

SUPREME COURT OF ALABAMA

Burks v. Retirement Systems of Alabama

182 So. 3d 527 (Ala. 2015) · Decided June 12, 2015

SUMMARY

The Alabama Supreme Court reviews by mandamus the denial of a motion to dismiss claims challenging a PEEHIP policy that reduced health-insurance allotments for public-school educators married to one another and raising dependent children. The court holds that sovereign immunity bars the state-law claims and monetary claims against the relevant state officials and entities, while prospective federal injunctive-relief claims under 42 U.S.C. § 1983 may proceed against specified officials.

CASE DETAILS

COURT	Supreme Court of Alabama
WRITING FOR THE COURT	Bryan, Justice; Stuart; Bolin; Shaw; Wise; Parker; Moore, C.J.; Murdock; Main
JURISDICTION	Alabama
DECIDED	June 12, 2015
DISPOSITION	writ_granted
PROCEDURAL POSTURE	The PEEHIP defendants petitioned for a writ of mandamus directing the Montgomery Circuit Court to dismiss claims that the public-education plaintiffs brought concerning the defendants' 2009 health-insurance-allotment policy. The petition followed the circuit court's denial of the defendants' Rules 12(b)(1) and 12(b)(6) motion to dismiss.
STANDARD OF REVIEW	Mandamus is available to compel dismissal of claims barred by sovereign immunity when the petitioner has a clear legal right, an imperative duty, no adequate remedy, and properly invoked jurisdiction. Review of the denial of a motion to dismiss by mandamus does not change the applicable standard of review. A motion to dismiss is reviewed without a presumption of correctness; the complaint's allegations are accepted as true, and the question is whether the plaintiff may possibly prevail.
PRECEDENTIAL VALUE	published precedential opinion

PARTIES

Retirement Systems of Alabama, Teachers' Retirement System of Alabama, Public Education Employees' Health Insurance Plan, Public Education Employees' Health Insurance Fund, Board of Control of the Teachers' Retirement System of Alabama, Board of Control of the Public Education Employees' Health Insurance Plan, David G. Bronner, in his official capacities, Members of the Teachers' Retirement System Board, Members of the Public Education Employees' Health Insurance Plan Board v. James B. Burks II, Eugenia Burks, Martin A. Hester, Jacqueline Hester, Thomas Highfield, Carol Ann Highfield, Jake Jackson, Melinda Jackson, A class of similarly situated individuals

TOPICS

sovereign immunity

eleventh amendment immunity

section 1983

civil procedure

injunctions

PRACTICE AREAS

constitutional law

civil procedure

civil rights

sovereign immunity

health law

remedies

QUESTIONS PRESENTED

1. Whether the public-education plaintiffs' state-law claims against the PEEHIP entities, board members, and officials in their official capacities were barred by Article I, § 14 of the Alabama Constitution.
2. Whether the plaintiffs' requests for declaratory, injunctive, restitutionary, costs, and attorney-fee relief fell within an exception to Alabama sovereign immunity.
3. Whether the Eleventh Amendment barred the plaintiffs' claims for monetary relief under 42 U.S.C. § 1983 against PEEHIP officials sued in their official capacities.
4. Whether the Eleventh Amendment permitted the plaintiffs' claims for prospective injunctive relief under 42 U.S.C. § 1983 against those officials.
5. Whether the claims against the RSA, PEEHIP, PEEHIF, TRS, the respective boards, the TRS board members, and Bronner in specified capacities should be dismissed based on the plaintiffs' stated agreement to dismiss them.

HOLDINGS

1. The plaintiffs' state-law claims were barred by Article I, § 14 of the Alabama Constitution because they did not fall within a recognized exception to state sovereign immunity.
2. The Eleventh Amendment barred the plaintiffs' claims for restitution and other monetary relief under § 1983 against the PEEHIP Board members and Bronner in their official capacities.
3. The Eleventh Amendment did not bar the plaintiffs' claims for prospective injunctive relief against the PEEHIP Board members and Bronner in his capacity as secretary-treasurer of PEEHIP.

4. The circuit court was directed to dismiss all claims against RSA, PEEHIP, PEEHIF, TRS, the PEEHIP Board, the TRS Board, the members of the TRS Board, and Bronner in his capacities as chief executive officer of RSA and secretary-treasurer of TRS.

KEY QUOTATIONS

“It is well established that mandamus will lie to compel the dismissal of a claim that is barred by the doctrine of sovereign immunity.” (532)

“The wall of immunity erected by § 14 is nearly impregnable.” (533)

“To ensure the enforcement of federal law, the Eleventh Amendment permits suits for prospective injunctive relief against state officials acting in violation of federal law.” (538)

FACTUAL BACKGROUND

PEEHIP provides group health-insurance benefits to Alabama public-education employees and is managed by the PEEHIP Board. In 2009, the Board adopted a policy under which married public-school educators with dependent children received one employer-funded insurance allotment rather than two, while other educators generally continued to receive individual allotments. The plaintiffs, who were affected educators, alleged that the policy required them to pay additional health-insurance costs and denied them access to benefits available to other educators.

PROCEDURAL HISTORY

Public-education employees sued the PEEHIP defendants in the Montgomery Circuit Court, alleging that a policy providing one health-insurance allotment to married public-school educators with dependent children violated state and federal law. The defendants moved to dismiss on sovereign-immunity and other grounds, but the circuit court denied the motion. The Alabama Supreme Court granted mandamus relief in part, directing dismissal of specified claims while allowing the federal claims for prospective injunctive relief against certain state officials to proceed.

DISPOSITION

writ_granted

REMAND INSTRUCTIONS

The Montgomery Circuit Court was instructed to dismiss all claims against RSA, PEEHIP, the PEEHIP Board, PEEHIF, TRS, the TRS Board, the members of the TRS Board, and Bronner in his capacities as chief executive officer of RSA and secretary-treasurer of TRS. It was further instructed to dismiss all state-law claims and all federal claims for monetary relief against the PEEHIP Board members and Bronner in his capacity as secretary-treasurer of PEEHIP. The federal claims for prospective injunctive relief against those PEEHIP officials were allowed to remain.

CASES CITED

- Ex parte Blankenship, 893 So. 2d 303, 305 (Ala. 2004)
- Ex parte Wood, 852 So. 2d 705, 708 (Ala. 2002)
- Drummond Co. v. Alabama Department of Transportation, 937 So. 2d 56, 57-58 (Ala. 2006)
- Ex parte Haralson, 853 So. 2d 928, 931 (Ala. 2003)
- Ex parte United Service Stations, Inc., 628 So. 2d 501, 503 (Ala. 1993)
- Newman v. Savas, 878 So. 2d 1147, 1148 (Ala. 2003)
- Nance v. Matthews, 622 So. 2d 297, 299 (Ala. 1993)
- Creola Land Development, Inc. v. Bentbrooke Housing, L.L.C., 828 So. 2d 285, 288 (Ala. 2002)
- Patterson v. Gladwin Corp., 835 So. 2d 137, 142-43, 154 (Ala. 2002)
- State Docks Commission v. Barnes, 225 Ala. 403, 405, 143 So. 581, 582 (1932)
- Vandenberg v. Aramark Educational Services, Inc., 81 So. 3d 326, 332 (Ala. 2011)
- Aland v. Graham, 287 Ala. 226, 229-30, 250 So. 2d 677, 678-79 (1971)
- Ex parte Moulton, 116 So. 3d 1119, 1132, 1141 (Ala. 2013)
- Alabama Agricultural & Mechanical University v. Jones, 895 So. 2d 867, 873 (Ala. 2004)
- Shoals Community College v. Colagross, 674 So. 2d 1311, 1314 (Ala. Civ. App. 1995)
- Alabama Department of Transportation v. Harbert International, Inc., 990 So. 2d 831, 840-46 (Ala. 2008)
- Poiroux v. Rich, 150 So. 3d 1027, 1037 (Ala. 2014)
- Druid City Hospital Board v. Epperson, 378 So. 2d 696 (Ala. 1979)
- Gunter v. Beasley, 414 So. 2d 41 (Ala. 1982)
- McMillan v. Lee, 655 So. 2d 906 (Ala. 1994)
- Ex parte Bessemer Board of Education, 68 So. 3d 782 (Ala. 2011)
- Ex parte Montgomery County Board of Education, 88 So. 3d 837, 842 (Ala. 2012)
- Burgoon v. Alabama State Department of Human Resources, 835 So. 2d 131, 132-33 (Ala. 2002)
- Ex parte Town of Lowndesboro, 950 So. 2d 1203, 1211-12 (Ala. 2006)
- Pennhurst State School & Hospital v. Halderman, 465 U.S. 89, 101 (1984)
- Ford Motor Co. v. Department of Treasury, 323 U.S. 459, 464 (1945)
- Frew v. Hawkins, 540 U.S. 431, 437 (2004)
- Edelman v. Jordan, 415 U.S. 651 (1974)
- Lapidus v. Board of Regents of University System of Georgia, 535 U.S. 613 (2002)
- Haywood v. Alexander, 121 So. 3d 972, 978 (Ala. 2013)
- Ex parte Madison County Board of Education, 1 So. 3d 980, 987 (Ala. 2008)
- Alabama State Docks Terminal Railway v. Lyles, 797 So. 2d 432, 439 (Ala. 2001)
- Ex parte Bronner, 171 So. 3d 614, 622 (Ala. 2014)
- State v. Louis Pizitz Dry Goods Co., 243 Ala. 629, 633, 11 So. 2d 342, 345 (1943)