SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1798 (Wilson) - Genetic testing for life and disability insurance

Version: April 16, 2026
Policy Vote: INS. 5 - 0, P., D.T., & C.P. 8 - 0
Urgency: No
Mandate: No
Hearing Date: August 13, 2026
Consultant: Janelle Miyashiro

Bill Summary: AB 1798 prohibits life and non-health disability insurers, agents, and insurance-support organizations from canceling, limiting, denying coverage, or making underwriting decisions based on genetic test results, characteristics, or an individual's testing decisions, except under specified exemptions. AB 1798 also prohibits these entities from requiring, requesting, or soliciting genetic information for insurance purposes unless certain criteria are met.

*********** ANALYSIS ADDENDUM – SUSPENSE FILE ***********
The following information is revised to reflect amendments adopted by the committee on August 13, 2026

Fiscal Impact:
- Unknown, potentially significant workload cost pressures to the state funded trial court system to adjudicate any violations resulting from this bill (Trial Court Trust Fund, General Fund). The fiscal impact of this bill to the courts will depend on many unknowns, including the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately $8,000 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.

- Unknown local county costs to the extent that a one-year misdemeanor jail sentence is imposed, though incarceration for this offense appears unlikely. The average annual cost to incarcerate one person in county jail is approximately $80,000. For historical context, Los Angeles County budgeted $1.3 billion for jail costs in 2021, averaging roughly $90,000 per incarcerated person. Actual county incarceration costs will depend on the number of convictions and the length of each sentence. Generally, county incarceration costs are not reimbursable state mandates pursuant to Proposition 30 (2012).

- The California Department of Insurance (CDI) does not anticipate a fiscal impact from the bill (Insurance Fund).

Staff notes there may be an unknown potential increase in enforcement workload for CDI to address violations of this bill, which may be offset to some extent by penalty revenue (Insurance Fund). It is possible that higher aggregate penalties may incentivize insurers to contest enforcement actions through the administrative hearing process rather than opting for immediate compliance, which may increase administrative and adjudicatory workload. The magnitude of this workload would depend on the number and scope of violations, as well as any attached penalties

Author Amendments:

- Revise the criteria authorizing an insurer to seek genetic information in connection with an insurance transaction to include instances when the information is used to rule out an adverse finding based on the individual's medical record, provided the individual has given informed, written consent for the release, disclosure, and use of the genetic test results, or has provided the results directly to the insurer.

- Revise the criteria authorizing an insurer to base an underwriting decision, in part, on genetic information by removing the requirement that the adverse underwriting decision must pertain to a life or disability insurance policy with a face value exceeding $1.5 million. Instead, require the genetic information to be used to rule out an adverse finding based on the individual's medical record, provided the individual has given informed, written consent for the release, disclosure, and use of the genetic test results, or has provided the results directly to the insurer.

- Specify that a life insurer is not prohibited from considering a medical diagnosis included in an individual's medical record, even if the diagnosis was made based on the results of a genetic test.

- Provide that nothing in the bill authorizes the use or disclosure of an individual's full genome, which the bill explicitly prohibits.

- State legislative intent that the changes made by the Act be interpreted not to authorize the use or disclosure of an individual's full genome.

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