UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA, CHARLOTTE DIVISION

Jessica Lennon Boggs v. New South Finance LLC

Boggs · No. 3:26-CV-00051-KDB-DCK · Decided February 4, 2026

SUMMARY

The court granted Plaintiff Jessica Lennon Boggs's motion to proceed in forma pauperis for purposes of initial review but dismissed her complaint without prejudice. The claims arose from the repossession of her vehicle after she failed to remain current on an automobile loan and asserted that purported negotiable instruments and UCC theories discharged the debt. The court found those theories legally baseless and denied the plaintiff's related motions as moot.

CASE DETAILS

COURT	United States District Court for the Western District of North Carolina, Charlotte Division
JURISDICTION	United States District Court for the Western District of North Carolina, Charlotte Division
DECIDED	February 4, 2026
DOCKET	3:26-CV-00051-KDB-DCK
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff moved to proceed in forma pauperis and filed claims arising from the repossession of her vehicle. The district court conditionally granted in forma pauperis status for initial review, screened the complaint under 28 U.S.C. § 1915(e)(2), dismissed the complaint without prejudice, denied related injunctive motions as moot, and closed the case.
STANDARD OF REVIEW	Under 28 U.S.C. § 1915(e)(2), the court conducts an initial review of an IFP complaint and must dismiss it if it is frivolous or malicious or fails to state a claim. A complaint is frivolous when it raises an indisputably meritless legal theory or rests on clearly baseless factual contentions. Pro se pleadings are construed liberally, but liberal construction does not permit the court to ignore a clear failure to allege facts supporting a cognizable federal claim. The court also independently examines subject-matter jurisdiction.
PRECEDENTIAL VALUE	unpublished

PARTIES Jessica Lennon Boggs v. New South Finance LLC

TOPICS

civil procedure · motions to dismiss · subject matter jurisdiction · injunctions · uniform commercial code

PRACTICE AREAS

civil procedure · consumer credit · contracts · uniform commercial code

QUESTIONS PRESENTED

1. Whether the complaint was subject to dismissal under 28 U.S.C. § 1915(e)(2) because it relied on frivolous legal theories and clearly baseless allegations concerning purported discharge of an automobile-loan debt through a negotiable instrument.
2. Whether the plaintiff should be permitted to proceed in forma pauperis for purposes of initial review.
3. Whether the plaintiff's pending motions for injunctive relief and return of the vehicle remained viable after dismissal of the complaint.

HOLDINGS

1. The court granted the plaintiff's motion to proceed in forma pauperis for the limited purpose of conducting an initial review because her financial representations showed that she lacked sufficient resources to pay the filing fee.
2. The complaint was subject to dismissal without prejudice because it relied entirely on meritless legal theories and irrational factual assertions that a purported negotiable instrument, trust arrangement, or Treasury submission discharged the plaintiff's valid automobile-loan obligation.
3. Although the complaint was entitled to liberal construction, that principle did not require the court to overlook its failure to allege facts supporting a cognizable federal claim.
4. The court had an independent obligation to determine whether subject-matter jurisdiction existed, even though the issue was not challenged by a party.

KEY QUOTATIONS

> *"Boggs erroneously believes that she does not have to pay her valid automobile loan based on the widely discredited contention that Article 3 of the UCC permits her to simply declare her debts discharged based on her "tender" of a so-called "negotiable instrument.""*

> *"Because Boggs' claims rely entirely on meritless instruments and irrational legal theories, dismissal is warranted."*

FACTUAL BACKGROUND

Boggs obtained an automobile loan from New South Finance LLC and allegedly failed to remain current on her payment and insurance obligations. After receiving delinquency notices, she sent documents asserting that the loan had been submitted to the Treasury for settlement and that a purported negotiable instrument discharged the debt under UCC § 3-311. New South Finance rejected the proposed settlement and repossessed the vehicle on January 9, 2026, after Boggs failed to make the required payments.

PROCEDURAL HISTORY

Boggs filed a complaint against New South Finance LLC and moved to proceed in forma pauperis. After reviewing her financial representations, the court granted the IFP motion for the limited purpose of conducting an initial review. On screening, the court concluded that the complaint rested on legally baseless theories concerning purported negotiable instruments, discharge of debt, and the UCC, dismissed the complaint without prejudice, denied pending injunction-related motions as moot, and directed the clerk to close the case.

DISPOSITION

dismissed

CASES CITED

- Neitzke v. Williams, 490 U.S. 319, 325, 327-28 (1989)
- Adkins v. E.I. DuPont de Nemours & Co., 335 U.S. 331, 342-43 (1948)
- Haines v. Kerner, 404 U.S. 519, 520 (1972)
- Weller v. Dep't of Soc. Servs., 901 F.2d 387 (4th Cir. 1990)
- Hertz Corp. v. Friend, 559 U.S. 77, 94 (2010)
- Riccobono v. Barnum, No. CV-25-01851-PHX-DJH, 2025 WL 3088987, at *4 (D. Ariz. Nov. 5, 2025)
- Aalaam v. Equifax Info. Servs., LLC, No. 5:24-CV-00209-KDB-DCK, 2025 WL 492010, at *2 (W.D.N.C. Feb. 13, 2025)
- Puente v. Navy Fed. Credit Union, 2025 WL 408677, at *3 (E.D. Pa. 2025)
- Scott v. Westlake Fin., LLC, 2025 WL 2734569, at *1 (W.D.N.C. 2025)