

**ASSEMBLY BILL**

**No. 2935**

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**Introduced by Assembly Member Longville**

February 20, 2004

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An act to amend Section 1786.50 of the Civil Code, relating to investigative consumer reports.

LEGISLATIVE COUNSEL'S DIGEST

AB 2935, as introduced, Longville. Investigative consumer reports.

Existing law regulates the activities of investigative consumer reporting agencies. Existing law provides that an investigative consumer reporting agency or user of investigative consumer report information that fails to comply with requirements under these provisions with respect to an investigative consumer report is liable to the consumer who is the subject of the report for specified damages, unless the failure to comply results in a favorable report.

This bill would make nonsubstantive, technical changes in these provisions.

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 1786.50 of the Civil Code is amended  
2 to read:  
3 1786.50. (a) An investigative consumer reporting agency or  
4 user of information that fails to comply with ~~any~~ a requirement  
5 under this title with respect to an investigative consumer report is

1 liable to the consumer who is the subject of the report in an amount  
2 equal to the sum of all the following:

3 (1) Any actual damages sustained by the consumer as a result  
4 of the failure or, except in the case of class actions, ten thousand  
5 dollars (\$10,000), whichever sum is greater.

6 (2) In the case of any successful action to enforce any liability  
7 under this chapter, the costs of the action together with reasonable  
8 attorney’s fees as determined by the court.

9 (b) If the court determines that the violation was grossly  
10 negligent or willful, the court may, in addition, assess, and the  
11 consumer may recover, punitive damages.

12 (c) Notwithstanding subdivision (a), an investigative  
13 consumer reporting agency or user of information that fails to  
14 comply with any requirement under this title with respect to an  
15 investigative consumer report ~~shall~~ *is not be* liable to a consumer  
16 who is the subject of the report ~~where~~ *if* the failure to comply  
17 results in a more favorable investigative consumer report than if  
18 there had not been a failure to comply.

