
SENATE COMMITTEE ON INSURANCE

Senator Stephen Padilla, Chair

2025 - 2026 Regular

Bill No:	AB 1798	Hearing Date:	June 24, 2026
Author:	Wilson		
Version:	April 16, 2026 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Brandon Seto		

SUBJECT: Genetic testing for life and disability insurance

DIGEST: This bill prohibits a life or disability insurer from canceling, limiting, or denying coverage based on a test for a genetic characteristic, except as specified. The bill also prohibits a life or disability insurance institution, agent, or insurance-support organization from requiring, requesting, or soliciting genetic information; using genetic test results; or considering a person's decisions or actions relating to genetic testing in any manner for an insurance purpose, with certain exemptions.

ANALYSIS:

Existing law:

- 1) Prohibits discrimination on the basis of genetic information under the Unruh Civil Rights Act and the Fair Employment and Housing Act (FEHA).
- 2) Prohibits, pursuant to federal law under the Genetic Information and Nondiscrimination Act (GINA), discrimination based on genetic information in group health plan coverage and employment.
- 3) Subjects any person who improperly discloses genetic test results contained in a health care service plan applicant or enrollee's medical records, or pursuant to a genetic test requested by an insurer, to civil and criminal penalties.
- 4) Prohibits a Direct-to-Consumer (DTC) genetic testing company from disclosing a consumer's genetic data to any entity that is responsible for administering or making decisions regarding health insurance, life insurance, long-term care insurance, disability insurance, or employment, or to any entity that provides advice to an entity that is responsible for performing those functions, except as specified.
- 5) Prohibits a life or disability insurer from requiring a test for the presence of a genetic characteristic for the purpose of determining insurability other than for those policies that are contingent on review or testing for other diseases or medical conditions.
- 6) Prohibits discrimination made in the fees or commissions of agents or brokers writing or renewing a life or disability income policy on the basis of a test of that person's genetic characteristics.
- 7) Prohibits life and disability insurers from failing or refusing to accept an application for insurance, from failing to issue insurance to an applicant, and from issuing insurance under conditions less favorable to the insured than in other comparable cases, except for reasons

applicable alike to persons of every race, color, religion, sex, gender, gender identity, gender expression, national origin, ancestry, or sexual orientation; and prohibits considering race, color, religion, national origin, ancestry, and sexual orientation from, of itself, constituting a condition or risk for which a higher rate, premium, or charge may be required of the insured for that insurance, except as specified.

- 8) Prohibits life and disability insurers from refusing to issue/sell or renew a policy, or from requiring beneficiaries to accept less than the full sum of the policy, solely because the person to be insured carries a gene which may, under some circumstances, be associated with disability in that person's offspring, but which causes no adverse effects to the carrier.
- 9) Defines "genetic characteristics" to mean any scientifically or medically identifiable gene or chromosome, or alteration thereof, that is known to be a cause of a disease or disorder, or that is determined to be associated with a statistically increased risk of development of a disease or disorder, and that is presently not associated with any symptoms of any disease or disorder.

This bill:

- 1) Prohibits, as specified, an insurance institution, agent, or insurance-support organization from seeking information in connection with an insurance transaction concerning an individual's full genome or genetic information.
- 2) Prohibits, as specified, a life or disability insurer from cancelling, limiting, or denying coverage, establishing differentials in premium rates, conditions, or terms, or making an adverse underwriting decision based on a test for a genetic characteristic.
- 3) Prohibits, as specified, a life or disability insurer from requiring, requesting, or soliciting genetic information, using genetic test results, or considering a person's decisions or actions relating to genetic testing in any manner for an insurance purpose, except as necessary for the payment of benefits or for a therapeutic purpose.
- 4) Specifies that the above provisions do not apply to a life or disability insurance policy with a value exceeding \$1,500,000, provided the genetic information or test results are in the individual's medical record and are not derived from a DTC genetic test.
- 5) Prohibits a life or disability insurer from requiring a person to undergo a test of the person's genetic characteristics to determine eligibility or insurability or for other insurance purposes.
- 6) Prohibits a life or disability insurer from asking a person if they or any member of their family have taken a genetic test, or asking about the result of a genetic test.

Background

According to the author:

"California has a responsibility to lead when it comes to protecting patients and advancing health equity. As genetic testing becomes more widely used, we must ensure that these innovations don't deepen existing disparities or create new barriers to coverage. AB 1798 ensures that

Californians are not penalized for taking proactive steps to understand their health. Genetic testing should lead to better health, not to higher premiums, reduced benefits, or denial of coverage.”

Questions

The author may wish to consider amending the bill to clarify and allow insurer underwriting consideration of genetic testing for diagnostic or clinical issues for a manifested condition or disease noted and part of a person’s medical record.

Related/Prior Legislation

SB 41 (Umberg, Chapter 596, Statutes of 2021). Provided several privacy and consumer protections for genetic information collected through DTC testing.

SB 559 (Padilla, Chapter 261, Statutes of 2011). Expanded the prohibited bases of discrimination under the Unruh Civil Rights Act and the California Fair Employment and Housing Act to include genetic information.

ARGUMENTS IN SUPPORT:

Insurance Commissioner Ricardo Lara, sponsor of the bill states:

“AB 1798 ensures that proactive, at-risk individuals are not discouraged from or punished for obtaining this important information. When consumers fear adverse insurance consequences, they may avoid valuable genetic tests. A 2023 Centers for Disease Control and Prevention survey indicated that 60% of respondents were concerned that the results of genetic testing for a higher risk of cancer would impact their life insurance. AB 1798 removes this barrier, promoting early detection, prevention, and better health outcomes.

Genetic information differs from traditional underwriting factors because it most often suggests a remote chance of future diseases rather than a reasonably anticipated risk. Medical experts emphasize that genetic tests cannot reliably predict if or when a disease will occur and should not be used to penalize healthy individuals. Sound underwriting does not require genetic testing of asymptomatic individuals. Insurers will continue to retain access to the full range of established underwriting tools that they use and have used effectively for decades prior to the advent of genetic testing.

A 2016 study reported that 28% of individuals who declined whole genome sequencing cited insurance discrimination as their primary reason. Participants expressed that including the genetic information in a medical record was like a “ticking time bomb.”² AB 1798 would address these concerns by prohibiting insurance companies from using this information when it appears in the medical files of individuals without symptoms. This protection is expected to increase participation in whole genome sequencing, which supports efforts to find cures and therapies for rare diseases.

As more Californians use early genetic testing screenings to better understand their health, they should never have to worry that this deeply personal information will be turned against them. AB 1798 closes a dangerous gap in our laws by banning insurers from using genetic tests performed in the absence of symptoms or disease to deny coverage or raise premiums for most California consumers. Such test results can still be used in limited circumstances: if they appear in the

person's medical record and the person requests a policy with a face value over \$1,500,000. Your DNA and your medical markers belong to you, not to an insurance company. Protecting consumer privacy and preventing discrimination ensures people can use the latest medical technology without putting their health, their coverage, or their most sensitive data at risk."

ARGUMENTS IN OPPOSITION:

A coalition representing the life insurance industry states:

"At a fundamental level, life insurance is about pricing risk, and medical testing that can inform a patient, doctor, or insurer about an individual's risk needs to be accessible in underwriting. It should not matter whether that test is a CT scan, EKG, blood test, or doctor-ordered genetic test. The results are telling the insurer something material about the risk of insuring that individual.

The recent amendments allowing genetic information to be used for policies with a face value in excess of \$1.5 million do not resolve that concern. In fact, they underscore the inconsistency in the bill. If genetic information is material enough to consider above that threshold, then the bill effectively concedes that the information is relevant to risk. Limiting its use to higher-value policies does not make the information any less material for other policies, nor does it address the broader adverse selection and systemic risk concerns created when applicants may have material medical information that insurers are prohibited from considering.

We have heard often that most genetic markers do not guarantee an outcome, and therefore using the test is unfair. We agree that outcomes are rarely entirely determined by an individual's genes. But calling the use of genetic information unfair fundamentally misunderstands what we are insuring. We are insuring against the risk of the outcome, not the outcome itself. Genetic testing can provide meaningful information about the risk of developing a disease, and insurers should be able to consider that information.

That said, we have heard your concerns about direct-to-consumer genetic tests and tests an individual may take to participate in genetic research. We have offered amendments to your office and the sponsor that would take those tests off the table for underwriting consideration, even if they are in an applicant's medical file. In exchange, we simply ask that you accept our amendment to allow access to doctor-ordered, medical-grade genetic tests which reflects the statements made, and understandings developed in the Assembly Insurance Committee.

We believe the responsible path forward is to maintain balanced guardrails that preserve information symmetry, protect confidentiality, and maintain long-term affordability. Despite our strong opposition, we remain committed to working with you on this proposal. At this time, however, we respectfully continue to oppose AB 1798 in its current form."

SUPPORT:

Insurance Commissioner Ricardo Lara / California Department of Insurance (Sponsor)

ALS Association

ALS Network

American Cancer Society Cancer Action Network INC.

American Kidney Fund

Ancestry

Angioma Alliance D/B/A Alliance to Cure Cavernous Malformation

Biocom

Bleeding Disorders Council of California
California Chronic Care Coalition
California Life Sciences Association
Children's Specialty Care Coalition
Chronic Disease Coalition
Csnk2a1 Foundation
Cure Mapt Ftd
Curegrn
Dialysis Patient Citizens
Dysautonomia International
Eb Research Partnership
Equality California
Force: Facing Our Risk of Cancer Empowered
Gene Dx, LLC
Genedx
Genetic Als & Ftd: End the Legacy
Global Colon Cancer Association
Hypertrophic Cardiomyopathy Association
Natera, INC.
National Urea Cycle Disorders Foundation
Oakland Privacy
Ovarian Cancer Research Alliance
Rare & Ready Coalition
RareRising
Rasopathies Network
The Association for Frontotemporal Degeneration
The Everylife Foundation for Rare Diseases
The International Pemphigus and Pemphigoid Foundation
Triage Cancer
U.S. Renal Care
Wilson Disease Association

OPPOSITION:

American Council of Life Insurers
Association of California Life & Health Insurance Companies
National Association of Insurance and Financial Advisors - California

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