vides that "[a]ny person who is a fiduciary with respect to a plan who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this title shall be personally liable to make good to such plan any losses to the plan resulting from such breach, and to restore to such plan any profits of such fiduciary which have been made through use of assets of the plan by the fiduciary, and shall be subject to such other equitable or remedial relief as the court may deem appropriate, including removal of such fiduciary."

Held: Section 409(a) does not provide a cause of action for extra-contractual damages to a beneficiary caused by improper or untimely processing of benefit claims.

(a) The text of § 409(a) contains no express authority for an award of such damages, and there is nothing in the text to support the conclusion that a delay in processing a disputed claim gives rise to a private cause of action for compensatory or punitive relief. Rather, the text shows that Congress did not intend to authorize any relief except for the plan itself. Not only is the relevant fiduciary relationship characterized at the outset of § 409(a) as one "with respect to a plan," but the fiduciary's potential personal liability is "to make good *to such plan* any losses *to the plan* . . . and to restore *to such plan* any profits of such fiduciary which have been made through use of assets *of the plan.*"

(b) Nor can a private cause of action for extra-contractual damages be implied. While respondent is a member of the class for whose benefit ERISA was enacted and, in view of the pre-emptive effect of ERISA, there is no state-law impediment to implying a remedy, legislative intent and consistency with the legislative scheme support the conclusion that Congress did not intend the judiciary to imply such a cause of action. The civil enforcement provisions of § 502(a) provide strong evidence that Congress did not intend to authorize other remedies that it did not incorporate expressly.

722 F2d 482, reversed.

Stevens, J., delivered the opinion of the Court, in which Burger, C. J., and Powell, Rehnquist, and O'Connor, JJ., joined. Brennan, J., filed an opinion concurring in the judgment, in which White, Marshall, and Blackmun, JJ., joined.

APPEARANCES OF COUNSEL

John E. Nolan, Jr., argued the cause for petitioners.
Brad N. Baker argued the cause for respondent.
Briefs of Counsel, p 763, infra.

OPINION OF THE COURT

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Justice **Stevens** delivered the opinion of the Court.

[1a] The question presented for decision is whether, under the Employee Retirement Income Security Act of 1974 (ERISA), a fiduciary to an employee benefit plan may be held personally liable to a plan participant or beneficiary for extra-contractual compensatory or punitive damages caused by improper or untimely processing of benefit claims.

Respondent Doris Russell, a claims examiner for petitioner Massachusetts Mutual Life Insurance Company (hereafter petitioner), is a beneficiary under two employee benefit plans administered by

petitioner for eligible employees. Both plans are funded from the general assets of petitioner and both are governed by ERISA.

In May 1979 respondent became disabled with a back ailment. She received plan benefits until October 17, 1979, when, based on the report of an orthopedic surgeon, petitioner's disability committee terminated her benefits. On October 22, 1979, she requested internal review of that decision and, on November 27, 1979, submitted a report from her own psychiatrist indicating that she suffered from a psychosomatic disability with physical manifestations rather than an orthopedic illness. After an examination by a second psychiatrist on February 15, 1980 had confirmed that respondent was temporarily disabled, the plan administrator reinstated her benefits on March 11, 1980. Two days later retroactive benefits were paid in full.[1]

Although respondent has been paid all benefits to which she is contractually entitled, she claims to have been injured by the improper refusal to pay benefits from October 17, 1979, when her benefits were terminated, to March 11, 1980, when her eligibility was restored. Among other allegations, she asserts that the fiduciaries administering petitioner's employee benefit plans are high-ranking company officials who

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(1) ignored readily available medical evidence documenting respondent's disability, (2) applied unwarrantedly strict eligibility standards, and (3) deliberately took 132 days to process her claim, in violation of regulations promulgated by the Secretary of Labor.[2] The interruption of benefit payments allegedly forced respondent's disabled husband to cash out his retirement savings which, in turn, aggravated the psychological condition that caused respondent's back ailment. Accordingly, she sued petitioner in the California Superior Court pleading various causes of action based on state law and on ERISA.

Petitioner removed the case to the United States District Court for the Central District of California and moved for summary judgment. The District Court granted the motion, holding that the state-law claims were pre-empted by ERISA and that "ERISA bars any claims for extracontractual damages and punitive damages arising out of the original denial of plaintiff's claims for benefits under the Salary Continuance Plan and the subsequent review thereof." App to Pet for Cert 29a.

On appeal, the United States Court of Appeals for the Ninth Circuit affirmed in part and reversed in part. 722 F2d 482 (1983). Although it agreed with the District Court that respondent's state-law causes of action were pre-empted by ERISA, it held that her complaint alleged a cause of action under ERISA. See id., at 487-492. The court reasoned that the 132 days[3] petitioner took to

1. Respondent later qualified for permanent disability benefits which have been regularly paid.

2. The regulations, which are authorized by §§ 503, 505, 88 Stat 893-894, 29 USC §§ 1133, 1135 [29 USCS §§ 1133, 1135], appear at 29 CFR § 2560.503-1(h) (1984). We discuss them infra, at 144, 86 L Ed 2d, at 104-105, and n 11.

3. Petitioner argues that the review period should be measured from November 27, 1979, when respondent submitted her medical evidence, rather than from October 22, 1979, the date she requested review, but for purposes of our decision we accept respondent's position on this point.

process respondent's claim violated the fiduciary's obligation to process claims in good faith and in a fair and diligent manner. Id., at

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488. The court concluded that this violation gave rise to a cause of action under § 409(a) that could be asserted by a plan beneficiary pursuant to § 502(a)(2). Id., at 489-490. It read the authorization in § 409(a) of "such other equitable or remedial relief as the court may deem appropriate" as giving it "wide discretion as to the damages to be awarded," including compensatory and punitive damages. Id., at 490-491.

According to the Court of Appeals, the award of compensatory damages shall "remedy the wrong and make the aggrieved individual whole," which meant not merely contractual damages for loss of plan benefits, but relief "that will compensate the injured party for all losses and injuries sustained as a direct and proximate cause of the breach of fiduciary duty," including "damages for mental or emotional distress." Id., at 490. Moreover, the liability under § 409(a) "is against the fiduciary personally, not the plan." Id., at 490, n. 8.

The Court of Appeals also held that punitive damages could be recovered under § 409(a), although it decided that such an award is permitted only if the fiduciary "acted with actual malice or wanton indifference to the rights of a participant or beneficiary." Id., at 492. The court believed that this result was supported by the text of § 409(a) and by the congressional purpose to provide broad remedies to redress and prevent violations of the Act.

[1b] We granted certiorari, 469 US 816, 83 L Ed 2d 29, 105 S Ct 81 (1984), to review both the compensatory and punitive components of the Court of Appeals' holding that § 409 authorizes recovery of extra-contractual damages.[4] Respondent defends the judgment of the Court of Appeals both on its reasoning that § 409 provides an express basis for extra-contractual damages, as well as by arguing that in any event such a private remedy should be inferred under the analysis employed in Cort v Ash, 422 US 66, 78, 45 L Ed 2d 26, 95 S Ct 2080 (1975). We reject both arguments.

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I

As its caption implies, § 409(a) establishes "LIABILITY FOR BREACH OF FIDUCIARY DUTY."[5] Specifically, it provides:

> "(a) Any person who is a fiduciary with respect to a plan who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this title shall be personally liable to make good to such plan any losses to the plan resulting from each such breach, and to restore to such plan any profits of such fiduciary which have been made through use of assets of the plan by the fiduciary, and shall be subject to such other equitable or remedial relief as the

4. Respondent did not file a cross-petition and therefore has not questioned the Court of Appeals' holding that her state-law causes of action are pre-empted by ERISA.

5. Because respondent relies entirely on § 409(a), and expressly disclaims reliance on § 502(a)(3), we have no occasion to consider whether any other provision of ERISA authorizes recovery of extra-contractual damages. Tr. of Oral Arg. 31-32.

court may deem appropriate, including removal of such fiduciary. A fiduciary may also be removed for a violation of section 411 of this Act."[6] 88 Stat 886, 29 USC § 1109(a) [29 USCS § 1109(a)].

Sections 501 and 502 authorize, respectively, criminal and civil enforcement of the Act. While the former section provides for criminal penalties against any person who willfully violates any of the reporting and disclosure requirements of the Act,[7] the latter section identifies six types of civil actions

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that may be brought by various parties. Most relevant to our inquiry is § 502(a), which provides in part:

"A civil action may be brought—

"(1) by a participant or beneficiary—

"(A) for the relief provided for in subsection (c) of this section, or

"(B) to recover benefits due to him under the terms of his plan, to enforce his rights under the terms of the plan, or to clarify his rights to future benefits under the terms of the plan;

"(2) by the Secretary, or by a participant, beneficiary or fiduciary for appropriate relief under section 409. . . ." 88 Stat 891, 29 USC § 1132(a) [29 USCS § 1132(a)].

[1c] There can be no disagreement with the Court of Appeals' conclusion that § 502(a)(2) authorizes a beneficiary to bring an action against a fiduciary who has violated § 409. Petitioner contends, however, that recovery for a violation of § 409 inures to the benefit of the plan as a whole. We find this contention supported by the text of § 409, by the statutory provisions defining the duties of a fiduciary, and by the provisions defining the rights of a beneficiary.

The Court of Appeals' opinion focused on the reference in § 409 to "such other equitable or remedial relief as the court may deem appropriate." But when the entire section is examined, the emphasis on the relationship between the fiduciary and the plan as an entity becomes apparent. Thus, not only is the relevant fiduciary relationship characterized at the outset as one "with respect to a plan," but the potential personal liability of the fiduciary is "to make good *to such plan* any losses *to the plan* . . . and to restore *to such plan* any profits of such fiduciary which have been made through use of assets *of the plan* . . . ."[8]

6. Section 411 prohibits any person who has been convicted of certain enumerated offenses from serving as an administrator or fiduciary of a regulated plan. See 88 Stat 887, 29 USC § 1111 [29 USCS § 1111].

7. Section 501 reads as follows:

"Any person who willfully violates any portion of part 1 of this subtitle, or any regulation or order issued under any such provision, shall upon conviction be fined not more than $5,000 or imprisoned not more than one year, or both; except that in the case of such violation by a person not an individual, the fine imposed upon such person shall be a fine not exceeding $100,000." 88 Stat 891, 29 USC § 1131 [29 USCS § 1131].

Part 1 of the subtitle, which consists of §§ 101-111, imposes elaborate reporting and disclosure requirements on plan administrators. See 88 Stat 840-851, 29 USC §§ 1021-1031 [29 USCS §§ 1021-1031].

8. The Committee Reports also emphasize the fiduciary's personal liability for losses *to the plan*. See HR Conf Rep No. 93-1280, p. 320 (1974), reprinted in 3 Subcommittee on Labor and Public Welfare of the Senate Committee on Labor and Public Welfare, 94th Cong, 2d Sess, Legislative History of the Employee Retirement Income Security Act of 1974, p. 4587 (Comm print 1976) (hereinafter Leg Hist); S Rep No. 93-383, pp. 8, 32, 105 (1973), 1 Leg Hist 1076, 1100, 1173; S Rep No. 93-127, p. 33 (1973), 1 Leg Hist 619.

The floor debate also reveals that the cruci-

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To read directly from the opening clause of § 409(a), which identifies the proscribed acts, to the "catchall" remedy phrase at the end—skipping over the intervening language establishing remedies benefiting, in the first instance, solely

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the plan—would divorce the phrase being construed from its context and construct an entirely new class of relief available to entities other than the plan. Cf. FMC v Seatrain Lines, Inc., 411 US 726, 734, 36 L Ed 2d 620, 93 S Ct 1773 (1973); United States v Jones, 131 US 1, 19, 33 L Ed 90, 9 S Ct 669 (1889). This "blue pencil" method of statutory interpretation—omitting all words not part of the clauses deemed pertinent to the task at hand—impermissibly ignores the relevant context in which statutory language subsists. See Jarecki v G. D. Searle & Co., 367 US 303, 307, 6 L Ed 2d 859, 81 S Ct 1579 (1961). In this case, this mode of interpretation would render superfluous the preceding clauses providing relief singularly to the plan, and would slight the language following after the phrase "such other equitable or remedial relief." Congress specified that this remedial phrase includes "removal of such fiduciary"—an example of the kind of "plan-related" relief provided by the more specific clauses it succeeds. A fair contextual reading of the statute makes it abundantly clear that its draftsmen were primarily concerned with the possible misuse of plan assets, and with remedies that would protect the entire plan, rather than with the rights of an individual beneficiary.[9]

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ble of congressional concern was misuse and mismanagement of plan assets by plan administrators and that ERISA was designed to prevent these abuses in the future. See 120 Cong Rec 29932 (1974) ("[T]he legislation imposes strict fiduciary obligations on those who have discretion or responsibility respecting the management, handling, or disposition of pension or welfare plan assets") (remarks of Sen. Williams), reprinted in 3 Leg Hist 4743; 120 Cong Rec 29951 (1974) ("This bill will establish judicially enforceable standards to insure honest, faithful, and competent management of pension and welfare funds") (remarks of Sen. Bentsen), reprinted in 3 Leg Hist 4795; 120 Cong Rec 29954 (1974) ("[I]nstances have arisen in which pension funds have been used improperly by plan managers and fiduciaries. . . . [T]his bill contains measures designed to reduce substantially the potentialities for abuse") (remarks of Sen. Nelson), reprinted in 3 Leg Hist 4803; 120 Cong Rec 29957 (1974) ("In addition, frequently the pension funds themselves are abused by those responsible for their management who manipulate them for their own purposes or make poor investments with them") (remarks of Sen. Ribicoff), reprinted in 3 Leg Hist 4811; 120 Cong Rec 29957 (1974) ("[M]isuse, manipulation, and poor management of pension trust funds are all too frequent") (remarks of Sen. Ribicoff), reprinted in 3 Leg Hist 4812; 120 Cong Rec 29961 (1974) ("This legislation . . . sets fiduciary standards to insure that pension funds are not mismanaged") (remarks of Sen. Clark), reprinted in 3 Leg Hist 4823; 120 Cong Rec 29194 (1974) (ERISA contains "provisions to insure fair handling of a worker's money") (remarks of Rep. Biaggi), reprinted in 3 Leg Hist 4661; 120 Cong Rec 29196-29197 (1974) ("These standards . . . will prevent abuses . . . by those dealing with plans") (remarks of Rep. Dent), reprinted in 3 Leg Hist 4668; 120 Cong Rec 29206 (1974) (ERISA imposes "fiduciary and disclosure standards to guard against fraud and abuse of pension funds") (remarks of Rep. Brademas), reprinted in 3 Leg Hist 4694.

9. Consistent with this objective, § 502(a)(2), the enforcement provision for § 409, authorizes suits by four classes of party-plaintiffs: the Secretary of Labor, participants, beneficiaries, and fiduciaries. Inclusion of the Secretary of Labor is indicative of Congress' intent that actions for breach of fiduciary duty be brought in a representative capacity on behalf of the plan as a whole. Indeed, the common interest shared by all four classes is in the financial integrity of the plan.

It is of course true that the fiduciary obligations of plan administrators are to serve the interest of participants and beneficiaries and, specifically, to provide them with the benefits authorized by the plan. But the principal statutory duties imposed on the trustees relate to the proper management, administration,

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and investment of fund assets, the maintenance of proper records, the disclosure of specified information, and the avoidance of conflicts of interest.[10] Those duties are described in Part 4 of Title 1 of the Act, which is entitled "FIDUCIARY RESPONSIBILITY," see §§ 401-414, 88 Stat 874-890, 29 USC §§ 1101-1114 [29 USCS §§ 1101-1114], whereas the statutory provisions relating to claim procedures are found in Part 5, dealing with "ADMINISTRATION AND ENFORCEMENT." §§ 502(a), 503, 88 Stat 891, 893, 29 USC §§ 1132(a), 1133 [29 USCS §§ 1132(a), 1133]. The only section that concerns review of a claim that has been denied—§ 503—merely specifies that every plan shall comply with certain regulations promulgated by the Secretary of Labor.[11]

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The Secretary's regulations contemplate that a decision "shall be made promptly, and shall not ordinarily be made later than 60 days after the plan's receipt of a request for review, unless special circumstances . . . require an extension of time for processing, in which case a decision shall be rendered as soon as possible, but not later than 120 days after receipt of a request for review." 29 CFR § 2560.503-1(h)(1)(i) (1984). Nothing in the regulations or in the statute, however, expressly provides for a recovery from either the plan itself or from its administrators if greater time is required to determine the merits of an application for benefits. Rather, the regulations merely state that a claim may be treated as having been denied after the 60- or 120-day period has elapsed. See § 2560.503-1(h)(4) ("If the decision on review is not furnished within such time, the claim

10. Accordingly, ERISA establishes duties of loyalty and care for fiduciaries. With regard to loyalty, the principal provision is § 406, which in general prohibits self-dealing and sales or exchanges between the plan, on the one hand, and "parties in interest" and "disqualified persons," on the other. See 88 Stat 879-880, 29 USC § 1106 [29 USCS § 1106]. In the same vein, § 408(c)(2) prohibits compensating fiduciaries who are full-time employees of unions or employers. 88 Stat 885, 29 USC § 1108(c)(2) [29 USCS § 1108(c)(2)].

With regard to the duty of care, § 404, among other obligations, imposes a "prudent person" standard by which to measure fiduciaries' investment decisions and disposition of assets. See 88 Stat 877, 29 USC § 1104(a)(1)(B) [29 USCS § 1104(a)(1)(B)]. Section 404 also mandates that "a fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and—(A) for the exclusive purpose of: (i) providing benefits to participants and their beneficiaries." 88 Stat 877, 29 USC § 1104(a)(1) [29 USCS § 1104(a)(1)].

11. Section 503 provides:

"In accordance with regulations of the Secretary, every employee benefit plan shall—

"(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant, and

"(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim." 88 Stat 893, 29 USC § 1133 [29 USCS § 1133].

The Secretary of Labor's rulemaking power is contained in § 505, 88 Stat 894, 29 USC § 1135 [29 USCS § 1135].

shall be *deemed* denied on review" (emphasis added)). This provision therefore enables a claimant to bring a civil action to have the merits of his application determined, just as he may bring an action to challenge an outright denial of benefits.

Significantly, the statutory provision explicitly authorizing a beneficiary to bring an action to enforce his rights under the plan—§ 502(a)(1)(B), quoted supra, at 140, 87 L Ed 2d, at 102—— says nothing about the recovery of extra-contractual damages, or about the possible consequences of delay in the plan administrators' processing of a disputed claim. Thus, there really is nothing at all in the statutory text to support the conclusion that such a delay gives rise to a private right of action for compensatory or punitive relief. And the entire text of § 409 persuades us that Congress did not intend that section to authorize any relief except for the plan itself. In short, unlike the Court of Appeals, we do not find in § 409 express authority for an award of extra-contractual damages to a beneficiary.[12]

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II

[1d, 2] Relying on the four-factor analysis employed by the Court in Cort v Ash, 422 US, at 78, 45 L Ed 2d 26, 95 S Ct 2080,[13] respondent argues that a private right of action for extra-contractual damages should be implied even if it is not expressly authorized by ERISA. Two of the four Cort factors unquestionably support respondent's claim: respondent is a member of the class for whose benefit the statute was enacted and, in view of the pre-emptive effect of ERISA, there is no state-law impediment to implying a remedy. But the two other factors—legislative intent and consistency with the legislative scheme—point in the opposite direction. And "unless this congressional intent can be inferred from the language of the statute, the statutory structure, or some other source, the essential predicate for implication of a private remedy simply does not exist." Northwest Airlines, Inc. v Transport Workers, 451 US 77, 94, 67 L Ed 2d 750, 101 S Ct 1571 (1981). "The federal judiciary will not engraft a remedy on a statute, no matter how salutary, that Congress did not intend to provide." California v Sierra Club, 451 US 287, 297, 68 L Ed 2d 101, 101 S Ct 1775 (1981).

The voluminous legislative history

12. In light of this holding, we do not reach any question concerning the extent to which § 409 may authorize recovery of extra-contractual compensatory or punitive damages from a fiduciary by a *plan*.

13. "In determining whether a private remedy is implicit in a statute not expressly providing one, several factors are relevant. First, is the plaintiff 'one of the class for whose *especial* benefit the statute was enacted,' Texas & Pacific R. Co. v Rigsby, 241 US 33, 39, 60 L Ed 874, 36 S Ct 482 (1916) (emphasis supplied)—that is, does the statute create a federal right in favor of the plaintiff? Second, is there any indication of legislative intent, explicit or implicit, either to create such a remedy or to deny one? See, e.g., National Railroad Passenger Corp. v National Assn. of Railroad Passengers, 414 US 453, 458, 460, 38 L Ed 2d 646, 94 S Ct 690 (1974) (Amtrak). Third, is it consistent with the underlying purposes of the legislative scheme to imply such a remedy for the plaintiff? . . . And finally, is the cause of action one traditionally relegated to state law, in an area basically the concern of the States, so that it would be inappropriate to infer a cause of action based solely on federal law?" Cort v Ash, 422 US, at 78, 45 L Ed 2d 26, 95 S Ct 2080 (citations omitted).

of the Act contradicts respondent's position. It is true that an early version of the

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statute contained a provision for "legal or equitable" relief that was described in both the Senate and House Committee Reports as authorizing "the full range of legal and equitable remedies available in both state and federal courts." HR Rep No. 93-533, p. 17 (1973), 2 Leg Hist 2364; S Rep No. 93-127, p. 35 (1973), 1 Leg Hist 621. But that language appeared in Committee Reports describing a version of the bill before the debate on the floor and before the Senate-House Conference Committee had finalized the operative language.[14] In the bill passed by the House of Representatives and ultimately adopted by the Conference Committee the reference to legal relief was deleted. The language relied on by respondent and by the Court of Appeals below, therefore, is of little help in understanding whether Congress intended to make fiduciaries personally liable to beneficiaries for extra-contractual damages.

The six carefully integrated civil enforcement provisions found in § 502(a) of the statute as finally enacted, however, provide strong evidence that Congress did not intend to authorize other remedies that it simply forgot to incorporate expressly. The assumption of inadvertent omission is rendered especially suspect upon close consideration of ERISA's interlocking, interrelated, and interdependent remedial scheme, which is in turn part of a "comprehensive and reticulated statute." Nachman Corp. v Pension Benefit Guaranty Corp, 446 US 359, 361, 64 L Ed 2d 354, 100 S Ct 1723 (1980). If in this case, for example, the plan administrator had adhered to his initial determination that respondent was not entitled to disability benefits under the plan, respondent would have had a panoply of remedial devices at her disposal. To recover the

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benefits due her, she could have filed an action pursuant to § 502(a)(1)(B) to recover accrued benefits, to obtain a declaratory judgment that she is entitled to benefits under the provisions of the plan contract, and to enjoin the plan administrator from improperly refusing to pay benefits in the future. If the plan administrator's refusal to pay contractually authorized benefits had been willful and part of a larger systematic breach of fiduciary obligations, respondent in this hypothetical could have asked for removal of the fiduciary pursuant to §§ 502(a)(2) and 409. Finally, in answer to a possible concern that attorney's fees might present a barrier to maintenance of suits for small claims, thereby risking underenforcement of beneficiaries' statutory rights, it should be noted that ERISA authorizes the award of attorney's fees. See § 502(g), 88 Stat 892, as amended, 29 USC § 1132(g)(1) [29 USCS § 1132(g)(1)].

[3] We are reluctant to tamper with an enforcement scheme crafted with such evident care as the one in ERISA. As we stated in Transamerica

14. This provision, which was part of HR 2 as passed by the Senate, provided for "[c]ivil actions for appropriate relief, legal or equitable, to redress or restrain a breach of any responsibility, obligation, or duty of a fiduciary." HR 2, § 693, 93d Cong, 2d Sess (Mar. 4, 1974), 3 Leg Hist 3816. (It was also part of earlier bills. See S 4, § 603, 93d Cong, 1st Sess (Apr. 18, 1973), 1 Leg Hist 579; see also S 1179, § 501(d), 93d Cong, 1st Sess (Aug. 21, 1973), 1 Leg Hist 950.)

Mortgage Advisors, Inc. v Lewis, 444 US 11, 19, 62 L Ed 2d 146, 100 S Ct 242 (1979): "[W]here a statute expressly provides a particular remedy or remedies, a court must be chary of reading others into it." See also Touche Ross & Co. v Redington, 442 US 560, 571-574, 61 L Ed 2d 82, 99 S Ct 2479 (1979). "The presumption that a remedy was deliberately omitted from a statute is strongest when Congress has enacted a comprehensive legislative scheme including an integrated system of procedures for enforcement." Northwest Airlines, Inc. v Transport Workers, 451 US, at 97, 67 L Ed 2d 750, 101 S Ct 1571.[15]

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In contrast to the repeatedly emphasized purpose to protect contractually defined benefits,[16] there is a stark absence—in the statute itself and in its legislative history—of any reference to an intention to authorize the recovery of extra-contractual damages.[17] Because "neither the statute nor the legislative history reveals a congressional intent to create a private right of action . . . we need not carry the Cort v Ash inquiry further." Northwest Airlines, Inc. v Transport Workers, 451 US, at 94, n 31, 67 L Ed 2d 750, 101 S Ct 1571.

III

[1e] Thus, the relevant text of ERISA, the structure of the entire statute, and its legislative history all support the conclusion that in § 409(a) Congress did not provide, and did not intend the judiciary to imply, a cause of action for extra-contractual damages caused by improper or untimely processing of benefit claims.

The judgment of the Court of Appeals is therefore reversed.

SEPARATE OPINION

Justice **Brennan**, with whom Justice **White**, Justice **Marshall**, and Justice **Blackmun** join, concurring in the judgment.

Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA), 29 USC § 1132(a) [29 USCS § 1132(a)], provides a wide array of measures to employee-benefit plan participants and beneficiaries by which they may enforce their rights under ERISA and under the terms of their plans. A participant

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or beneficiary may file a civil action, for example, (1) "to recover benefits due to him under the terms of his

15. See Middlesex County Sewerage Authority v National Sea Clammers Assn, 453 US 1, 14-15, 69 L Ed 2d 435, 100 S Ct 2615 (1981); Texas Industries, Inc. v Radcliff Materials, Inc, 451 US 630, 639-640, 68 L Ed 2d 500, 101 S Ct 2061 (1981); California v Sierra Club, 451 US 287, 295, n. 6, 68 L Ed 2d 101, 101 S Ct 1775 (1981); National Railroad Passenger Corp. v National Assn. of Railroad Passengers, 414 US 453, 458, 38 L Ed 2d 646, 94 S Ct 690 (1974); Nashville Milk Co. v Carnation Co, 355 US 373, 375-376, 2 L Ed 2d 340, 78 S Ct 352 (1958); Switchmen v National Mediation Board, 320 US 297, 301, 88 L Ed 2d 61, 64 S Ct 95 (1943); Botany Worsted Mills v United States, 278 US 282, 289, 73 L Ed 379, 49 S Ct 129 (1929).

16. See, e.g., Nachman Corp. v Pension Benefit Guaranty Corp, 446 US 359, 374-375, 64 L Ed 2d 354, 100 S Ct 1723 (1980); 120 Cong Rec 29196 (1974), 3 Leg Hist 4665; 119 Cong Rec 30041 (1973), 2 Leg Hist 1633.

17. Indeed, Congress was concerned lest the cost of federal standards discourage the growth of private pension plans. See, e.g., HR Rep No. 93-533, 1, 9 (1973), 2 Leg Hist 2348, 2356; 120 Cong Rec 29949 (1974), 3 Leg Hist 4791; 120 Cong Rec 29210-29211 (1974), 3 Leg Hist 4706-4707.

plan, to enforce his rights under the terms of the plan, or to clarify his rights to future benefits under the terms of the plan," § 502(a)(1)(B); (2) "for appropriate relief under section 409," § 502(a)(2); and (3) "to enjoin any act or practice which violates any provision of this title or the terms of the plan, or . . . to obtain *other appropriate equitable relief . . . to redress such violations,"* § 502(a)(3) (emphasis added).[1]

This case presents a single, narrow question: whether the § 409 "appropriate relief" referred to in § 502(a)(2) includes individual recovery by a participant or beneficiary of extra-contractual damages for breach of fiduciary duty. The Court of Appeals for the Ninth Circuit held that, because § 409 broadly authorizes "such other equitable or remedial relief as the court may deem appropriate,"[2] participants and beneficiaries

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may recover such damages under that section. 722 F2d 482, 488-489 (1983). I agree with the Court's decision today that § 409 is more fairly read in context as providing "remedies that would protect the entire plan" rather than individuals, ante, at 142, 87 L Ed 2d, at 103, and that participants and beneficiaries accordingly must look elsewhere in ERISA for personal relief. Indeed, since § 502(a)(3) already provides participants and beneficiaries with "other appropriate equitable relief . . . to redress [ERISA] violations," there is no reason to construe § 409 expansively in order to bring these individuals under the penumbra of "equitable or remedial relief."

This does not resolve, of course, whether and to what extent extra-contractual damages are available under § 502(a)(3). This question was not addressed by the courts below and was not briefed by the parties and amici. Thus the Court properly

1. Section 502(a), 88 Stat 891, 29 USC § 1132(a) [29 USCS § 1132(a)], provides in full:

"A civil action may be brought—

"(1) by a participant or beneficiary—

"(A) for the relief provided for in subsection (c) of this section, or

"(B) to recover benefits due to him under the terms of his plan, to enforce his rights under the terms of the plan, or to clarify his rights to future benefits under the terms of the plan;

"(2) by the Secretary, or by a participant, beneficiary or fiduciary for appropriate relief under section 409;

"(3) by a participant, beneficiary, or fiduciary (A) to enjoin any act or practice which violates any provision of this title or the terms of the plan, or (B) to obtain other appropriate equitable relief (i) to redress such violations or (ii) to enforce any provisions of this title or the terms of the plan;

"(4) by the Secretary, or by a participant, or beneficiary for appropriate relief in the case of a violation of [section] 105(c);

"(5) except as otherwise provided in subsection (b), by the Secretary (A) to enjoin any act or practice which violates any provision of this title, or (b) to obtain other appropriate equitable relief (i) to redress such violation or (ii) to enforce any provision of this title; or

"(6) by the Secretary to collect any civil penalty under subsection (i)."

2. Section 409, 88 Stat 886, 29 USC § 1109 [29 USCS § 1109], provides:

"(a) Any person who is a fiduciary with respect to a plan who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this title shall be personally liable to make good to such plan any losses to the plan resulting from each such breach, and to restore to such plan any profits of such fiduciary which have been made through use of assets of the plan by the fiduciary, and shall be subject to such other equitable or remedial relief as the court may deem appropriate, including removal of such fiduciary. A fiduciary may also be removed for a violation of section 411 of this Act.

"(b) No fiduciary shall be liable with respect to a breach of fiduciary duty under this title if such breach was committed before he became a fiduciary or after he ceased to be a fiduciary."

emphasizes that "we have no occasion to consider whether any other provision of ERISA authorizes recovery of extra-contractual damages." Ante, at 139, n 5, 87 L Ed 2d, at 101. Accordingly, we save for another day the questions (1) to what extent a fiduciary's mishandling of a claim might constitute an actionable breach of the fiduciary duties set forth in § 404(a), and (2) the nature and extent of the "appropriate equitable relief . . . to redress" such violations under § 502(a)(3).

There is dicta in the Court's opinion, however, that could be construed as sweeping more broadly than the narrow ground of resolution set forth above. Although the Court

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takes care to limit the binding effect of its decision to the terms of § 409,[3] its opinion at some points seems to speak generally of whether fiduciaries ever may be held personally liable to beneficiaries for extra-contractual damages.[4] Moreover, some of the Court's remarks are simply incompatible with the structure, legislative history, and purposes of ERISA. The Court's ambiguous discussion is certainly subject to different readings, and in any event is without controlling significance beyond the question of relief under § 409. I write separately to outline what I believe is the proper approach for courts to take in construing ERISA's provisions and to emphasize the issues left open under today's decision.

Fiduciary Duties in Claims Administration

There is language in the Court's opinion that might be read as suggesting that the fiduciary duties imposed by ERISA on plan administrators for the most part run only to the plan itself, as opposed to individual beneficiaries. See ante, at 142-144, 87 L Ed 2d, at 104-105. The Court apparently thinks there might be some significance in the fact that an administrator's fiduciary duties "are described in Part 4 of Title 1 of the Act . . . whereas the statutory provisions relating to claim procedures are found in Part 5." Ante, at 143, 87 L Ed 2d, at 104. Accordingly, the Court seems to believe that the duties and remedies associated with claims processing might be restricted to those explicitly spelled out in §§ 502(a)(1)(B) and 503. Ante, at 142-144, 87 L Ed 2d, at 104-105.

To the extent the Court suggests that administrators might not be fully subject to strict fiduciary duties to participants and beneficiaries in the processing of their claims and

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to traditional trust-law remedies for breaches of those duties, I could not more strongly disagree. As the Court acknowledges in a footnote, ante, at 142, n 9, 87 L Ed 2d, at 103-104, § 404(a) sets forth the governing standard that "a fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and—(A) for the exclusive purpose of: (i) providing benefits to participants and their

3. See, e.g., ante, at 138, 87 L Ed 2d, at 101 ("We granted certiorari . . . to review both the compensatory and punitive components of the Court of Appeals' holding that § 409 authorizes recovery of extra-contractual damages"); ante, at 138, n 4, 87 L Ed 2d, at 101; ante, at 144, 87 L Ed 2d, at 105 ("we do not find in § 409 express authority for an award of extra-contractual damages to a beneficiary"); ante, at 148, 87 L Ed 2d, at 107.

4. See, e.g., ante, at 136, 142-144, 146-148, 87 L Ed 2d, at 99, 104-105, 106-107.

beneficiaries."[5] That section also provides that, in carrying out these duties, a fiduciary shall exercise "the care, skill, prudence, and diligence" of a "prudent man acting in like capacity." The legislative history demonstrates that Congress intended by § 404(a) to incorporate the fiduciary standards of trust law into ERISA,[6] and it is black-letter trust law that fiduciaries

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owe strict duties running directly to beneficiaries in the administration and payment of trust benefits.[7] The legislative history also shows that Congress intended these fiduciary standards to govern the ERISA claims-administration process.[8]

Moreover, the Court's suggestion concerning the distinction between Parts 4 and 5 of Title I is thoroughly unconvincing. Section 502(a)(3) authorizes the award of "appropriate equitable relief" directly to a partici-

5. Section 404(a), 88 Stat 877, as amended, 94 Stat 1296, 29 USC § 1104(a) [29 USCS § 1104(a)], provides in relevant part:

"(1) . . . [A] fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and—

"(A) for the exclusive purpose of: (i) providing benefits to participants and their beneficiaries; and (ii) defraying reasonable expenses of administering the plan;

"(B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

"(C) by diversifying the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

"(D) in accordance with the documents and instruments governing the plan insofar as such documents and instruments are consistent with the provisions of this title or title IV."

6. See, e.g., HR Rep No. 93-533, p 11 (1973) ("The fiduciary responsibility section, in essence, codifies and makes applicable to . . . fiduciaries certain principles developed in the evolution of the law of trusts"); id., at 13:

"The principles of fiduciary conduct are adopted from existing trust law, but with modifications appropriate for employee benefit plans. These salient principles place a twofold duty on every fiduciary: to act in his relationship to the plan's fund as a prudent man in a similar situation and under like conditions would act, and to act consistently with the principles of administering the trust for the exclusive purposes previously enumerated, and in accordance with the documents and instruments governing the fund unless they are inconsistent with the fiduciary principles of the section."

See also S Rep No. 93-127, pp 28-29 (1973); HR Conf Rep No. 93-1280, p 303 (1974) ("[T]he assets of the employee benefit plan are to be held for the exclusive benefit of participants and beneficiaries"); 120 Cong Rec 29932 (1974) (remarks of Sen. Williams); Central States Pension Fund v Central Transport, Inc., 472 US 559, 570, 53 USLW 4811 (1985) ("Congress invoked the common law of trusts to define the general scope of [fiduciary] authority and responsibility"); NLRB v Amax Coal Co., 453 US 322, 329, 69 L Ed 2d 672, 101 S Ct 2789 (1981) ("Where Congress uses terms that have accumulated settled meaning under either equity or the common law, a court must infer, unless the statute otherwise dictates, that Congress means to incorporate the established meaning of these terms"); Leigh v Engle, 727 F2d 113, 122 (CA7 1984); Donovan v Mazzola, 716 F2d 1226, 1231 (CA9 1983); Sinai Hospital of Baltimore, Inc. v National Benefit Fund For Hospital & Health Care Employees, 697 F2d 562, 565-566 (CA4 1982); Donovan v Bierwirth, 680 F2d 263, 271 (CA2), cert denied, 459 US 1069, 74 L Ed 2d 631, 103 S Ct 488 (1982).

7. See, e.g., Restatement (Second) of Trusts § 182 (1959); G. Bogert & G. Bogert, Law of Trusts § 109 (1973).

8. See, e.g., 120 Cong Rec 29929 (1974) (remarks of Sen. Williams) (emphasis added) (ERISA imposes "strict fiduciary obligations upon those who exercise management or control over the assets or *administration* of an employee pension or welfare plan"); HR Conf Rep No. 93-1280, at 301 and n 1 (re procedures for delegating fiduciary duties, including "allocation or delegation of duties with respect to payment of benefits").

pant or beneficiary to "redress" "*any* act or practice which violates *any* provision of this title or the terms of the plan."[9] This section and

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§ 404(a)'s fiduciary-duty standards both appear in Title I, which is entitled "PROTECTION OF EMPLOYEE BENEFIT RIGHTS." A beneficiary therefore may obtain "appropriate equitable relief" whenever an administrator breaches the fiduciary duties set forth in § 404(a).[10] Accordingly, an administrator's claims-processing duties and a beneficiary's corresponding remedies are not at all necessarily limited to the terms of §§ 502(a)(1)(B) and 503. In light of the Court's narrow holding, see ante, at 139, n 5, 87 L Ed 2d, at 101, further consideration of these important issues remains open for another day when the disposition of a controversy might really turn on them.

Judicial Construction of ERISA

Russell argues that a private right of action for beneficiaries and participants should be read into § 409. Because the Court has concluded that Congress' intent and ERISA's overall structure restrict the scope of § 409 to recovery on behalf of a plan, ante, at 139-142, 87 L Ed 2d, at 101-103, such a private right is squarely barred under the standards set forth in Cort v Ash, 422 US 66, 78, 45 L Ed 2d 26, 95 S Ct 2080 (1975).[11]

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In disposing of this relatively straightforward issue, the Court makes some observations about the role of courts generally in construing and enforcing ERISA. The Court suggests, for example, that Congress "crafted" ERISA with "carefully integrated" remedies so as to create an "interlocking, interrelated, and interdependent remedial scheme" that courts should not "tamper with." Ante, at 146, 147, 87 L Ed 2d, at 106.

The Court's discussion, I say respectfully, is both unnecessary and to some extent completely erroneous. The Court may or may not be correct as a general matter with respect to implying private rights of action under ERISA; as the respondent has sought such an implied

9. The Conference Report emphasized that participants and beneficiaries were entitled under § 502 not only to "recover benefits due under the plan" and to "clarify rights to receive future benefits under the plan," but also to obtain other "relief from breach of fiduciary duty." Id., at 326-327. See also 120 Cong Rec 29933 (1974) (remarks of Sen. Williams) (beneficiaries entitled to recover benefits "as well as to obtain redress of fiduciary violations").

10. Trust-law remedies are equitable in nature, and include provision of monetary damages. See, e.g., G. Bogert & G. Bogert, Law of Trusts and Trustees § 862 (2d ed 1962) (hereinafter Bogert & Bogert, Trusts and Trustees); Restatement (Second) of Trusts §§ 199, 205 (1959). Thus while a given form of monetary relief may be unavailable under ERISA for other reasons, see infra, at 157-158, 87 L Ed 2d, at 113, it cannot be withheld simply because a beneficiary's remedies under ERISA are denominated "equitable." See also Restatement (Second) of Torts § 874, Comment b (1979) ("Violation of Fiduciary Duty") (although "[t]he remedy of a beneficiary against a defaulting or negligent trustee is ordinarily in equity," the beneficiary is entitled to all redress "for harm caused by the breach of a duty arising from the relation").

11. An implied action for personal recovery is specifically barred under the second and third factors set forth in Cort v Ash: "is there any indication of legislative intent, explicit or implicit, either to create such a remedy or to deny one?," and "is it consistent with the underlying purposes of the legislative scheme to imply such a remedy for the plaintiff?" 422 US, at 78, 45 L Ed 2d 26, 95 S Ct 2080.

right only under § 409,[12] we of course cannot purport to resolve this question in the many other contexts in which it might arise under the statute. Moreover, the Court's remarks about the constrictive judicial role in enforcing ERISA's remedial scheme are inaccurate insofar as Congress provided in § 502(a)(3) that beneficiaries could recover, in addition to the remedies explicitly set forth in that section, "other appropriate equitable relief . . . to redress" ERISA violations. Congress already had instructed that beneficiaries could recover benefits, obtain broad injunctive and declaratory relief for their own personal benefit or for the benefit of their plans, and secure attorney's fees, so this additional provision can only be read precisely as authorizing federal courts to "fine-tune" ERISA's remedial scheme. Thus while it may well be that courts generally may not find implied private remedies in ERISA, the Court's remarks have little bearing on how courts are to go about construing the private remedy that Congress explicitly provided in § 502(a)(3).

[473 US 156]

The legislative history demonstrates that Congress intended federal courts to develop federal common law in fashioning the additional "appropriate equitable relief." In presenting the Conference Report to the full Senate, for example, Senator Javits, ranking minority member of the Senate Committee on Labor and Public Welfare and one of the two principal Senate sponsors of ERISA, stated that "[i]t is also intended that a body of Federal substantive law will be developed by the courts to deal with issues involving rights and obligations under private welfare and pension plans."[13] Senator Williams, the Committee's Chairman and the Act's other principal Senate sponsor, similarly emphasized that suits involving beneficiaries' rights "will be regarded as arising under the laws of the United States, in similar fashion to those brought under section 301 of the Labor Management Relations Act."[14] Section 301, of course, "authorizes federal courts to fashion a body of federal law" in the context of collective-bargaining agreements, to be derived by "looking at the policy of the legislation and fashioning a remedy that will effectuate that policy." Textile Workers v Lincoln Mills, 353 US 448, 451, 457, 1 L Ed 2d 972, 77 S Ct 912 (1957).[15] ERISA's legislative his-

12. "Section [502] specifically allows beneficiaries to sue under Section [409]. However, even if it did not, a private right of action for participants and beneficiaries could be read into Section [409]." Brief for Respondent 14; see also id., at 2.

13. 120 Cong Rec 29942 (1974).

14. Id., at 29933. See also HR Conf Rep No. 93-1280, at 327 ("All such actions in Federal or State courts are to be regarded as arising under the laws of the United States in similar fashion to those brought under Section 301 of the Labor-Management Relations Act of 1947").

15. See also National Society of Professional Engineers v United States, 435 US 679, 688, 55 L Ed 2d 637, 98 S Ct 1355 (1978) (footnote omitted): "Congress . . . did not intend the text of the Sherman Act to delineate the full meaning of the statute or its application in concrete situations. The legislative history makes it perfectly clear that it expected the courts to give shape to the statute's broad mandate by drawing on common-law tradition. The Rule of Reason, with its origins in common-law precedents long antedating the Sherman Act, has served that purpose." It seems to me that ERISA, with its incorporation of trust law, deserves a similarly generous and flexible construction.

tory also demonstrates beyond question that Congress intended to engraft trust-law principles onto the enforcement

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scheme, see n 6, supra, and a fundamental concept of trust law is that courts "will give to the beneficiaries of a trust such remedies as are necessary for the protection of their interests."[16] Thus ERISA was *not* so "carefully integrated" and "crafted" as to preclude further judicial delineation of appropriate rights and remedies; far from barring such a process, the statute explicitly directs that courts shall undertake it.

The Court today expressly reserves the question whether extracontractual damages might be one form of "other appropriate relief" under § 502(a)(3). Ante, at 139, n 5, 87 L Ed 2d, at 101. I believe that, in resolving this and other questions concerning appropriate relief under ERISA, courts should begin by ascertaining the extent to which trust and pension law as developed by state and federal courts provide for recovery by the beneficiary above and beyond the benefits that have been withheld;[17] this is the logical first step, given that Congress intended to incorporate trust law into ERISA's equitable remedies.[18] If a requested form of additional relief is

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available under state trust law, courts should next consider whether allowance of such relief would significantly conflict with some other aspect of the ERISA scheme. In addition, courts must always bear in mind the ultimate consideration whether allowance or disallowance of particular relief would best effectuate the underlying purposes of ERISA—enforcement of strict fiduciary standards of care in the administration of all aspects of pension plans and promotion of the best interests of participants and beneficiaries. See supra, at 152-153, 87 L Ed 2d, at 109-110.

I concur in the judgment of the Court.

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16. 3 A. Scott, Law of Trusts § 199, p 1638 (1967). See also Restatement (Second) of Trusts § 205, and Comment a (1959) (beneficiary entitled to a remedy "which will put him in the position in which he would have been if the trustee had not committed the breach of trust"); Bogert & Bogert, Trusts and Trustees § 862.

17. The absence of such relief under traditional trust law is not necessarily dispositive, however, because "in enacting ERISA Congress made *more* exacting the requirements of the common law of trusts relating to employee benefit trust funds." Donovan v Mazzola, 716 F2d, at 1231 (emphasis added); see also Sinai Hospital of Baltimore, Inc. v National Benefit Fund for Hospital & Health Care Employees, 697 F2d, at 565-566.

18. "Where the courts are required themselves to fashion a federal rule of decision, the source of that law must be federal and uniform. Yet, state law where compatible with national policy may be resorted to and adopted as a federal rule of decision. . . . Here, of course, there is little federal law to which the court may turn for guidance. State regulation of insurance, pensions, and other such programs, however, provides a pre-existing source of experience and experiment in an area in which there is, as yet, only federal inexperience. Much of what the states have thus far developed, particularly in the insurance field, is statutory. In certain areas of public concern, the state legislatures have been quite active in enacting comprehensive regulatory schemes, and state statutory sources of law will no doubt play a major role in the development of a federal common law under ERISA, particularly in defining rights under employee benefit plans." Wayne Chemical, Inc. v Columbus Agency Service Corp., 426 F Supp 316, 325 (ND Ind), modified on other grounds, 567 F2d 692 (CA7 1977).

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

[489 US 527]

EFTHIMIOS A. KARAHALIOS, Petitioner

v

NATIONAL FEDERATION OF FEDERAL EMPLOYEES, LOCAL 1263

489 US 527, 103 L Ed 2d 539, 109 S Ct 1282

[No. 87-636]

Argued January 17, 1989. Decided March 6, 1989.

Decision: Federal employees held not entitled under Title VII of Civil Service Reform Act of 1978 (5 USCS §§ 7101 et seq.) to private cause of action against employee union for breach of duty of fair representation.

SUMMARY

An instructor at a foreign language institute, an agency of the Federal Government, obtained a newly reopened "course developer" position through a competitive examination process. Another instructor, who had held that position prior to its abolition 5 years earlier and had declined to take the examination, filed a grievance alleging that he should have been assigned the position without a competitive process and that the appointment of the first instructor violated the institute's collective bargaining agreement with the union representing its professional employees. The union arbitrated on behalf of the second instructor, who was a member of its board, and successfully argued that the position should be declared vacant for refilling, whereupon the first instructor, who was not a union member but was a member of the bargaining unit represented by the union, was demoted, and the second instructor won the position through a new examination. The union refused to prosecute the first instructor's grievance against the institute because of a perceived conflict of interest with its previous advocacy of the second instructor, and the first instructor filed unfair labor practice charges with the Federal Labor Relations Authority (FLRA) in which he alleged that the union had breached its duty of fair representation under a provision of Title VII of the Civil Service Reform Act of 1978 (CSRA) (5 USCS § 7114(a)(1)). The FLRA's General Counsel upheld that charge and directed that a complaint be issued against the union, but the union entered into a settlement with the FLRA whereby the union posted a notice guaranteeing representation to all employees seeking a

Briefs of Counsel, p 997, infra.

single position. When the General Counsel rejected the first instructor's contention that the settlement provided him with no relief, the first instructor filed an action against the union in the United States District Court for the Northern District of California, which held that (1) the case was judicially cognizable, because the CSRA's grant of exclusive union representation impliedly gives federal employees a private right of action to safeguard their right to fair representation, and (2) the union had breached its duty of fair representation (613 F Supp 440). The United States Court of Appeals for the Ninth Circuit reversed the judgment of the District Court and dismissed the case, as it held that the CSRA, by creating both the duty of fair representation and a remedy in the FLRA for infringement thereof (5 USCS § 7118(a)(7)), precluded implication of a private right of action in the federal courts (821 F2d 1389).

On certiorari, the United States Supreme Court affirmed. In an opinion by WHITE, J., expressing the unanimous view of the court, it was held that Title VII of the CSRA vests exclusive authority in the FLRA and its General Counsel to enforce a federal employee union's duty of fair representation and does not give federal employees a private cause of action against a union for breach of that duty, because (1) the language, structure, and legislative history of the CSRA do not show any congressional intent to provide such a cause of action, and (2) a holding that Federal District Courts must entertain such cases in the first instance would seriously undermine the congressional scheme under the CSRA.

TOTAL CLIENT-SERVICE LIBRARY® REFERENCES

48 Am Jur 2d, Labor and Labor Relations §§ 398-410, 1151, 1153; 48A Am Jur 2d, Labor and Labor Relations §§ 1764.50, 1764.59

16 Federal Procedure, L Ed, Government Officers and Employees §§ 40:185-40:216, 40:232-40:235; 23 Federal Procedure, L Ed, Labor and Labor Relations §§ 52:2013-52:2019

15 Am Jur Proof of Facts 2d 65, Union's Breach of Duty of Fair Representation

5 USCS §§ 7114(a)(1), 7116(b)(8), 7118

RIA Employment Coordinator ¶¶ LR-14,005, LR-14,030, LR-14,032, LR-19,042, LR-34,557, LR-39,055—LR-39,122, LR-45,-501—LR-45,539

US L Ed Digest, Civil Service § 1

Index to Annotations, Civil Service; Labor and Employment; Public Officers and Employees

Auto-Cite®: Cases and annotations referred to herein can be further researched through the Auto-Cite® computer-assisted research service. Use Auto-Cite to check citations for form, parallel references, prior and later history, and annotation references.

ANNOTATION REFERENCES

Supreme Court's construction and application of labor-management and employee relations provisions of §§ 204, 205, and 701 of Civil Service Reform Act of 1978 (5 USCS §§ 7501-7521, 7701-7703, 7101-7135). 98 L Ed 2d 1089.

Implication of private right of action from provision of federal statute not expressly providing for one. 61 L Ed 2d 910.

Constitutionality and construction of § 301(a) of Labor Management Relations Act (29 USCS § 185(a)) conferring jurisdiction on Federal District Court in actions for violation of contract between employer and labor organization. 99 L Ed 529, 7 L Ed 2d 959, 16 L Ed 2d 1143.

Union's duty of fair representation in merging seniority lists. 42 ALR Fed 69.

Union's liability in damages for refusal or failure to process employee grievance. 34 ALR3d 884.

HEADNOTES

Classified to U.S. Supreme Court Digest, Lawyers' Edition

Actions § 4; Civil Service §§ 1, 5; Statutes §§ 102, 103, 145.4, 164 — federal employees' union — private action for lack of fair representation — judicial review of administrative action

1a-1c. Title VII of the Civil Service Reform Act of 1978 (CSRA) (5 USCS §§ 7101 et seq.), which imposes on unions representing federal employees a duty to provide fair representation (5 USCS § 7114(a)(1)) and provides a mechanism for enforcing that duty through unfair labor practice proceedings before the Federal Labor Relations Authority (FLRA) (5 USCS §§ 7116(b)(8), 7118), vests exclusive enforcement authority over this duty in the FLRA and its General Counsel and does not confer upon federal employees a private cause of action against a union for a breach of that duty, because (1) the language, structure, and legislative history of the CSRA do not show any congressional intent to provide such a cause of action, and (2) a holding that Federal District Courts must entertain such cases in the first instance would seriously undermine the congressional scheme under the CSRA; the only role which the courts play in § 7116(b)(8) fair representation cases is that of sitting in review of the FLRA.

Civil Service § 1 — federal employees' union — duty of fair representation — unfair labor practice

2. A breach of the duty of fair representation which is imposed on unions representing federal employees under a provision of Title VII of the Civil Service Reform Act of 1978 (5 USCS § 7114(a)(1)) constitutes an unfair labor practice, since 5 USCS § 7116(b)(8) provides that it is an unfair labor practice for a labor organization to fail or refuse to comply with any provision of 5 USCS §§ 7101-7135.

Actions § 4 — private right of action — enforcing statutory rights

3. In determining whether a cause of action to enforce a statutory duty should be implied, the ultimate issue is whether Congress intended to create a private cause of action; unless such an intent can be inferred from the language of the statute, the statutory structure, or some other source, the essential predicate for implication of a private remedy does not exist; also, where a statute expressly provides a remedy, courts must be especially reluctant to provide additional remedies, and in the absence of strong indicia of contrary congressional intent, the courts must conclude that Congress provided precisely the remedies it considered appropriate.

United States § 77 — federal employment

4. Federal employment does not rest on contract in the private-sector sense.

Civil Service § 1 — collective bargaining procedures — alternate remedies

5. The collective bargaining mechanisms created by Title VII of the Civil Service Reform Act of 1978 (5 USCS §§ 7101 et seq.) do not deprive employees of recourse to any of the remedies otherwise provided by statute or regulation.

Labor §§ 39, 46 — union duty of fair representation — actions against employer and union

6. Because claims that a private-

sector union has breached its duty of fair representation most often involve a claim of breach by the employer, and since employers are subject to suit under § 301 of the Labor Management Relations Act (29 USCS § 185), which allows enforcement of collective baragaining contracts, an implied cause of action for breach of a union's duty of fair representation allows claims against an employer and a union to be adjudicated in one action.

SYLLABUS BY REPORTER OF DECISIONS

Petitioner—a language instructor for the Defense Language Institute, a federal agency—was not a union member but was within a bargaining unit for which respondent union was the exclusive bargaining agent. He was promoted to a reopened "course developer" position, which had previously been occupied by one Kuntelos, who was demoted when the Institute first abolished the position. After respondent agreed to arbitrate on behalf of Kuntelos (who was a member of its board) and successfully argued that the position should be declared vacant for refilling, the Institute reassigned the job to Kuntelos, demoted petitioner, and denied his direct protest. Respondent refused to prosecute petitioner's grievance because of a perceived conflict of interest with its previous Kuntelos advocacy. Petitioner then filed unfair labor practice charges with the Federal Labor Relations Authority (FLRA), alleging, inter alia, that respondent had breached its duty of fair representation. The FLRA's General Counsel upheld this charge and ordered that a complaint be issued against respondent, which entered into a settlement whereby it posted notice guaranteeing representation to all employees seeking a single position. When the General Counsel rejected petitioner's contention on appeal that the settlement provided him no relief, he filed a damages suit in the District Court, which held that his charge against respondent was judicially cognizable, since the grant of exclusive union representation contained in the Civil Service Reform Act of 1978 (CSRA or Act) impliedly gives federal employees a private right of action to safeguard their right to fair representation. However, the Court of Appeals reversed the judgment for petitioner, stating that the CSRA's statutory scheme, which creates both an express duty of fair representation and a remedy in the FLRA for infringement of this duty, precludes implication of a parallel right to sue in federal court.

Held: Title VII of the CSRA does not confer on federal employees a private cause of action against a breach by a union representing such employees of its statutory duty of fair representation.

(a) Title VII's express language does not create a private cause of action, and there is nothing in the Act's language, structure, or legislative history from which a congressional intent to provide such a remedy can be implied. In fact, Title VII's provisions demonstrate that Congress vested exclusive enforcement authority over the duty of fair representation in the FLRA and its General Counsel, since the Title renders a breach of that duty an unfair labor practice, which is adjudicated by the FLRA upon the General Counsel's complaint, and since the Title provides recourse to the courts in only

three instances, none of which directly relate to the enforcement of the duty of fair representation. To hold that the district courts must entertain such cases in the first instance would seriously weaken the congressional scheme.

(b) A congressional intent to provide a private CSRA cause of action cannot be implied from that Act's similarities to the National Labor Relations Act (NLRA) and the Railway Labor Act, under which this Court has recognized implicit judicial causes of action to enforce the fair representation duty in the private sector. Unlike the CSRA, neither of those statutes expressly recognizes that duty or provides any administrative remedy for its enforcement. Furthermore, the implication in Vaca v Sipes, 386 US 171, 17 L Ed 2d 842, 87 S Ct 903, of a private NLRA cause of action was intended to preserve courts' pre-existing jurisdiction to enforce the fair representation duty after the National Labor Relations Board tardily assumed jurisdiction, whereas, under the pre-CSRA regulatory scheme, there was no equivalent judicial role. Moreover, Vaca and earlier cases stressed that it was critical that unions represent all employees in good faith, since the pertinent statutes deprived bargaining unit employees of their individual rights to bargain by providing for exclusive bargaining agents. In contrast, federal employment does not rest on contract in the private sector sense; the deprivation a federal employee suffers from the election of a bargaining agent—if there is such a deprivation—is not clearly comparable to the private sector predicament; and the collective-bargaining mechanisms created by Title VII do not deprive employees of remedies otherwise provided by statute or regulation. Vaca also rested in part on the fact that private collective-bargaining contracts were enforceable in the courts under § 301 of the NLRA, whereas no provision equivalent to § 301 exists in the CSRA.

821 F2d 1389, affirmed.

White, J., delivered the opinion for a unanimous Court.

APPEARANCES OF COUNSEL

Thomas R. Duffy argued the cause for petitioner.

H. Stephen Gordon argued the cause for respondent.

Richard G. Taranto argued the cause for the United States, as amicus curiae, supporting the respondent, by special leave of court.

Briefs of Counsel, p 997, infra.

OPINION OF THE COURT

[489 US 529]

Justice **White** delivered the opinion of the Court.

[1a] The question before the Court is whether Title VII of the Civil Service Reform Act of 1978 (CSRA or Act), 5 USC § 7101 et seq. (1982 ed and Supp IV) [5 USCS §§ 7101 et seq.], confers on federal employees a private cause of action against a breach by a union representing federal employees of its statutory duty of fair representation. Because we decide that Congress vested exclusive enforcement authority over this duty in the Federal Labor Relations Authority (FLRA) and its General Counsel, we agree with the Court of Appeals that no private cause of action exists. Hence we affirm.

Petitioner, Efthimios Karahalios, is a Greek language instructor for respondent, the Defense Language Institute/Foreign Language Center, Presidio of Monterey, California (Institute). Karahalios was not a union member but was within a bargaining unit of professional employees for which respondent, the National Federation of Federal Employees, Local 1263 (Union), was the exclusive bargaining agent. In 1976, the Institute reopened its "course developer" position, for which opening Karahalios applied. Previously, the position had been occupied by one Simon Kuntelos, who had been demoted to instructor in 1971, when the Institute first abolished the course developer position. Because Kuntelos declined to seek the reopened job through the competitive application process, Karahalios won the position after scoring 81 on the required examination.

Kuntelos filed a grievance, asserting that the Institute's job award to Karahalios infringed the collective-bargaining agreement, and that Kuntelos should have been assigned the

[489 US 530]

position without a competitive application process. The Union agreed to arbitrate on behalf of Kuntelos (a Union board member), and successfully argued that the position be declared vacant for refilling. Because promotion selection procedures had altered, Kuntelos was permitted considerably more time on the examination. He scored 83, and in May 1978, the Institute reassigned the course developer opening to Kuntelos and demoted Karahalios to instructorship status.

The Institute denied Karahalios' direct protest against the substitution; likewise, the Union refused to prosecute his grievances because of a perceived conflict of interest with its previous Kuntelos advocacy. Karahalios filed unfair labor practice charges with the FLRA challenging both adverse decisions: He alleged, first, that the Institute violated its collective-bargaining agreement; and, second, that the Union breached its duty of fair representation. The General Counsel of the FLRA upheld Karahalios' second charge, and ordered that a complaint be issued against the Union. The Union and the FLRA's Regional Director, however, entered into a settlement whereby the Union posted notice guaranteeing representation to all employees seeking a single position. The General Counsel rejected Karahalios' contention on appeal that the settlement provided him no relief.

Karahalios then filed a damages suit in the District Court, restating his charges against the Institute and the Union. The District Court, in its first of three published orders, dismissed on jurisdictional grounds Karahalios' claim against the Institute, but declared judicially cognizable his unfair labor practice charge against the Union. Specifically, the District Court held that 28 USC § 1331 [28 USCS § 1331] supports jurisdiction because the CSRA's grant of exclusive union representation impliedly supplies to federal employees a private right of action to safeguard their right to fair representation. After trial, the District Court ruled that the Union's actions—notably its decisions to arbitrate for Kuntelos without consulting,

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or even notifying, Karahalios, and, subsequently, to refuse to represent Karahalios—breached it duty of fair

representation owed to him. The court confined damages to attorney's fees, however, explaining that both applicants were too similarly matched to allow judicial distinction.

The Court of Appeals reversed, stating that the CSRA's statutory scheme, which creates both an express duty of fair representation and a remedy in the FLRA for infringement of this duty, precludes implication of a parallel right to sue in federal courts. We granted Karahalios' petition for certiorari. 486 US 1041, 100 L Ed 2d 617, 108 S Ct 2032 (1988).

Prior to 1978, labor relations in the federal sector were governed by a 1962 Executive Order administered by a Federal Labor Relations Council whose decisions were not subject to judicial review. Bureau of Alcohol, Tobacco & Firearms v FLRA, 464 US 89, 91-92, 78 L Ed 2d 195, 104 S Ct 439 (1983). Since 1978, Title VII of the CSRA has been the controlling authority. Of particular relevance here, 5 USC § 7114(a)(1) [5 USCS § 7114(a)(1)] provides that a labor organization that has been accorded the exclusive right of representing employees in a designated unit "is responsible for representing the interests of all employees in the unit it represents without discrimination and without regard to labor organization membership."[1] This provision is "virtually identical" to that found in the Executive Order and is the source of the collective-bargaining agent's duty of fair representation. See National Federation of Federal Employees, Local 1453, 23 FLRA 686, 690 (1986).[2] This duty also

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parallels the fair representation obligation of a union in the private sector that has been found implicit in the National Labor Relations Act (NLRA), 49 Stat 449, as amended, 29 USC § 151 et seq. (1982 ed and Supp IV) [29 USCS §§ 151 et seq.], and the Railway Labor Act (RLA), 44 Stat 577, as amended, 45 USC § 151 et seq. [45 USCS §§ 151 et seq.]. See Vaca v Sipes, 386 US 171, 180-183, 17 L Ed 2d 842, 87 S Ct 903 (1967); Steele v Louisville & N. R. Co. 323 US 192, 205-207, 89 L Ed 173, 65 S Ct 226 (1944).

[2] Title VII also makes it clear that a breach of the duty of fair representation is an unfair labor practice, for it provides that it is "an unfair labor practice for a labor organization . . . to otherwise fail or refuse to comply with any provision of this chapter." § 7116(b)(8). Under § 7118, unfair labor practice complaints are adjudicated by the FLRA, which is authorized to order remedial action appropriate to carry out the purposes of Title VII, including an award of backpay against either the agency or the labor organization that has committed the unfair practice.

There is no express suggestion in Title VII that Congress intended to

1. Section 7114(a)(1) reads, in full: "A labor organization which has been accorded exclusive recognition is the exclusive representative of the employees in the unit it represents, and is entitled to act for, and negotiate collective bargaining agreements covering, all employees in the unit. An exclusive representative is responsible for representing the interests of all employees in the unit it represents without discrimination and without regard to labor organization membership."

2. The Executive Order precursor provision likewise was interpreted to impose on federal unions the duty of fair representation. See National Federation of Federal Employees, Local 1453, 23 FLRA, at 690.

furnish a parallel remedy in a federal district court to enforce the duty of fair representation. The Title provides recourse to the courts in only three instances: with specified exceptions, persons aggrieved by a final FLRA order may seek review in the appropriate court of appeals, § 7123(a); the FLRA may seek judicial enforcement of its orders, § 7123(b); and temporary injunctive relief is available to the FLRA to assist it in the discharge of its duties, § 7123(d).

[3] Petitioner nevertheless insists that a cause of action to enforce the Union's fair representation duty should be implied. Such a claim poses an issue of statutory construction: The "ultimate issue is whether Congress intended to create a private cause of action," California v Sierra Club, 451 US 287, 293, 68 L Ed 2d 101, 101 S Ct 1775 (1981) (citations omitted); see also Touche Ross & Co. v Redington, 442 US 560, 569, 61 L Ed 2d 82, 99 S Ct 2479 (1979). Unless such "congressional intent can be inferred from the language of the statute,

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the statutory structure, or some other source, the essential predicate for implication of a private remedy simply does not exist." Thompson v Thompson, 484 US 174, 98 L Ed 2d 512, 108 S Ct 513 (1988). It is also an "elemental canon" of statutory construction that where a statute expressly provides a remedy, courts must be especially reluctant to provide additional remedies. Transamerica Mortgage Advisers, Inc. v Lewis, 444 US 11, 19, 62 L Ed 2d 146, 100 S Ct 242 (1979). In such cases, "[i]n the absence of strong indicia of contrary congressional intent, we are compelled to conclude that Congress provided precisely the remedies it considered appropriate." Middlesex County Sewerage Authority v Sea Clammers, 453 US 1, 15, 69 L Ed 2d 435, 101 S Ct 2615 (1981); see also, Massachusetts Mutual Life Ins. Co. v Russell, 473 US 134, 147, 87 L Ed 2d 96, 105 S Ct 3085 (1985); Northwest Airlines, Inc. v Transport Workers, 451 US 77, 93, 67 L Ed 2d 750, 101 S Ct 1571 (1981).

[1b] These guideposts indicate that the Court of Appeals was quite correct in concluding that neither the language nor the structure of the Act shows any congressional intent to provide a private cause of action to enforce federal employees unions' duty of fair representation. That duty is expressly recognized in the Act, and an administrative remedy for its breach is expressly provided for before the FLRA, a body created by Congress to enforce the duties imposed on agencies and unions by Title VII, including the duty of fair representation. Nothing in the legislative history of Title VII has been called to our attention indicating that Congress contemplated direct judicial enforcement of the union's duty. Indeed, the General Counsel of the FLRA was to have exclusive and final authority to issue unfair labor practice complaints, and only those matters mentioned in § 7123 were to be judicially reviewable. HR Rep No. 95-1403, p 52 (1978). All complaints of unfair labor practices were to be filed with the FLRA. S Rep No. 95-969, p 107 (1978). Furthermore, Title VII contemplates the arbitration of unsettled grievances, but a House proposal that the duty to arbitrate could be enforced in federal court in the first instance

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was ultimately rejected. See HR Conf Rep No. 95-1717, p 157 (1978). There exists no equivalent to § 301 of the Labor Management Relations Act, 1947

(LMRA), 61 Stat 156, 29 USC § 185 [29 USCS § 185], which permits judicial enforcement of private collective-bargaining contracts.

Petitioner, however, relies on another source to find the necessary congressional intent to provide him with a cause of action. Petitioner urges that Title VII was modeled after the NLRA and that the authority of the FLRA was meant to be similar to that of the National Labor Relations Board (NLRB). Because this Court found implicit in the NLRA a private cause of action against unions to enforce their fair representation duty even after the NLRB had construed the NLRA to make a breach of the duty an unfair labor practice, petitioner argues that Congress must have intended to preserve this judicial role under Title VII. Much of the argument rests on our decision in Vaca v Sipes, supra. There are, however, several difficulties with this argument.

In the first place, Title VII is not a carbon copy of the NLRA, nor is the authority of the FLRA the same as that of the NLRB. The NLRA, like the RLA, did not expressly make a breach of the duty of fair representation an unfair labor practice and did not expressly provide for the enforcement of such a duty by the NLRB. That duty was implied by the Court because members of bargaining units were forced to accept unions as their exclusive bargaining agents. Because employees had no administrative remedy for a breach of the duty, we recognized a judicial cause of action on behalf of the employee. This occurred both under the RLA, Steele v Louisville & N. R. Co., supra; Railroad Trainmen v Howard, 343 US 768, 96 L Ed 1283, 72 S Ct 1022 (1952), and also under the LMRA, Syres v Oil Workers, 350 US 892, 100 L Ed 785, 76 S Ct 152 (1955); Vaca v Sipes, supra. Very dissimilarly, Title VII of the CSRA not only expressly recognizes the fair representation duty but also provides for its administrative enforcement.

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To be sure, prior to Vaca, the NLRB had construed §§ 7 and 8(b) of the NLRA to impose a duty of fair representation on union bargaining agents and to make its breach an unfair labor practice. See Miranda Fuel Co. 140 NLRB 181 (1962), enf denied, NLRB v Miranda Fuel Co. 326 F2d 172 (CA2 1963). The issue in Vaca, some years later, was whether, in light of Miranda Fuel Co. the courts still had jurisdiction to enforce the unions' duty. As we understood our inquiry, it was whether Congress, in enacting § 8(b) in 1947, had intended to oust the courts of their role of enforcing the duty of fair representation implied under the NLRA. We held that the "tardy assumption" of jurisdiction by the NLRB was insufficient reason to abandon our prior cases, such as Syres.

In the case before us, there can be no mistaking Congress' intent to create a duty previously without statutory basis, and no mistaking the authority of the FLRA to enforce that duty. Also, because the courts played no role in enforcing a union's fair representation duty under Executive Order No. 11491 § 10e, 3 CFR 861 (1966-1970 Comp), and subsequent amended orders, under the pre-CSRA regulatory regime, there was not in this context any pre-existing judicial role that at least argu-

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