

ASSEMBLY THIRD READING  
AB 2152 (Gloria and O'Donnell)  
As Amended June 4, 2020  
Majority vote

### **SUMMARY:**

Prohibits a pet store from selling dogs, cats, or rabbits. Prohibits a pet store from providing space for the display of dogs, cats, or rabbits available for adoption, unless the animals are displayed by either a shelter or animal rescue group, as defined. Establishes a fee limit, inclusive of the adoption fee, for animals adopted at a pet store.

### **Major Provisions**

- 1) Prohibits a pet store from adopting out, selling, or offering for sale a dog, cat, or rabbit.
- 2) Allows a pet store to provide space for the display of dogs, cats or rabbits available for adoption, provided the animals are displayed by either a shelter or animal rescue group, as defined.
- 3) Establishes a fee limit of \$500, inclusive of the adoption fee, for animals adopted at a pet store.
- 4) Defines an "animal rescue group" as any not-for-profit organization that has tax-exempt status under the Internal Revenue Service, whose mission and practice is, in whole or significant part, the rescue and placement of animals into permanent homes, and that meets the following requirements:
  - a) Does not breed animals;
  - b) Does not obtain animals from any person that breeds or brokers animals;
  - c) Is not located on the same premises where a person breeds animals;
  - d) Does not have any personnel in common with a person that breeds animals;
  - e) Does not facilitate the sale or offer for sale of animals that were obtained from a person that breeds animals.
- 5) States that it is the intent of the legislature to authorize a civil penalty for a violation of the bill's provisions.

### **COMMENTS:**

*Puppy Mills.* The term "puppy mills" or "kitten factories" generally refer to commercial, high-volume breeding facilities that mass-produce animals for retail sale. Although puppy mills are regulated at the federal level, several animal welfare groups argue that mills often rear animals in squalid and inhumane conditions, with certain facilities having long and documented histories of repeated violations of federal animal welfare law. As a result, puppies that are sourced from such mills and sold at a pet store are reported to have serious health or psychological problems, and can suffer from zoonotic diseases, congenital conditions, or even death.

*Prior pet store legislation.* In 2018, California enacted into law AB 485, which aimed to eliminate the sale of animals coming from puppy mills, by requiring commercial pet stores to exclusively sell dogs, cats, and rabbits that have been sourced from public animal control agency or shelter, animal rescue groups, and other specified organizations.

*Recent legal action.* Several lawsuits have been filed in California and Iowa against commercial breeders fraudulently registering as animal rescue non-profits, in order to skirt pet sale laws. These lawsuits allege that commercial breeders, or shell organizations linked to them, obtain nonprofit status with the Internal Revenue Service in order to disguise themselves as animal rescue groups. These groups can subsequently label puppies bred in animal mills as "rescues" for eventual sale at animal pet stores. This practice, coined by some as "puppy laundering," allows animal mills to circumvent local and state laws.

This bill aims to end the practice of circumventing state law through the use of illegitimate non-profit rescue groups to sell animals at pet stores. Under this bill, pet stores would be broadly prohibited from adopting out, selling, or offering for sale a dog, cat, or rabbit.

*Animal adoption.* Currently, some pet stores across California voluntarily open their facilities to allow other organizations to display animals for adoption. For instance, a pet store can agree to let an animal shelter use the pet store facility to host an adoption event. This would allow the animal shelter to have access to both a larger display space, and a broader range of customers that may be interested in adopting an animal. It is generally understood that all adoption fees are paid directly to the organization using the space, and not the pet store itself.

This bill intends to allow this existing practice to continue, with added limitations. This bill specifies that a pet store is prohibited from providing space to display dogs, cats, and rabbits, unless the animals are displayed by either a public animal control agency or shelter, or an animal rescue group. To address the problems of puppy mills registering as fraudulent non-profit rescues, the bill provides for a specific definition of an animal rescue group. In addition, the bill establishes a total fee limit of \$500, inclusive of the adoption fee and any other fees, for any animals displayed and adopted at a pet store. This fee limit would not apply for transactions occurring outside of a pet store.

*Penalties.* A prior version of this bill specified criminal penalties for violations of this bill's provisions, such as making each unlawful sale or offer for sale a misdemeanor, and making each unlawful adoption subject to a notice to correct on the first violation, with subsequent violations constituting misdemeanors. This bill has been amended to remove those specified penalties, and instead state that it is the intent of the legislature to authorize a civil penalty for a violation of the bill's provisions.

#### **According to the Author:**

This bill is sponsored by the *San Diego Humane Society*. According to the author: "AB 2152 is named after a corgi named "Bella" who was illegally and inhumanely bred in a puppy mill. Bella was sent to a pet store in San Diego County where she was advertised as a rescue and sold for thousands of dollars – the "adoption fee." During this experience, Bella was declawed and developed a severe case of bronchitis that caused her owner, Heather, to have to spend thousands of dollars to eventually get her healthy. Though healthy today, Bella still suffers from separation anxiety from her owner. When we have animals in California who are still being bred and raised in unhealthy and inhumane conditions for profit, we cannot turn a blind eye. Bella's Act will fulfill our promise to end the inhumane puppy mill industry by officially prohibiting the retail

sale of dogs, cats, and rabbits in California and encouraging pet retailers to collaborate with rescue groups and shelters. We will no longer continue to facilitate or tolerate puppy mill cruelty in California."

**Arguments in Support:**

*The San Diego Humane Society* writes in support: "AB 2152 will provide necessary safeguards to cut off this deceptive puppy mill-to-pet store supply chain and end fraudulent puppy laundering practices. It cleanly bans the sale of dogs, cats and rabbits in pet stores, but allows for bona fide non-profit organizations and shelters to partner with retail shops to display adoptable animals."

*The Humane Society of the United States* writes in support: "Research conducted by HSUS found that close to half of the pet stores selling puppies prior to January 1, 2019 continued to sell commercially-raised puppies afterwards and were obtaining them from fake non-profits purporting to be rescues. [...] Due to these bad actors and the enforcement challenges agents throughout California are facing when attempting to crack down on these stores, we feel strongly that a legislative fix is needed."

*The Animal Legal Defense Fund* writes in support: "This technical fix bill will close the loophole for these unscrupulous profiteers while allowing for the remaining rescue groups who display their animals needing adoption to continue to operate lawfully in a retail setting and in the spirit of reducing the homeless pet population, as is the Governor's intent to become a no-kill state in the near future."

*Social Compassion in Legislation* writes in support: "AB 2152 is a simple solution which end the sale of dogs, cats, or rabbits sold in pet stores, while also allowing for the "humane" model, where retail pet stores lend their space to rescues in order to showcase their adoptable animals, to continue with several new parameters to ensure compliance with the spirit of AB 485."

*The California Animal Welfare Association* writes in support: "As our members bear the responsibility of enforcing animal welfare laws, protecting the animals in the face of loopholes in existing law has been resource-intensive and frustrating. We are pleased with AB 2152, as we feel it will effectively address the problem of puppy mill pet sales while allowing shelters and rescue organizations to partner with pet shops to facilitate the adoption of homeless animals."

*The Animal Society for the Prevention of Cruelty to Animals, The San Francisco SPCA, and Best Friends Animal Society* write in support: "AB 2152 would short circuit these fraudulent practices and prevent puppy laundering schemes [...] while allowing the many beneficial partnerships that exist between pet stores and bona fide rescue organizations to continue."

*The Companion Animal Protection Society* writes in support: "It is imperative that we close the loophole that is allowing pet shops to sell mill-bred puppies from fraudulent rescues – fronts for USDA-licensed dog brokers."

**Arguments in Opposition:**

*Petco, Petco Foundation, PetSmart, PetSmart Charities, Kriser's, Healthy Spot, Pet Supplies Plus, and Pet Valu and Pet Supermarket* collectively write as opposed unless amended:

"Unfortunately, one of the provisions in Assembly Bill 2152 has the potential to put an end to hosting in-store adoptions and adoption events. As currently written, the bill holds pet stores criminally liable for any adoptions from or provisions of space to any organization that does not

meet the definition of "animal rescue group" in the bill. If this becomes law, our exposure to criminal liability for the actions or omissions of a third-party organization would leave us unable to continue hosting in-store adoptions, adoption events or provide adoption centers and habitats to all our animal welfare partners in California. [...] It would be difficult, if not impossible, for us to continue to facilitate adoptions if AB 2152 were enacted as currently drafted. We work with thousands of animal welfare organizations, including rescue organizations, throughout the country hosting adoption events and providing them space to house and display adoptable animals in our stores. We ask that you amend AB2152 to remove the criminal liability for pet stores."

**FISCAL COMMENTS:**

According to the Assembly Committee on Appropriations, this bill would generate unknown, potentially significant General Fund enforcement costs to the Attorney General.

**VOTES:****ASM BUSINESS AND PROFESSIONS: 18-0-1**

**YES:** Low, Brough, Arambula, Bloom, Chen, Chiu, Cunningham, Fong, Gipson, Gloria, Grayson, Holden, Irwin, McCarty, Medina, Mullin, Obernolte, Ting

**ABS, ABST OR NV:** Eggman

**ASM APPROPRIATIONS: 17-0-1**

**YES:** Gonzalez, Bigelow, Bauer-Kahan, Bloom, Bonta, Calderon, Carrillo, Chau, Diep, Eggman, Fong, Gabriel, Eduardo Garcia, Petrie-Norris, McCarty, Robert Rivas, Voepel

**ABS, ABST OR NV:** Megan Dahle

**UPDATED:**

VERSION: June 4, 2020

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