Senate Bill No. 825

CHAPTER 355

An act to amend Section 90002 of the Financial Code, relating to finance.

[Approved by Governor October 6, 2025. Filed with Secretary of State October 6, 2025.]

LEGISLATIVE COUNSEL'S DIGEST

SB 825, Limón. Consumers: financial protection.

Existing law, the California Consumer Financial Protection Law (CCFPL), requires the Department of Financial Protection and Innovation, headed by the Commissioner of Financial Protection and Innovation, to regulate consumer financial products or services under California consumer financial laws. The CCFPL makes it unlawful for a covered person or service provider, as defined, to engage in certain deceptive or abusive acts or practices with respect to consumer financial products or services. The CCFPL exempts from its provisions a person or employee of that person to the extent that person or employee is acting under the authority of certain licenses, certificates, or charters issued by the department, including licensed escrow agents and finance lenders.

This bill would provide that nothing in the above-described exemption shall be deemed to prevent the commissioner from using the authority provided by the CCFPL to enforce the above-described provision on deceptive or abusive acts or practices.

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

SECTION 1. Section 90002 of the Financial Code is amended to read:

90002. (a) This division shall not apply to a licensee, or an employee of a licensee, of any state agency other than the Department of Financial Protection and Innovation to the extent that licensee or employee is acting under the authority of the other state agency's license.

(b) (1) Except as provided by paragraph (2), this division shall not apply to a person or employee of that person to the extent that person or employee is acting under the authority of one of the following licenses, certificates, or charters issued by the Department of Financial Protection and Innovation:

(A) Any person licensed as an escrow agent under Division 6 (commencing with Section 17000) of the Financial Code.

(B) Any person licensed as a finance lender, broker, program administrator, or mortgage loan originator under Division 9 (commencing with Section 22000) of the Financial Code.

(C) Any person licensed as a broker-dealer or investment adviser under Division 1 (commencing with Section 25000) of Title 4 the Corporations Code.

(D) Any person licensed as a residential mortgage lender, a mortgage servicer, or a mortgage loan originator under Division 20 (commencing with Section 50000) of the Financial Code.

(E) Any person licensed as a check seller, bill payer, or prorater under Division 3 (commencing with Section 12000) of the Financial Code.

(F) Any person licensed as a capital access company under Division 3 (commencing with Section 28000) of Title 4 of the Corporations Code.

(G) Any person doing business under a license, charter, or certificate issued under the Financial Institutions Law, including Division 1 (commencing with Section 99), Division 1.1 (commencing with Section 1000), Division 1.2 (commencing with Section 2000), Division 1.6 (commencing with Section 4800), Division 2 (commencing with Section 5000), Division 5 (commencing with Section 14000), Division 7 (commencing with Section 18000), and Division 15 (commencing with Section 31000) of the Financial Code.

(2) Nothing in this subdivision shall be deemed to prevent the commissioner from using the authority provided by this division to enforce Section 90003.

(c) This division shall not apply to a bank, bank holding company, trust company, savings and loan association, savings and loan holding company, credit union, or an organization subject to oversight of the Farm Credit Administration, when acting under the authority of a license, certificate, or charter under federal law or the laws of another state.

(d) This division applies to all other covered persons, as defined in subdivision (f) of Section 90005.

O