

# Justice Served: How We Use Litigation to Make Change

A JUSTICE PROPERT

#### PRESENTERS:



REGGIE SHUFORD

Executive Director



CARLENE McNULTY

Director of Litigation



JASON PIKLER Senior Attorney



#### Housekeeping Tips and Reminders

- This event is being recorded
- There will be time for questions at the end of the 30-minute presentation. Please put any questions in the chat.
- For IT concerns, please message Tim Hazlehurst or email <u>Tim@ncjustice.org</u>



## A Brief History

- 1995: Congress announced sweeping changes to federallyfunded legal services programs
  - Reduction in funding
  - Restrictions on the type of work undertaken by programs
- 1996: NC Justice Center formed in response to these restrictions



# 1996 Congressional Restrictions

- Prohibitions on representing certain categories of clients:
  - Most immigrants
  - Public housing residents who were being evicted based on drug related charges.



#### Congressional Restrictions, cont'd

- Restrictions on types of cases
  - Lobbying and rulemaking activities
  - Class action litigation
  - Welfare reform advocacy
  - Claiming or collecting attorneys' fees



# Implications for Existing Cases

- Hyatt
- FLSA class action against a chicken processing plant
- Education case against State Board of Education/DPI
- Farmworker cases
- Immigration cases





## **Continued Litigation**

- Focus on IMPACT cases and cases that federally-funded legal services programs cannot do
- Class action litigation
- Precedent setting case
- Cases on behalf of immigrants





# NC Justice Center Case Types

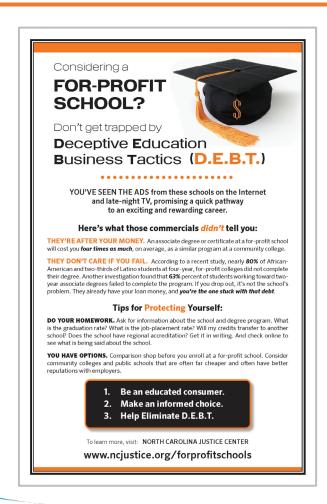
- Immigration cases
- Consumer
- Immigrants' rights

- Housing
- Civil Cases on behalf of Immigrants
- Utilities

- Workers Rights
- Public Benefits
- Fair Chance Criminal Justice



## Specific Grant-Funded Work



- Foreclosure
- Student Loan/For-Profit School Scams
- Disaster Relief
- Robo Fraud/Debt Collection

## NC Justice Center Litigation Staff

- Clermont Ripley and Carol Brooke focus on low-wage worker issues
- Carlene McNulty and Jason Pikler focus on consumer, including foreclosure and rent to own scams
- Maryam Kahn and Jasmina Nogo handle immigration caseload
- Kate Woomer Deters handles civil needs of immigrants

- Shray Shetty is our Leslie Winner Civil Rights fellow
- Laura Webb and Quisha Mallette are Fair Chance attorneys, engage in some litigation
- 3 paralegals: Juan Calderon, Diana Espinal-Gutierrez, Andressia Ramirez



#### Intersectional Nature of Our Work

#### Cross-Project Work

- Deferred Action Clinics
- Medical Debt
- Cross-Strategy Work
  - Legislative and/or Litigation and/or Engagement Strategy?
  - Effort to increase Medicaid reimbursement rate for dentists
  - Debt buyers preying upon NC Consumers



#### **Debt Buyer Litigation**

- NCJC has led the fight in North Carolina to protect consumers from abusive collection practices of debt buyers
- In 2009, NCJC helped craft first-in-the-nation consumer protections against debt buyers.
- For nearly 3 years, debt buyers stopped filing cases in NC.
- In 2012, Portfolio Recovery Associates, LLC ("PRA") began again to file thousands of lawsuits across NC.
- NCJC filed class action against PRA (PRA v. Houston, et al.)



#### **Debt Buyer Litigation**

- In 2012, NCJC filed 1st class action (PRA v. Houston, et al.)
  - > Houston settled in 2018: \$4M for 25,000 class members
- In 2016, NCJC filed 2<sup>nd</sup> class action (*Pounds, et al. v. PRA*) and individual case (*Townes v. PRA*)
  - Goal: Challenge PRA's unlawful default judgments
- Pounds bogged down: PRA removed case to Federal court and moved to compel arbitration
  - PRA appealed losses on both issues all the way to SCOTUS
- Townes went to NC Supreme Court on merits



#### **Debt Buyer Litigation**

- Pounds settled in Jan. 2024 and court granted final approval in June
  - \$5.75M for benefit of more than 18,000 class members
  - Cease all collections on the disputed debts
  - File cancellations of approximately \$35M in default judgment debt



 Over the last decade, NCJC obtained \$9.75M for more than 40,000 class members and cancellation of approximately \$35M in debt



#### Client Testimony

#### **6 6** Dear BEST Attorneys at NC Justice Center!

I wanted to take a moment to express my deepest gratitude for your exceptional work and dedication in representing me in the class action suit against PRA. Your thorough preparation, unwavering commitment, and keen legal acumen were evident throughout the process...a process in which your team continually kept me informed. Your ability to navigate the complexities of the case and your relentless pursuit of justice made all the difference for "the small fish like me in an ocean full of big predator fish like PRA".

Thanks to your efforts, we have not only achieved a favorable outcome, but I've also regained a sense of hope and justice. This victory means so much to me and has/will significantly improve my life and the lives of countless others affected by PRA's predatory actions.

I am incredibly grateful for your support, dedication and patience, and wish you all continued success in all your future endeavors along with the hope that many more clients will benefit from your exceptional legal expertise.

Sincerely, Iris





#### Thank you for joining us!



OPPORTUNITY AND PROSPERITY FOR ALL

www.ncjustice.org