

ASSEMBLY BILL

No. 1245

Introduced by Assembly Members Stefani and Lowenthal

February 21, 2025

An act to add Chapter 22.4.5 (commencing with Section 22599.7) to Division 8 of the Business and Professions Code, relating to business practices.

LEGISLATIVE COUNSEL'S DIGEST

AB 1245, as introduced, Stefani. California Restaurant Reservation AntiPiracy Act.

Existing law regulates various businesses to preserve and regulate competition and prohibit unfair practices, among other purposes. Existing law imposes various business practice restrictions on a food delivery platform, defined as an online business that acts as an intermediary between consumers and multiple food facilities to submit food orders from a consumer to a participating food facility, and to arrange for the delivery of the order from the food facility to the consumer. Existing law prohibits a food delivery platform from arranging the delivery of an order from a food facility without first obtaining an agreement with the food facility expressly authorizing the platform to take orders and deliver meals, as prescribed.

This bill would prohibit a third-party restaurant reservation service, as defined, from listing, advertising, promoting, or selling reservations for a food service establishment through the website, mobile application, or other platform of the third-party restaurant reservation service without a written agreement between that third-party restaurant reservation service and that food service establishment to include reservations at

the food service establishment on that website, mobile application, or other platform.

The bill would authorize the Attorney General and a person who suffers harm for a violation of the act to recover specified civil penalties. The bill would also create in the State Treasury the California Restaurant Reservation AntiPiracy Act Fund into which any civil penalty recovered by the Attorney General pursuant to the act would be deposited and would make the moneys in the fund available, upon appropriation by the Legislature, for the purpose of the act.

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

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

1 SECTION 1. Chapter 22.4.5 (commencing with Section
2 22599.7) is added to Division 8 of the Business and Professions
3 Code, to read:

4
5 CHAPTER 22.4.5. CALIFORNIA RESTAURANT RESERVATION
6 ANTIPIRACY ACT
7

8 22599.7. This chapter shall be known, and may be cited, as the
9 “California Restaurant Reservation AntiPiracy Act.”

10 22599.8. For purposes of this chapter, the following definitions
11 apply:

12 (a) “Food service establishment” means a retail food
13 establishment that prepares, serves, and vends food directly to the
14 consumer.

15 (b) (1) “Third-party restaurant reservation service” means any
16 website, mobile application, or other internet service that both:

17 (A) Offers or arranges for reserving on-premises service for a
18 customer at a food service establishment.

19 (B) Is owned and operated by a person other than the person
20 who owns that food service establishment.

21 (2) “Third-party restaurant reservation service” does not include
22 a reservation distribution channel that is authorized to distribute
23 reservations by way of a contractual relationship with either the
24 applicable food service establishment or a contractual designee of
25 the food service establishment who obtained reservation
26 distribution rights directly from the food establishment.

1 22599.9. (a) A third-party restaurant reservation service shall
2 not list, advertise, promote, or sell reservations for a food service
3 establishment through the website, mobile application, or other
4 platform of the third-party restaurant reservation service without
5 a written agreement between that third-party restaurant reservation
6 service and that food service establishment to include reservations
7 at the food service establishment on that website, mobile
8 application, or other platform.

9 (b) Any person who violates or causes another person to violate
10 this chapter shall be subject to a civil penalty, as set forth in Section
11 22599.10.

12 22599.10. (a) The Attorney General may bring an action
13 against any person who violates this chapter for all of the
14 following:

15 (1) A civil penalty not to exceed one thousand dollars (\$1,000)
16 for each violation.

17 (2) Injunctive or declaratory relief.

18 (3) Reasonable attorney’s fees.

19 (b) A person who suffers actual harm as a result of a violation
20 of this chapter may also bring a civil action to recover all of the
21 following:

22 (1) Actual damages.

23 (2) Reasonable attorney’s fees and costs.

24 (3) Injunctive or declaratory relief.

25 (4) Any other relief the court deems proper.

26 (c) (1) For purposes of subdivision (b), a “person” includes a
27 third-party restaurant reservation service that has an authorized
28 contractual agreement with a food service establishment.

29 (2) A third-party restaurant reservation service, as described in
30 paragraph (1), may bring an action for injunctive relief or monetary
31 damages against unauthorized resellers or platforms facilitating
32 unauthorized transactions in violation of this chapter, in accordance
33 with subdivision (b).

34 22599.11. (a) There is hereby created in the State Treasury
35 the California Restaurant Reservation AntiPiracy Act Fund, into
36 which any civil penalty recovered by the Attorney General pursuant
37 to Section 22599.10 shall be deposited.

1 (b) Moneys in the fund shall be available, only upon
2 appropriation by the Legislature, for the purpose of administering
3 this chapter.

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