

Wednesday, November 30, 2022: **FOR IMMEDIATE RELEASE**

Judge Kimya M. Holmes, Chair of the Louisiana Board of Examiners of Certified Shorthand Reporters (the “CSR Board”), today released the following statement welcoming the federal district court’s dismissal with prejudice of lawsuits filed by Veritext, LLC and Esquire Depositions Solutions, LLC against members of the Louisiana CSR Board.

Judge Holmes said, “The Louisiana CSR Board is well pleased with the resolution and the outcome of this litigation. The CSR Board won two clearcut and important legal victories, establishing beyond further challenge that Louisiana Code of Civil Procedure Article 1434 is constitutional and that the CSR Board enjoys full statutory authority to enforce Art. 1434.”

Veritext filed its lawsuit in 2016, and Esquire filed a nearly identical suit in 2017, both asking the federal courts to declare unconstitutional Article 1434 of the Louisiana Code of Civil Procedure and to enjoin the CSR Board’s enforcement of Article 1434. The federal courts ruled against Veritext and Esquire on both claims.

Art. 1434, which prohibits direct and indirect contractual relations between court reporters and party litigants, was ruled constitutional by a three-judge panel of the U.S. Fifth Circuit Court of Appeals which held that “none of the constitutional claims presented by Veritext have merit” and the “district court was correct to dismiss all of the constitutional claims brought by Veritext as a matter of Supreme Court precedent.” The federal district court later held that the CSR Board has “statutory [and] legal authority to enforce Louisiana Code of Civil Procedure Article 1434.

Judge Holmes said, “These federal court holdings establish that the CSR Board has the legal authority and responsibility to enforce Art. 1434’s prohibition on direct and indirect contractual relationships between court reporters and party litigants. The CSR Board will continue to assure that Louisiana’s licensed court reporters comply with the requirements of Art. 1434, and we will do so going forward with the assurance of decisions by federal district and appellate courts upholding Art. 1434 and the CSR Board’s enforcement authority.”

The parties agreed to settle all remaining claims. In the settlement agreement, Veritext and Esquire stipulated that the settlement was entered into with no admission of wrongdoing nor any violation of law by any party. The CSR Board agreed to participate in a new antitrust regulatory oversight program established by the Louisiana Department of Justice that is expected to provide immunity from any further such antitrust lawsuits in the future. The settlement agreement preserves the right of the CSR Board to act within its regulatory authority to enforce Article 1434 and the rules promulgated at Louisiana Administrative Code Title 46:XXI; to initiate new investigations of alleged violations of Article 1434 pursuant to its statutory and regulatory authority; and to implement safe harbor protections for individual court reporters.

The Board has posted a link to its settlement agreement with Veritext and Esquire on its website. In addition, the Board has posted links to the Fifth Circuit’s opinion and the district court’s order upholding its legal authority to enforce Article 1434 on the website.

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