

CONCURRENCE IN SENATE AMENDMENTS

AB 506 (Bennett)

As Amended July 10, 2025

Majority vote

SUMMARY

Prohibits contracts between a purchaser, as defined, and a person, business, or pet dealer, as defined, for the sale of a dog, cat, or rabbit from including a nonrefundable deposit, requires the seller to disclose specified animal health information to the buyer, and provides consumer remedies and rights of action for sales that violate the provisions of this bill.

Senate Amendments

- 1) Clarify that provisions are additionally applicable to "pet dealers" as defined under Section 122125 of the Health and Safety Code.
- 2) Clarify that provisions apply to dog, cat, or rabbit purchases made in California.
- 3) Make other clarifying, non-substantive changes.

COMMENTS

State Regulation of Pet Sales. California has a long history of regulating pet sales in the state beyond federal standards, with a number of laws that oversee pet dealers and their businesses, and aim to protect the wellbeing of the animals they sell. The Lockyer-Polanco-Farr Pet Protection Act (Pet Protection Act) establishes requirements on pet dealers in California. When selling a pet to a consumer, pet dealers must provide purchasers with written information about the animal's health, including any known illnesses or conditions. Additionally, before any dog or cat is sold, it must be examined by a licensed veterinarian to ensure it is free from contagious diseases and fit for sale. The Pet Protection Act also outlines consumer remedies in the event a purchased animal is found to be ill or affected by a congenital or hereditary condition within 15 days of sale, in which case the consumer may be entitled to a refund, an exchange, or reimbursement for veterinary costs. The law also imposes recordkeeping requirements, obligating dealers to retain documentation regarding the source of animals, veterinary treatments, and sales transactions for a specified period. Enforcement of the Pet Protection Act is delegated to local animal control agencies and humane officers, who are authorized to conduct inspections and enforce compliance, and violations of the law may result in civil penalties and administrative actions.

The Pet Store Animal Care Act, contained in Part 6, Chapter 9 of Division 105 of the Health and Safety Code, establishes minimum care and cleanliness standards for animals housed and sold in retail pet stores. The law defines a "pet store" as a retail establishment open to the public that sells or offers for sale animals normally kept as household pets, and outlines detailed requirements for housing, sanitation, feeding, veterinary care, socialization, and environmental enrichment for animals in these stores. Specifically, the law mandates that animals be provided with adequate food and potable water, daily care by competent staff, and housing that ensures comfort through minimum size standards, ventilation, and enrichment devices (i.e., pet toys). Stores must maintain written programs of veterinary care developed in consultation with a licensed veterinarian, and animals showing signs of illness or distress must receive prompt

attention. The law also prohibits the sale of animals younger than eight weeks, and requires records of animal origin and health status to be kept for specified periods.

Beyond pet sales that occur in retail settings, California regulates the sale of dogs by dog breeders through the Polanco-Lockyer Pet Breeder Warranty Act (Warranty Act). Under the Warranty Act, "dog breeders" are defined as a person, firm, partnership, corporation, or other association that has sold, transferred, or given away all or part of three or more litters or 20 or more dogs during the preceding 12 months that were bred and reared on the premises of the person, firm, partnership, corporation, or other association. Much like the Pet Protection Act, the Warranty Act allows a consumer to receive a refund or reimbursement should they purchase a sick pet, or a pet that is found to have a hereditary or congenital condition requiring surgery or hospitalization. The Warranty Act further regulates California dog breeders by requiring breeders to provide specific written disclosures, including the breeder's name, address, information on the dog, and signed statements that the dog has no known diseases or illnesses, as well as a notice of the purchaser's rights to obtain a refund or reimbursement.

Breeder Operations. There are various types of breeders in the commercial animal market, particularly as federal, state, and local laws evolve to better promote animal welfare in pet sales. Professional breeders are generally recognized as responsible breeding operations who adhere to strict animal health, safety, and breeding standards; maintain active membership in their kennel clubs; and conduct extensive research on breed lineage, health risks, and canine or feline obstetrics. Professional breeders must comply with all existing state laws when selling an animal, and ensure that contracts meet existing requirements on health guarantees such as the ones outlined in the Polanco-Lockyer Pet Breeder Warranty Act.

Conversely, "puppy mills" or "kitten factories" generally refer to commercial, high-volume breeding facilities that mass produce animals for retail sale. As detailed in the *Federal Regulations* section of this analysis, while commercial breeders are required to abide by the AWA, and some operations are even federally licensed, there is limited oversight and enforcement of the requirements. These commercial-scale breeding facilities are often those most associated with inhumane conditions and sickly animals.

"Backyard breeder" is an informal catch-all term referring to breeders with little experience or knowledge in the practice of animal breeding. While such breeders are not necessarily unethical, breeding without the training, knowledge, or even support of a kennel club can lead to genetic issues and put the health and safety of the animal and their offspring at risk. Untrained breeders may have various reasons for breeding an animal, such as making extra income, or having extra puppies or kittens for their own family. Over the years, local jurisdictions have reported untrained breeders selling sick or injured animals who were raised in inhumane conditions, though it is unclear to what extent these individuals are responsible for other issues relating to animal overcrowding and welfare.

Further Legislative Reforms. Building off existing federal and state laws, the Legislature has made additional reforms in recent years to the sale of animals coming from large-scale animal "mills" and other cruel commercial operations. In an effort to reduce the flow of pets sourced from breeder mills, AB 485 (O'Donnell, Chapter 740, Statutes of 2017) was enacted in 2018 to prohibit pet store operators from selling a live cat, dog, or rabbit unless the animal is offered through a public animal control agency or shelter, specified nonprofit, or animal rescue or

adoption organization. Pet store operators who violate these provisions are subject to a civil penalty of up to \$500 for each animal offered for sale.

To address loopholes that resulted from the implementation of AB 485, in which commercial breeders guised their businesses as nonprofit organizations to circumvent prohibitions, further legislation enacted in 2021 (AB 2152, Gloria & O'Donnell, Chapter 96, Statutes of 2020) specifically defined the type of animal rescue organizations that pet stores could source animals from. Additionally, AB 2152 prohibited pet stores from displaying animals except for cases of providing display space for nonprofit partners. In 2023, AB 2380 (Maienschein, Chapter 548, Statutes of 2022) was enacted to further curb the importation of commercially-bred pets into California, and address unscrupulous and predatory lending practices in the pet market by prohibiting online pet retailers from offering or brokering a loan or other financing option for the adoption or sale of a dog, cat, or rabbit.

LA Times Exposé. Despite California's many past efforts to address animal welfare in pet sales broadly, and more specifically, to eliminate large-scale, commercially-bred animals from retail channels, a 2024 investigative report by the *Los Angeles Times* titled "Inside California's Brutal Underground Market for Puppies" exposed that some breeders and pet sellers were exploiting loopholes that allow them to serve as brokers, reselling or arranging the sale of dogs bred in "puppy mills." Through analysis of more than 88,000 certificates of veterinary inspection—or "travel certificates"—from states throughout the country, the *Times* identified that more than 71,000 were imported into California. Individual pet dealers and businesses then rebrand and resell these imported dogs as "California-bred" to unknowing consumers. According to the report, many of these pets develop future health problems and consumers are left with little knowledge as to the original source of their pet, nor recourse for the fraudulent sale.

According to the *Times* investigation, more than 70% of dogs imported into California come from Missouri, Ohio, Oklahoma, and Iowa, areas which the report notes have high concentrations of commercial breeding facilities. Among other egregious cases, the report details "photos and videos of... dogs with bleeding open wounds, decaying teeth and crusty infected eyes" documented in the federal inspection reports of a particular Iowa breeder, who was previously suspended by the USDA, that exports puppies to California via brokers. Once in the state, individuals often use fake names and addresses to obfuscate the original source of the dog and "launder" the records to imply it is locally bred and raised. The same Iowa breeding operator, for example, did not list their name directly on the travel certificates of dogs imported into California. Rather, they arranged transfers through a former employee who used a portion of the breeding grounds as a "separate" business. In some cases, puppies may move through multiple brokers before being sold to a final consumer, further complicating the tracking and retention of veterinary health certificates.

In response to this investigative report, the author and sponsors have put forward this measure to reduce fraud in pet sales and provide aggrieved consumers remedies in court.

According to the Author

For good reason, retail pet sales have been banned since 2019. Now, online sales have become a breeding ground for fraud—fake sellers, hidden mass breeders, and unscrupulous brokers using "bait-and-switch" tactics to trick buyers into bad deals. Pet scams are the no. 1 online purchase fraud, costing victims thousands without recourse. AB 506 protects consumers from predatory pet sales and stops the puppy-mill pipeline. This bill voids contracts between consumers and

online dog and cat brokers who fail to disclose the original source of the animal and/or require a nonrefundable deposit.

Arguments in Support

A coalition of supporters including the sponsors of the measure, as well as the *California Animal Welfare Association (CalAnimals)*, *Best Friends Animal Society*, *San Francisco SPCA*, and more, write: "At a time when California's shelters are at, and in many cases over, capacity with animals in need of loving homes, it is imperative to eliminate deceptive sales that undermine adoption efforts and perpetuate unethical breeding practices. AB 506 is a necessary step toward encouraging responsible pet acquisition and protecting both animals and consumers."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee:

The fiscal impact of this bill to the courts will depend on many unknown factors, including the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately \$10,500 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. In 2023–24, over 4.8 million cases were filed statewide in the superior courts. Filings increased over the past year, driven mostly by misdemeanors and infractions, and civil limited cases. The increase in filings from the previous year is greater than 5% for civil limited and unlimited, appellate division appeals, juvenile delinquency, misdemeanors and infractions, and probate. 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.

VOTES:

ASM JUDICIARY: 12-0-0

YES: Kalra, Dixon, Wicks, Bryan, Connolly, Harabedian, Pacheco, Papan, Sanchez, Stefani, Zbur, Tangipa

ASM BUSINESS AND PROFESSIONS: 18-0-0

YES: Berman, Flora, Ahrens, Alanis, Bains, Bauer-Kahan, Caloza, Chen, Elhawary, Hadwick, Haney, Irwin, Jackson, Krell, Lowenthal, Macedo, Nguyen, Pellerin

ASM APPROPRIATIONS: 11-0-4

YES: Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache

ABS, ABST OR NV: Sanchez, Dixon, Ta, Tangipa

ASSEMBLY FLOOR: 71-2-6

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Dixon, Elhawary, Flora, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor,

Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO: DeMaio, Jeff Gonzalez

ABS, ABST OR NV: Ellis, Gallagher, Hadwick, Lackey, Macedo, Ta

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CONSULTANT: Edward Franco / B. & P. / (916) 319-3301

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