

SENATE AMENDMENTS

2nd Printing

By: Patterson, Reynolds, Shaheen, Holland,
Jetton, et al.

H.B. No. 1818

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the source of dogs and cats sold by pet stores;
3 providing a civil penalty.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Title 6, Business & Commerce Code, is amended by
6 adding Chapter 205 to read as follows:

7 CHAPTER 205. SALE OF DOGS AND CATS BY PET STORES

8 Sec. 205.001. DEFINITIONS. In this chapter:

9 (1) "Animal control agency" means a municipal or
10 county animal control office, or a state, county, or municipal law
11 enforcement agency, that collects, impounds, or keeps stray,
12 homeless, abandoned, or unwanted animals.

13 (2) "Animal rescue organization" means a nonprofit
14 private organization that is exempt from taxation under Section
15 501(a), Internal Revenue Code of 1986, as an organization described
16 by Section 501(c)(3) of that code, that accepts homeless or
17 unwanted dogs or cats with the purpose of finding permanent homes
18 for the dogs or cats, and that does not obtain dogs or cats from a
19 breeder or animal seller for compensation.

20 (3) "Animal shelter" means a facility that collects,
21 impounds, or keeps stray, homeless, abandoned, or unwanted dogs or
22 cats.

23 (4) "Pet store" means a for-profit business that sells
24 dogs or cats in a county with a population of 200,000 or more. The

1 term does not include an individual who sells, gives, or otherwise
2 transfers dogs or cats raised, bred, or both by the individual.

3 Sec. 205.002. SALE OF DOG OR CAT BY PET STORE. A pet store
4 may not sell a dog or cat unless the pet store obtained the dog or
5 cat from:

- 6 (1) an animal control agency;
- 7 (2) an animal shelter; or
- 8 (3) an animal rescue organization.

9 Sec. 205.003. MAINTENANCE OF RECORDS. (a) A pet store
10 shall maintain a record documenting from which animal control
11 agency, animal shelter, or animal rescue organization the pet store
12 obtained each dog or cat in the possession of the pet store for not
13 less than one year following the date the pet store takes possession
14 of the dog or cat.

15 (b) A pet store shall make the records maintained under this
16 section reasonably available for inspection by an animal control
17 agency, animal shelter, or animal rescue organization from which
18 the pet store has received a dog or cat during the preceding 12
19 months.

20 Sec. 205.004. PUBLIC POSTING. A pet store shall post in a
21 conspicuous location affixed to the enclosure of each dog or cat
22 available for sale the name of the animal control agency, animal
23 shelter, or animal rescue organization from which the pet store
24 obtained the dog or cat.

25 Sec. 205.005. CIVIL PENALTY. A pet store that violates
26 Section 205.002 is liable to this state for a civil penalty in an
27 amount not to exceed \$500 for each dog or cat sold in violation of

1 that section. The attorney general may bring an action to collect
2 the civil penalty imposed under this section.

3 SECTION 2. The change in law made by this Act applies only
4 to a dog or cat obtained by a pet store on or after the effective
5 date of this Act. A dog or cat obtained by a pet store before the
6 effective date of this Act is governed by the law in effect on the
7 date the dog or cat was obtained, and the former law is continued in
8 effect for that purpose.

9 SECTION 3. This Act takes effect September 1, 2021.

ADOPTED

MAY 25 2021

Lacey Spaw
Secretary of the Senate

By: Menendez

H.B. No. 1818

Substitute the following for ___B. No. _____:

By: Kelly Harmon

C.S. ___B. No. _____

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11 enforcement agency, that collects, impounds, or keeps stray,
12 homeless, abandoned, or unwanted animals.

13 (2) "Animal rescue organization" means a nonprofit
14 private organization that is exempt from taxation under Section
15 501(a), Internal Revenue Code of 1986, as an organization described
16 by Section 501(c)(3) of that code, that accepts homeless or
17 unwanted dogs or cats with the purpose of finding permanent homes
18 for the dogs or cats, and that does not obtain dogs or cats from a
19 breeder or animal seller for compensation.

20 (3) "Animal shelter" means a facility that collects,
21 impounds, or keeps stray, homeless, abandoned, or unwanted dogs or
22 cats.

23 (4) "Dog or cat breeder" has the meaning assigned by
24 Section 802.002, Occupations Code.

1 (5) "Pet store" means a for-profit business that sells
2 dogs or cats in a county with a population of 200,000 or more. The
3 term does not include an individual who sells, gives, or otherwise
4 transfers dogs or cats raised, bred, or both by the individual.

5 (6) "Qualified breeder" means a person that is
6 qualified to provide a dog or cat to a pet store under Section
7 205.003(a).

8 Sec. 205.002. SALE OF DOG OR CAT BY PET STORE. A pet store
9 may not sell a dog or cat unless the pet store obtained the dog or
10 cat from:

- 11 (1) an animal control agency;
- 12 (2) an animal shelter;
- 13 (3) an animal rescue organization; or
- 14 (4) a qualified breeder.

15 Sec. 205.003. QUALIFICATIONS FOR BREEDERS; VERIFICATION BY
16 PET STORES. (a) Except as provided by Subsection (c), to qualify
17 to provide a dog or cat to a pet store for purposes of Section
18 205.002(4), a person must:

19 (1) if the person is located in this state, be a dog or
20 cat breeder that holds a license under Chapter 802, Occupations
21 Code; or

22 (2) if the person is not located in this state:

23 (A) meet the standards for dog and cat breeders
24 adopted under Section 802.201, Occupations Code;

25 (B) hold the appropriate license or other permit
26 required for a breeder in the state in which the person is located,
27 if applicable; and

1 (C) hold the appropriate license issued, or be
2 exempt from licensing, by the United States Department of
3 Agriculture under the Animal Welfare Act (7 U.S.C. Section 2131 et
4 seq.).

5 (b) A pet store owner obtaining a dog or cat from a breeder
6 qualified under Subsection (a)(2) shall require that the breeder:

7 (1) certify or provide documentation to establish that
8 the breeder complies with the standards for dog and cat breeders
9 adopted under Section 802.201, Occupations Code, which may include:

10 (A) receipts for grooming and veterinary care;
11 and

12 (B) photographs of the exercise area showing
13 compliance with the standards;

14 (2) provide proof the breeder holds a license or other
15 permit issued by the state in which the breeder is located, if that
16 state requires the breeder to hold a license or other permit; and

17 (3) provide:

18 (A) proof of current licensure described by
19 Subsection (a)(2)(C) and the breeder's inspection reports issued by
20 the United States Department of Agriculture during the four years
21 before the date the dog or cat is obtained; or

22 (B) proof the breeder is exempt from that
23 licensure by the United States Department of Agriculture.

24 (c) A pet store may not obtain a dog or cat from a qualified
25 breeder if the breeder's inspection reports issued by the United
26 States Department of Agriculture during the preceding four years
27 contain any of the following violations of the Animal Welfare Act (7

1 U.S.C. Section 2131 et seq.):

2 (1) a direct or critical violation;

3 (2) an indirect no-access violation; or

4 (3) at least three indirect or non-critical violations

5 that are:

6 (A) related to the health and welfare of an
7 animal;

8 (B) not administrative in nature; and

9 (C) not violations described by Subdivision (2).

10 Sec. 205.004. MAINTENANCE OF RECORDS. (a) A pet store
11 shall maintain a record documenting from which animal control
12 agency, animal shelter, animal rescue organization, or qualified
13 breeder the pet store obtained each dog or cat in the possession of
14 the pet store for not less than one year following the date the pet
15 store takes possession of the dog or cat.

16 (b) A pet store shall maintain records provided by a
17 qualified breeder under Section 205.003 for not less than one year
18 following the date the pet store takes possession of a dog or cat
19 from that qualified breeder.

20 (c) A pet store shall make the records maintained under this
21 section reasonably available for inspection by an animal control
22 agency or other governmental entity.

23 Sec. 205.005. PUBLIC POSTING. A pet store shall post in a
24 conspicuous location affixed to the enclosure of each dog or cat
25 available for sale the name of the animal control agency, animal
26 shelter, animal rescue organization, or qualified breeder from
27 which the pet store obtained the dog or cat.

1 Sec. 205.006. CIVIL PENALTY. A pet store that violates
2 Section 205.002 is liable to this state for a civil penalty in an
3 amount not to exceed \$500 for each dog or cat sold in violation of
4 that section. The attorney general may bring an action to collect
5 the civil penalty imposed under this section.

6 SECTION 2. The change in law made by this Act applies only
7 to a dog or cat obtained by a pet store on or after the effective
8 date of this Act. A dog or cat obtained by a pet store before the
9 effective date of this Act is governed by the law in effect on the
10 date the dog or cat was obtained, and the former law is continued in
11 effect for that purpose.

12 SECTION 3. This Act takes effect September 1, 2021.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 27, 2021

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1818 by Patterson (Relating to the source of dogs and cats sold by pet stores; providing a civil penalty.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code to require pet stores in certain counties to source cats and dogs for sale from only animal control agencies, animal shelters, animal rescue organizations, or qualified breeders, as defined by the bill. The bill would provide a civil penalty for noncompliance.

According to the Office of Court Administration, no significant fiscal impact to the State court system is anticipated.

According to the Office of the Attorney General, no significant fiscal impact to the State is anticipated.

According to the Comptroller of Public Accounts, the fiscal impact cannot be determined as the number of cases of noncompliance that would result in penalty revenue is unknown. This analysis assumes that number would not be significant and that implementing the provisions of the bill would not result in a significant impact on state correctional populations or on the demand for state correctional resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, SD, SZ, CMA, DPE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 20, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1818 by Patterson (relating to the source of dogs and cats sold by pet stores; providing a civil penalty.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code to require pet stores in certain counties to source cats and dogs for sale from only animal control agencies, animal shelters, animal rescue organizations, or qualified breeders, as defined by the bill. The bill would provide a civil penalty for noncompliance.

According to the Office of Court Administration, no significant fiscal impact to the State court system is anticipated.

According to the Office of the Attorney General, no significant fiscal impact to the State is anticipated.

According to the Comptroller of Public Accounts, the fiscal impact cannot be determined as the number of cases of noncompliance that would result in penalty revenue is unknown. This analysis assumes that number would not be significant and that implementing the provisions of the bill would not result in a significant impact on state correctional populations or on the demand for state correctional resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, CMA, DPE

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 17, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1818 by Patterson (Relating to the source of dogs and cats sold by pet stores; providing a civil penalty.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code to require pet stores in certain counties to source cats and dogs for sale from only animal control agencies, animal shelters, or animal rescue organizations. The bill would provide a civil penalty for noncompliance.

According to the Office of Court Administration, no significant fiscal impact to the state court system is anticipated.

According to the Office of the Attorney General, no fiscal impact to the state is anticipated.

According to the Comptroller of Public Accounts, the fiscal impact cannot be determined as the number of cases of noncompliance that would result in penalty revenue is unknown. This analysis assumes that number would not be significant.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, DPE, CMA

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

Revision 1

April 10, 2021

TO: Honorable Chris Turner, Chair, House Committee on Business & Industry

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1818 by Patterson (relating to the source of dogs and cats sold by pet stores; providing a civil penalty.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code to require pet stores in certain counties to source cats and dogs for sale from only animal control agencies, animal shelters, or animal rescue organizations. The bill would provide a civil penalty for noncompliance.

According to the Office of Court Administration, no significant fiscal impact to the state court system is anticipated.

According to the Office of the Attorney General, no fiscal impact to the state is anticipated.

According to the Comptroller of Public Accounts, the fiscal impact cannot be determined as the number of cases of noncompliance that would result in penalty revenue is unknown. This analysis assumes that number would not be significant.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, CMA, DPE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 24, 2021

TO: Honorable Chris Turner, Chair, House Committee on Business & Industry

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1818 by Patterson (relating to the source of dogs and cats sold by pet stores; providing a civil penalty.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code to require pet stores in certain counties to source cats and dogs for sale from only animal control agencies, animal shelters, or animal rescue organizations. The bill would provide a civil penalty for noncompliance.

According to the Office of Court Administration, no significant fiscal impact to the state court system is anticipated.

According to the Office of the Attorney General, no fiscal impact to the state is anticipated.

According to the Comptroller of Public Accounts, the fiscal impact cannot be determined as the number of cases of noncompliance that would result in penalty revenue is unknown. This analysis assumes that number would not be significant.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, CMA, DPE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 22, 2021

TO: Honorable Chris Turner, Chair, House Committee on Business & Industry

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1818 by Patterson (Relating to the source of dogs and cats sold by pet stores; providing a civil penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code to require pet stores in certain counties to source cats and dogs for sale from only certain types of organizations or individuals. The bill would provide a civil penalty for noncompliance.

According to the Office of Court Administration, no significant fiscal impact to the state court system is anticipated.

According to the Office of the Attorney General, no fiscal impact to the state is anticipated.

According to the Comptroller of Public Accounts, the fiscal impact cannot be determined as the number of cases of noncompliance that would result in penalty revenue is unknown. This analysis assumes that number would not be significant.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, CMA, DPE