

Lawsuits Over New Jersey Privacy Law Supported by Litigation Funder



A data-deletion firm, Atlas Data Privacy, has filed over 140 lawsuits against various companies for violating a New Jersey law that protects the personal information of judges, law enforcement officials, and prosecutors. According to court documents, a third-party litigation funder, Parabellum Capital, is backing the firm. This New York-based funder specializes in supporting commercial litigation in exchange for a portion of any recovery.

Atlas Data Privacy and Third-Party Funding

Atlas Data Privacy, which has taken on claims from over 19,000 individuals eligible for protection under the law, revealed that it plans to use funding from Parabellum Capital, as disclosed in a recent New Jersey federal court filing. Parabellum, which spun out from Credit Suisse in 2012 and manages over \$1 billion in assets, provides financial backing to legal cases, particularly in commercial disputes. While such funding arrangements are often kept private, a 2021 rule in New Jersey federal courts requires disclosure of third-party financing.

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Details of the Legal Dispute

Atlas is suing corporate data brokers and has hired prominent law firms such as PEM Law, Boies Schiller Flexner, and Morgan & Morgan to represent them. The lawsuits focus on companies' failure to comply with "Daniel's Law," a New Jersey privacy statute that restricts the disclosure of personal details like home addresses and unpublished phone numbers of certain officials. If companies do not comply with removal requests, they can face lawsuits for damages.

The Role of Daniel's Law

Daniel's Law was enacted in 2020 following the tragic shooting of the son of U.S. District Judge Esther Salas. A disgruntled lawyer had targeted the judge's home, leading to her son's death. Since its signing, the law has been expanded to protect judges, law enforcement, and other officials by allowing them to request that private entities not disclose their personal information. Atlas Data Privacy's lawsuits primarily target real estate firms, marketing companies, and data brokers accused of violating this law.

Parabellum's Support and the Constitutional Debate

Parabellum Capital, described as a passive financial partner, plays a key role in supporting Atlas's efforts to enforce one of the most comprehensive privacy laws in the country. However, the lawsuits face pushback from companies claiming that Daniel's Law infringes on their First Amendment rights to free speech. Just recently, several companies argued before U.S. District Judge Harvey Bartle that the law is unconstitutional, setting the stage for a major legal battle over privacy rights versus free speech protections.

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Expansion of Privacy Protections and Federal Legislation

In response to the growing concerns over the personal safety of judges and officials, a federal law similar to Daniel's Law was enacted in 2022. Known as the Daniel Anderl Judicial Security and Privacy Act, this law provides nationwide protection for judges by limiting the online availability of their personal information. Atlas has launched a wave of lawsuits on behalf of individuals covered under these laws, including high-profile defendants such as CoStar Group, Oracle Corp, Zillow, and Thomson Reuters.

Ongoing Litigation and Future Implications

Atlas's litigation could set a significant precedent for privacy rights in the digital age, particularly for those in sensitive positions. The firm has contingency-fee arrangements with its legal teams and individuals who assigned claims to Atlas stand to receive 65% of any financial recovery. While the lawsuits continue to unfold, defendants

such as Thomson Reuters have stated they are focused on the merits of the case, acknowledging the importance of privacy protection but questioning the law's constitutionality.

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