Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Timber & Lumber Co.,* 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

SPRINT COMMUNICATIONS, INC. *v.* JACOBS ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT

No. 12–815. Argued November 5, 2013—Decided December 10, 2013

Sprint Communications, Inc. (Sprint), a national telecommunications service provider, withheld payment of intercarrier access fees imposed by Windstream Iowa Communications, Inc. (Windstream), a local telecommunications carrier, for long distance Voice over Internet Protocol (VoIP) calls, after concluding that the Telecommunications Act of 1996 preempted intrastate regulation of VoIP traffic. Windstream responded by threatening to block all Sprint customer calls, which led Sprint to ask the Iowa Utilities Board (IUB) to enjoin Windstream from discontinuing service to Sprint. Windstream retracted its threat, and Sprint moved to withdraw its complaint. Concerned that the dispute would recur, the IUB continued the proceedings in order to resolve the question whether VoIP calls are subject to intrastate regulation. Rejecting Sprint's argument that this question was governed by federal law, the IUB ruled that intrastate fees applied to VoIP calls.

Sprint sued respondents, IUB members (collectively IUB), in Federal District Court, seeking a declaration that the Telecommunications Act of 1996 preempted the IUB's decision. As relief, Sprint sought an injunction against enforcement of the IUB's order. Sprint also sought review of the IUB's order in Iowa state court, reiterating the preemption argument made in Sprint's federal-court complaint and asserting several other claims. Invoking *Younger* v. *Harris*, 401 U. S. 37, the Federal District Court abstained from adjudicating Sprint's complaint in deference to the parallel state-court proceeding. The Eighth Circuit affirmed the District Court's abstention decision, concluding that *Younger* abstention was required because the ongoing state-court review concerned Iowa's important interest in regulating and enforcing state utility rates.

Syllabus

Held: This case does not fall within any of the three classes of exceptional cases for which *Younger* abstention is appropriate. Pp. 6–12.

(a) The District Court had jurisdiction to decide whether federal law preempted the IUB's decision, see *Verizon Md. Inc.* v. *Public Serv. Comm'n of Md.*, 535 U. S. 635, 642, and thus had a "virtually unflagging obligation" to hear and decide the case, *Colorado River Water Conservation Dist.* v. *United States*, 424 U. S. 800, 817. In *Younger*, this Court recognized an exception to that obligation for cases in which there is a parallel, pending state criminal proceeding. This Court has extended *Younger* abstention to particular state civil proceedings that are akin to criminal prosecutions, see *Huffman* v. *Pursue, Ltd.*, 420 U. S. 592, or that implicate a State's interest in enforcing the orders and judgments of its courts, see *Pennzoil Co.* v. *Texaco Inc.*, 481 U. S. 1, but has reaffirmed that "only exceptional circumstances justify a federal court's refusal to decide a case in deference to the States," *New Orleans Public Service, Inc.* v. *Council of City of New Orleans*, 491 U. S. 350, 368 (*NOPSI*). *NOPSI* identified three such "exceptional circumstances." First, *Younger* precludes federal intrusion into ongoing state criminal prosecutions. See 491 U. S., at 368. Second, certain "civil enforcement proceedings" warrant *Younger* abstention. *Ibid.* Finally, federal courts should refrain from interfering with pending "civil proceedings involving certain orders . . . uniquely in furtherance of the state courts' ability to perform their judicial functions." *Ibid.* This Court has not applied *Younger* outside these three "exceptional" categories, and rules, in accord with *NOPSI*, that they define *Younger*'s scope. Pp. 6–8.

(b) The initial IUB proceeding does not fall within any of *NOPSI*'s three exceptional categories and therefore does not trigger *Younger* abstention. The first and third categories plainly do not accommodate the IUB's proceeding, which was civil, not criminal in character, and which did not touch on a state court's ability to perform its judicial function. Nor is the IUB's order an act of civil enforcement of the kind to which *Younger* has been extended. The IUB proceeding is not "akin to a criminal prosecution." *Huffman*, 420 U. S., at 604. Nor was it initiated by "the State in its sovereign capacity," *Trainor* v. *Hernandez*, 431 U. S. 434, 444, to sanction Sprint for some wrongful act, see, *e.g., Middlesex County Ethics Comm.* v. *Garden State Bar Assn.*, 457 U. S. 423, 433–434. Rather, the action was initiated by Sprint, a private corporation. No state authority conducted an investigation into Sprint's activities or lodged a formal complaint against Sprint.

Once Sprint withdrew the complaint that commenced administrative proceedings, the IUB argues, those proceedings became, essentially, a civil enforcement action. However, the IUB's adjudicative

Syllabus

authority was invoked to settle a civil dispute between two private parties, not to sanction Sprint for a wrongful act.

In holding that abstention was the proper course, the Eighth Circuit misinterpreted this Court's decision in *Middlesex* to mean that *Younger* abstention is warranted whenever there is (1) "an ongoing state judicial proceeding, which (2) implicates important state interests, and (3) . . . provide[s] an adequate opportunity to raise [federal] challenges." In *Middlesex*, the Court invoked *Younger* to bar a federal court from entertaining a lawyer's challenge to a state ethics committee's pending investigation of the lawyer. Unlike the IUB's proceeding, however, the state ethics committee's hearing in *Middlesex* was plainly "akin to a criminal proceeding": An investigation and formal complaint preceded the hearing, an agency of the State's Supreme Court initiated the hearing, and the hearing's purpose was to determine whether the lawyer should be disciplined for failing to meet the State's professional conduct standards. 457 U. S., at 433–435. The three Middlesex conditions invoked by the Court of Appeals were therefore not dispositive; they were, instead, *additional* factors appropriately considered by the federal court before invoking *Younger*. *Younger* extends to the three "exceptional circumstances" identified in *NOPSI*, but no further. Pp. 8–11.

690 F. 3d 864, reversed.

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

SUPREME COURT OF THE UNITED STATES

No. 12–815

SPRINT COMMUNICATIONS, INC., PETITIONER *v.* ELIZABETH S. JACOBS ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT

[December 10, 2013]

JUSTICE GINSBURG delivered the opinion of the Court.

This case involves two proceedings, one pending in state court, the other in federal court. Each seeks review of an Iowa Utilities Board (IUB or Board) order. And each presents the question whether Windstream Iowa Communications, Inc. (Windstream), a local telecommunications carrier, may impose on Sprint Communications, Inc. (Sprint), intrastate access charges for telephone calls transported via the Internet. Federal-court jurisdiction over controversies of this kind was confirmed in *Verizon Md. Inc.* v. *Public Serv. Comm'n of Md.*, 535 U. S. 635 (2002). Invoking *Younger* v. *Harris*, 401 U. S. 37 (1971), the U. S. District Court for the Southern District of Iowa abstained from adjudicating Sprint's complaint in deference to the parallel state-court proceeding, and the Court of Appeals for the Eighth Circuit affirmed the District Court's abstention decision.

We reverse the judgment of the Court of Appeals. In the main, federal courts are obliged to decide cases within the scope of federal jurisdiction. Abstention is not in order simply because a pending state-court proceeding involves

the same subject matter. *New Orleans Public Service, Inc.* v. *Council of City of New Orleans*, 491 U. S. 350, 373 (1989) (*NOPSI*) ("[T]here is no doctrine that . . . pendency of state judicial proceedings excludes the federal courts."). This Court has recognized, however, certain instances in which the prospect of undue interference with state proceedings counsels against federal relief. See *id.,* at 368.

Younger exemplifies one class of cases in which federal-court abstention is required: When there is a parallel, pending state criminal proceeding, federal courts must refrain from enjoining the state prosecution. This Court has extended *Younger* abstention to particular state civil proceedings that are akin to criminal prosecutions, see *Huffman* v. *Pursue, Ltd.*, 420 U. S. 592 (1975), or that implicate a State's interest in enforcing the orders and judgments of its courts, see *Pennzoil Co.* v. *Texaco Inc.*, 481 U. S. 1 (1987). We have cautioned, however, that federal courts ordinarily should entertain and resolve on the merits an action within the scope of a jurisdictional grant, and should not "refus[e] to decide a case in deference to the States." *NOPSI*, 491 U. S., at 368.

Circumstances fitting within the *Younger* doctrine, we have stressed, are "exceptional"; they include, as catalogued in *NOPSI*, "state criminal prosecutions," "civil enforcement proceedings," and "civil proceedings involving certain orders that are uniquely in furtherance of the state courts' ability to perform their judicial functions." *Id.,* at 367–368. Because this case presents none of the circumstances the Court has ranked as "exceptional," the general rule governs: "[T]he pendency of an action in [a] state court is no bar to proceedings concerning the same matter in the Federal court having jurisdiction." *Colorado River Water Conservation Dist.* v. *United States*, 424 U. S. 800, 817 (1976) (quoting *McClellan* v. *Carland*, 217 U. S. 268, 282 (1910)).

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