

State Laws Prohibiting Pet Leasing

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Issue

Summarize New York's new law concerning the leasing of dogs and cats (S 7415). Do other states have similar laws? Has Connecticut considered a ban on pet leasing?

Summary

New York is the third state, after Nevada and California, to enact a law restricting or prohibiting pet leasing. New York's law, which the governor signed on September 24, 2018, prohibits certain contracts for buying or financing dogs and cats. It takes effect on December 23, 2018. Nevada's law concerning (1) the leasing of living animals and (2) retail installment contracts for animals took effect July 1, 2017. California's ban on retail installment contracts for dogs and cats took effect January 1, 2018. We provide a summary of these three laws below.

Connecticut considered a ban on pet leasing during the 2018 legislative session. The Senate adopted an amendment that appears to have been modeled after the California law. The amendment generally would have voided any pet lease entered into on or after October 1, 2018. Specifically, it would have voided a contract that (1) transfers ownership of a dog or cat contingent on the buyer making periodic payments after taking possession of the animal, other than payments to repay an unsecured loan to buy the animal, or (2) provides for the lease of the dog or cat with the option to buy the animal at the end of the lease term. Anyone taking possession of a dog or cat under such a contract would have been (1) deemed to be the animal's owner and (2) entitled to the return of all amounts paid under the contract ([LCO No. 3725, Senate Amendment A to sSB 241](#)). The House did not take up the amended bill for consideration.

State Pet Leasing Laws

California

Under California law, a contract entered into on or after January 1, 2018 is void if it (1) transfers ownership of a dog or cat contingent on the buyer making periodic payments after taking possession of the animal, other than making payments to repay an unsecured loan to buy the animal, or (2) provides for the lease of a dog or cat with the option to buy the animal at the end of the lease term. The consumer taking possession of the dog or cat under such a contract is deemed the animal's owner and is entitled to a refund of all amounts paid under the contract ([Cal. Civ. Code § 1670.10](#)).

Nevada

Nevada law prohibits a person from offering to lease any living animal or goods intended for personal, family, or household use, including pets, if the animal or good is expected to have not more than a minimal residual financial value at the end of the lease term. The law specifies that a retail installment contract for the sale of a living animal or goods intended for personal, family, or household use is subject to the federal Truth in Lending Act. A failure to comply with the state law constitutes a deceptive trade practice and consumer fraud ([Nev. Rev. Stat. § 597.997](#)).

New York

Effective December 23, 2018, New York law prohibits a contract for buying or financing a dog or cat that includes any provisions that authorize using the dog or cat as security and allow the lender or seller to repossess the animal if the buyer fails to make payments under the contract (S 7415, to be codified as [N.Y. Gen. Bus. Law § 753-e](#)). However, the law does not prohibit buying a dog or cat through an unsecured personal loan. Anyone who violates the law may be subject to denial, suspension, revocation, or nonrenewal of a pet dealer license.

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