

ASSEMBLY BILL

No. 1835

Introduced by Assembly Member Logue

February 12, 2010

An act to add Section 17211 to the Business and Professions Code, relating to business.

LEGISLATIVE COUNSEL'S DIGEST

AB 1835, as introduced, Logue. Unfair competition: exemption.

Existing law prohibits unfair competition, including, but not limited to, unlawful business acts or practices, and authorizes actions for relief under those provisions to be brought by specified governmental agencies or by a person who has suffered injury in fact and has lost money or property as a result of the unfair competition.

This bill would exempt a small business, as defined, from suit and liability under those provisions if the business engages in unfair competition by acting pursuant to a contract for services with a public entity that the business entered into in good faith, without knowledge that acting pursuant to that contract would constitute unfair competition.

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

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

- 1 SECTION 1. Section 17211 is added to the Business and
- 2 Professions Code, to read:
- 3 17211. (a) For purposes of this section, the following
- 4 definitions shall apply:

1 (1) “Public entity” means the state, or a city, county, city and
2 county, special district, or other political subdivision of the state.

3 (2) “Small business” means any unincorporated business,
4 partnership, corporation, association, or organization with fewer
5 than 50 full-time employees.

6 (b) A small business that enters into a contract for services with
7 a public entity in good faith, without knowledge that acting
8 pursuant to that contract would constitute unfair competition, shall
9 be immune from suit and liability under this chapter for engaging
10 in unfair competition by acting pursuant to that contract.