

Bill Information Publications Other Resources My Subscriptions My Favorites Home California Law

Code: Select Code ➤ Section: 1 or 2 or 1001

Search

Up^ Add To My Favorites

BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 7. GENERAL BUSINESS REGULATIONS [16000 - 18107] (Division 7 added by Stats. 1941, Ch. 61.) PART 3. REPRESENTATIONS TO THE PUBLIC [17500 - 17943] (Part 3 added by Stats. 1941, Ch. 63.) **CHAPTER 1. Advertising [17500 - 17606]** (Chapter 1 added by Stats. 1941, Ch. 63.)

ARTICLE 1. False Advertising in General [17500 - 17509] (Article 1 added by Stats. 1941, Ch. 63.)

17500. It is unlawful for any person, firm, corporation or association, or any employee thereof with intent directly or indirectly to dispose of real or personal property or to perform services, professional or otherwise, or anything of any nature whatsoever or to induce the public to enter into any obligation relating thereto, to make or disseminate or cause to be made or disseminated before the public in this state, or to make or disseminate or cause to be made or disseminated from this state before the public in any state, in any newspaper or other publication, or any advertising device, or by public outcry or proclamation, or in any other manner or means whatever, including over the Internet, any statement, concerning that real or personal property or those services, professional or otherwise, or concerning any circumstance or matter of fact connected with the proposed performance or disposition thereof, which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading, or for any person, firm, or corporation to so make or disseminate or cause to be so made or disseminated any such statement as part of a plan or scheme with the intent not to sell that personal property or those services, professional or otherwise, so advertised at the price stated therein, or as so advertised. Any violation of the provisions of this section is a misdemeanor punishable by imprisonment in the county jail not exceeding six months, or by a fine not exceeding two thousand five hundred dollars (\$2,500), or by both that imprisonment and fine.

(Amended by Stats. 1998, Ch. 599, Sec. 2.5. Effective January 1, 1999.)

<u>17500.1.</u> Notwithstanding any other provision of law, no trade or professional association, or state agency, state board, or state commission within the Department of Consumer Affairs shall enact any rule, regulation, or code of professional ethics which shall restrict or prohibit advertising by any commercial or professional person, firm, partnership or corporation which does not violate the provisions of Section 17500 of the Business and Professions Code, or which is not prohibited by other provisions of law.

The provisions of this section shall not apply to any rules or regulations heretofore or hereafter formulated pursuant to Section 6076. (Amended by Stats. 1979, Ch. 653.)

- 17500.3. (a) It is unlawful for any person to solicit a sale or order for sale of goods or services at the residence of a prospective buyer, in person or by means of telephone, without clearly, affirmatively and expressly revealing at the time the person initially contacts the prospective buyer, and before making any other statement, except a greeting, or asking the prospective buyer any other questions, that the purpose of the contact is to effect a sale, by doing all of the following:
 - (1) Stating the identity of the person making the solicitation.
 - (2) Stating the trade name of the person represented by the person making the solicitation.
 - (3) Stating the kind of goods or services being offered for sale.
 - (4) And, in the case of an "in person" contact, the person making the solicitation shall, in addition to meeting the requirements of paragraphs (1), (2) and (3), show or display identification which states the information required by paragraphs (1) and (2) as well as the address of the place of business of one of such persons so identified.
- (b) It is unlawful for any person, in soliciting a sale or order for the sale of goods or services at the residence of a prospective buyer, in person or by telephone, to use any plan, scheme, or ruse which misrepresents his true status or mission for the purpose of making such sale or order for the sale of goods or services.

(c) In addition to any other penalties or remedies applicable to violations of this section, the intentional violation of this section shall entitle persons bound to a contract, when there was a sales approach or presentation or both in which such intentional violation of this section took place, to damages of two times the amount of the sale price or up to two hundred fifty dollars (\$250), whichever is greater, but in no case shall such damages be less than fifty dollars (\$50); provided, however, that as a condition precedent to instituting such action hereunder against the person represented by the person making the solicitation, the aggrieved party shall, in writing, demand that the person represented by the solicitor terminate such contract and return any and all payments made thereunder, and that the person represented by the solicitor shall have refused within a reasonable time, such termination and return. If the person represented by the person making the solicitation elects to terminate, he shall return to the aggrieved party payments received for any and all goods, and for services not rendered, and upon return of such payments, the aggrieved party shall return any and all goods received under the contract. For the purposes of this section, a reasonable time shall mean 20 business days from the date of demand. This subdivision shall not apply to a cause of action commenced under any other provision of law, including, but not limited to, a cause of action commenced pursuant to Section 382 of the Code of Civil Procedure or Section 1781 of the Civil Code.

Any rights under this subdivision shall be waived if subsequent to the signing of the contract the party bound by the contract states that identification, as required by this section, was given.

- (d) Persons represented by the person making the solicitation shall keep and maintain copies of all demands for termination for violation of this section for a period of one year from date of receipt. Failure to maintain such records shall create a presumption affecting the burden of proof that demand for termination had been properly made.
- (e) Where any provision of law provides a penalty for the violation of any offense specified in this section, it shall be a defense to the imposition of such penalty as to any defendant who did not commit the act or acts constituting the offense that such defendant did not know, and with the exercise of reasonable care could not have known, that the act was committed, which constitutes the violation of this section.
- (f) As used in this section "person" includes any individual, firm, partnership, corporation, association or other organization, but does not include any nonprofit charitable organization, or any person selling any intangibles, or any items defined in Section 1590(a)(1), of Title 18 of the California Administrative Code as it read on July 15, 1972.
- (g) This section shall not prohibit nor authorize the enactment by the governing body of any city, county, or city and county, of ordinances relating to home solicitations which are more restrictive of such solicitation than the provisions of this section. (Amended by Stats. 1975, Ch. 343.)
- 17500.5. (a) It is unlawful for any person, firm, corporation or association to falsely represent by advertisement the quantity of any article so advertised that will be sold to any one customer on his demand in a single transaction, and willfully or negligently to fail to include in such advertisement a statement that any restriction that is in fact put upon the quantity of any article so advertised that is sold or offered for sale to any one customer on his demand in a single transaction.
- (b) Any person, firm, corporation, or association who, by means of such false or negligent advertisement or publicity, induces any individual retail purchaser and consumer to enter any place of business designated therein seeking to buy any article so advertised or publicized, and then refuses to sell to such person the article at the price advertised in any quantity then available for sale on said premises, shall be liable to each person so induced and refused, for the losses and expenses thereby incurred, and the sum of fifty dollars (\$50) in addition thereto.
- (c) Nothing in this section shall affect any right a seller may have to refuse to extend credit to a customer, and this section shall not be applicable to a customer purchasing for resale.
- (d) The provisions of subdivision (b) are applicable only to actions brought in the name of, and on behalf of, a single plaintiff and shall not be applicable in multiple plaintiff or class actions.

(Added by Stats. 1970, Ch. 1121.)

- **17500.6.** (a) For purposes of this section, the following definitions apply:
 - (1) "Clear and conspicuous" means in a manner that clearly calls attention to the language, such as in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks.
 - (2) "Digital application or game" means any application or game that a person accesses and manipulates using a specialized electronic gaming device, computer, mobile device, tablet, or other device with a display screen, including any add-ons or additional content for that application or game.
 - (3) "Digital audio work" means a work that results from the fixation of a series of musical, spoken, or other sounds that are transferred electronically, including prerecorded or live songs, music, readings of books or other written materials, speeches,

ringtones, or other sound recording.

- (4) "Digital audiovisual work" means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds. "Digital audiovisual work" includes motion pictures, musicals, videos, news and entertainment programs, and live events.
- (5) "Digital book" means a work that is generally recognized in the ordinary and usual sense as a book that is transferred electronically, including a work of fiction or nonfiction.
- (6) "Digital code" means a code that provides the person that holds the code a right to obtain an additional digital good, a digital audiovisual work, digital audio work, or digital book that may be obtained by any means, including tangible forms and electronic mail, regardless of whether the code is designated as song code, video code, or book code. "Digital code" includes codes used to access or obtain any specified digital goods, or any additional digital goods that have been previously purchased, and promotion cards or codes that are purchased by a retailer or other business entity for use by the retailer's or entity's customers.
- (7) "Digital good" means a digital audiovisual work, digital audio work, digital book, digital code, or digital application or game, whether electronically or digitally delivered or accessed. "Digital good" does not include a cable television service, satellite relay television service, or any other distribution of television, video, or radio service.
- (b) (1) It shall be unlawful for a seller of a digital good to advertise or offer for sale a digital good to a purchaser with the terms "buy," "purchase," or any other term which a reasonable person would understand to confer an unrestricted ownership interest in the digital good, or alongside an option for a time-limited rental, unless either of the following occur:
 - (A) The seller receives at the time of each transaction an affirmative acknowledgment from the purchaser indicating all of the following:
 - (i) That the purchaser is receiving a license to access the digital good.
 - (ii) A complete list of restrictions and conditions of the license.
 - (iii) That access to the digital good may be unilaterally revoked by the seller if they no longer hold a right to the digital good, if applicable.
 - (B) The seller provides to the consumer before executing each transaction a clear and conspicuous statement that does both of the following:
 - (i) States in plain language that "buying" or "purchasing" the digital good is a license.
 - (ii) Includes a hyperlink, QR code, or similar method to access the terms and conditions that provide full details on the license.
 - (2) Any affirmative acknowledgment from the purchaser or clear and conspicuous statement pursuant to paragraph (1) shall be distinct and separate from any other terms and conditions of the transaction that the purchaser acknowledges or agrees to.
 - (3) This section does not require a person to download a digital good, or prohibit a person from storing a digital good on a server for access through the internet.
 - (4) This section does not apply to any of the following:
 - (A) Any subscription-based service that advertises or offers for sale access to any digital good solely for the duration of the subscription.
 - (B) Any digital good that is advertised or offered to a person for no monetary consideration.
 - (C) Any digital good that is advertised or offered to a person that the seller cannot revoke access to after the transaction, which includes making the digital good available at the time of purchase for permanent offline download to an external storage source to be used without a connection to the internet.

(Added by Stats. 2024, Ch. 513, Sec. 1. (AB 2426) Effective January 1, 2025.)

17501. For the purpose of this article the worth or value of any thing advertised is the prevailing market price, wholesale if the offer is at wholesale, retail if the offer is at retail, at the time of publication of such advertisement in the locality wherein the advertisement is published.

No price shall be advertised as a former price of any advertised thing, unless the alleged former price was the prevailing market price as above defined within three months next immediately preceding the publication of the advertisement or unless the date when the alleged former price did prevail is clearly, exactly and conspicuously stated in the advertisement.

17502. This article does not apply to any visual or sound radio broadcasting station, to any internet service provider or commercial online service, or to any publisher of a newspaper, magazine, or other publication, who broadcasts or publishes, including over the Internet, an advertisement in good faith, without knowledge of its false, deceptive, or misleading character.

(Amended by Stats. 1998, Ch. 599, Sec. 3. Effective January 1, 1999.)

- 17504. (a) Any person, partnership, corporation, firm, joint stock company, association, or organization engaged in business in this state as a retail seller who sells any consumer good or service which is sold only in multiple units and which is advertised by price shall advertise those goods or services at the price of the minimum multiple unit in which they are offered.
- (b) Nothing contained in subdivision (a) shall prohibit a retail seller from advertising any consumer good or service for sale at a single unit price where the goods or services are sold only in multiple units and not in single units as long as the advertisement also discloses, at least as prominently, the price of the minimum multiple unit in which they are offered.
- (c) For purposes of subdivisions (a) and (b), "consumer good" means any article which is used or bought for use primarily for personal, family, or household purposes, but does not include any food item.
- (d) For the purposes of subdivisions (a) and (b), "consumer service" means any service which is obtained for use primarily for personal, family, or household purposes.
- (e) For purposes of subdivisions (a) and (b), "retail seller" means an individual, firm, partnership, corporation, joint stock company, association, organization, or other legal relationship which engages in the business of selling consumer goods or services to retail buyers.

(Amended by Stats. 1987, Ch. 439, Sec. 1.)

17505. No person shall state, in an advertisement of his goods, that he is a producer, manufacturer, processor, wholesaler, or importer, or that he owns or controls a factory or other source of supply of goods, when such is not the fact, and no person shall in any other manner misrepresent the character, extent, volume, or type of his business.

(Added by Stats. 1963, Ch. 1733.)

- 17505.2. (a) It is unlawful for a person to represent himself or herself as a recreation therapist, to represent the services he or she performs as recreation therapy, or to use terms set forth in subdivision (c) in connection with his or her services, name, or place of business, unless he or she meets all of the following requirements:
 - (1) Graduation from an accredited college or university with a minimum of a baccalaureate degree in recreation therapy or in recreation and leisure studies with a specialization in recreation therapy. Alternatively, a person who does not have one of the preceding degrees may qualify if he or she has a baccalaureate degree in a specialization acceptable for certification or eligible for certification by any accrediting body specified in paragraph (2).
 - (2) Current certification or eligibility for certification as a recreation therapist by the California Board of Recreation and Park Certification or by the National Council for Therapeutic Recreation Certification, Inc.
- (b) No person shall represent himself or herself as a recreation therapist assistant, or represent the services he or she performs as being in any way related to recreation therapy, unless he or she at a minimum has current certification, or has eligibility for certification, by the California Board of Recreation and Park Certification or by the National Council for Therapeutic Recreation Certification, Inc., as a recreation therapist assistant.
- (c) A person who does not meet the requirements of subdivision (a) or (b) may not use any of the following words or abbreviations in connection with his or her services, name, or place of business:
 - (1) Recreation therapist registered.
 - (2) Recreation therapist certified.
 - (3) Certified therapeutic recreation specialist.
 - (4) Recreation therapist.
 - (5) Recreation therapist assistant registered.
 - (6) Certified therapeutic recreation assistant.

(7) RTR.
(8) RTC.
(9) CTRS.
(10) RT.
(11) RTAR.

(12) CTRA.

- (d) For purposes of subdivision (c), the abbreviation RT shall not be construed to include rehabilitation therapist or respiratory therapist.
- (e) Any person injured by a violation of this section may bring a civil action and may recover one thousand five hundred dollars (\$1,500) for the first violation and two thousand five hundred dollars (\$2,500) for each subsequent violation. This is the sole remedy for a violation of this section.

(Amended by Stats. 1998, Ch. 485, Sec. 26. Effective January 1, 1999.)

17506. As used in this chapter, "person" includes any individual, partnership, firm, association, or corporation.

(Added by Stats. 1970, Ch. 664.)

17506.5. As used in this chapter:

- (a) "Board within the Department of Consumer Affairs" includes any commission, bureau, division, or other similarly constituted agency within the Department of Consumer Affairs.
- (b) "Local consumer affairs agency" means and includes any city or county body which primarily provides consumer protection services.

(Added by Stats. 1979, Ch. 897.)

17507. It is unlawful for any person, firm, corporation or association to make an advertising claim or representation pertaining to more than one article of merchandise or type of service, within the same class of merchandise or service, if any price set forth in such claim or representation does not clearly and conspicuously identify the article of merchandise or type of service to which it relates. Disclosure of the relationship between the price and particular article of merchandise or type of service by means of an asterisk or other symbol, and corresponding footnote, does not meet the requirement of clear and conspicuous identification when the particular article of merchandise or type of service is not represented pictorially.

(Added by Stats. 1971, Ch. 682.)

- 17508. (a) It shall be unlawful for any person doing business in California and advertising to consumers in California to make any false or misleading advertising claim, including claims that (1) purport to be based on factual, objective, or clinical evidence, (2) compare the product's effectiveness or safety to that of other brands or products, or (3) purport to be based on any fact.
- (b) Upon written request of the Director of Consumer Affairs, the Attorney General, or any city attorney, county counsel, or district attorney, any person doing business in California and in whose behalf advertising claims are made to consumers in California, including claims that (1) purport to be based on factual, objective, or clinical evidence, (2) compare the product's effectiveness or safety to that of other brands or products, or (3) purport to be based on any fact, shall provide to the department or official making the request evidence of the facts on which the advertising claims are based. The request shall be made within one year of the last day on which the advertising claims were made.

Any city attorney, county counsel, or district attorney who makes a request pursuant to this subdivision shall give prior notice of the request to the Attorney General.

- (c) The Director of Consumer Affairs, Attorney General, or any city attorney, county counsel, or district attorney may, upon failure of an advertiser to respond by adequately substantiating the claim within a reasonable time, or if the Director of Consumer Affairs, Attorney General, city attorney, county counsel, or district attorney shall have reason to believe that the advertising claim is false or misleading, do either or both of the following:
 - (1) Seek an immediate termination or modification of the claim by the person in accordance with Section 17535.
 - (2) Disseminate information, taking due care to protect legitimate trade secrets, concerning the veracity of the claims or why the claims are misleading to the consumers of this state.

- (d) The relief provided for in subdivision (c) is in addition to any other relief that may be sought for a violation of this chapter. Section 17534 shall not apply to violations of this section.
- (e) Nothing in this section shall be construed to hold any newspaper publisher or radio or television broadcaster liable for publishing or broadcasting any advertising claims referred to in subdivision (a), unless the publisher or broadcaster is the person making the claims.
- (f) The plaintiff shall have the burden of proof in establishing any violation of this section.
- (g) If an advertisement is in violation of subdivision (a) and Section 17500, the court shall not impose a separate civil penalty pursuant to Section 17536 for the violation of subdivision (a) and the violation of Section 17500 but shall impose a civil penalty for the violation of either subdivision (a) or Section 17500.

(Amended by Stats. 2016, Ch. 38, Sec. 1. (SB 1130) Effective January 1, 2017.)

- **17509.** (a) Any advertisement, including any advertisement over the Internet, soliciting the purchase or lease of a product or service, or any combination thereof, that requires, as a condition of sale, the purchase or lease of a different product or service, or any combination thereof, shall conspicuously disclose in the advertisement the price of all those products or services. This requirement shall not in any way affect the provisions of Sections 16726 and 16727, with respect to unlawful buying arrangements.
- (b) Subdivision (a) does not apply to any of the following:
 - (1) Contractual plans or arrangements complying with this paragraph under which the seller periodically provides the consumer with a form or announcement card which the consumer may use to instruct the seller not to ship the offered merchandise. Any instructions not to ship merchandise included on the form or card shall be printed in type as large as all other instructions and terms stated on the form or card. The form or card shall specify a date by which it shall be mailed by the consumer (the "mailing date") or received by the seller (the "return date") to prevent shipment of the offered merchandise. The seller shall mail the form or card either at least 25 days prior to the return date or at least 20 days prior to the mailing date, or provide a mailing date of at least 10 days after receipt by the consumer, except that whichever system the seller chooses for mailing the form or card, shall be calculated to afford the consumer at least 10 days in which to mail his or her form or card. The form or card shall be preaddressed to the seller so that it may serve as a postal reply card or, alternatively, the form or card shall be accompanied by a return envelope addressed to seller. Upon the membership contract or application form or on the same page and immediately adjacent to the contract or form, and in clear and conspicuous language, there shall be disclosed the material terms of the plan or arrangement including all of the following:
 - (A) That aspect of the plan under which the subscriber shall notify the seller, in the manner provided for by the seller, if the seller does not wish to purchase or receive the selection.
 - (B) Any obligation assumed by the subscriber to purchase a minimum quantity of merchandise.
 - (C) The right of a contract-complete subscriber to cancel his or her membership at any time.
 - (D) Whether billing charges will include an amount for postage and handling.
 - (2) Other contractual plans or arrangements not covered under subdivision (a), such as continuity plans, subscription arrangements, standing order arrangements, supplements, and series arrangements under which the seller periodically ships merchandise to a consumer who has consented in advance to receive that merchandise on a periodic basis.
- (c) This section shall not apply to the publisher of any newspaper, periodical, or other publication, or any radio or television broadcaster, or the owner or operator of any cable, satellite, or other medium of communication who broadcasts or publishes, including over the Internet, an advertisement or offer in good faith, without knowledge of its violation of subdivision (a).

(Amended by Stats. 1998, Ch. 599, Sec. 4. Effective January 1, 1999.)