

October 22, 2003

VIA PERSONAL DELIVERY

The Honorable Bill Lockyer
Attorney General
1300 I Street
Sacramento, CA 95814

RECEIVED
OCT 22 2003
INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

Re: Request for Title and Summary- Initiative Constitutional Amendment

Dear Mr. Lockyer:

Pursuant to Article II, Section 10(d) of the California Constitution and Section 9002 of the Elections Code, I hereby request that a title and summary be prepared for the attached initiative constitutional amendment. Enclosed is a check for \$200.00. My residence address is attached.

All inquires or correspondence relative to this initiative should be directed to Nielsen, Merksamer, Parrinello, Mueller & Naylor, LLP, 1415 L Street, Suite 1200, Sacramento, CA 95814, (916) 446-6752, Attention: Richard D. Martland.

Thank you for your assistance.

Sincerely,

Allan S. Zaremberg, Proponent

Enclosure: Proposed Initiative

I, Allan S. Zaremborg, acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

~~Allan S. Zaremborg, Proponent~~

Dated this 22nd day of October, 2003.

RECEIVED
OCT 22 2003

INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

October 22, 2003

VIA PERSONAL DELIVERY

The Honorable Bill Lockyer
Attorney General
1300 I Street
Sacramento, CA 95814

RECEIVED

OCT 22 2003

INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

Re: Request for Title and Summary- Initiative Constitutional Amendment

Dear Mr. Lockyer:

Pursuant to Article II, Section 10(d) of the California Constitution and Section 9002 of the Elections Code, I hereby request that a title and summary be prepared for the attached initiative constitutional amendment. Enclosed is a check for \$200.00. My residence address is attached.

All inquires or correspondence relative to this initiative should be directed to Nielsen, Merksamer, Parrinello, Mueller & Naylor, LLP, 1415 L Street, Suite 1200, Sacramento, CA 95814, (916) 446-6752, Attention: Richard D. Martland.

Thank you for your assistance.

Sincerely,

John H. Sullivan, Proponent

Enclosure: Proposed Initiative

I, John H. Sullivan, acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

John H. Sullivan, Proponent

Dated this 22nd day of October, 2003.

RECEIVED
OCT 22 2003

INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

Proposed 17200 Amendments

SEC. 1. Findings and Declarations of Purpose

The People of the State of California find and declare that:

- (1) This state's unfair competition laws set forth in Sections 17200 and 17500 of the Business and Professions Code are intended to protect California businesses and consumers from unlawful, unfair, and fraudulent business practices.
- (2) These unfair competition laws are being misused by some private attorneys who
 - (a) file frivolous lawsuits as a means of generating attorneys' fees without creating a corresponding public benefit;
 - (b) file lawsuits where no client has been injured in fact;
 - (c) file lawsuits for clients who have not used the defendant's product or service, viewed the defendant's advertising, or had any other business dealing with the defendant;
 - (d) file lawsuits on behalf of the general public without any accountability to the public and without adequate court supervision.
- (3) Frivolous unfair competition lawsuits clog our courts and cost taxpayers. Such lawsuits cost California jobs and economic prosperity, threatening the survival of small businesses and forcing businesses to raise their prices or to lay off employees to pay lawsuit settlement costs or to relocate to states that do not permit such lawsuits.
- (4) It is the intent of California voters in enacting this Act to eliminate frivolous unfair competition lawsuits while protecting the right of individuals to retain an attorney and file an action for relief pursuant to this chapter.
- (5) It is the intent of the California voters in enacting this Act to prohibit private attorneys from filing lawsuits for unfair competition where they have no client who has been injured in fact under the standing requirements of the United States Constitution.
- (6) It is the intent of California voters in enacting this Act that only the California Attorney General and local public officials be authorized to file and prosecute actions on behalf of the general public.
- (7) It is the intent of California voters in enacting this Act that the Attorney General, district attorneys, county counsels, and city attorneys maintain their public protection authority and capability under the unfair competition laws.
- (8) It is the intent of California voters in enacting this Act to require that civil penalty payments be used by the Attorney General, district attorneys, county counsels and city attorneys to strengthen the enforcement of California's unfair competition and consumer protection laws.

SEC. 2 Section 17203 of the California Business and Professions Code is amended to read:

§ 17203. Injunctive Relief - Court Orders

Any person who engages, has engaged, or proposes to engage in unfair competition may be enjoined in any court of competent jurisdiction. The court may make such orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use or employment by any person of any practice which constitutes unfair competition, as defined in this chapter, or as may be necessary to restore to any person in interest any money or property, real or personal, which may have been acquired by means of such unfair competition. Any person may pursue representative claims or relief on behalf of others only if the claimant meets the standing requirements of Section 17204 and complies with Code of Civil Procedure Section 382, but these limitations do not apply to claims brought under this chapter by the Attorney General, or any district attorney, county counsel, city attorney, or city prosecutor in this state.

SEC. 3 Section 17204 of the California Business and Professions Code is amended to read:

§ 17204. Actions for Injunctions by Attorney General, District Attorney, County Counsel, and City Attorneys

Actions for any relief pursuant to this chapter shall be prosecuted exclusively in a court of competent jurisdiction by the Attorney General or any district attorney or by any county counsel authorized by agreement with the district attorney in actions involving violation of a county ordinance, or any city attorney of a city, or city and county, having a population in excess of 750,000, and, with the consent of the district attorney, by a city prosecutor in any city having a full-time city prosecutor or, with the consent of the district attorney, by a city attorney in any city and county in the name of the people of the State of California upon their own complaint or upon the complaint of any board, officer, person, corporation or association or by any person acting for the interests of itself, its members or the general public who has suffered injury in fact and has lost money or property as a result of such unfair competition.

SEC. 4 Section 17206 of the California Business and Professions Code is amended to read:

§ 17206. Civil penalty for violation of chapter

(a) Any person who engages, has engaged, or proposes to engage in unfair competition shall be liable for a civil penalty not to exceed two thousand five hundred dollars (\$2,500) for each violation, which shall be assessed and recovered in a civil action brought in the name of the people of the