

AMENDED IN SENATE JANUARY 5, 1998

AMENDED IN SENATE MARCH 31, 1997

**SENATE BILL**

**No. 597**

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**Introduced by Senator Peace**

February 24, 1997

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An act to add Chapter 6 (commencing with Section 17300) to Part 2 of Division 7 of the Business and Professions Code, relating to electronic commerce.

LEGISLATIVE COUNSEL'S DIGEST

SB 597, as amended, Peace. Internet use.

(1) Existing law governing advertising prohibits a person from soliciting the sale of goods either in person or over the telephone without giving identifying information. It is also unlawful, among other things, for a person soliciting the sale of goods either in person or over the telephone to use a scheme that misrepresents the solicitor's true status or mission for the purpose of making the sale.

This bill would provide that any solicitation, transaction, or communication made over the Internet shall be unlawful if that solicitation, transaction, or communication would be unlawful *under specified provisions of law* if made in person, by mail, by means of a telephone, or in any other manner ~~under this code or any other provision of law~~. The bill would provide that the same criminal or civil penalties or remedies ~~as may be~~ applicable to an unlawful solicitation, transaction, or communication would also apply to an unlawful solicitation, transaction, or communication made over the

Internet. *This bill would also provide that any person who makes an unlawful solicitation, transaction, or other communication over the Internet that originates from outside the state shall, to the extent permitted under the state “long-arm” personal jurisdiction law, be subject to the jurisdiction of the courts of this state in any relevant civil or criminal action.*

Because this bill would expand the scope of existing crimes, it would impose a state-mandated local program.

(2) 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. The Legislature finds and declares that  
 2 the Internet is a collection of interconnected computers  
 3 and communications networks that is used for  
 4 commercial, educational, and recreational purposes. Use  
 5 of the Internet is growing rapidly, doubling every four  
 6 months according to some estimates. The number of  
 7 persons using the Internet has doubled every year for the  
 8 past several years.

9 SEC. 2. Chapter 6 (commencing with Section 17300)  
 10 is added to Part 2 of Division 7 of the Business and  
 11 Professions Code, to read:

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13 CHAPTER 6. UNLAWFUL USE OF THE INTERNET

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15 17300. (a) Any solicitation, transaction, or other  
 16 communication made over the Internet, as defined in  
 17 Section 17538, shall be unlawful if it would be unlawful  
 18 under this code ~~or any other provision of law~~ for that  
 19 solicitation, transaction, or other communication to be  
 20 made in person, by mail, by means of a telephone, or in



1 any other manner. The same criminal or civil penalties or  
2 remedies ~~as may be~~ applicable to an unlawful solicitation,  
3 transaction, or other communication ~~shall~~ also apply to an  
4 unlawful solicitation, transaction, or communication  
5 made over the Internet.

6 *(b) Any person who violates this section by making an*  
7 *unlawful solicitation, transaction, or other*  
8 *communication over the Internet that originates from*  
9 *outside the state shall, to the extent permitted under*  
10 *Section 410.10 of the Code of Civil Procedure, be subject*  
11 *to the jurisdiction of the courts of this state in any relevant*  
12 *civil or criminal action.*

13 SEC. 3. No reimbursement is required by this act  
14 pursuant to Section 6 of Article XIII B of the California  
15 Constitution because the only costs that may be incurred  
16 by a local agency or school district will be incurred  
17 because this act creates a new crime or infraction,  
18 eliminates a crime or infraction, or changes the penalty  
19 for a crime or infraction, within the meaning of Section  
20 17556 of the Government Code, or changes the definition  
21 of a crime within the meaning of Section 6 of Article  
22 XIII B of the California Constitution.

23 Notwithstanding Section 17580 of the Government  
24 Code, unless otherwise specified, the provisions of this act  
25 shall become operative on the same date that the act  
26 takes effect pursuant to the California Constitution.

