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ASSEMBLY FLOOR ALERT AB 814 (Bloom) – SUPPORT

The Consumer Federation of California (CFC) supports Assembly Bill 814 (Bloom).

AB 814 would extend the powers granted to the Attorney General to issue pre-litigation subpoenas to city attorneys of cities with a population exceeding 750,000 and a city attorney of a city and county, in order to prosecute actions to enforce laws related to prohibited restraints on competition and unfair trade practices.

The recent Wells Fargo scandal clearly demonstrates the need for AB 814. Since 2011 or earlier, Wells Fargo employees illegally used their customers' personal identifying information to open 1.5 million unauthorized bank and credit card accounts in the names of individual customers, and perhaps as many as another 500,000 business accounts.

Subsequent investigations were hampered by the lack of authority city attorney's had to issue pre-litigation subpoena power to obtain records. As a result, for example, the Los Angeles City Attorney's Office was forced to use time-consuming and less reliable means of investigation, thereby allowing the unlawful and fraudulent activity to continue to the detriment of countless consumers as it took almost three years for the Wells Fargo scandal to come to the attention of the public at large.

AB 814 will empower city attorneys to protect consumers by stopping harmful conduct much sooner and minimize the chance that unmeritorious actions predicated on incomplete information would be filed.

CFC urges your "YES" vote on AB 814.