

UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF
PENNSYLVANIA

Steele v. Warden of FCI-Schuylkill

Steele · No. 1:25-CV-2563 · Decided March 23, 2026

SUMMARY

The United States District Court for the Middle District of Pennsylvania dismissed Joseph Steele’s 28 U.S.C. § 2241 petition challenging the Bureau of Prisons’ treatment of First Step Act credits. The court held that Steele failed to exhaust the Bureau of Prisons’ administrative-remedy process and dismissed the petition without prejudice.

CASE DETAILS

COURT	United States District Court for the Middle District of Pennsylvania
WRITING FOR THE COURT	Keli M. Neary
JURISDICTION	United States District Court for the Middle District of Pennsylvania
DECIDED	March 23, 2026
DOCKET	1:25-CV-2563
DISPOSITION	dismissed
PROCEDURAL POSTURE	Petition for a writ of habeas corpus under 28 U.S.C. § 2241 challenging the Bureau of Prisons' refusal to apply earned First Step Act credits was dismissed without prejudice for failure to exhaust administrative remedies.
STANDARD OF REVIEW	The court reviewed the § 2241 petition and the exhaustion issue, including documentary evidence concerning Steele's failure to use the Bureau of Prisons' administrative-remedy process.
PRECEDENTIAL VALUE	unpublished district court memorandum; nonprecedential
PARTIES	Joseph Steele v. Warden of FCI-Schuylkill

TOPICS

- federal habeas corpus
- exhaustion of remedies
- post-conviction relief
- administrative law

PRACTICE AREAS

- federal habeas corpus
- prisoner litigation
- administrative law
- statutory interpretation

QUESTIONS PRESENTED

1. Whether a federal prisoner bringing a § 2241 petition must exhaust the Bureau of Prisons' administrative-remedy process before seeking habeas review.
2. Whether Steele's failure to pursue any administrative remedies required dismissal of his challenge to the denial of First Step Act credits.

HOLDINGS

1. Although § 2241 contains no express exhaustion requirement, exhaustion of administrative remedies generally applies to § 2241 claims in the Third Circuit.
2. Steele's petition had to be dismissed without prejudice because he did not pursue any Bureau of Prisons administrative remedy requests concerning his First Step Act credit claim before filing the action.
3. Exhaustion may be excused in rare circumstances, including when the issue is purely one of statutory construction or exhaustion would be futile, but Steele did not establish an applicable exception.

KEY QUOTATIONS

“Exhaustion allows the agency to develop a factual record and apply its expertise, conserves judicial resources, and provides agencies the opportunity to “correct their own errors” thereby fostering “administrative autonomy.”” (Discussion)

“The petition for writ of habeas corpus is dismissed without prejudice for failure to exhaust administrative remedies.” (Conclusion)

FACTUAL BACKGROUND

Joseph Steele is serving a federal criminal sentence imposed by the United States District Court for the Southern District of New York and is housed at FCI-Schuylkill. He asserted that the Bureau of Prisons was improperly refusing to apply First Step Act credits toward his sentence under an allegedly unlawful administrative policy. The respondent submitted evidence that Steele had not filed administrative remedy requests concerning the claim before initiating the habeas action, and Steele submitted no contrary evidence.

PROCEDURAL HISTORY

Steele filed the § 2241 petition on December 30, 2025. The respondent moved to dismiss for failure to exhaust administrative remedies or, alternatively, for denial on the merits. Steele did not file a reply, and the district court dismissed the petition without prejudice because he had not pursued any administrative remedy requests concerning his claim before filing suit.

DISPOSITION

dismissed

CASES CITED

- Callwood v. Enos, 230 F.3d 627, 634 (3d Cir. 2000)

- *Schandelmeier v. Cunningham*, 819 F.2d 52, 53 (3d Cir. 1986)
- *Moscato v. Federal Bureau of Prisons*, 98 F.3d 757, 760-62 (3d Cir. 1996)
- *Vasquez v. Strada*, 684 F.3d 431, 433-34 (3d Cir. 2012)
- *Bradshaw v. Carlson*, 682 F.2d 1050, 1052 (3d Cir. 1981)
- *Rose v. Lundy*, 455 U.S. 509, 516 n.7 (1982)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF PENNSYLVANIA JOSEPH STEELE,; CIVIL ACTION NO. 1:25-CV-2563 Petitioner: (Judge Neary) v.: WARDEN OF FCI-SCHUYLKILL,; Respondent: MEMORANDUM This is a habeas corpus case filed pursuant to 28 U.S.C. § 2241. Petitioner, Joseph Steele, argues that the United States Bureau of Prisons is improperly refusing to apply credits towards his sentence that he has earned under the First Step Act (“FSA”).

The petition will be dismissed for Steele’s failure to exhaust administrative remedies. I. Factual Background & Procedural History Steele is serving a federal criminal sentence imposed by the United States District Court for the Southern District of New York. (Doc. 8-3 at 3). He is housed in Schuylkill Federal Correctional Institution (“FCI-Schuylkill”). His current projected release date via good conduct time is August 30, 2028.

(Id.) Steele filed the instant petition on December 30, 2025, arguing that the BOP is improperly denying him FSA credits towards his sentence pursuant to an administrative policy that purportedly violates the statute. (Doc. 1). Respondent responded to the petition on February 13, 2026, arguing that it should be dismissed for failure to exhaust administrative remedies, or, alternatively, denied on its merits.

(Doc. 8). Steele has not filed a reply brief, and the deadline for doing so has expired under the Local Rules. The petition is accordingly ripe for review. II. Discussion Although there is no explicit statutory exhaustion requirement for Section 2241 habeas petitions, the United States Court of Appeals for the Third Circuit has consistently held that exhaustion applies to such claims.

See *Callwood v. Enos*, 230 F.3d 627, 634 (3d Cir. 2000) (citing *Schandelmeier v. Cunningham*, 819 F.2d 52, 53 (3d Cir. 1986)); *Moscato v. Fed. Bureau of Prisons*, 98 F.3d 757, 760 (3d Cir. 1996). Exhaustion allows the agency to develop a factual record and apply its expertise, conserves judicial resources, and provides agencies the opportunity to “correct their own errors” thereby fostering “administrative autonomy.” Id. at 761-62.

The BOP has a specific internal system through which federal prisoners can request review of nearly any aspect of their imprisonment. See 28 C.F.R. §§ 542.10-.19. That process begins with an informal request to staff and progresses to formal review by the warden, appeal with the regional director, and—ultimately—final appeal to the general counsel. Id. §§ 542.13-.15.

No administrative remedy is considered fully exhausted until reviewed by the general counsel. *Id.* § 542.15(a). Exhaustion is the rule in most cases, and failure to exhaust will generally preclude habeas review. See *Moscato*, 98 F.3d at 761. Only in rare circumstances is exhaustion of administrative remedies not required.

For example, exhaustion is unnecessary if the issue presented is one that consists purely of statutory construction. See *Vasquez v. Strada*, 684 F.3d 431, 433-34 (3d Cir. 2012) (citing *Bradshaw v. Carlson*, 682 F.2d 1050, 1052 (3d Cir. 1981)). Exhaustion is likewise not required when it would be futile. *Rose v. Lundy*, 455 U.S. 509, 516 n.7 (1982). Respondent argues that Steele's petition should be dismissed for failure to exhaust administrative remedies because he did not file any administrative remedy requests regarding his claim prior to filing this case.

(Doc. 8 at 9-10). Respondent has produced evidence to support this assertion. (Docs. 8-2, 8-4). Steele has not produced any contrary evidence nor advanced any argument to refute this conclusion. Accordingly, his petition will be dismissed for failure to exhaust administrative remedies. III. Conclusion The petition for writ of habeas corpus is dismissed without prejudice for failure to exhaust administrative remedies.

An appropriate order shall issue. /S/ KELI M. NEARY Keli M. Neary United States District Judge
Middle District of Pennsylvania Dated: March 23, 2026