

Introduced by Senator CorbettFebruary 14, 2013

An act to add Section 17533.65 to the Business and Professions Code, relating to advertising.

LEGISLATIVE COUNSEL'S DIGEST

SB 272, as introduced, Corbett. Advertising: military endorsements.

Existing law makes it unlawful for any person, firm, corporation, or association that is a nongovernmental entity to solicit funds or information, or the purchase of goods or services, by means of a mailing, electronic message, or Internet Web site that contains a seal, emblem, insignia, trade, or brand name, or any other term, symbol, or content that reasonably could be interpreted or construed as implying any federal, state, or local government connection, approval, or endorsement, unless certain criteria are met. A violation of provisions related to advertising is a crime.

This bill would additionally make it unlawful for any person, firm, corporation, or association that is a nongovernmental entity to use any seal, emblem, insignia, trade, or brand name, or any other term, symbol, or content, that reasonably could be interpreted or construed as implying any federal military, state military, military veteran, or military or veteran service organization connection, approval, or endorsement of any financial product, goods, or services, or for purposes of advertising or to promote certain events, as specified, unless the nongovernmental entity has an expressed connection with, or the approval or endorsement of, that entity. The bill would establish specified civil and criminal penalties for a violation of its provisions.

Because a violation of the bill's provisions would be a crime, the 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 17533.65 is added to the Business and
2 Professions Code, to read:

3 17533.65. (a) It is unlawful for any person, firm, corporation,
4 or association that is a nongovernmental entity to use any seal,
5 emblem, insignia, trade, or brand name, or any other term, symbol,
6 or content that reasonably could be interpreted or construed as
7 implying any federal military, state military, military veteran, or
8 military or veteran service organization connection, approval, or
9 endorsement of any financial product, goods, or services, unless
10 the person, firm, corporation, or association has an expressed
11 connection with, or the approval or endorsement of, the federal
12 military, state military, or military veteran entity, or military or
13 veteran service organization.

14 (b) A person, firm, corporation, or association that is a
15 nongovernmental entity shall not use any seal, emblem, insignia,
16 trade, or brand name, or any other term, symbol, or content in any
17 advertising or to promote any event, presentation, seminar,
18 workshop, or other public gathering that reasonably could be
19 interpreted or construed as implying any federal military, state
20 military, military veteran, or military or veteran service
21 organization connection, approval, or endorsement of any financial
22 product, goods, or services, unless the person, firm, corporation,
23 or association has an expressed connection with, or the approval
24 or endorsement of, the federal military, state military, or military
25 veteran entity, or military or veteran service organization.

26 (c) Any violation of this section is a misdemeanor punishable
27 by imprisonment in a county jail not exceeding six months, or by
28 a fine not exceeding two thousand five hundred dollars (\$2,500),
29 or by both that fine and imprisonment.

1 (d) Any person who is harmed as a result of a violation of this
2 section shall be entitled to recover, in addition to any other
3 available remedies, damages in an amount equal to three times the
4 amount solicited.

5 (e) For purposes of this section, “state military” has the same
6 meaning set forth in Section 120 of the Military and Veterans
7 Code, and includes the National Guard, State Military Reserve,
8 and the Naval Militia.

9 SEC. 2. No reimbursement is required by this act pursuant to
10 Section 6 of Article XIII B of the California Constitution because
11 the only costs that may be incurred by a local agency or school
12 district will be incurred because this act creates a new crime or
13 infraction, eliminates a crime or infraction, or changes the penalty
14 for a crime or infraction, within the meaning of Section 17556 of
15 the Government Code, or changes the definition of a crime within
16 the meaning of Section 6 of Article XIII B of the California
17 Constitution.