SENATE BILL REPORT
SHB 1078

As of February 18, 2026

Title: An act relating to pet insurance.

Brief Description: Concerning pet insurance.

Sponsors: House Committee on Consumer Protection & Business (originally sponsored by Representatives Walen, Ryu, Leavitt, Callan, Farivar, Berg and Donaghy).

Brief History: Passed House: 2/10/26, 95-0.
Committee Activity: Business, Trade & Economic Development: 2/18/26.

Brief Summary of Bill

- Prohibits pet insurers from cancelling or nonrenewing pet insurance policies based on the age or certain health conditions of the pet.
- Specifies requirements for, and restrictions on, pet insurers when moving policyholders from one affiliated company to another.

SENATE COMMITTEE ON BUSINESS, TRADE & ECONOMIC DEVELOPMENT

Staff: John Kim (786-7453)

Background: In 2023, the Legislature enacted a law regulating pet insurance. Pet insurance is defined as a property insurance policy that provides coverage for accidents and illnesses of pets.

Pet Insurance Coverage Exclusions. A pet insurer must disclose to consumers if the policy excludes coverage due to any of the following:
- a preexisting condition;
- a hereditary disorder;
- a congenital anomoly or congenital disorder;

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- a chronic condition; or
- other exclusions.

A pet insurer may issue policies that exclude coverage on the basis of one or more preexisting conditions with appropriate disclosure to the consumer. The pet insurer has the burden of proving that the preexisting condition exclusion applies to the condition for which a claim is being made. A condition for which coverage is afforded on a policy cannot be considered a preexisting condition on any renewal of the policy.

The following are defined:

- a preexisting condition means any condition for which any of the following are true prior to the effective date of a pet insurance policy or during any waiting period:
    1. a veterinarian provided medical advice;
    2. the pet received previous treatment; or
    3. based on information from verifiable sources, the pet had signs or symptoms directly related to the condition for which a claim is being made;
- a hereditary disorder means an abnormality that is genetically transmitted from parent to offspring and may cause illness or disease;
- congenital anomaly and congenital disorder mean a condition that is present from birth, whether inherited or caused by the environment, which may cause or contribute to illness or disease; and
- a chronic condition means a condition that can be treated or managed, but not cured.

Waiting Periods. A pet insurer may issue policies that impose waiting periods upon effectuation of the policy that do not exceed 30 days for illnesses or orthopedic conditions not resulting from an accident. Waiting periods may not be applied to accidents or to renewals of existing coverage. The insurer may include a policy provision that allows waiting periods to be waived upon completion of a medical examination. A pet insurer may not require a veterinary examination of the covered pet for the insured to have their policy renewed.

Orthopedic conditions are those affecting the bones, skeletal muscle, cartilage, tendons, ligaments, and joints. They include, but are not limited to, elbow dysplasia, hip dysplasia, intervertebral disc degeneration, patellar luxation, and ruptured cranial cruciate ligaments. They do not include cancers or metabolic, hemopoietic, or autoimmune diseases.

Other Required Disclosures. A pet insurer must disclose to consumers any policy provision that limits coverage through a waiting or affiliation period, a deductible, coinsurance, or an annual or lifetime policy limit.

The pet insurer must disclose whether the pet insurer reduces coverage or increases premiums based on the insured's claim history, the age of the covered pet, or a change in the geographic location of the insured.

Summary of Bill: Restriction on Cancellations or Non-renewals of Pet Insurance Policies. A pet insurer may not cancel or refuse to renew a pet insurance policy based on any of the following:

- the covered pet's age;
- the detection or development of a health condition with the covered pet during a covered policy period due to a chronic condition, an orthopedic condition, a congenital anomaly, or a hereditary disorder; or
- the detection of a preexisting condition with the covered pet.

Requirements and Restrictions in Moving Policyholders Between Affiliated Companies. If a pet insurer moves a pet insurance policyholder from one affiliated company to another affiliated company, current policyholders' existing policies must be honored through their expiration dates by the replacement affiliated company. Current policyholders must receive an offer of insurance from the replacement affiliated company, and the replacement affiliated company may not do any of the following:

- impose a waiting period on the new policy;
- require a veterinary examination of the covered pet in order to issue or subsequently renew the policy; or
- cancel, refuse to issue, or refuse to renew the new pet insurance policy for any reason described above.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The Office of the Insurance Commissioner strongly supports the bill. Consumers will know that their insurance company cannot cancel them due to their pet's age or if a condition develops during the policy term.

Persons Testifying: PRO: David Forte, Office of the Insurance Commissioner.

Persons Signed In To Testify But Not Testifying: No one.