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Contact: Jim Santel
202-216-2731 / jsantel@naacpldf.org

In Supreme Court Amicus Brief, NAACP Legal Defense Fund Argues for Stronger Protections Against Predatory Foreclosure Practices

The NAACP Legal Defense and Educational Fund, Inc. (LDF) today filed an [amicus brief](#) in the Supreme Court arguing that a key statute designed to shield consumers from abusive debt collection practices applies to all homeowners facing foreclosure.

The brief was filed in *Obduskey v. McCarthy*, where the Court is weighing whether the protections of the Fair Debt Collection Practices Act (FDCPA) apply to non-judicial foreclosures, in which a mortgage service hires a third party to pursue a foreclosure outside of court, a practice that leaves ample room for abuse and generally favors lenders.

“Foreclosures in general – and abusive foreclosure practices in particular – disproportionately harm communities of color,” said LDF Director of Litigation Sam Spital. “Congress clearly intended the FDCPA to protect against all kinds of deceptive and predatory collection practices. To suggest that the FDCPA does not contemplate non-judicial foreclosures is to ignore the law’s plain meaning.”

The brief details the long history of housing discrimination against Black Americans, a history that still reverberates today. It cites a study that found that foreclosure rates during the foreclosure crisis were much higher in predominantly black neighborhoods than in predominantly white neighborhoods. The brief explains that this disparate foreclosure rate, combined with predatory lending and discriminatory property maintenance by banks, exacerbated the racial wealth gap and caused Black families to lose more wealth during the crisis relative to other groups, and to recover less wealth since.

“Throughout U.S. history, both Congress and the courts have understood the home to be a cornerstone of economic security, and therefore deserving of special protections,” said LDF Economic Justice Fellow Sparky Abraham. “Unfortunately, those protections have often been denied to Black Americans, preventing them from securing a foothold in the middle class. The foreclosure crisis worsened things by exposing Black communities to disproportionate levels of predatory lending and abusive foreclosure practices. With this case, the Court has an opportunity to reverse part of this damaging legacy.”

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Founded in 1940, the NAACP Legal Defense and Educational Fund, Inc. (LDF) is the nation’s first civil and human rights law organization and has been completely separate from the National Association for

the Advancement of Colored People (NAACP) since 1957—although LDF was originally founded by the NAACP and shares its commitment to equal rights. LDF's Thurgood Marshall Institute is a multi-disciplinary and collaborative hub within LDF that launches targeted campaigns and undertakes innovative research to shape the civil rights narrative. In media attributions, please refer to us as the NAACP Legal Defense Fund or LDF.