live independent and fulfilling lives."

Related/Prior Legislation

AB 778 (Mullin, 2005): Would have among other things, prohibited an insurer from refusing to offer auto liability insurance to an applicant, who is an in-home supportive services (IHSS) worker, and would have further banned rating based upon the worker being an IHSS worker, and prohibited insurers from excluding coverage for the operation of a motor vehicle related to IHSS. *Vetoed by the Governor.*

ARGUMENTS IN SUPPORT:

Supporters state:

"AB 815 would ensure social service workers are not misclassified as commercial drivers for their personal auto insurance. By clarifying social service workers' use of personal vehicles, AB 815 will allow insurers to continue offering personal auto coverage without imposing inappropriate commercial classification on these individuals offering vital supportive services across our state.

This bill is essential for supporting the social service workforce and helps ensure that public dollars are spent as intended on services and support, rather than on avoidable insurance costs. Social service workers are employed through programs that are partially or fully funded by the state. When these workers are misclassified as commercial drivers simply for using their personal vehicles to support people in the community, they are required to purchase expensive commercial or "for-hire" auto insurance coverage.

AB 815 addresses this misclassification by prohibiting insurers from classifying human services professionals as commercial drivers. This protects their ability to provide essential transportation services to clients who may need it. By removing the undue financial burden from workers, they can continue to provide critical services to clients with disabilities, older adults, and clients with behavioral health needs."

ARGUMENTS IN OPPOSITION:

None received.

SUPPORT:

California Behavioral Health Association (Sponsor)
California Disability Services Association (Sponsor)
24 Hour Home Care
Alum Rock Counseling Center
Association of California Goodwills
Association of Regional Center Agencies
California Mentor
California Respite Association
Capital Coalition
Changing Tides Family Services
Community Solutions
Creative Living Options
ETTA
Exceptional Children's Foundation
Goodwill Industries of Orange County
Inalliance
Las Trampas School, INC.
Mains'l California LLC
Momentum
New Horizons
Parents & Friends, INC.
Pathpoint
Redwood Family Care Network
Silicon Valley Council of Nonprofits
Southside Unlimited
The Adult Skills Center
Toward Maximum Independence
Tri-county Respite Care Service
Turning Point Community Programs
UDW/AFSCME Local 3930
Vocation Plus Connections, INC.

OPPOSITION:

None.

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