

Bond Case Briefs

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PARKING FEES - ILLINOIS

Franklin v. Parking Revenue Recovery Services, Inc.

United States Court of Appeals, Seventh Circuit - August 10, 2016 - F.3d - 2016 WL 4248035

Plaintiffs brought putative class action against debt collector, alleging violations of Fair Debt Collection Practices Act (FDCPA) in relation to collection of public parking fees and nonpayment penalties.

The United States District Court granted debt collector's summary judgment motion. Plaintiffs appealed.

The Court of Appeals held that plaintiffs' obligations arose from contract law, and thus were debts covered by FDCPA.

Plaintiffs' obligations for public parking fees and nonpayment penalties arose out of contract law, and thus those obligations constituted debts covered by Fair Debt Collection Practices Act (FDCPA), even though parking lot was owned by municipal agency, and even though contract between agency and contractor that operated lot sometimes referred to nonpayment penalty as "fine," where no municipal ordinance or regulation imposed nonpayment penalty, agency's contract with contractor stated that disputes with parking patrons would be handled as matter of contract law, and, by parking in lot, plaintiffs accepted contractor's offer to park at stated cost, which formed contract obligating them to pay stated price or pay higher price if they left lot without paying.