

## **Alert** | Financial Services Litigation



**March 2024**

### **Banking Trade Groups Suing CFPB Over Late Credit Card Fees Must Transfer Case from Texas to DC**

*Court weighs private and public interest factors in sending lawsuit to Washington, D.C., federal court, writing that “[v]enue is not a continental breakfast.”*

In response to the lawsuit filed by the U.S. Chamber of Commerce and bank trade groups including the Fort Worth Chamber of Commerce, Longview Chamber of Commerce, American Bankers Association, Consumer Bankers Association, and Texas Association of Business in the U.S. District Court for the Northern District of Texas over its new rule to limit credit card late fees to \$8, the Consumer Financial Protection Bureau (CFPB) filed a motion to transfer the case to the U.S. District Court for the District of Columbia (D.D.C). See our [March 11 GT Alert](#) for details on the lawsuit.

The Hon. Judge Mark T. Pittman granted the motion to transfer, stating, “it is indisputable that this action could have been brought in the D.D.C.” Since the matter could have been brought initially in the D.D.C, the court engaged in an analysis of the private and public interest factors in weighing transfer under 28 U.S.C. § 1404(a). The court considered the private interest factors of (1) ease of access to sources of proof; (2) availability of compulsory process for witnesses; (3) the cost of witness attendance; and (4) all other practical factors that might make a trial more expeditious and inexpensive. Based on the four factors, the court found “that because most of the private interest factors are neutral or weigh in favor of transfer, the private interest factors as a whole weigh in favor of transfer.”

The court turned next to the public interest factors, which include (1) the administrative difficulties flowing from court congestion; (2) the local interest in having localized interests decided at home; (3) the familiarity of the forum with the law that will govern the case; and (4) the avoidance of unnecessary problems of conflict of laws or in the application of foreign law. After considering all relevant factors, the court held that the case should be transferred to the D.D.C. “The Rule at issue in this case was promulgated in Washington D.C., by government agencies stationed in Washington D.C., and by employees who work in Washington D.C. Most of the Plaintiffs in this case are also based in Washington D.C. and eighty percent of the attorneys in this matter work in Washington D.C. Thus, the D.D.C. has a stronger interest in resolving this dispute, as it is the epicenter for these types of rules and challenges thereto.”

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