

BILL ANALYSIS

C.S.H.B. 3458

By: Patterson

Trade, Workforce & Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

According to a 2019 investigation by the Humane Society of the United States (HSUS), a Petland store in Frisco was documented to have underweight and very sick puppies, resulting in citations by animal control for violations of local animal welfare ordinances. According to HSUS investigations, Petland stores acquire puppies from puppy mills in the Midwest. Two previous attempts to address this issue of sourcing of animals by pet stores—H.B. 1818 from the 87th Legislative Session, and H.B. 870 from the 88th Legislative Session—ultimately failed to pass. C.S.H.B. 3458 seeks once again to address concerns regarding the ethical sourcing of pets by Texas pet stores. The bill prohibits pet stores from selling dogs or cats but authorizes pet stores to provide space for animal care facilities and animal rescue organizations to promote the adoption of dogs and cats.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3458 amends the Business & Commerce Code to prohibit a pet store from selling or offering to sell any dog or cat except as otherwise provided by the bill. The bill defines "pet store" as a retail establishment that sells, offers to sell, or facilitates the sale of animals bred by another person. The term does not include an individual who sells, offers for sale, gives, or otherwise transfers directly to a purchaser or other transferee animals raised, bred, or both raised and bred, by the individual on the individual's resident premises. The bill defines "offer to sell" as offering to sell, barter, auction, give away, transfer, or otherwise dispose of a dog or cat and includes advertising a dog or cat for sale.

C.S.H.B. 3458 authorizes a pet store to provide space for an animal care facility or animal rescue organization to showcase dogs or cats owned by an animal care facility or animal rescue organization for the purpose of adoption. The bill defines the following terms:

- "animal care facility" as a facility, including an animal control agency as defined by reference to Civil Practice and Remedies Code provisions, operated by or under contract with any governmental entity for the purpose of collecting, impounding, or keeping stray, homeless, abandoned, or unwanted dogs or cats, and that:
 - does not obtain dogs or cats from a breeder, broker, or other animal seller for the purpose of reselling those dogs or cats;
 - does not acquire dogs or cats by providing payment or compensation; and

- does not resell dogs or cats;
- "animal rescue organization" as a 501(c)(3) tax-exempt nonprofit private organization that accepts homeless or unwanted dogs or cats for the purpose of finding permanent homes for the dogs or cats, including an organization that does not have its own building and that maintains dogs and cats solely in foster homes, and that:
 - does not breed dogs or cats;
 - does not obtain dogs or cats for compensation;
 - does not obtain dogs or cats from a breeder or broker, unless the dogs or cats are relinquished by the breeder or broker without compensation;
 - is not located on the same premises as a breeder or broker; and
 - does not maintain any employee or other personnel who is a breeder or broker or is employed by or otherwise affiliated with a breeder or broker;
- "breeder" as a person, including a business, that breeds or raises dogs or cats for the purpose of selling, exchanging, or otherwise transferring them to the public; and
- "broker" as a person, including a business, that transfers dogs or cats for resale by another person or business.

C.S.H.B. 3458 prohibits a pet store that provides a space to showcase dogs or cats owned by the animal care facility or animal rescue organization for adoption from having an ownership interest in the dogs or cats offered for adoption or receiving a fee for providing a space for the showcase of the dogs or cats. The bill makes a pet store that violates these prohibitions liable to the state or to the county in which the violation occurs for a civil penalty in an amount not to exceed \$500 per day for each dog or cat sold or offered for sale in violation of the prohibition. The bill establishes that each sale or offer for sale in violation of the prohibitions constitutes a separate violation and authorizes the attorney general, a district attorney, or a county attorney to bring an action to collect the civil penalty or obtain a temporary or permanent injunction to restrain the violation. The bill requires such a civil penalty to be payable to the state, in an action brought by the attorney general, or to the county in which the violation occurred, in an action brought by a district attorney or county attorney.

C.S.H.B. 3458 applies only to pet stores selling or offering for sale dogs or cats on or after the bill's effective date. A pet store that sold or offered for sale a dog or cat before the bill's effective date is governed by the law in effect on the date the dog or cat was sold or offered for sale, and the former law is continued in effect for that purpose. If any provision of the bill or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the bill that can be given effect without the invalid provision or application, and to this end the provisions of the bill are declared to be severable.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 3458 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the introduced authorized a pet store to provide space for certain animal control agencies and 501(c)(3) tax-exempt nonprofit private organizations to showcase dogs or cats owned by the entities for the purpose of adoption, the substitute authorizes a pet store to provide space for certain animal care facilities and animal rescue organization to showcase dogs or cats owned by the entities for that purpose. Accordingly, the substitute includes definitions absent from the introduced for "animal care facility" and "animal rescue organization."

The substitute revises the definition of "pet store" from a retail establishment that sells, offers to sell, or facilitates the sale of animals not bred by the retail establishment, not including an individual who sells, offers to sell, gives, or otherwise transfers dogs or cats raised, bred, or both raised and bred by the individual, as in the introduced, to a retail establishment that sells, offers to sell, or facilitates the sale of animals bred by another person, not including an individual who sells, offers for sale, gives, or otherwise transfers directly to a purchaser or other transferee animals raised, bred, or both raised and bred by the individual on the individual's residential premises.

With respect to the prohibition against a pet store selling dogs or cats except as otherwise provided by the bill, the substitute includes as a prohibited act offering to sell any dog or cat, whereas the introduced did not. The introduced made a pet store who violates the prohibition liable to the state for a civil penalty, whereas the substitute makes such a pet store liable to the state or to the county in which the violation occurred. The substitute establishes that each sale or offer for sale in violation of the prohibition constitutes a separate violation, whereas the introduced did not. The substitute revises the provision of the introduced authorizing the attorney general to bring an action to collect the civil penalty or obtain a temporary or permanent injunction to restrain the violation by also authorizing a district attorney or a county attorney to do so.

The substitute includes provisions absent from the introduced that do the following:

- provide for severability of the bill's provisions;
- require a civil penalty collected through an action brought by an attorney as provided by the bill to be payable to the state, in an action brought by the attorney general, or to the county in which the violation occurred, in an action brought by a district attorney or county attorney; and
- define "breeder," "broker," and "offer to sell."