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In Victory For WLF, Supreme Court Vacates Fourth Circuit Decision Ignoring Article III's Standing Requirements

(Rocket Mortgage v. Alig)

“The Fourth Circuit continues to ignore Supreme Court precedent by allowing plaintiffs who suffered no Article III injury to sue in federal court.”

—John Masslon, WLF Senior Litigation Counsel

WASHINGTON, DC—The U.S. Supreme Court today reaffirmed important separation-of-powers principles by granting a certiorari petition, vacating the lower court's decision, and remanding for further proceedings. This outcome was a victory for Washington Legal Foundation, which filed an *amicus curiae* brief urging the Court to overturn a decision of the U.S. Court of Appeals for the Fourth Circuit that allowed uninjured class members to recover damages in federal class-action lawsuits. WLF filed the only amicus brief in the case.

The appeal arose from Quicken Loans's pre-2009 practice of providing appraisal companies with the estimated home values of borrowers seeking to refinance their mortgages. Although they successfully refinanced their mortgages, the named plaintiffs alleged that this practice denied them an independent appraisal in violation of West Virginia's Consumer Credit and Protection Act. The Fourth Circuit affirmed the District Court's order certifying a class of almost 3,000 people, granting the class summary judgment, and awarding over \$10 million in damages.

As WLF's brief showed, the Fourth Circuit's decision could not be squared with the Supreme Court's recent decision in *TransUnion v. Ramirez*. As the Court explained, all plaintiffs must suffer an actual, not hypothetical, Article III injury for district courts to have jurisdiction to certify a class. Absent an injury-in-fact, district courts lack jurisdiction over the case. Any other rule would allow Congress and the courts to infringe on the Executive Branch's power to take care that the laws be faithfully executed. On remand, the Fourth Circuit should swiftly reverse the District Court's judgment for want of jurisdiction.

Celebrating its 45th year, WLF is America's premier public-interest law firm and policy center advocating for free-market principles, limited government, individual liberty, and the rule of law.

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