

**ASSEMBLY BILL**

**No. 3201**

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**Introduced by Assembly Member Santiago**

February 21, 2020

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An act to add Section 4853.8 to the Business and Professions Code, relating to veterinary premises.

LEGISLATIVE COUNSEL'S DIGEST

AB 3201, as introduced, Santiago. Large veterinary premises corporations: consumer disclosures: additional premises purchases: audit.

Existing law, the Veterinary Medicine Practice Act, establishes the Veterinary Medical Board for the licensure and regulation of the practice of veterinary medicine, and makes a violation of its provisions a crime. The act requires all premises where veterinary medicine, veterinary dentistry, veterinary surgery, and the various branches thereof are being practiced to be registered with the board.

This bill would require a large corporation, defined as a for-profit corporation that owns more than 60 veterinary premises in this state, to display on the premises and publish on its internet website its rates for specialized and traditional veterinary care, certain information regarding a price increase of more than 5% in a calendar year, and the percentage of a customer's payment for services rendered that is used for operation costs, patient care, and profits, as specified. The bill would prohibit a large corporation from purchasing an additional veterinary premises unless the board reviews and approves the purchase, as specified. The bill would require the board to conduct a full review and audit of a large corporation's licenses to operate veterinary premises if

there are more than 100 complaints and health and safety citations against the corporation in a calendar year.

By imposing additional requirements on corporations licensed under the Veterinary Medicine Practice Act, a violation of which is a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 4853.8 is added to the Business and
- 2 Professions Code, to read:
- 3 4853.8. (a) For purposes of this section, “large corporation”
- 4 means for-profit corporation that owns more than 60 veterinary
- 5 premises in this state.
- 6 (b) A large corporation shall publicly and obviously display on
- 7 the premises and publish on its internet website, in an easily
- 8 readable size and format, all of the following information:
- 9 (1) The percentage of the customer’s payment for services
- 10 rendered that is used for both of the following:
- 11 (A) Profits for the corporation.
- 12 (B) Payment for each of the following:
- 13 (i) Facility maintenance.
- 14 (ii) Staffing the veterinary premises.
- 15 (iii) Direct patient care, including, but not limited to, equipment
- 16 and medicine.
- 17 (iv) State and local taxes.
- 18 (2) The rates for both of the following:
- 19 (A) Specialized veterinary care, including oncology, imaging,
- 20 dentistry, and other specialized services.
- 21 (B) Traditional veterinary care, including, but not limited to,
- 22 examinations, teeth cleaning, and immunizations.
- 23 (3) If the corporation increases the price for a treatment by more
- 24 than 5 percent in a calendar year, the following information:
- 25 (A) The fact that the price for the treatment has changed.

1 (B) The amount of the change in price.

2 (C) The reason for the change in price.

3 (c) A large corporation shall not purchase an additional  
4 veterinary premises unless the board has reviewed and approved  
5 the purchase. When deciding whether to approve the purchase of  
6 additional veterinary premises, the board shall take into  
7 consideration the following:

8 (1) The number of veterinary premises the corporation currently  
9 owns.

10 (2) Whether the purchase could have a negative effect on  
11 competition in the marketplace or result in higher prices for  
12 consumers.

13 (d) If the number of complaints the board receives against a  
14 large corporation plus the number of health and safety citations  
15 issued to the corporation exceeds 100 in a calendar year, the board  
16 shall conduct a full audit and review of the corporation's licenses  
17 to operate veterinary premises.

18 SEC. 2. No reimbursement is required by this act pursuant to  
19 Section 6 of Article XIII B of the California Constitution because  
20 the only costs that may be incurred by a local agency or school  
21 district will be incurred because this act creates a new crime or  
22 infraction, eliminates a crime or infraction, or changes the penalty  
23 for a crime or infraction, within the meaning of Section 17556 of  
24 the Government Code, or changes the definition of a crime within  
25 the meaning of Section 6 of Article XIII B of the California  
26 Constitution.