CIVIL CASES

SUPREME COURT OF THE UNITED STATES
2016 – 2017 TERM

TABLE OF CONTENTS

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Endrew F. ex rel. Joseph F. v. Douglas Cty. School Distr. RE-1, 137 S. Ct. 988, 197 L. Ed. 2d 335 (2017)

The Individuals with Disabilities Education Act (IDEA) requires that states that receive federal education funds for children with disabilities must provide every eligible child a "free appropriate public education" by means of a uniquely tailored "individualized education program," or IEP. The question presented by this case is what substantive standard should apply in determining whether a state provides an appropriate public education to a child with disabilities. Endrew F., a child with autism, received annual IEPs from the Douglas County School District from preschool through fourth grade. By fourth grade, Endrew's parents believed his academic and functional progress had stalled. When the school district proposed a fifth grade IEP that resembled those from past years, Endrew's parents removed him from public school and enrolled him in a specialized private school, where he made significant progress. They then sought reimbursement for Endrew's private school tuition by filing a complaint under the IDEA with the Colorado Department of Education. Their claim was denied, and the denial was affirmed by the Tenth Circuit, which interpreted the IDEA to establish a rule that a child's IEP is adequate as long as it is calculated to confer an " educational benefit [that is] merely . . . more than de minimis." The court of appeals found that Endrew's IEP met that standard because it had been "reasonably calculated to enable [him] to make some progress."

In a unanimous decision written by Chief Justice Roberts, the Supreme Court reversed. It held that, to meet the substantive obligation under the IDEA, a school must offer an IEP reasonably calculated to enable a child to make the degree of progress that is appropriate in light of the child's circumstances. A child's IEP need not aim for grade-level advancement if that is not a reasonable prospect for the child. But the child's educational program must be appropriately ambitious in light of his circumstances, just as advancement from grade to grade is appropriately ambitious for most children in the regular classroom. The goals may differ based on the child's circumstances, but every child should have the chance to meet challenging objectives. In reaching this decision, the Court rejected the position of the school district and the Tenth Circuit that it was sufficient that the IEP provide a benefit that is "merely more than de minimis." At the same time, the Court rejected the position advanced by Endrew's parents that children with disabilities must be provided educational opportunities that are "substantially equal to the opportunities afforded children without disabilities," as this may not be appropriate in every case. In reviewing an IEP, the Court concluded, lower courts should defer to the expertise and judgments of school officials.

<u>Fry v. Napoleon Cmt. Sch.</u>, 137 S. Ct. 743, 746, 197 L. Ed. 2d 46 (2017)

This case addresses the exhaustion of administrative remedies requirement imposed by the Individuals with Disabilities Education Act (IDEA). The IDEA offers federal funds to States in exchange for a commitment to furnish a "free appropriate public education" (FAPE) to children with certain disabilities, and establishes formal administrative procedures for resolving disputes between parents and schools concerning the provision of a FAPE. Other federal statutes also protect the interests of children with disabilities, including Title II of the Americans with Disabilities Act (ADA) and §504 of the Rehabilitation Act. To resolve when a claim must be brought through the IDEA's administrative procedures, the IDEA provides that when a party is "seeking relief that is also available under" the IDEA, the party musts first exhaust the IDEA's administrative procedures. In this case, the Court addressed the scope of that exhaustion requirement when a claim arising out of an educational issue was brought for violation of the ADA and § 504.

E. F. is a child with a severe form of cerebral palsy, who is assisted with various daily life activities by a trained service dog named Wonder. When E. F.'s parents, Stacy and Brent Fry, sought permission for Wonder to join E. F. in kindergarten, officials at Ezra Eby Elementary School refused, reasoning that the human aide provided as part of E. F.'s individualized education program rendered the dog superfluous. In response, the Frys removed E. F. from Ezra Eby and began homeschooling her. They also filed a complaint with the Department of Education, in which they claimed that the exclusion of E. F.'s service animal violated her rights under Title II and §504. The Department of Education agreed, and school officials invited E. F. to return to Ezra Eby with Wonder. But the Frys, concerned about resentment from school officials, instead enrolled E. F. in a different school that welcomed the service dog. The Frys then filed this suit in federal court against Ezra Eby's local and regional school districts and principal, alleging that they violated Title II and §504 and seeking declaratory and monetary relief. The District Court granted the school districts' motion to dismiss and the Sixth Circuit affirmed, concluding that the Frys were required to exhaust the IDEA's administrative procedures because the case was "educational" in nature.

In a unanimous opinion written by Justice Kagan, the Supreme Court reversed and ruled that exhaustion of the IDEA's administrative procedures is unnecessary where the gravamen of the plaintiff's suit is something other than the denial of the IDEA's core guarantee of a "free appropriate public education."

<u>Goodyear Tire & Rubber Co. v. Haeger</u>, 137 S. Ct. 1178 (2017)

This case addresses a federal court's inherent authority to sanction a litigant for bad-faith conduct by ordering it to pay the other side's legal fees. In a unanimous opinion written by Justice Kagan, the Supreme Court held that such an order is limited to the fees the innocent party incurred solely because of the misconduct, that is, to the fees that party would not have incurred but for the bad faith.

The issue arose in litigation brought by Leroy, Donna, Barry, and Suzanne Haeger against Goodyear Tire & Rubber Co., which alleged that the failure of a Goodyear G159 tire caused the family's motorhome to swerve off the road and flip over. After several years of contentious discovery, marked by Goodyear's slow response to repeated requests for internal G159 test results, the parties settled the case. Some months later, the Haegers' lawyer learned that, in another lawsuit involving the G159, Goodyear had disclosed test results indicating that the tire got unusually hot at highway speeds. In subsequent correspondence, Goodyear conceded withholding the information from the Haegers, even though they had requested all testing data. The Haegers then sought sanctions for discovery fraud, urging that Goodyear's misconduct entitled them to attorney's fees and costs expended in the litigation.

The district court found that Goodyear had engaged in an extended course of misconduct. Exercising its inherent power to sanction bad-faith behavior, the court awarded the Haegers $2.7 million—the entire sum they had spent in legal fees and costs since the moment, early in the litigation, when Goodyear made its first dishonest discovery response. The court said that in the usual case, sanctions ordered pursuant to a court's inherent power to sanction litigation misconduct must be limited to the amount of legal fees caused by that misconduct. But it determined that in cases of particularly egregious behavior, a court can award a party all of the attorney's fees incurred in a case, without any need to find a causal link between the expenses and the sanctionable conduct. The Ninth Circuit affirmed the full $2.7 million award, concluding that the District Court had properly awarded the Haegers all the fees they incurred during the time when Goodyear was acting in bad faith.

The Supreme Court reversed and held that when a federal court exercises its inherent authority to sanction bad-faith conduct by ordering a litigant to pay the other side's legal fees, the award is limited to the fees the innocent party incurred solely because of the misconduct. The Court reasoned that the power to award fees to sanction bad faith conduct allows only awards that are compensatory and does not allow sanctions that are punitive. A sanction counts as compensatory only if it is “calibrated to the damages caused by” the bad-faith acts on which it is based.