

Assembly Bill No. 723

CHAPTER 497

An act to add Section 10140.8 to the Business and Professions Code, relating to real estate.

[Approved by Governor October 10, 2025. Filed with Secretary of State October 10, 2025.]

LEGISLATIVE COUNSEL'S DIGEST

AB 723, Pellerin. Real estate: digitally altered images: disclosure.

Existing law, the Real Estate Law, provides for the licensure and regulation of real estate brokers and salespersons by the Real Estate Commissioner, the chief officer of the Department of Real Estate within the Business, Consumer Services, and Housing Agency. Existing law provides various duties and obligations owed to a prospective purchaser of real property. A willful violation of the Real Estate Law is a crime.

This bill would require a real estate broker or salesperson, or person acting on their behalf, who includes a digitally altered image, as defined, in an advertisement or other promotional material for the sale of real property to include a disclosure, as specified. If the advertisement or promotional material is posted on an internet website, the bill would require the same image without digital alteration to be included, as specified. By imposing new requirements on real estate licensees, the violation of which is a crime, this bill would impose a state-mandated local program.

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.

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

SECTION 1. Section 10140.8 is added to the Business and Professions Code, to read:

10140.8. (a) (1) A real estate broker or salesperson, or person acting on their behalf, who includes a digitally altered image in an advertisement or other promotional material for the sale of real property shall include in the advertisement or promotional material a statement disclosing that the image has been altered and a link to a publicly accessible internet website, URL, or QR code that includes, and clearly identifies, the original, unaltered image. The statement shall be reasonably conspicuous and located on or

adjacent to the image and shall include language indicating that the unaltered images can be accessed on the linked internet website, URL, or QR code.

(2) If an advertisement or promotional material described in paragraph (1) is posted on an internet website over which the real estate broker or salesperson, or person acting on their behalf, has control, they shall include the unaltered version of the images from which the digitally altered images were created in the posting. A person subject to this paragraph may comply with this requirement by including a link to a publicly accessible internet website that includes, and clearly identifies, the original, unaltered image. If the real estate broker or salesperson, or person acting on their behalf, complies with this requirement by including a link to the unaltered images, the statement required by paragraph (1) shall include language indicating the unaltered images can be accessed on the linked internet website, URL, or QR code.

(b) (1) For purposes of this section, “digitally altered image” means an image, created by or at the direction of the real estate broker or salesperson, or person acting on their behalf, that has been altered through the use of photo editing software or artificial intelligence to add, remove, or change elements in the image, including, but not limited to, fixtures, furniture, appliances, flooring, walls, paint color, hardscape, landscape, facade, floor plans, and elements outside of, or visible from, the property, including, but not limited to, streetlights, utility poles, views through windows, and neighboring properties.

(2) “Digitally altered image” does not include an image where only lighting, sharpening, white balance, color correction, angle, straightening, cropping, exposure, or other common photo editing adjustments are made that do not change the representation of the real property.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.