

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: CS/SB 158

INTRODUCER: Banking and Insurance Committee and Senator Jones

SUBJECT: Pet Insurance

DATE: February 6, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	Fav/CS
2.			AEG	
3.			RC	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 158 revises statutory provisions relating to pet insurance and wellness programs. Although pet insurance is considered a kind of property insurance, it is essentially a health insurance policy for a pet that covers accidents and illnesses. Pet insurance is currently sold by General and Personal Lines agents. The Department of Financial Services regulates insurance agents, and the Office of Insurance Regulation is responsible for regulating insurers and other risk-bearing entities.

CS/SB 158 provides that an insurance agent may not solicit the sale of pet insurance policy or a pet wellness product unless the agent has adequate knowledge of the policy or product, is in compliance with the insurer's standards applicable to the sale of the policy or product, and completes a biennial two-hours training course. If a course provider submits and receives approval from DFS, the course is eligible for continuing education credit pursuant to s. 626.2815, F.S.

CS/SB 158 adds additional information that an insurer must include in the written disclosure provided to a policyholder when the policy is issued or delivered. The written disclosures must include a summary of the key policy features, written in plain language and on a form adopted by rule, including, at a minimum, coverage limits and deductibles, waiting periods, exclusions, preexisting condition rules, and whether the policy includes wellness benefits.

Further, SB 158 requires insurers transacting pet insurance to submit an annual report by March 1 of each year for the preceding calendar year to the Office of Insurance Regulation that includes:

- The number of pet insurance policies issued, renewed, and canceled.
- Aggregate premium and claims data.
- Data on policy denials and rescissions, including the reason for each denial or rescission.
- Information on waiting periods, exclusions, and wellness program offerings.
- Any other information required by rule of the Financial Services Commission.

The bill takes effect July 1, 2026.

II. Present Situation:

Regulation of Insurance in Florida

Chapters 624-632, 634, 635, 636, 641, 642, 648, and 651, F.S., constitute the Florida Insurance Code (code). Part III of ch. 624, F.S., prescribes the requirements for an entity to obtain a certificate of authority and be authorized as an insurer by the Office of Insurance Regulation (OIR). Part I of ch. 627, F.S., known as the “Rating Law,” provides that a purpose of this part is to promote the public welfare by regulating insurance rates to ensure that they may not be excessive, inadequate, or unfairly discriminatory. Part X of ch. 627, F.S., regulates property insurance.

The Unfair Insurance Trade Practices Act (Act)¹ regulates trade practice relating to the business of insurance, including activities of insurers and agents. The Department of Financial Services (DFS) and the Office of Insurance Regulation (OIR) are authorized to impose fines and take other actions against any agent or insurer, respectively, who violates provision of this Act.²

Department of Financial Services

The powers and duties of DFS, relating to part I of ch. 626, F.S., are specified in s. 626.016, F.S., known as the “The Licensing Procedures Law,”³ applies only with respect to insurance agents, insurance agencies, managing general agents, insurance adjusters, reinsurance intermediaries, viatical settlement brokers, customer representatives, service representatives, and agencies.

Licensure of Insurance Agents

Section 626.112, F.S., provides that no person may be, act as, or advertise or hold himself or herself out to be an insurance agent, insurance adjuster, or customer representative unless he or she is currently licensed by the DFS and appointed by an appropriate appointing entity or person. An agent is a general lines agent, life agent, health agent, or title agent, or all such agents, as indicated by context.⁴ Part II of ch. 626, F.S., regulates general lines agents. A general lines agent is an agent transacting any of the following kinds of insurance:

¹ Part IX, ch. 626, F.S.

² *Id.*

³ Section 626.011, F.S.

⁴ Section 626.015(3), F.S.

- Property insurance;
- Casualty insurance;
- Surety insurance;
- Health insurance; and
- Marine insurance.⁵

As a condition of transacting insurance in this state, agents must comply with consumer protection laws, including the following:⁶

- Fingerprinting requirements for resident and nonresident agents, as required under ss. 626.171, 626.202, F.S., and 626.601, F.S.;
- The submission of credit and character reports, as required by s. 626.171, F.S.;
- Qualifications for licensure as an agent in ss. 626.731, 626.741, 626.785, 626.792, 626.831, or 626.835, F.S.;
- Examination requirements in ss. 626.221, 626.741, 626.792, or 626.835, F.S.;
- Required licensure or registration of insurance agencies under s. 626.112, F.S.;
- Requirements for licensure of resident and nonresident agents in ss. 626.112, 626.321, 626.731, 626.741, 626.785, 626.792, 626.831, 626.835, or 626.927, F.S.;
- Countersignature of insurance policies, as required under ss. 624.425, 624.426, or 626.741, F.S.;
- Continuing education (CE) requirements for resident and nonresident agents, as required in s. 626.2815, F.S.; and
- Any other licensing requirement, restriction, or prohibition designated a consumer protection by the Chief Financial Officer, but not inconsistent with the requirements of Subtitle C of the federal Gramm-Leach-Bliley Act.

Required CE courses are established in s. 626.2815, F.S. Each licensed agent must complete a four-hour law and ethics update course specific to their license type every two years.⁷ A licensed agent must also complete 20 hours of elective CE every two years with exceptions.⁸ Course providers have 21 days to report completion of CE courses to DFS.⁹

The Office of Insurance Regulation¹⁰

The Office of Insurance Regulation (OIR) is responsible for regulating all activities concerning insurers and other risk bearing entities, including licensing, rates, policy forms, market conduct, claims, issuance of certificates of authority, solvency, viatical settlements, premium financing, and administrative supervision, as provided under the code. The head of the OIR is the Commissioner.

The Financial Services Commission (commission) is composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture. The Office of

⁵ Section 626.015(5), F.S.,

⁶ Section 626.025, F.S.

⁷ Section 626.2815(3), F.S.

⁸ *Id.*

⁹ Section 626.2815(8), F.S.

¹⁰ Section 20.121(3), F.S.

Insurance Regulation and the Office of Financial Regulation are created within the commission. Commission members serve as agency head of the Financial Services Commission. Commission members serve as the agency head for purposes of rulemaking by the commission. The commission is not subject to control, supervision, or direction by DFS in any manner, including purchasing, transactions involving real or personal property, personnel, or budgetary matters.

National Association of Insurance Commissioners

The OIR is a member of the National Association of Insurance Commissioners (NAIC), an organization consisting of state insurance regulators.¹¹ As a member of the NAIC, the OIR is required to participate in the organization's accreditation program.¹² The NAIC accreditation is a certification that a state insurance department is fulfilling legal, regulatory, and organizational oversight standards and practices. Once accredited, a member state is subject to a full accreditation review every five years. The NAIC also periodically reviews its solvency standards as set forth in its model acts and revises accreditation requirements to adapt to evolving industry standards.¹³

NAIC Pet Insurance Model Act

In 2022, the NAIC adopted the Pet Insurance Model Act, also known as the “Pet Insurance Act” (act).¹⁴ The purpose of this act is to promote the public welfare by creating a comprehensive legal framework within which pet insurance may be sold. The elements of the act include definitions, disclosures, policy conditions, sales practices for wellness programs, agent training, rulemaking, and violations. The NAIC reports 16 states¹⁵ have adopted the most recent version of the act in a substantially similar manner.¹⁶

Florida's Pet Insurance Act

In 2025, the Florida Legislature enacted legislation that created a regulatory framework for the oversight of pet insurance and wellness programs by OIR that is based on the NAIC's Pet Insurance Model Act.¹⁷ Although pet insurance is considered a kind of property insurance, it is essentially a health insurance policy that covers accidents and illnesses for a pet. The law provides consumer protections, including policy disclosures regarding the benefits and exclusions, and a right to rescind a policy within 30 days of issuance. Pursuant to s. 626.2815,

¹¹ The NAIC provides expertise, data, and analysis for insurance commissioners to effectively regulate the industry and protect consumers. Founded in 1871, the U.S. standard-setting organization is governed by the chief insurance regulators from the 50 states, the District of Columbia, and five U.S. territories to coordinate regulation of multistate insurers. National Association of Insurance Commissioners, (NAIC), About, *Our Story*, <https://content.naic.org/about#:~:text=The%20National%20Association%20of%20Insurance,the%20industry%20and%20protect%20consumers>. (last visited Jan. 19, 2026).

¹² NAIC, Financial Regulation Standards and Accreditation Program (Jan. 2024) . [Accreditation booklet-4/95](#) (last visited Jan.19, 2026).

¹³ NAIC, Resource Center, *Model Laws*, <https://content.naic.org/model-laws> (last visited Jan. 16, 2026).

¹⁴ [NAIC Pet Insurance Model Law 11921Clean \(soutronglobal.net\)](#), *Model 633* (Aug. 2022) (last visited Jan.18, 2026).

¹⁵ NAIC Model Laws, Regulations, *Guidelines and Other Resources – Summer 2025, Pet Insurance Model Act* (ST-633-1) [ST880](#). (Summer 2025). These states include California, Delaware; Florida, Hawaii, Louisiana; Maine; Maryland, Mississippi; Montana, Nebraska; New Hampshire; Ohio; Pennsylvania, Rhode Island, Vermont; and Washington..

¹⁶ *Id.*

¹⁷ Ch. 2025-11, Laws of Fla.

F.S., pet insurance is currently sold by General and Personal Lines agents, and DFS tracks continuing education of agents by agent license type.

Unfair Methods of Competition and Unfair or Deceptive Acts

The law provides that the following sales acts or practices for pet wellness programs by pet insurance agents are unfair methods of competition and unfair or deceptive acts:

- Marketing a wellness program as pet insurance;
- Requiring the purchase of a wellness program as a prerequisite to the purchase of pet insurance;
- Failing to provide wellness program costs that are separate and identifiable from any pet insurance policy sold by the pet insurance agent;
- Failing to provide wellness program terms and conditions that are separate from any pet insurance policy sold by the pet insurance agent;
- Offering wellness program products or coverages that duplicate products or coverages available through the pet insurance policy; and
- Misleading advertising of the wellness program.

Policy Contract Language

The law requires that pet insurance contracts that use certain terms must use statutory definitions of those terms created by the law. The defined terms subject to this requirement are chronic condition, congenital anomaly or disorder, hereditary disorder, orthopedic conditions, pet insurance, pet insurance policy, policy, preexisting condition, renewal, veterinarian, waiting period, and wellness program.

Disclosures

The law requires a pet insurer offering or selling pet insurance to provide the following written disclosures to pet insurance applicants and policyholders:

- Whether the policy excludes coverage due to a chronic condition, a congenital anomaly or disorder, a hereditary disorder, or a preexisting condition.
- If the policy includes any other policy exclusions not listed above.
- Any policy provision that limits coverage through a waiting period, deductible, coinsurance, or an annual or lifetime policy limit. Waiting periods and applicable requirements must be clearly and prominently disclosed to consumers before purchase.
- Whether the pet insurer reduces coverage or increases premiums based on the policyholder's claim history, the age of the covered pet, or a change in the geographic location of the policyholder.
- Whether the underwriting company differs from the brand name used to market and sell the product. Before issuing a pet insurance policy, a pet insurer is required to publish on its website a summary description of the basis or formula for the pet insurer's determination of claim payments under the policy.

Waiting Periods and Preexisting Conditions

The law authorizes a pet insurer to issue a policy that:

- Excludes coverage on the basis of one or more preexisting conditions with appropriate written disclosure to the applicant or policyholder. The pet insurer has the burden of proving whether a preexisting condition exclusion is applicable to a claim.
- Imposes waiting periods upon effectuation of the policy which do not exceed 30 days for illnesses, diseases or orthopedic conditions not resulting from an accident. A pet insurer may not issue policies that impose waiting periods for accidents.
- A pet insurer imposing an authorized waiting period must waive the waiting period upon completion of a medical examination.

Agent Training

The Act provides that pet insurers must ensure that their agents are appropriately trained on the terms and conditions of their pet insurance products. Such training must include the following topics:

- Preexisting conditions and waiting periods.
- The differences between pet insurance and noninsurance wellness programs.
- Hereditary disorders, congenital anomalies or disorders, chronic conditions, and the way pet insurance policies address those conditions or disorders.
- Rating, underwriting, renewal, and other related administrative topics

III. Effect of Proposed Changes:

Under current law, insurance agents must complete a continuing education requirement every two years, consisting of a four-hour Law & Ethics Update course and remaining electives, which can be any continuing education approved by DFS.

Section 1 amends s. 627.71545, F.S., relating to pet insurance and noninsurance wellness programs, to provide that an insurance agent may not solicit the sale of pet insurance policy or a pet wellness product unless the agent has adequate knowledge of the policy or product, is in compliance with the insurer's standards applicable to the sale of the policy or product, and completes a biennial two-hours training course. If a course provider submits and receives approval from DFS, the course is eligible for continuing education credit pursuant to 626.2815, F.S.

Further, the bill expands the written disclosures a pet insurer must provide, at the time a pet insurance policy is issued or delivered to a policyholder. The bill requires that the disclosures must include a summary of the key policy features, written in plain language and on a form adopted by the commission by rule, including, at a minimum, coverage limits and deductibles, waiting periods, exclusions, preexisting condition rules, and whether the policy includes wellness benefits.

Lastly, the bill requires each pet insurer authorized to transact pet insurance pursuant to s. 627.7145, F.S., to file with the Office of Insurance Regulation a report by March 1 of each year for the preceding calendar year that contains the following information:

- The number of pet insurance policies issued, renewed, and canceled.
- Aggregate premium and claims data.
- Data on policy denials and rescissions, including the reason for each denial or rescission.

- Information on waiting periods, exclusions, and wellness program offerings.
- Any other information required by rule of the commission.

Section 2 provides that act takes effect July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The completion of the pet insurance continuing education requirement will assist insurance agents in understanding the benefits and limitations of the pet insurance coverage and the wellness products.

Insurers who transact pet insurance must provide an annual report to the Office of Insurance Regulation regarding the number of pet insurance policies issued, renewed, or cancelled, premium and claims data, data on policy denials and rescissions, waiting periods, exclusions, wellness program offerings; and other information prescribed by rule.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 627.71545 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Banking and Insurance on February 4, 2026:

The CS provides technical conforming changes related to the agent continuing education requirements.

B. Amendments:

None.