

UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT

Huyer v. Van de Voorde

847 F.3d 983 (8th Cir. 2017) · No. No. 16-1694 · Decided February 8, 2017

SUMMARY

The Eighth Circuit dismissed Rhadiante Van de Voorde’s appeal of a class-action settlement involving Wells Fargo’s property-inspection fees. The court held that she lacked standing to challenge settlement provisions requiring post-sale class members to submit proofs of claim because she was classified as an active or paid-in-full member and suffered no injury from those provisions. A concurrence characterized the defect as prudential rather than constitutional standing.

CASE DETAILS

COURT	United States Court of Appeals for the Eighth Circuit
WRITING FOR THE COURT	Gruender, Circuit Judge; Smith, Circuit Judge; Shepherd, Circuit Judge
JURISDICTION	Federal
DECIDED	February 8, 2017
DOCKET	No. 16-1694
DISPOSITION	dismissed
PROCEDURAL POSTURE	An unnamed class member appealed the district court's order granting final class certification and approving a class action settlement.
STANDARD OF REVIEW	The court reviewed whether Van de Voorde had standing to appeal the settlement approval, including the constitutional requirements of injury in fact, causation, and redressability.
PRECEDENTIAL VALUE	Published precedential opinion
PARTIES	Rhadiante Van de Voorde v. Edward Huyer, Connie Huyer, Carlos Castro, Hazel P. Navas, Wells Fargo & Company, Wells Fargo Bank, N.A.

TOPICS

- standing
- class actions
- appellate jurisdiction
- appellate procedure
- civil procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether an unnamed class member's objection to a settlement automatically establishes Article III standing to appeal its approval.
2. Whether Van de Voorde had standing to challenge settlement provisions affecting only post-sale class members when she was an active or paid-in-full class member and would not benefit from the requested changes.

HOLDINGS

1. An unnamed class member's objection to approval of a class action settlement does not automatically confer Article III standing to appeal; the objector must independently satisfy Article III standing requirements.
2. Van de Voorde lacked standing to appeal the settlement provisions concerning post-sale class members because she was an active or paid-in-full class member, was not injured by the proof-of-claim requirement, and would not benefit from eliminating it.

KEY QUOTATIONS

“Thus, Devlin does not stand for the proposition that the act of objecting to approval of a settlement automatically confers Article III standing upon an unnamed class member.” (847 F.3d at 986)

“Because the aspects of the settlement regarding the post-sale subgroup do not adversely affect Van de Voorde’s interests, she lacks standing to appeal those aspects.” (847 F.3d at 987)

FACTUAL BACKGROUND

The class action concerned Wells Fargo's practice of automatically ordering and charging fees for property inspections when mortgage customers fell behind on payments. The settlement required Wells Fargo to pay \$25,750,000 and divided class members into three subgroups. Active and paid-in-full members would receive automatic payments, while post-sale members had to submit proofs of claim. Van de Voorde's class notice identified her as an active or paid-in-full member, although she objected that the post-sale members were inadequately represented and unfairly required to submit proofs of claim.

PROCEDURAL HISTORY

The plaintiffs filed a class action against Wells Fargo concerning property-inspection fees charged to borrowers who fell behind on mortgage payments. After mediation, the parties reached a settlement dividing class members into active, paid-in-full, and post-sale subgroups. The district court preliminarily approved the settlement, held a fairness hearing, and entered an order granting final certification and approval. Van de Voorde objected to the settlement but did not formally intervene, and she appealed.

DISPOSITION

dismissed

CASES CITED

- Huyer v. Wells Fargo & Co., 314 F.R.D. 621, 625, 627 (S.D. Iowa 2016)
- Iowa League of Cities v. EPA, 711 F.3d 844, 869 (8th Cir. 2013)
- Arizonans for Official English v. Arizona, 520 U.S. 43, 64 (1997)
- Devlin v. Scardelletti, 536 U.S. 1, 6-7, 10, 14 (2002)
- Delorme v. United States, 354 F.3d 810, 815-16 (8th Cir. 2004)
- Lujan v. Defenders of Wildlife, 504 U.S. 555, 560 (1992)
- MainStreet Org. of Realtors v. Calumet City, Ill., 505 F.3d 742, 745-46 (7th Cir. 2007)
- Hill v. State St. Corp., 794 F.3d 227, 231 (1st Cir. 2015)
- Silverman v. Motorola Solutions, Inc., 739 F.3d 956, 957 (7th Cir. 2013)
- Knisley v. Network Assocs., Inc., 312 F.3d 1123, 1126 (9th Cir. 2002)
- In re Gen. Am. Life Ins. Co. Sales Practice Litig., 302 F.3d 799, 800 (8th Cir. 2002)
- Nat'l Ass'n of Chain Drug Stores v. New England Carpenters Health Benefits Fund, 582 F.3d 30, 39-40 (1st Cir. 2009)
- Eagle Tech. v. Expander Americas, Inc., 783 F.3d 1131, 1138 n.2 (8th Cir. 2015)
- Allen v. Wright, 468 U.S. 737, 751 (1984)