
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1640 (Stefani) - California Restaurant Reservation AntiPiracy Act

Version: June 22, 2026

Policy Vote: JUD. 11 - 0, B., P. & E.D. 11
- 0

Urgency: No

Mandate: No

Hearing Date: August 3, 2026

Consultant: Janelle Miyashiro

Bill Summary: AB 1640 establishes the California Restaurant Reservation AntiPiracy Act, which prohibits a person from selling or transferring a restaurant reservation for an amount higher than that person paid to acquire the reservation unless expressly authorized by a written agreement with the restaurant.

Fiscal Impact: Unknown, potentially significant workload cost pressures to the state funded trial court system to adjudicate any civil cases filed as a result of this bill (Trial Court Trust Fund, General Fund). The fiscal impact of this bill to the courts will depend on many unknowns, including the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately \$8,000 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.

Background: In recent years, the resale of restaurant reservations has received increased national attention as online marketplaces have emerged that allow users to buy and sell reservations at high-demand restaurants. In a March 2025 article, Eater San Francisco reported that platforms such as Appointment Trader facilitate the sale of reservations for sought-after restaurants, including several well-known California establishments, with some reservations advertised for hundreds or even thousands of dollars despite the reservations themselves often being offered by restaurants at no charge. Eater further reported that supporters of legislation regulating these marketplaces contend that the practice may reduce reservation availability for the general public and create operational challenges for restaurants when reservations are acquired for resale rather than genuine dining plans.

The issue has also been the subject of broader national reporting. The New York Times has reported on the growth of online marketplaces for restaurant reservations and the emergence of a secondary market in which reservations at popular restaurants are treated as transferable commodities, prompting debate among restaurants, consumers, and policymakers regarding fairness, access, and the appropriate role of reservation platforms. In response to these developments, New York became the first state to enact legislation specifically regulating the unauthorized resale of restaurant reservations through its Restaurant Reservation Anti-Piracy Act. AB 1640 proposes a similar policy approach by regulating the resale of restaurant reservations in California.

Proposed Law:

- Establishes the California Restaurant Reservation AntiPiracy Act, which prohibits a person from selling or transferring a restaurant reservation for an amount higher than that person paid to acquire the reservation. Provides that this prohibition does not apply if the person has a written agreement with the restaurant that expressly authorizes the person to charge the higher amount.
- Provides that a person who violates or causes another person to violate the provisions of the Act is liable for the following, as applicable, in a civil action brought by the Attorney General (AG), or any county counsel or city attorney, in a court of competent jurisdiction:
 - A civil penalty not to exceed one thousand dollars (\$1,000) for each violation.
 - Injunctive or declaratory relief.
 - Reasonable attorney's fees.
- Provides that an individual or entity who suffers actual harm as a result of a violation of the Act may bring a civil action to recover actual damages, reasonable attorney's fees and costs, injunctive or declaratory relief, and any other relief the court deems proper.
- Creates the California Restaurant Reservation AntiPiracy Act Fund in the State Treasury and requires civil penalties recovered by the AG to be deposited into the fund. Provides that moneys in the fund shall be available, upon appropriation by the Legislature, for the administration and enforcement of the Act.
- For purposes of the Act, defines "restaurant" to mean a retail food establishment in this state that prepares, serves, and vends food directly to a customer.

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