

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 24, 2008
POSITION: Neutral

BILL NUMBER: AB 2919
AUTHOR: B. Garcia

BILL SUMMARY: Advertising

Under current law, it is unlawful for a nongovernmental business entity, person, or association to solicit payment for services or products by mail, electronic message, or Internet site that is in any way misleading or suggestive of a state or local government connection unless the solicitation meets specified notification and disclosure requirements.

This bill would generally require a nongovernmental business entity that sends a mailing offering to assist the recipient in dealing with a governmental agency to state on the envelope and in the mailing that the business is not a governmental agency and is not associated with any governmental agency referenced in the letter. The bill also requires the mailing to include contact information of any governmental agency referenced in the letter. These provisions would not apply if the business entity has an expressed connection with the governmental agency, or an established business relationship with the recipient.

FISCAL SUMMARY

This state-mandated bill is not reimbursable because violation of its provisions constitutes a crime.

Under Section 6(b) of Article XIII B of the California Constitution, any costs to a unit of local government which result from legislation defining a new crime or changing an existing definition of a crime are not reimbursable by the state. In addition, Section 17556(g) of the Government Code provides that the Commission on State Mandates shall not find a reimbursable mandate in such legislation which eliminated a crime or changed the penalty for a crime. Therefore, any local government costs resulting from the mandate in this measure would not be state-reimbursable, because the mandate only involves the definition of a crime or the penalty for conviction of a crime.

COMMENTS

This bill seeks to protect consumers from unknowingly being solicited for services for a fee when they may already be entitled to those services at no cost by direct contact with a governmental agency.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)								Fund Code	
	SO	LA	CO	PROP	RV	FC	FC	FC		
			98	FC	2007-2008	FC	2008-2009	FC	2009-2010	
0001/Major Rev	SO	No			-----	No/Minor	Fiscal Impact	-----		0001

Analyst/Principal (0760) C. Hill	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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