

SENATE THIRD READING

SB 753 (Cortese)

As Amended July 17, 2025

Majority vote

SUMMARY

Expands the authority for cities and counties to recover costs for retrieving shopping carts and returning them to their owners.

Major Provisions

- 1) Authorizes a city or county to do either of the following with a shopping cart that has a sign affixed to it, as specified, that is located outside the premises or parking area of a retail establishment which, for a multistore complex or shopping center, includes the entire parking area used by the complex or center:
 - a) Pursuant to an ordinance adopted by a city or county, retrieve and return the shopping cart to the parking area or premises of the owner or retailer identified on the sign.
 - b) Impound the shopping cart, consistent with existing law, if the cart is not retrieved within three business days from the date the owner of the cart, or their agent, receives actual notice from the city or county of the cart's discovery and location.
- 2) Specifies a city's or county's authority to impound a shopping cart from public or private property in instances where the location of the cart will impede emergency services.
- 3) Authorizes a city or county that retrieves and returns a shopping cart to recover its actual costs for the retrieval and return from the owner of the shopping cart. The city or county shall not recover more than \$500 per shopping cart from the owner of the shopping cart. In order to recover the actual costs, the city or county shall include an explanation in the ordinance adopted pursuant to 1), above, of how the actual costs for retrieving and returning a shopping cart will be determined.
- 4) Authorizes a city or county to fine the owner of a shopping cart in an amount not to exceed \$150, instead of \$50, for each occurrence in excess of three during a specified six-month period for failure to retrieve shopping carts in accordance with this bill. "Occurrence" means a failure to retrieve a shopping cart within three business days from the date the owner of the shopping cart, or their agent, receives actual notice from the city or county of the shopping cart's discovery and location.
- 5) Provides that actual notice shall require proof that the notice was delivered to the owner, or their agent, which may include, but is not limited to, mail, phone, or electronic transmission with delivery confirmation. The city or county shall maintain a record of that proof of delivery.

COMMENTS

- 1) *Background.* Abandoned shopping carts can interfere with pedestrian and vehicular traffic. Current law considers a shopping cart abandoned if it is found outside of the premises or parking area of the shopping center. According to a September 21, 2023, *Calgary Herald*

article, "Stolen shopping carts can cost businesses up to \$800 million a year around the globe, says the Food Marketing Institute in Washington, D.C. A single cart can easily cost retailers \$300 each (in Canada), so when you multiply that figure by the large number of grocery stores in operation and the thefts that occur, the cost of these losses skyrockets.

"Those high-tech models, with the wheels that lock when you leave a retailer's parking lot, have led to some success in stopping theft and several municipalities across the continent have tried to pass bylaws that address the situation. However, the problem persists. A news story out of New York state a few years ago noted that a typical grocery store can still lose \$10,000 a year due to stolen shopping carts. And, in summer 2021, a Safeway store in San Francisco reported that it lost 160 carts in a single month — more than five a day on average."

Prior to 1996, many local governments charged retailers and grocers for cart retrieval, even though retailers and grocers often contracted with private cart retrieval companies to perform this service. Retailers and grocers were concerned that local governments were charging excessive rates and uneven retrieval fees in different jurisdictions.

- 2) *AB 317 of 1996.* AB 317 (Granlund), Chapter 291, Statutes of 1996, was adopted by the Legislature to create uniform statewide regulation for retrieval of shopping carts by local agencies. AB 317 prevented cities and counties from seeking recompense for retrieving abandoned shopping carts until they notify a cart's owner, and instead stipulated that a shopping cart that has a sign affixed to it that identifies the owner of the cart may be impounded provided both of the following conditions have been satisfied:
 - a) The shopping cart is located outside the premises or parking area of a retail establishment.
 - b) The shopping cart is not retrieved within three business days from the date the owner of the shopping cart, or his or her agent, receives actual notice from the city or county of the shopping cart's discovery and location.
- AB 317 authorized a city or county that impounds a shopping cart to recover its actual costs for providing this service and to fine the owner of a shopping cart up to \$50 for each occurrence in excess of three during a specified six-month period for failure to retrieve shopping carts. If no one has collected an impounded cart after 30 days, the local agency may sell or dispose of it. Local governments can immediately retrieve a shopping cart from public or private property if the shopping cart will impede emergency services.
- 3) *AB 1427 of 1998.* AB 1427 (Pringle), Chapter 16, Statutes of 1998, updated AB 317 to allow cities and counties to immediately impound misplaced shopping carts. Local officials must notify the owner within 24 hours of the location where the cart owner can collect the previously abandoned cart. AB 1427 required cities and counties to give the owner of the cart three business days to collect the cart at no cost. After three days, local officials can charge the owner of the cart a fine or fee, if applicable, for the actual cost of the retrieval and impounding.
- 4) *City Ordinances.* Some cities have developed ordinances in an attempt to reduce the number of abandoned shopping carts in their communities. For example, the City of San Jose, sponsor of this bill, adopted an ordinance requiring every owner who provides 26 or more

carts to develop and implement an abandoned cart prevention plan. The plan must include, among other things, an inventory of carts, a description of a community outreach process to inform customers that the removal of carts from the premises is prohibited, loss prevention measures, such as security personnel, employee training, and a plan for cart retrieval within 24 hours. For any retailers with 76 or more carts, the mandatory cart retrieval plan must also include at least one of the following (San Jose Municipal Code Chapter 9.60):

- a) Use of a device or mechanism designed to physically prevent the removal of shopping carts from the owner's premises.
- b) Use of a device or mechanism that requires customers to make a security deposit before being allowed to use a cart.
- c) Maintaining an agreement with a cart retrieval service that makes weekly, proactive efforts to retrieve the owner's abandoned carts over the course of a year and is capable of retrieving an abandoned cart within 24 upon notice of the abandoned cart's location by the City.

According to the Author

According to the author, "SB 753 addresses a growing public safety and environmental concern across California: the widespread abandonment of shopping carts in our communities. Current state law is outdated and inefficient, requiring cities to store abandoned carts at impound lots and wait for retailers to retrieve them—a burdensome and costly process, especially for larger cities.

"The bill modernizes California law by allowing cities to immediately collect abandoned shopping carts, return them directly to retailers without a three-day waiting period, and recover the actual costs associated with managing cart recovery programs. SB 753 ensures a more efficient process that reduces street and sidewalk obstructions, protects waterways from pollution and flooding hazards, and strengthens collaboration and support for both local governments and retailers."

Arguments in Support

According to the City of San Jose, on a previous version of the bill, SB 753 "...seeks to address the proliferation of abandoned shopping carts plaguing cities across the state. These carts have created hazards by blocking streets and sidewalks and disrupting our open spaces and waterways. This bill will modernize the laws requiring the collection of abandoned shopping carts and provide cities and retailers with better tools to address this widespread issue.

"When shopping carts are removed from retailer premises and left haphazardly in public spaces, they cause a significant issue for cities to locate, remove, and store them. Under current law, cities must store abandoned shopping carts in an impound lot, where they sit until a retailer retrieves them. This outdated process has inherent challenges, especially for large cities such as San José, which would need to store hundreds of abandoned shopping carts at any given time to comply with this provision. The storage space and staff cost required to operate an impound lot would be burdensome and an ineffective solution to this issue.

"This legislation helps address these challenges by providing cities with more tools and an updated cost recovery mechanism. SB 753 would allow cities and other local municipalities to

return carts directly to retailers by picking them up and immediately returning them without the current requirement for three-day notice or storage in an impound facility. Additionally, this bill would allow for the recovery of the actual costs of managing the program. This strikes the appropriate balance of creating an efficient system to retrieve and return abandoned shopping carts while incentivizing retailers to work collaboratively with cities and other local municipalities to recover their stolen property."

Arguments in Opposition

According to the California Grocers Association in an oppose unless amended position on a previous version of the bill, "This bill would allow for a fine of actual cost to the jurisdiction, with no limitation, and apply to each cart impounded. Removing fine limitations essentially revictimizes grocers by charging them fines which could be greater than the actual cost of the cart itself. Rather, we request the bill be amended to provide 24-48 hours to retrieve stolen carts and if not retrieved, allow local governments to charge an updated fine upon return of carts. The majority of 'cart thieves' are average consumers with challenges getting purchases home, but there is also a subset of individuals that steal carts and forcefully retain them for long periods of time. This is against the law, though we are unaware of any local jurisdictions who have enforced state and local law and SB 753 fails to address proper enforcement.

"Regardless, under existing law, should a local government retrieve a cart, they can notify the cart owner to retrieve the cart and if after three days they fail to, local governments can fine the grocer and sell the cart. In addition to state law, approximately 150 cities and counties throughout California have adopted local ordinances which require grocers to actively search for and retrieve stolen or abandoned carts. The grocery industry has been receptive to these ordinances--we feel we have a responsibility to recover our stolen property just as the local jurisdiction has a similar responsibility to both prevent and help recover stolen property. Other local ordinances include requiring grocers to submit cart recovery strategies, surveillance or locking mechanisms on cart merchandise, some of which the sponsor has availed themselves of. SB 753 disregards these uniquely tailored ordinances and local/business partnerships, assuming local ordinances are not working. In their place, it creates a statewide requirement, and a perverse incentivize for local governments to retrieve the carts themselves while simultaneously competing with grocers attempts to retrieve their own carts.

"SB 753 specifies that in the instance a local government retrieves a stolen cart, they can impose full cost recovery for retrieval services upon the aggrieved grocer. Full cost recovery is not defined within the bill and will likely include unreasonable expenses, brought for the benefit of local government budgets rather than true costs. This will in many circumstances result in the recovery costs borne by the grocer exceeding the actual cost of the cart itself. It also is important to recognize the bill sponsor, the City of San Jose, originally pursued this legislation as a direct result of their budget process."

FISCAL COMMENTS

None.

VOTES**SENATE FLOOR: 39-0-1**

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Reyes

ASM LOCAL GOVERNMENT: 6-0-4

YES: Carrillo, Pacheco, Ramos, Stefani, Ward, Wilson

ABS, ABST OR NV: Ta, Hoover, Ransom, Blanca Rubio

UPDATED

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