

SUPREME COURT OF FLORIDA

Board of Trustees v. American Educational Enterprises, LLC

99 So. 3d 450 (Fla. 2012) · Decided September 27, 2012

SUMMARY

The Florida Supreme Court held that overbreadth alone is not a sufficient basis for common-law certiorari review of a nonfinal discovery order. The court quashed the Third District's decision and concluded that the requested financial information was relevant and discoverable because it could lead to admissible evidence concerning the value of the disputed real property, and its disclosure did not cause irreparable harm.

CASE DETAILS

COURT	Supreme Court of Florida
WRITING FOR THE COURT	Lewis, J.; Canady, C.J.; Pariente, J.; Quince, J.; Labarga, J.; Perry, J.; Polston, J.
JURISDICTION	Florida
DECIDED	September 27, 2012
DISPOSITION	quashed
PROCEDURAL POSTURE	The Board sought review of a Third District Court of Appeal decision granting American Educational Enterprises common-law certiorari and quashing a trial-court discovery order compelling production of financial information.
STANDARD OF REVIEW	Whether the district court properly exercised common-law certiorari jurisdiction to review a nonfinal discovery order. Certiorari requires a departure from the essential requirements of law, material injury throughout the remainder of the proceedings, and the absence of an adequate remedy on postjudgment appeal; the material-injury and irreparable-harm requirements are jurisdictional.
PRECEDENTIAL VALUE	Published Florida Supreme Court opinion; binding statewide precedent.
PARTIES	Board of Trustees of the Internal Improvement Trust Fund v. American Educational Enterprises, LLC

TOPICS

writ of certiorari

discovery dispute

appellate jurisdiction

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether overbreadth of a nonfinal discovery order, standing alone, supports common-law certiorari relief.
2. Whether the requested financial information was relevant and discoverable in the underlying action.
3. Whether disclosure of the requested financial information caused material, irreparable harm that could not be remedied on appeal.

HOLDINGS

1. Overbreadth alone is not a proper basis for common-law certiorari review of a nonfinal discovery order; the petitioner must establish a departure from the essential requirements of law that causes material, irreparable injury throughout the remainder of the proceedings and cannot be remedied on postjudgment appeal.
2. Financial information is discoverable when it is relevant to the disputed issues in the underlying action or is reasonably calculated to lead to admissible evidence; the requested financial information here was relevant to the property's value, the parties' valuation-related contentions, and damages issues.

KEY QUOTATIONS

“The petitioning party must demonstrate that the contested order constitutes “(1) a departure from the essential requirements of the law, (2) resulting in material injury for the remainder of the case[.], (3) that cannot be corrected on postjudgment appeal.”” (454)

“Overbreadth is not a proper basis for certiorari review of discovery orders.” (457)

“Financial projections and information here are interwoven into an assessment of property value and are discoverable.” (459)

FACTUAL BACKGROUND

The Board sold state-owned real property to Florida National College, whose rights under the purchase contract were later assigned to American Educational Enterprises. After the sale closed, American sued the Board over the property's value and the purchase contract, including claims for reformation and economic damages. During discovery, the Board sought financial statements, tax returns, budgets, auditor reports, and related financial information from Florida National College and American. The trial court compelled production, concluding that the information could assist in evaluating the property's value and American's damages claims, while the Board agreed to maintain confidentiality.

PROCEDURAL HISTORY

American sued the Board for negligent misrepresentation, fraud in the inducement, unjust enrichment, and reformation of a real-estate purchase contract. During discovery, the trial court granted the Board's motion to compel production of extensive financial documents. The Third District granted certiorari and quashed the discovery order on the ground that it was overbroad. The Supreme Court of Florida accepted review based on express and direct conflict, quashed the Third District's decision, disapproved the use of overbreadth alone as a basis for certiorari relief, and concluded that the requested information was discoverable.

DISPOSITION

quashed

REMAND INSTRUCTIONS

The Supreme Court quashed the Third District's decision. The trial-court discovery order was permitted to stand, subject to the trial court's authority to use protective orders to limit the use and dissemination of confidential information.

CASES CITED

- American Educational Enterprises, LLC v. Board of Trustees of the Internal Improvement Trust Fund, 45 So. 3d 941 (Fla. 3d DCA 2010)
- Allstate Insurance Co. v. Boecher, 733 So. 2d 993 (Fla. 1999)
- Martin-Johnson, Inc. v. Savage, 509 So. 2d 1097 (Fla. 1987)
- Belair v. Drew, 770 So. 2d 1164 (Fla. 2000)
- Jaye v. Royal Saxon, Inc., 720 So. 2d 214 (Fla. 1998)
- Reeves v. Fleetwood Homes of Fla., Inc., 889 So. 2d 812 (Fla. 2004)
- Custer Medical Center v. United Auto. Insurance Co., 62 So. 3d 1086 (Fla. 2010)
- Redland Co. v. Atlantic Civil, Inc., 961 So. 2d 1004 (Fla. 3d DCA 2007)
- Allstate Insurance Co. v. Langston, 655 So. 2d 91 (Fla. 1995)
- Friedman v. Heart Institute of Port St. Lucie, 863 So. 2d 189 (Fla. 2003)
- Amente v. Newman, 653 So. 2d 1030 (Fla. 1995)
- Aspex Eyewear, Inc. v. Ross, 778 So. 2d 481 (Fla. 4th DCA 2000)
- Williams v. Oken, 62 So. 3d 1129 (Fla. 2011)
- Capital One, N.A. v. Forbes, 34 So. 3d 209 (Fla. 2d DCA 2010)
- Pepsi Bottling Group, Inc. v. Underwood, 8 So. 3d 1260 (Fla. 1st DCA 2009)
- Katzman v. Rediron Fabrication, Inc., 76 So. 3d 1060 (Fla. 4th DCA 2011)
- Killinger v. Guardianship of Grable, 983 So. 2d 30 (Fla. 5th DCA 2008)
- Stihl Southeast, Inc. v. Green Thumb Lawn & Garden Center Newco, Inc., 974 So. 2d 1200 (Fla. 5th DCA 2008)
- Caterpillar Industrial, Inc. v. Keskes, 639 So. 2d 1129 (Fla. 5th DCA 1994)

- First City Developments of Florida v. Hallmark of Hollywood Condominium Assoc., Inc., 545 So. 2d 502 (Fla. 4th DCA 1989)

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