

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DIVISION.

UNITED STATES OF AMERICA,)
)
Plaintiff,) CIVIL ACTION NO. 1:10cv578LG-RHW
)
v.)
)
PENNY PINCHER, INC., DEANNA LYNN)
COOLEY, and MICHAEL LAW.)
)
Defendants.)

**CONSENT DECREE BETWEEN PLAINTIFF UNITED STATES
AND DEFENDANT PENNY PINCHER, INC.**

I. Introduction

1. The United States initiated this action on December 17, 2010, on behalf of Complainants Casey Street and Gulf Coast Fair Housing Center ("GCFHC"), pursuant to the Fair Housing Act ("FHA"), 42 U.S.C §§ 3612(o) and 3614(a).
2. Defendant Penny Pincher, Inc. ("Defendant" or "Penny Pincher") is a Mississippi corporation with its principal place of business in Gulfport, Mississippi. It publishes Penny Pincher, a free want-ad newspaper.
3. The United States, in its Complaint, alleges the following with respect to Defendant Penny Pincher:
 - a. By printing an advertisement for housing containing the proviso "no children" on or about January 24, 2008, which Complainant Street read on or about January 25, 2008, Penny Pincher discriminated against Street on the basis of familial status by publishing an advertisement with respect to the rental of a

dwelling that indicated a preference, a limitation, or discrimination based on familial status, in violation of 42 U.S.C. § 3604(c).

b. By printing the advertisement described above and nine other similar advertisements in 2008, Defendant Penny Pincher published ten advertisements with respect to the rental of a dwelling that indicated a preference, a limitation, or discrimination based on familial status, in violation of 42 U.S.C. § 3604(c).

c. Defendant Penny Pincher's conduct in violation of 42 U.S.C. § 3604(c) constitutes:

i. A pattern or practice of resistance to the full enjoyment of rights granted by the Fair Housing Act in violation of 42 U.S.C.

§ 3614(a); or

ii. A denial to a group of person of rights granted by the Fair Housing Act that raises an issue of general public importance in violation of 42 U.S.C. § 3614(a).

d. GCFHC took actions to counteract the effects of Defendant Penny Pincher's conduct. Those actions impaired GCFHC's ability to promote fair housing on Mississippi's Gulf Coast.

4. Defendant Penny Pincher denies that it engaged in discrimination in violation of the Fair Housing Act as set forth in Paragraph 3 above.

5. In an effort to avoid costly litigation of contested claims, Plaintiff United States and Defendant Penny Pincher have voluntarily agreed, as indicated by the signatures below, to resolve Plaintiff's claims against Defendant without the necessity of a hearing on the merits and without admission of liability or wrongdoing on the part of Defendant.

Wherefore, it is ORDERED, ADJUDGED and DECREED:

II. Injunctive Relief

6. Defendant Penny Pincher, along with its officers, agents, and employees, are enjoined from making, printing, or publishing, or causing to be made, printed, or published any notice, statement, or advertisement with respect to the sale or rental of a dwelling unit that indicates any preference, limitation, or discrimination based on familial status in violation of 42 U.S.C. § 3604(c).

III. Nondiscrimination Policies

7. Within 30 days after the entry of this Decree, Defendant Penny Pincher will implement the following policies:

a. In every issue of Penny Pincher published during the duration of this Decree, Defendant shall print a notice stating that, "The federal Fair Housing Act prohibits housing advertisements that indicate any preference, limitation, or discrimination because of race, color, religion, sex, disability, familial status (having children under age 18), or national origin."

b. The notice shall also state that, "Readers are encouraged to report to Penny Pincher any advertisements believed to be discriminatory," and shall provide contact information for doing so. Defendant shall review any reported advertisement in a timely manner and cease publication of the advertisement if Defendant determines that the reported advertisement indicates any preference, limitation, or discrimination because of race, color, religion, sex, disability, familial status, or national origin in violation of the Fair Housing Act.

c. Defendant shall review all advertisements for dwellings submitted for publication in Penny Pincher and shall reject any advertisement that indicates any preference, limitation, or discrimination because of race, color, religion, sex, disability, familial status, or national origin in violation of the Fair Housing Act.

d. Any person who contracts to place a housing advertisement in Penny Pincher shall be informed, in writing substantially in the form of Attachment A to this Decree, that the federal Fair Housing Act prohibits advertisements that indicate any preference, limitation, or discrimination because of race, color, religion, sex, disability, familial status, or national origin. For advertisements submitted in person at Penny Pincher's office, this paragraph will be satisfied by the display in the office of a placard with text substantially in the form of Attachment A to this Decree.

IV. Mandatory Training

8. Within 90 days after the entry of this Decree, Defendant Penny Pincher shall provide an educational program for its officers, agents, and employees who have responsibilities for the acceptance or publication of advertisements for dwellings. Defendant shall pay any cost of this educational program. The United States shall review and approve the content and form of the program, which shall offer instruction regarding the officers', agents', or employees' obligations under this Decree and under the federal Fair Housing Act. The trainer or training entity shall be qualified to perform such training, independent of Defendant or its counsel, and approved in advance by the United States.

9. Each individual required to participate in the educational program described in Paragraph 8 shall certify that he or she has participated in the educational training program, and

understands and acknowledges his or her duties and responsibilities under the federal Fair Housing Act, by completing an acknowledgment in the form of Attachment B to this Decree.

10. Within 60 days after the date he or she begins an agency or employment relationship with Defendant, each new officer, agent, or employee who has responsibilities for the acceptance or publication of advertisements for dwellings shall be given the educational program described in Paragraph 8, and shall complete the acknowledgement in the form of Attachment B to this Decree.

V. Monetary Damages for Aggrieved Persons

11. Within 14 days after the entry of this Decree, Defendant Penny Pincher shall send to counsel for the United States, via overnight delivery, a check made payable to "Gulf Coast Fair Housing Center" in the amount of \$10,000 and a check made payable to "Casey Street" in the amount of \$1,500.¹

12. Defendant Penny Pincher will provide a quarter-page advertisement to Gulf Coast Fair Housing Center for the purpose of promoting fair housing each week of publication for 24 months (100 issues), commencing within 30 days after the entry of this Decree.

¹All correspondence required to be sent to the United States under the provisions of this Decree shall be sent to the U.S. Department of Justice, care of the undersigned counsel for the United States, Attn: DJ 175-23-799, at the following addresses:

Regular U.S. Mail: 950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Overnight Mail: 1800 G Street, N.W.
Suite 7002
Washington, D.C. 20006

13. Counsel for the United States will not deliver the checks to the complainants before receiving signed releases in the form of Attachment C from the complainants. Counsel shall deliver the original signed releases to counsel for the Defendant.

14. By these payments, Defendant Penny Pincher makes no admission of liability. See Paragraph 5 above.

VI. Civil Penalty

15. Within 14 days after the entry of this Decree, Defendant Penny Pincher shall send to counsel for the United States, via overnight delivery, a check made payable to "United States Treasury" in the amount of \$3,500, as a civil penalty pursuant to 42 U.S.C. § 3614(d)(1)(C).

VII. Notification and Document Retention Requirements

16. Within 180 days after the entry of this Decree, Defendant Penny Pincher shall submit to the United States an initial compliance report that includes:

- a. A record of the actions taken to comply with Section III of this Decree, including:
 - i. a copy of the notice required by Paragraph 7(a) as it appears in each issue of Penny Pincher;
 - ii. a record of all advertisements reported by readers pursuant to the process set forth in Paragraph 7(b), including the text of each reported advertisement, the date of reader report, Defendant's action in response to the report, if any, and the date by which Defendant took the action, if any;
 - iii. a record of any advertisements rejected under the process set forth in Paragraph 7(c); and

- iv. a sample copy of the notice required by Paragraph 7(d) to be provided to all advertisers making them aware of the federal Fair Housing Act; and
 - b. A list of Defendant's officers, agents, and employees who have completed the training program specified in Section IV of this Decree and completed the acknowledgement included as Attachment B to this Decree.
17. Defendant Penny Pincher shall submit three subsequent compliance reports: on the first and second anniversary of the entry of this Decree and 60 days prior to the expiration of the Decree.
18. Defendant Penny Pincher's subsequent compliance reports shall include:
- a. A record of further actions taken to comply with Section III of this Decree, including:
 - i. a record of all advertisements reported by readers pursuant to the process set forth in Paragraph 7(b) since the last compliance report, including the text of each reported advertisement, the date of reader report, Defendant's action in response to the report, if any, and the date by which Defendant took the action, if any; and
 - ii. a record of any advertisements rejected under the process set forth in Paragraph 7(c) since the last compliance report; and
 - b. A list of Defendant's officers, agents, and employees who have completed the training program specified in Section IV of this Decree and completed the acknowledgement included as Attachment B to this Decree since the last compliance report.

19. At the same time each compliance report is provided to the United States, Defendant Penny Pincher shall also provide a paper copy of the latest issue of Penny Pincher.

20. Defendant Penny Pincher shall advise the United States in writing within 14 days of receipt of any administrative or legal complaint regarding housing discrimination made against Defendant or against any officer, agent, or employee of Defendant in connection with such officer's, agent's, or employee's work for Defendant. Upon reasonable notice, Defendant Penny Pincher will also provide the United States all information it may request concerning any such complaint. Defendant Penny Pincher shall also advise counsel for the United States, in writing, within 14 days of the resolution of any complaint.

21. Defendant Penny Pincher shall preserve, for the duration of this Decree, all records related to this Decree. Upon reasonable notice to Defendant Penny Pincher, representatives of the United States will be permitted to inspect and copy any records of Defendant related to this Decree and inspect and copy published issues of Penny Pincher. Records related to this Decree include, but are not limited to, published issues of Penny Pincher, reports made to Penny Pincher by readers pursuant to the process set forth in Paragraph 7(b), copies of advertisements rejected under the process set forth in Paragraph 7(c), and the training certifications described in Paragraph 9.

VIII. Scope and Duration of Consent Decree

22. The provisions of this Decree shall apply to Defendant Penny Pincher and its officers, agents, and employees who have responsibilities for the acceptance or publication of advertisements for dwellings.

23. This Decree is effective immediately upon its entry by the Court and shall remain in effect for three years from the date of entry.

24. The Court shall retain jurisdiction over this action for all purposes related to the enforcement of this Decree throughout its term, after which time the case shall be dismissed with prejudice.

25. The United States may move the Court to extend the period in which this Decree is in effect if the interests of justice require an extension.

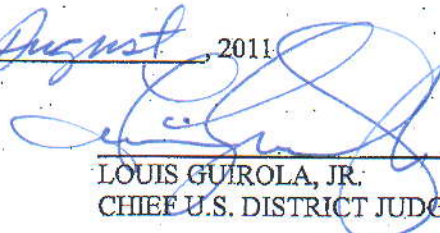
26. The parties to this Decree shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with this Decree prior to bringing such matters to the Court for resolution. However, in the event that Defendant Penny Pincher either fails to perform in a timely manner any act required by this Decree or acts in violation of any provision of this Decree, the United States may move the Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring performance or non-performance of certain acts and an award of any damages and costs that may have been occasioned by Defendant's action or inaction.

27. Any time period set forth within this Decree for the performance of any act may be changed by written agreement of the parties without Court approval.

IX. Costs of Litigation

28. All parties shall be responsible for their own attorney's fees and costs associated with this action.

IT IS SO ORDERED, this 31ST day of August, 2011.



LOUIS GUIROLA, JR.
CHIEF U.S. DISTRICT JUDGE

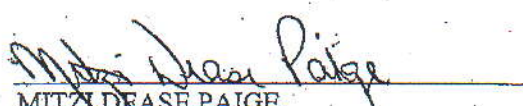
By their signatures below, the parties consent to the entry of this Consent Order.

FOR THE UNITED STATES:

Dated August 29, 2011

JOHN M. DOWDY, JR.
United States Attorney

THOMAS E. PEREZ
Assistant Attorney General
Civil Rights Division



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FOR DEFENDANT PENNY PINCHER, INC.:

Dated 8-30, 2011



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Counsel for Defendant Penny Pincher, Inc.



PRESIDENT

On behalf of Penny Pincher, Inc.

Attachment A

TEXT FOR LETTER TO ADVERTISERS

When placing a housing advertisement in Penny Pincher you must comply with section 3604(c) of the Federal Fair Housing Act. Section 3604(c) prohibits making, printing, or publishing any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on any of the following categories:

- race or color
- religion
- sex
- handicap or disability
- familial status (having children under age 18)
- national origin

If we determine that your advertisement violates the law, we will not print it. For more information on the Federal Fair Housing Act, please visit the following websites:

<http://www.justice.gov/crt/about/hcc/title8.php>

<http://www.hud.gov/offices/fheo/FHLaws/yourrights.cfm>

Attachment B

**ACKNOWLEDGMENT OF TRAINING BY
OFFICER, AGENT, OR EMPLOYEE OF PENNY PINCHER, INC.**

On _____, 20____, I completed an in-person training on the requirements of the federal Fair Housing Act, 42 U.S.C. §§ 3601-19, pursuant to the Consent Decree entered by the United States District Court for the Southern District of Mississippi in *United States v. Penny Pincher, Inc.*, et al., Case No. 1:10cv578LG-RHW (S.D. Miss.).

I was instructed on procedures to ensure that housing advertisements indicating a preference, a limitation, or discrimination based on race, color, religion, sex, disability, family status, and national origin are not published or otherwise disseminated in Penny Pincher. I understand that I have a legal obligation to follow the procedures on which I have been trained.

(Signature)

(Print name)

(Date)

Attachment C

RELEASE

In consideration for the parties' agreement to the terms of the Consent Decree entered in *United States v. Penny Pincher, Inc.*, et al., Case No. 1:10cv578LG-RHW (S.D. Miss.), and payment to me of \$ _____ by Defendant Penny Pincher, Inc., I hereby agree, effective upon receipt of payment, to release and discharge any and all claims with prejudice that I may or might have had by reason of the incidents or activities as alleged in the Complaint against Defendant Penny Pincher, Inc., except for and subject to the terms and conditions set forth in the Consent Decree entered by the District Court.

I acknowledge and understand that by signing this Release and accepting this payment, I am waiving any right to pursue my own legal action against Defendant Penny Pincher, Inc., based on the discrimination alleged by the United States in this action.

I am legally competent and authorized to execute this agreement on behalf of the party whose name is subscribed at the signatories' line.

I also acknowledge that I have been informed that I may review the terms of this Release with an attorney of my choosing, and to the extent that I have not obtained legal advice, I voluntarily and knowingly waive my right to do so.

This Release constitutes the entire agreement between me and Defendant Penny Pincher, Inc., without exception or exclusion.

Signature

Printed Name

On Behalf of (if relevant)

Date