

ASSEMBLY BILL

No. 2396

Introduced by Assembly Member Wiggins

February 19, 2004

An act to add Section 1021.11 to the Code of Civil Procedure, relating to court costs.

LEGISLATIVE COUNSEL'S DIGEST

AB 2396, as introduced, Wiggins. Recovery of costs: securities and commodities enforcement actions.

The Corporate Securities Law of 1968 and the California Commodity Law of 1990 provide for regulation of certain securities and commodities transactions by the Commissioner of Corporations.

Existing law provides that a prevailing party in an action is entitled to recover court costs, which may include attorney's fees when authorized by contract or law.

This bill would require the court to award to the Attorney General or the Commissioner of Corporations all costs of investigating and prosecuting a civil action brought to enforce the Corporate Securities Law of 1968 and the California Commodity Law of 1990, including expert fees, reasonable attorney's fees, and court costs, whenever the Attorney General or the Commissioner of Corporations prevails in the action. The bill would require an award in this regard obtained by the Attorney General to be paid to the Public Rights Law Enforcement Special Fund.

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

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

1 SECTION 1. Section 1021.11 is added to the Code of Civil
2 Procedure, to read:
3 1021.11. (a) Whenever the Attorney General or the
4 Commissioner of Corporations prevails in a civil action to enforce
5 the Corporate Securities Law of 1968 (Division 1 (commencing
6 with Section 25000) of Title 4 of the Corporations Code) or the
7 California Commodity Law of 1990 (Division 4.5 (commencing
8 with Section 29500) of Title 4 of the Corporations Code), the court
9 shall award to the prevailing party all costs of investigating and
10 prosecuting the action, including expert fees, reasonable
11 attorney’s fees, and court costs. An award under this section
12 obtained by the Attorney General shall be paid to the Public Rights
13 Law Enforcement Special Fund established by Section 12530 of
14 the Government Code.
15 (b) This section shall apply to any action pending on January
16 1, 2005, and to any actions filed thereafter.

