

Pashman Stein Receives Final Approval of \$25 Million Settlement on Behalf of Class of Inmates and their Family Members

RELATED ATTORNEYS

Matthew E. Frisch
James A. Plaisted
Dennis T. Smith
Justin P. Walder

RELATED PRACTICE AREAS

Litigation

News
10.27.20

Pashman Stein Walder Hayden partners James A. Plaisted and Justin P. Walder, along with co-counsel James Cecchi and Lindsey Taylor of Carella Byrne, are pleased to announce that the U.S. District Court of New Jersey has approved a final settlement of up to \$25 million in favor of a statewide class of inmates and their families in an action against Global Tel Link Corp. (GTL), a prison technology company, and its subsidiaries, regarding overcharged inmate calling services. Pashman Stein attorneys Dennis Smith and Matthew Frisch were also part of the legal team representing the class.

Previously, on May 28, 2020, Global Tel Link Corp. had agreed to a deal worth up to \$25 million in cash and phone credits. Please [click here](#) for prior story.

In the District Court's Opinion dated October 20, 2020, the Honorable William J. Martini, U.S.D.J., granted final approval of the settlement of the case of up to \$25 million payable to Class Members. He stated that the settlement "provides immediate relief to Class Members....[and] for the most vulnerable members of the Class, those currently incarcerated and paying for GTL's services, the Settlement would provide immediate relief in the form of a credit on such ...accounts that could be used to pay for continued communication with...friends and family."

The final settlement calls for Global Tel Link Corp. to reimburse its current customers in account credits and payout former customers in cash.

In August 2018, Judge Martini had certified the class of thousands of individuals, comprised of individuals who were incarcerated in a New Jersey prison or correctional institution from 2006 to 2016, as well as their friends and family members, who used GTL's phone system, or who set up a payment account to talk with inmates in a New Jersey prison using GTL's Advance Pay system.

The relatives, friends and family of prisoners were required to set up a payment account to talk with their loved ones who were in a New Jersey prison using the defendant's Advance Pay system. Those affected by the defendant's rates estimate they were overcharged up to 100 times the market rate for phone calls.

"The settlement approved was a successful result and saved any further delays in recovery on behalf of the class," said James Plaisted. "Significant percentages of the amounts paid by wives, children and significant others and other friends and relatives are being refunded to those innocents who bore the cost of the exorbitant rates, connection fees, refund fees and other miscellaneous fees charged simply to let them speak to their loved ones," Mr. Plaisted added.

Justin Walder added, "After 7 years of litigation, a fair and just settlement was reached on the eve of trial, providing up to \$25 million to a captive group of prisoners as well as their families who were victimized by overcharges in seeking to communicate by telephone. The ability to communicate has been shown to assist reentry to society as law-abiding citizens, and greatly reduces recidivism."

The lawsuit originated in August 2013, alleging that the phone charges were unconscionable and violated the New Jersey Consumer Fraud Act, the Fifth Amendment's takings clause and various other aspects of New Jersey and federal law.

The case is **[Bobbie James et al. v. Global Tel Link Corp. et al., docket number 2:13-cv-04989-WJM-MF.](#)**

Links to additional media coverage:

October 30, 2020, New Jersey Law Journal, "Judge Approves \$25M Settlement of Class Suit Over Prisoners' Pricey Phone Calls." To read article please **[click here.](#)**

October 22, 2020, Law360, "\$25M Deal OK'd In Prison Call Overcharge Suit." To read article please **[click here.](#)**