

**UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
CALIFORNIA**

Alkayali v. LexisNexis Risk Solutions Inc.

Alkayali · No. 24-cv-1713-AGS-MMP · Decided July 10, 2025

OPINION

Alkayali v. LexisNexis Risk Solutions Inc.

PER CURIAM.

1 UNITED STATES DISTRICT COURT

2 SOUTHERN DISTRICT OF CALIFORNIA

3 Ahmad ALKAYALI, Case No.: 24-cv-1713-AGS-MMP 4 Plaintiff,

ORDER GRANTING IN PART

5 v. DEFENDANT’S MOTION TO

DISMISS (ECF 8)

7 Defendants. 8

9 This lawsuit’s only federal claim turns on whether defendant LexisNexis Risk 10 Solutions, Inc.’s report is a “consumer report” under the Fair Credit Reporting Act. Plaintiff 11 has not sufficiently alleged that it is, so his FCRA claim is dismissed.

12 BACKGROUND

13 According to the complaint, when plaintiff Ahmad Alkayali “attempted to procure a 14 loan,” the loan agency “told” him “that there are ‘unspecified criminal charges’” that 15 appeared in a report that LexisNexis generated. (ECF 1, at 6.) But Alkayali “has never been 16 charged or convicted of any criminal offense,” so he contacted LexisNexis to dispute that 17 report. (Id. at 7.) LexisNexis doubled down, asserting that it was “accurate as reported,” 18 and “refused” “to correct its inaccurate and derogatory reporting.” (Id. at 10; see also id. 19 at 7.) LexisNexis also asserted that its report does “not constitute” a “consumer report[] as 20 defined in the” FCRA, so “the laws” don’t “require LexisNexis to correct or change 21 potentially inaccurate information.” (Id. at 8, 10.) 22 Alkayali sued, arguing that the report is subject to the FCRA and that LexisNexis 23 must “correct” it. (ECF 1, at 10.) He seeks to represent a class against LexisNexis for an 24 FCRA violation and a series of state claims. (Id. at 1.)

25 DISCUSSION

26 LexisNexis moves to dismiss Alkayali’s complaint for failure to state a claim. (See 27 generally ECF 8.) “To survive a motion to dismiss, a complaint must contain sufficient 28 factual matter, accepted as true, to state a claim to relief that is plausible on its face.” 1 Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009) (quotations omitted); see also Fed. R. Civ. 2 P. 12(b)(6). Plausibility requires more than mere “conclusions” or a “formulaic recitation” 3 of elements; it must be based

on “factual allegations” that “raise a right to relief above the 4 speculative level.” *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555 (2007) (cleaned up). 5 A. Fair Credit Reporting Act 6 LexisNexis argues that Alkayali’s FCRA claim “fails” because he “does not plead 7 sufficient facts to support the characterization of the” “report about him as a ‘consumer 8 report’ within the meaning of the FCRA.” (ECF 8-1, at 15.) 9 Under the FCRA, a “consumer report” is a “communication of any information” that 10 “is used or expected to be used or collected” “as a factor in establishing the consumer’s 11 eligibility for”: (1) “credit or insurance to be used primarily for personal, family, or 12 household purposes”; (2) “employment purposes”; or (3) “any other purpose authorized 13 under” another FCRA section, including when one company “furnishe[s]” a report to 14 another company “which it has reason to believe” (i) “intends to use the information in 15 connection with a credit transaction” or (ii) “otherwise has a legitimate business need 16 for the information in connection with a business transaction that is initiated by the 17 consumer.” 15 U.S.C. § 1681a(d) (1)(A)–(C); *id.* § 1681b(a)(3)(A), (a)(3)(F)(i). 18 Alkayali alleges two “purposes” that, at first blush, appear to place LexisNexis’s 19 report within the bounds of the FCRA’s “consumer report” definition. First, he says that 20 he was “at the mercy of inaccurate information contained within [LexisNexis]’s consumer 21 report” in his attempt to procure a “loan.” (ECF 1, at 6, 8.) Because a loan is “a credit 22 transaction,” see 15 U.S.C. § 1681b(a)(3)(A), an expansive reading of the FCRA would 23 place Alkayali’s allegations within the statute’s grasp. But “the mere fact that a report could 24 be used as a consumer report is” “not” “enough to make it one.” *Mende v. Dun & 25 Bradstreet, Inc.*, 670 F.2d 129, 133 (9th Cir. 1982) (emphasis added). The Ninth Circuit’s 26 rejection of “expansive definition[s] of consumer credit report[s]” suggests that plaintiffs 27 cannot merely allege that a report implicates the FCRA because it involves a “credit 28 transaction.” See *id.* “More is required.” *Id.* 1 Although Alkayali’s next FCRA argument provides “more” information about the 2 transaction, it ultimately falters as well. In his opposition, Alkayali argues that the report 3 is within the FCRA’s domain because LexisNexis “provid[ed]” its “report to a lender in 4 connection with a business transaction that was initiated by Plaintiff.” (ECF 10, at 14.) 5 True, the statute covers the furnishing of a report to a company that the defendant “has 6 reason to believe” “has a legitimate business need for the information in connection with a 7 business transaction that is initiated by the consumer.” 15 U.S.C. § 1681b(a) (3)(F)(i). But 8 this argument appears only in Alkayali’s briefing, so it is irrelevant to this Court’s analysis. 9 “[T]he scope of review on a motion to dismiss for failure to state a claim is limited to the 10 contents of the complaint[.]” *Marder v. Lopez*, 450 F.3d 445, 448 (9th Cir. 2006). 11 Alkayali’s FCRA claim is thus dismissed. But his pleading “can possibly be cured 12 by additional factual allegations” that properly allege an FCRA purpose, so the Court 13 grants Alkayali leave to amend his complaint. See *Salameh v. Tarsadia Hotel*, 726 F.3d 14 1124, 1133 (9th Cir. 2013). 15 B. Supplemental Jurisdiction 16 Given the dismissal of Alkayali’s only federal claim, this Court “may decline to 17 exercise supplemental jurisdiction” over the remaining state claims. See 28 U.S.C. 18 § 1367(c). “In the usual case in which all federal-law claims are

eliminated before trial, the 19 balance of factors to be considered under the pendent jurisdiction doctrine—judicial 20 economy, convenience, fairness, and comity—will point toward declining to exercise 21 jurisdiction over the remaining state-law claims.” Sanford v. MemberWorks, Inc., 625 F.3d 22 550, 561 (9th Cir. 2010). So, unless plaintiff states a federal claim, the Court declines to 23 exercise supplemental jurisdiction over the remaining state-law claims.

24 CONCLUSION

25 Accordingly, the Court GRANTS IN PART LexisNexis’ motion and DISMISSES 26 Alkayali’s complaint with leave to amend. By August 7, 2025, Alkayali may file an 27 amended complaint remedying the identified deficiencies. 28 1 Dated: July 10, 2025 3 Hon. Andrew G. Schopler A United States District Judge 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28