GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2023

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H.B. 226
Feb 28, 2023
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30104-ML-85

Short Title:	End Predatory Pet Leasing.	(Public)
Sponsors:	Representative Harris.	
Referred to:		

1	A BILL TO BE ENTITLED			
2	AN ACT TO PROHIBIT CERTAIN LEASES, OFFERS TO LEASE, SALES, OR OFFERS TO			
3	SELL A LIVING CAT OR DOG FOR PERSONAL, FAMILY, OR HOUSEHOLD USE.			
4	Whereas, a practice known as "pet leasing," where a customer enters into a contractual			
5	agreement requiring monthly payments in exchange for leasing a pet such as a dog, is on the rise;			
6	and			
7	Whereas, scrutiny on this process has increased due to customers being misled into			
8	entering a pet leasing arrangement instead of a loan arrangement, being charged exorbitant fees,			
9	and either (i) not owning the pet at the end of the payment schedule despite paying in excess of			
10	the value of the pet or (ii) having the pet repossessed by the financing company upon failure to			
11	make a payment in accordance with the terms of the lease; and			
12	Whereas, the American Kennel Club "supports a ban on predatory pet leasing			
13	schemes," stating that "[l]easing arrangements may allow a financial company to avoid			
14	regulatory oversight and consumer protection laws that protect both dogs and dog owners"; and			
15	Whereas, three states (Nevada, New York, and California) have enacted laws			
16	restricting or prohibiting pet leasing, and three other states (Connecticut, Florida, and Rhode			
17	Island) have considered legislation that would restrict or prohibit pet leasing; and			
18	Whereas, it is the intent of the General Assembly to protect both pets and pet owners			
19	by prohibiting the predatory practice of pet leasing; Now, therefore,			
20	The General Assembly of North Carolina enacts:			
21	SECTION 1. Chapter 19A of the General Statutes is amended by adding a new			
22	Article to read:			
23	" <u>Article 7.</u>			
24	" <u>Miscellaneous Provisions.</u>			
25	"§ 19A-80. Prohibition on certain leases, offers to lease, sales, and offers to sell cats and			
26	dogs.			
27 28	(a) <u>Prohibition. – A person shall not lease, offer to lease, sell, or offer to sell any living</u>			
28 29	cat or dog for personal, family, or household use if the lease, offer to lease, sale, or offer to sell includes or is subject to any provision authorizing the use of the living cat or dog as security			
29 30	where the living cat or dog may be repossessed by the seller or lender contingent on the purchaser			
31	making payments. For purposes of this section, "cat" means any domestic cat (Felis domistica)			
32	and "dog" means any domestic dog (Canis familiaris).			
33	(b) The provisions of subsection (a) of this section shall not apply to any of the following:			
33 34	(1) An agreement to lease a purebred dog that is recorded with a national purebred			
35	dog registry for the sole and express purpose of breeding, pursuant to a written			
36	agreement that specifies a term of validity.			
50	agreement that specifies a term of validity.			



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	(2)	An agreement to use a dog or cat in a show, exhibition, or other spectator		
2		event, in a motion picture or other audiovisual media, or in another		
		entertainment such as racing events, field trials, or rodeos.		
	<u>(3)</u>	An agreement relating to the training or use of a service dog, as defined by the		
		Americans with Disabilities Act, or a dog that is a service animal as defined		
		<u>in G.S. 20-187.4(b).</u>		
	<u>(4)</u>	An agreement relating to the training or use of a security dog, police or other		
		law enforcement dog, or military working dog used by a political subdivision		
		of North Carolina or by a business entity. For purposes of this subdivision,		
		"business entity" shall have the meaning set forth in G.S. 55-1-40.		
	(c) Pena	lty. – A person who violates subsection (a) of this section is guilty of a Class 2		
	misdemeanor.			
	(d) Unfa	ir and Deceptive Trade Practice. – A violation of subsection (a) of this section		
	shall constitute	an unfair and deceptive trade practice in violation of G.S. 75-1.1.		
	(e) <u>Nulli</u>	ification and Voiding. – Any provision in a contract or other agreement that		
	violates subsect	ion (a) of this section shall be null and void.		
	(f) Cons	struction. – Nothing in subsection (a) of this section shall be construed to prohibit		
	the purchase of a living cat or dog through an unsecured personal loan."			
	SEC	TION 2. G.S. 19A-80(d), as enacted by Section 1 of this act, becomes effective		
		23, and applies to contracts or other agreements entered into on or after that date.		
	The remainder of this act becomes effective December 1, 2023, and applies to offenses			
	committed on or	committed on or after that date		

22 committed on or after that date.