

## Consumer Debt Litigation Index

### Top Recommendations for Reform in North Carolina

**North Carolina's Score: 27/100**

**North Carolina's National Rank: 14th**

Consumer debt lawsuits dominate civil court dockets across the country. In an overwhelming number of cases—more than 70% in many places—the people sued do not respond or defend themselves. As a result, courts often enter default judgments without determining whether the defendant even knows about it, it is timely, or has merit. In turn, people face high fees and interest, onerous payment plans, seizure of wages and possessions, and potential imprisonment. States across the country have established laws and practices aimed at reducing unjust lawsuits and producing fairer outcomes. To support states in their respective efforts, the National Center for Access to Justice in 2024 created the Consumer Debt Litigation Index in consultation with a panel of experts. The Index ranks the states on their progress in adopting 24 best policies (“benchmarks”) for fairness. See our Top Recommendations and Complete Findings, below.

#### 1. Establish Pleading Requirements (Benchmark 6)

**Why:** People facing debt collection lawsuits often have difficulty understanding the claim against them. Lax pleading requirements also invite illegitimate lawsuits. Requiring complaints to name the original creditor, demonstrate ownership of the debt, and break out the specific amounts sought can deter meritless filings and enable defendants to assert legitimate defenses, promoting fairness. Delaware, New Mexico, New York, and Washington, D.C. all require complaints to include these key elements. Although North Carolina requires a complaint brought by a debt buyer to include the basis of plaintiff's standing, it does not require that such complaints include the name of the original creditor or an itemization of the amounts sought. Further, it does not impose pleading requirements on complaints brought by original creditors.

**How:** North Carolina should adopt a law or practice that requires all consumer debt complaints to allege the basis for plaintiff's standing and an itemization of the amount sought, including debt principal, interest, fees, costs, and other charges to date. If it does so, the state's score would increase 10 points.

## 2. Require Authenticated Business Records for A Default (Benchmark 7)

**Why:** Creditors too often bring legally insufficient cases, relying on the likelihood that many defendants will not respond (or “default”) and that the merits of the creditors’ claims will never be assessed by a court. Requiring creditors to establish — before a default judgment may be entered — (a) proof of service, (b) validity of the debt using authenticated business records, and (c) itemized amounts sought, also using authenticated business records, promotes fairness, as these required elements deter lawsuits that lack merit and lower the number of unwarranted default judgments. Alaska, Maine, New York, Washington, D.C., Washington State, and Wisconsin all require creditors to prove these essential elements before a court may enter a default judgment. Although North Carolina requires proof of valid service prior to entry of default in all cases, and in cases brought by debt buyers, that the plaintiff provide authenticated business records establishing validity of the debt and the amount sought, it does not require such proof in cases brought by other creditors.

**How:** North Carolina should adopt a law or practice that requires all plaintiffs in consumer debt cases to establish the following before a court may enter a default judgment: (a) proof of service; (b) validity of the debt through authenticated business records (e.g. contract, account statements, or other evidence of obligation); and (c) amount of the judgment through authenticated business records, itemizing damages, court fees, attorneys' fees, and interest. If it does so, the state's score would increase 10 points.

## 3. Ensure that Garnishment Exemptions for Bank Accounts Are Self-Executing (Benchmark 14) and Update Garnishment and Attachment Exemptions (Benchmark 15)

**Why:** Without sufficient protections, garnishment and attachment orders to seize money or assets from a debtor to pay a creditor can leave people unhoused, unable to keep a car to drive to work, and stuck in cycles of poverty. Federal law exempts some funds from garnishment and some property from attachment, but debtors often do not learn what funds and property are exempt or how to assert exemptions. Further, the federal exemptions are out of date and inadequate to preserve even a very basic standard of living. Many states—including California, Idaho, Maryland and Wyoming—make some exemptions “self-executing”, meaning that a bank must protect exempt funds even when the debtor does not assert exemptions (Benchmark 14). Other states have increased garnishment and asset exemptions (Benchmark 15). For example, in consumer debt cases Texas has garnishment exemptions that protect 100% of a person's wages, and attachment exemptions that protect a home (of any value) and personal property (including a car) up to a value of \$100,000 for a family or \$50,000 for an individual. North Carolina, however, does not have self-executing bank account exemptions, and it has not increased garnishment and attachment exemptions sufficiently.

**How:** North Carolina should make bank account exemptions self-executing. Further, the state should update and expand on garnishment and attachment provisions so that they protect at minimum: (a) a home, regardless of value, or at least the median price of a home in the state; and (b) a car valued up to at least \$15,000. If it does so, the state's score would increase 7 points.

## What Would Happen if North Carolina were to Implement these Recommendations?

These three recommendations, if adopted by the state, would substantially increase North Carolina's score and ranking. For more on how North Carolina can do better, see the complete findings below and visit NCAJ's [Consumer Debt Litigation Index](https://ncaj.org/state-rankings/consumer-debt) at <https://ncaj.org/state-rankings/consumer-debt> or reach out to NCAJ at [NCAJ@fordham.edu](mailto:NCAJ@fordham.edu).

## Complete Consumer Debt Litigation Index Findings for North Carolina

### I. Issue Area: Help people know when they are being sued and where to find help.

#### 1 - Government Notice of Lawsuits

Score: 0/5

Does the state respond to the problem of ineffective or fraudulent ("sewer") service in consumer debt lawsuits by: a. Public Official Service - requiring that a public official (e.g. the court or the sheriff) handle service? or, b. Court Supplemental Notice - requiring the court to send the defendant, by first class mail, supplemental notice of a new consumer debt lawsuit and deny default judgment if that notice is returned as undeliverable?

No

North Carolina does not meet this benchmark because it does not meet either sub-benchmark 1a or 1b. First, it does not meet sub-benchmark 1a because although a complaint and summons shall be served by a sheriff or other person duly authorized by law, see N.C. R. Civ. P. 4(a), "[i]f a proper officer returns a summons or other process unexecuted, the plaintiff or his agent or attorney may cause service to be made by anyone who is not less than 21 years of age, who is not a party to the action, and who is not related by blood or marriage to a party to the action or to a person upon whom service is to be made." See N.C. R. Civ. P. 4(h1). Second, North Carolina does not meet benchmark 1b because it does not require supplemental notice of a new consumer debt lawsuit and prohibit entry of default judgment if such notice is returned as undeliverable.

#### 2 - Guidance on Finding Help

Score: 0/5

Does the state require that notice to the defendant in a consumer debt lawsuit include guidance on where to seek help, including free legal assistance?

No

North Carolina does not meet this benchmark because North Carolina does not require that notice in a consumer debt lawsuit provide guidance to defendants on where to find help. See N.C. R. Civ. P. 4(b).

### II. Issue Area: Make it easier to respond to a lawsuit.

#### 3 - Simplified Answer

Score: 2/2

Does the state provide a simple Answer process by making available an Answer form for use by unrepresented persons in consumer debt lawsuits?

**Yes**

North Carolina meets this benchmark because it provides an Answer form which may be used by a consumer debt defendant in District Court. See <https://www.nccourts.gov/assets/inline-files/District-Court-Answer.pdf?VersionId=Uro7CzaSZY1ycp.EDHGdQxu95BZmPNyb?Uro7CzaSZY1ycp.EDHGdQxu95BZmPNyb>. It does not provide an Answer form for small claims court, but receives credit for the benchmark because a defendant in small claims court may file an Answer but is not required to do so.

#### 4 - No Notarization Requirement to Answer

**Score: 0/2**

Does the state make it easier to respond to consumer debt lawsuits by never requiring defendants to have an Answer notarized before filing?

**No**

North Carolina does not meet this benchmark because although “[e]xcept when otherwise specifically provided by rule or statute, pleadings need not be verified or accompanied by affidavit,” N.C. R. Civ. Proc. 11(a), North Carolina courts have held that an unverified answer is not a legally competent pleading in response to a verified complaint as an evidentiary matter. See, e.g., *Brown v. Refuel Am., Inc.*, 652 S.E.2d 389, 392 (N.C. 2007) (“Factual allegations in Defendants’ unverified answer are not competent evidence . . . .”); *Dipasupil v. Neely*, No. COA18-1207, 2019 WL 6133850, at \*6 (N.C. Nov. 19, 2019) (same). Furthermore, verification appears to require either notarization or swearing before a judge or magistrate. See N.C. Gen. Stat. § 1-148 (2023) (“Any officer competent to take the acknowledgment of deeds, and any judge or clerk of the General Court of Justice, notary public, in or out of the State, or magistrate, is competent to take affidavits for the verification of pleadings, in any court or county in the State, and for general purposes.”).

#### 5 - No Fee to Answer

**Score: 5/5**

Does the state permit the filing of an Answer in consumer debt lawsuits without charging a filing fee?

**Yes**

North Carolina meets the benchmark because there is no filing fee to file an answer, unless the pleading also includes a counterclaim, third-party claim or cross-claim. N.C. Gen. Stat. Ann. § 7A-305(a)(5) (2022). However, if a defendant files an answer requiring the case to be withdrawn from a magistrate and transferred to district court, the defendant will be responsible for paying “the difference between the General Court of Justice fee and facilities fee applicable to the district court and the General Court of Justice fee and facilities fee applicable to cases heard by a magistrate.” *Id.* § 7A-305(b)(1).

### III. Issue Area: Require the creditor to provide evidence of a valid debt claim.

#### 6 - Pleading Requirement

**Score: 0/10**

Does the state require consumer debt complaints to allege all of the following: a. Name of original creditor; b. Basis of plaintiff’s standing (e.g. chain of ownership of debt); and c. Itemization of amount sought including debt principal, interest, fees, costs, and other charges to date?

**No**

North Carolina does not meet the benchmark because although it requires a complaint brought by a debt buyer to include (b) the basis of plaintiffs' standing, it does not require such complaints to include (a) the name of the original creditor or (c) an itemization of the amounts sought, and it does not impose pleading requirements on complaints brought by original creditors. See N.C. Gen. Stat. § 58-70-150.

### 7 - Authenticated Records for Default

Score: 0/10

Does the state require the following be established before a default judgment can be granted: a. Proof of Service b. Validity of debt through authenticated business records (e.g. contract, account statements, or other evidence of obligation); and c. Amount of judgment through authenticated business records, itemizing damages, court fees, attorneys' fees, and interest? **No**

North Carolina does not satisfy the benchmark because it does not meet sub-benchmarks b and c, although it does meet sub-benchmark a. Specifically, N.C. Rules of Civ. Pro. 55 II A requires that prior to entry of a default judgment the “court must find proof that the complaint and summons were properly served,” satisfying sub-benchmark a. Additionally, Rule 55 II F requires that prior to entry of default judgment in favor of a debt buyer, the plaintiff must file with the court authenticated business records establishing the amount and nature of the debt and that those records must, at a minimum, include: the original account number, the original creditor, the amount of the original debt, an itemization of charges and fees claimed to be owed and either the original charge off balance or an explanation of how the balance was calculated. However, North Carolina does not apply these requirement to default judgment in suits brought by other creditors, and thus does not satisfy sub-benchmarks (b) and (c).

## IV. Issue Area: Require consumer debt collection actions to be brought within a reasonable time of non-payment.

### 8 - Burden on Plaintiff to Allege Timeliness

Score: 0/2

Does the state place the pleading burden on the consumer debt plaintiff to allege in the Complaint the timeliness of each claim, including each of the following: a. applicable statute of limitations; b. date that claim accrued; and c. date that statute of limitations expires? **No**

North Carolina does not meet this benchmark because the statutes and rules of North Carolina do not place the burden of pleading timeliness on the plaintiff and do not require that a debt collection complaint include (a) the applicable statute of limitations, (b) the date the claim accrued, or (c) the date that the statute of limitations expires. See N.C. Gen. Stat. § 1A-1, 8(c) (setting forth statute of limitations as an affirmative defense).

### 9 - Four Year Statute of Limitations

Score: 5/5

Does the state require 4-year (or shorter) statute of limitations for the causes of action most commonly used to pursue consumer debt collection: breach of contract (written or oral), open account, account stated, unjust enrichment, conversion, bad check? **Yes**

North Carolina meets this Benchmark because it does impose a 4-year (or shorter) statute of limitations for all consumer debt claims. In particular, North Carolina has the following limitations periods: • breach of written

contract: 3-year limitations period (N.C.G.S. § 1-52(1) (2022)); • breach of oral contract: 3-year limitations period (N.C.G.S. § 1-52(1) (2022)); • open account: 3-year limitations period (N.C.G.S. § 1-52(1) (2022)); see Channel Grp., LLC v. Cooper, 202 N.C. App. 584 (2010); • account stated ("an action for any article charged on an account in a store"): 3-year limitations period (N.C.G.S. § 1-52(1) (2022)); see Channel Grp., LLC v. Cooper, 202 N.C. App. 584 (2010)); • unjust enrichment: 3-year limitations period (see Housecalls Home Health Care, Inc. v. State, Dep't of Health & Hum. Servs., 200 N.C. App. 66, 70 (2009)); • conversion: 3-year limitations period (see Housecalls Home Health Care, Inc. v. State, Dep't of Health & Hum. Servs., 200 N.C. App. 66, 70 (2009)); and • passing a bad check: 3-year limitations period (N.C.G.S. § 1-52(1) (2022)).

### 10 - Prohibit Revival of Time-Barred Claims

Score: 0/2

Does the state prohibit revival of time-barred consumer debt claims, even where defendant makes subsequent payment toward a debt?

No

North Carolina does not meet this Benchmark because it makes consumer debt claims subject to revival even after the statute of limitations has run, when, for instance, a debtor makes a subsequent payment toward the debt or expresses a new promise in writing to pay the debt. See *Coe v. Highland School Associates Ltd. Partnership*, 479 S.E.2d 257, 259 (N.C. App. 1997) (holding that new promise to pay or partial payment of an existing debt re-starts the three-year statute of limitations on contract obligations); *Channel Group, LLC v. Cooper*, 2010 WL 522720, at \*2 (N.C. App. 2010) ("When the plaintiff sues on a current account, a partial payment on the account acknowledging the indebtedness begins the statute running anew as to the entire amount.").

## V. Issue Area: Prohibit attorneys' fee shifting, and cap interest.

### 11 - Prohibit Attorneys' Fees Shifting

Score: 0/3

Does the state prohibit attorneys' fee shifting in consumer debt lawsuits regardless of contractual provision or reciprocity in fee shifting?

No

North Carolina does not meet the benchmark because it statutorily authorizes attorneys' fee shifting in consumer debt cases. Note: the state also does not provide reciprocal right to attorneys' fees for the prevailing defendant when creditor has a contractual right to attorneys' fees. See N.C. Gen. Stat. § 6-21.2.

### 12 - Interest Caps

Score: 0/3

Does the state cap interest in consumer debt lawsuits (regardless of any contractual provision) as follows: a. Pre-judgment interest for debt buyers capped at an annual rate of 7% (or less); and b. Post-judgment interest for all creditors capped at 5% (or less) of the judgment?

No

North Carolina does not meet this benchmark because it does not satisfy the requirements of sub-benchmarks (a) or (b). Regarding prejudgment interest, North Carolina law states: "Except as otherwise provided in G.S. 136-113, the legal rate of interest shall be eight percent (8%) per annum for such time as interest may accrue, and no more." N.C. Gen. Stat. § 24-1. Thus, North Carolina does not limit prejudgment interest for debt buyers at an annual rate of 7% or less. Regarding post-judgment interest, North Carolina law states: "In an action for breach of contract, except an action on a penal bond, the amount awarded on the contract bears interest from the date

of breach. The fact finder in an action for breach of contract shall distinguish the principal from the interest in the award, and the judgment shall provide that the principal amount bears interest until the judgment is satisfied. If the parties have agreed in the contract that the contract rate shall apply after judgment, then interest on an award in a contract action shall be at the contract rate after judgment; otherwise it shall be at the legal rate. On awards in actions on contracts pursuant to which credit was extended for personal, family, household, or agricultural purposes, however, interest shall be at the lower of the legal rate or the contract rate. For purposes of this section, 'after judgment' means after the date of entry of judgment under G.S. 1A-1, Rule 58." N.C. Gen. Stat. § 24-5. Thus, for post-judgment interest, North Carolina does not limit post-judgment interest for all creditors at 5% (or less) of the judgment.

## VI. Issue Area: Reduce the likelihood that consumer debt collection actions leave people homeless, or perpetuate a cycle of debt.

### 13 - Require Court Order to Garnish or Attach

Score: 5/5

Does the state in consumer debt lawsuits require a court order for garnishment and attachment?

Yes

North Carolina meets the benchmark because executions on unsatisfied judgments and orders for attachment can only be issued by the clerk or the court upon request. Executions cannot be issued unless it is established by the clerk that statutory exemptions do not apply. N.C. Gen. Stat. § 1-305(b). Attachment also has procedural prerequisites, checked by the clerk or the court, that the plaintiff-creditor must satisfy. N.C. Gen. Stat. § 1-440.12. Execution on small claim judgment is also governed by the general rules of civil practice. N.C. Gen. Stat. § 7A-225. Attachment is unavailable in small claims. N.C. Gen. Stat. § 7A-231.

### 14 - Bank Account Garnishment Exemptions Are Self Executing

Score: 0/2

Does state law require in consumer debt lawsuits that garnishment exemptions for bank accounts are self-executing?

No

North Carolina does not meet the benchmark because it does not require financial institutions to protect money deposited in bank accounts unless a judgment debtor asserts an exemption. N.C. Gen. Stat. § 1C-1601(a) (2) provides that a judgment debtor is entitled to exempt their "aggregate interest in any property, not to exceed five thousand dollars."

### 15 - Essential Exemptions

Score: 0/5

Does the state prevent people from becoming impoverished, unhoused, or unable to work by exempting income and assets from attachment and garnishment, as follows: a. Income of at least \$576.92 per week, the minimum to keep a family of four above the federal poverty level, as defined by the U.S. Federal Poverty Guidelines in 2023; b. Home, regardless of value, or at least the median price of a home in the state; and c. Car value, state exemption for, at least, the first \$15,000 in value?

No

North Carolina does not meet the benchmark because sub-benchmarks (b) (home) and (c) (car) are not met. North Carolina law provides as follows: (a) Income: North Carolina meets sub-benchmark (a) because it exempts 100% of a person's wages for consumer debt subject to certain limited exceptions. Garnishments in

North Carolina, N.C. Dep't of Labor, <https://www.labor.nc.gov/workplace-rights/employee-rights-regarding-time-worked-and-wages-earned/garnishments-north-carolina> (last visited Nov. 4, 2023) (exempting 75% of a person's weekly disposable earnings or 30 times the federal minimum wage if the creditor received the money judgment against a person outside of North Carolina). (b) Home: North Carolina does not meet sub-benchmark (b) because a home that is used as a residence by a person or a dependent of a person is exempt only up to a value of \$35,000 subject to a certain limited exception. N.C. Gen. Stat. § 1C-1601(a)(1). (c) Car: North Carolina does not meet sub-benchmark (c) because a person's aggregate interest in one car is exempt only up to a value of \$3,500. N.C. Gen. Stat. § 1C-1601(a)(3). For more information on garnishment exemptions see Michael Best and Carolyn Carter, No Fresh Start 2023, National Consumer Law Center (Dec. 2023), [https://www.nclc.org/wp-content/uploads/2023/12/2023\\_Report\\_No-Fresh-Start-3.pdf](https://www.nclc.org/wp-content/uploads/2023/12/2023_Report_No-Fresh-Start-3.pdf).

### 16 - Require Prior Notice of Garnishment

Score: 0/5

Does the state require notice to debtor prior to actual garnishment that explains all of the following: a. potential exemptions? b. how to challenge the order? and c. how to assert exemptions?

No

North Carolina does not meet this benchmark because it neither requires prior notice of garnishment to the judgment debtor, nor sets any requirements for the content of garnishment notices. Notably, North Carolina does not permit in-state private creditors to garnish wages, although it does permit wage garnishment pursuant to a valid order from another state.

## VII. Issue Area: Eliminate debtors' prison.

### 17 - Prohibit Incarceration for Failure to Obey a Court Order to Pay Consumer Debt

Score: 0/5

Does the state prohibit incarceration for contempt for failure to obey a court order to pay all or part of a consumer debt judgment?

No

North Carolina does not meet the Benchmark because the court possesses basic authority under North Carolina General Statutes § 5A-21 to hold a litigant in contempt for failure to comply with a court order, and there is no exception in the law that would protect a litigant from being incarcerated for the failure to comply with a court order to pay consumer debt. The state does expressly prohibit incarceration for failure to pay consumer debt in Section 28 of the state's constitution, but there is nothing in the law, including the caselaw, that would ensure this protection applies in the context of a holding of contempt for failure to comply with a court order to pay consumer debt. The only consumer debt case in which the issue arose did not reach the question of whether the state constitution prohibits incarceration for failure to comply with a court order to pay consumer debt because there were unrelated reasons for invalidating the contempt order. See *Carter v. Hill*, 186 N.C. App. 464, 467 (2007) ("[W]e need not consider defendants' next arguments that the entry of the contempt order violated the prohibition against debtors' prison in Article 1, § 28, of the North Carolina Constitution . . .").

### 18 - Prohibit Incarceration for Failure to Obey a Court Order to Appear at a Debtor's Examination, Unless Nonappearance Was Willful

Score: 5/5



Does the state prohibit arrest and/or incarceration for contempt for failure to appear at a debtor's examination (i.e. a judgment enforcement proceeding), unless the person's failure to appear was willful?

Yes

North Carolina meets the benchmark because a person may not be held in contempt for failure to appear at a debtor's examination unless the failure to appear is willful. A court may order a judgment debtor to appear and answer concerning their property (a debtor's examination). N.C. Gen. Stat. Ann. § 1-352. If a person fails to appear, a court may only hold them in contempt and order incarceration if the noncompliance is willful. N.C. Gen. Stat. Ann. §§ 5A-11; 5A-21.

### 19 - Provide Right to Counsel

Score: 5/5

Does the state provide a lawyer without charge in any contempt or other proceeding in which incarceration is a potential outcome in a consumer debt lawsuit?

Yes

North Carolina meets the benchmark because the public defender statute in the state provides for an attorney in "[a]ny case in which imprisonment...is likely to be adjudged." N.C. Gen. Stat. § 7A-451(a)(1).

## VIII. Issue Area: Prevent government from undue intervention on behalf of creditor.

### 20 - Prohibit Collaboration Between Creditors and Prosecutors

Score: 0/2

Does the state prohibit relationships (including financial relationships) in which prosecutors lend the authority of their offices to facilitate the activities of debt collectors (e.g. payments by creditors to prosecutors who threaten or bring criminal prosecutions in bad check cases)?

No

North Carolina does not meet this benchmark because there is no statutory or judicial prohibition on relationships or financial arrangements between prosecutors and debt collectors. See N.C. Gen. Stat. §§ 14-107; 25-3-506; 14-107.2.

### 21 - Prohibit Paying Bail/Bond to Creditor

Score: 0/2

Does the state prohibit use of bail to pay the creditor in all contempt proceedings, or in other proceedings in a consumer debt lawsuit in which incarceration is a possible outcome?

No

North Carolina does not meet the benchmark because its laws do not include an express prohibition on the use of bail or bond to pay a creditor. See N.C. Gen. Stat. Ann. § 5A-21.

### 22 - Limit Frequency of Examinations

Score: 0/5

Does the state in consumer debt litigation schedule or otherwise limit financial examinations to no more than once per year?

No

North Carolina does not meet the benchmark because, if a judgment is returned wholly or partially unsatisfied, "the judgment creditor at any time after the return, and within three years from the time of issuing the execution, is entitled to an order from the court to which the execution is returned or from the judge thereof, requiring such debtor to appear and answer concerning his property before such court or judge, at a time and place specified in the order." N.C. Gen. Stat. § 1-352.

## IX. Issue Area: Collect data to improve the system.

### 23 - Data Collection: Number of Lawsuits

Score: 0/3

Do state courts at least annually collect and publish statewide data on number of consumer debt lawsuits?

No

North Carolina does not meet the benchmark because North Carolina does not collect and publish statewide data on the number of consumer debt lawsuits and the types of dispositions of consumer debt lawsuits. Note: North Carolina publishes annual reports which include the number of civil and small claims cases filed and disposed, but the annual reports do not provide specific data on consumer debt collection lawsuits. See <https://www.nccourts.gov/documents/publications/north-carolina-judicial-branch-annual-reports>. While the Administrator of the Courts is required to collect statistical data and prepare an annual report, the Administrator is not required to collect data specific to consumer debt lawsuits. N.C.G.S.A. § 7A-343 (2023).

### 24 - Data Collection: Disposition of Lawsuits

Score: 0/2

Do state courts at least annually collect and publish statewide data on types of dispositions of consumer debt lawsuits?

No

North Carolina does not meet the benchmark because North Carolina does not collect and publish statewide data on the number of consumer debt lawsuits and the types of dispositions of consumer debt lawsuits. Note: North Carolina publishes annual reports which include the number of civil and small claims cases filed and disposed, but the annual reports do not provide specific data on consumer debt collection lawsuits. See <https://www.nccourts.gov/documents/publications/north-carolina-judicial-branch-annual-reports>. While the Administrator of the Courts is required to collect statistical data and prepare an annual report, the Administrator is not required to collect data specific to consumer debt lawsuits. N.C.G.S.A. § 7A-343 (2023).

To learn more about the Consumer Debt Litigation Index, including how other states fared, visit <https://ncaj.org/state-rankings/consumer-debt>.

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