



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

Code:  Section:

[Up^](#) [Add To My Favorites](#)

**CIVIL CODE - CIV**

**DIVISION 3. OBLIGATIONS [1427 - 3273.69]** ( *Heading of Division 3 amended by Stats. 1988, Ch. 160, Sec. 14.*  )

**PART 4. OBLIGATIONS ARISING FROM PARTICULAR TRANSACTIONS [1738 - 3273.69]** ( *Part 4 enacted 1872.*  )

**TITLE 1.6. CONSUMER CREDIT REPORTING AGENCIES ACT [1785.1 - 1785.36]** ( *Title 1.6 repealed and added by Stats. 1975, Ch. 1271.*  )

**CHAPTER 3.6. Escrow Agent Rating Service [1785.28 - 1785.28.6]** ( *Chapter 3.6 added by Stats. 2013, Ch. 380, Sec. 1.*  )

**1785.28.** (a) For the purposes of this section, the following definitions shall apply:

(1) Escrow means any transaction in which one person, for the purpose of effecting the sale, transfer, encumbering, or leasing of real or personal property to another person, delivers any written instrument, money, evidence of title to real or personal property, or other thing of value to a third person to be held by that third person until the happening of a specified event or the performance of a prescribed condition, when it is then to be delivered by that third person to a grantee, grantor, promisee, promisor, obligee, obligor, bailee, bailor, or any agent or employee of any of the latter.

(2) An escrow agent is any of the following:

(A) A natural person who performs escrow services for an entity licensed pursuant to the Escrow Law contained in Division 6 (commencing with Section 17000) of the Financial Code.

(B) A natural person performing escrow services for a title insurer admitted pursuant to Article 3 (commencing with Section 699) of Chapter 1 of Part 2 of Division 1 of the Insurance Code or an underwritten title company licensed pursuant to Article 3.7 (commencing with Section 12389) of Chapter 1 of Part 6 of Division 2 of the Insurance Code.

(C) A natural person performing escrow services for a controlled escrow company, as defined in Section 12340.6 of the Insurance Code.

(D) A natural person licensed pursuant to Division 4 (commencing with Section 10000) of the Business and Professions Code, who performs escrow services, in accordance with Section 17006 of the Financial Code.

(3) An escrow agent rating service is a person or entity that prepares a report, for compensation or in expectation of compensation, for use by a creditor in evaluating the capacity of an escrow agent to perform escrow services in connection with an extension of credit. An escrow agent rating service does not include either of the following:

(A) A creditor or an employee of a creditor evaluating an escrow agent in connection with an extension of credit by that creditor.

(B) An entity described in paragraph (2) for which a natural person performs escrow services as an employee or an independent contractor.

(4) An escrow agent rating service shall be considered a reseller of credit information within the meaning of Section 1785.22 if it assembles and merges information contained in the database or databases maintained by a consumer credit reporting agency.

(5) "Consumer" also means escrow agent.

(b) An escrow agent rating service shall comply with and be subject to the following sections of this title applicable to a consumer credit reporting agency:

(1) Subdivision (a) of Section 1785.10.

(2) Subdivision (b) of Section 1785.10, limited to the obligation to advise a consumer of his or her right to a decoded written version of a file.

(3) Subdivision (d) of Section 1785.10.

(4) Paragraph (2) of subdivision (a) of Section 1785.11.

(5) Section 1785.13.

(6) Section 1785.14.

(7) Paragraph (1) of subdivision (a) of Section 1785.15, limited to the right to request and receive a decoded written version of the file.

(8) Section 1785.16.

(9) Section 1785.18.

(c) An escrow agent rating service that acts as a reseller of credit information as described in paragraph (4) of subdivision (a) shall comply with and be subject to Section 1785.22.

(d) An escrow agent rating service shall establish policies and procedures reasonably intended to safeguard from theft or misuse any personally identifiable information it obtains from an escrow agent.

(e) An escrow agent who suffers damages as a result of the failure of an escrow agent rating service to comply with subdivision (b), (c), or (d) may bring an action in a court of competent jurisdiction pursuant to Section 1785.31 of the Civil Code.

(f) If an escrow agent rating service is also a consumer credit reporting agency as defined in subdivision (d) of Section 1785.3, nothing in this section shall be construed to suggest that an escrow agent reporting service that is also a consumer credit reporting agency is not otherwise required to comply with other provisions of this title applicable to consumer credit reporting agencies.

(g) Nothing in this section shall be construed to authorize a person, who was not otherwise legally authorized to perform escrow services prior to the effective date of this section, to legally perform escrow services.

(h) Nothing in this section is intended to alter the provisions of Section 17420 of the Financial Code, including the legal authority of an escrow agent to compensate an escrow agent rating service for a report prepared pursuant to paragraph (3) of subdivision (a).

*(Added by Stats. 2013, Ch. 380, Sec. 1. (AB 1169) Effective January 1, 2014. Repealed as of January 1, 2027, pursuant to Section 1785.28.6.)*

**1785.28.6.** This chapter shall remain in effect only until January 1, 2027, and as of that date is repealed.

*(Amended by Stats. 2021, Ch. 105, Sec. 1. (SB 360) Effective January 1, 2022. Repealed as of January 1, 2027, by its own provisions. Note: Repeal affects Chapter 3.6, commencing with Section 1785.28.)*