DISTRICT OF PUERTO RICO

MANUEL FRANCO FIGUEROA, et al.,

Plaintiffs,

v.

STATE INSURANCE FUND, et. al.,

Defendants.

9 <u>**ORDER**</u>

Plaintiffs sue under 42 U.S.C. §§ 1983 and 1988 for damages and attorneys' fees against Defendants, in their official and personal capacities, alleging political discrimination in violation of the First Amendment. (Docket No. 1 at 24–25.) Plaintiffs also claim relief under Puerto Rico law, 29 L.P.R.A. § 149 (2009) ("Law 100"), as well as under the contract clause of Section 7, Article II of the Puerto Rico Constitution, and under Puerto Rico's general tort provision, 31 L.P.R.A. § 5141 (2009) ("Article 1802"). (Id. at 25–26.) In an earlier Opinion and Order, (Docket No. 60), we granted in part Defendants' motion under Federal Rule of Civil Procedure 12(b)(6), (Docket No. 20), dismissing Plaintiffs' equal protection and substantive due process claims under the Fourteenth Amendment of the U.S. Constitution. Defendants now file a motion arguing that this court should abstain from exercising jurisdiction, (Docket No. 63), and Plaintiffs oppose (Docket No. 68). For the reasons explained below, we find Defendants' abstention arguments unavailing, and we deny Defendants' motion.

UNITED STATES DISTRICT COURT

A detailed account of the facts of this case can be found in our earlier Opinion and Order of March 30, 2012. (Docket No. 60.) We derive the following facts from the complaint and from the parties' filings related to the present motion. (Docket Nos. 1; 63; 67; 68.)

Plaintiffs were employees of Puerto Rico's State Insurance Fund (the "SIF"), a public corporation. (Docket No. 1 at 10.) Plaintiffs' positions were annulled, following an audit that was allegedly commissioned by codefendants Zoimé Álvarez-Rubio, Administrator of the SIF, and Sául Rivera, Human Resources Director of the SIF. (Id. at 9–10.) After Plaintiffs received word of the SIF's intention to annul their positions, they requested, and attended, informal hearings to challenge the annulments. (Docket No. 63 at 2.) The Plaintiffs' challenges were unsuccessful, and their positions were annulled. (Id.) Eighteen of the twenty coplaintiffs then filed appeals before the SIF's Board of Appeals, an administrative body that reviews employment decisions. (Id.) Those appeals are currently pending before the SIF's Board of Appeals. (Id.) The two remaining coplaintiffs filed a complaint challenging the annulment of their positions in Puerto Rico's Court of First Instance. (Id. at 3.) That case has recently been stayed by the Puerto Rico Court of Appeals. (Id.)

Defendants argue that this court should abstain from exercising jurisdiction, citing the Younger and Colorado River doctrines. (Docket No. 63). See Younger v. Harris, 401 U.S. 37 (1971); Colo. River Water Conservation Dist. v. United States, 424 U.S. 800 (1976). Plaintiffs argue that Defendants have waived any abstention defense, and that this is not a case in which abstention is appropriate. (Docket No. 68.) We agree with Plaintiffs that the limited doctrine of abstention does not apply to this case.

"Although defendants point to the subsequent administrative appeal taken by the plaintiffs before the [SIF] (and ultimately, to the Commonwealth courts) these post-hoc remedial proceedings initiated by the plaintiffs are not of the type to which <u>Younger</u> deference applies." <u>Guillemard-Ginorio v. Contreras-Gomez</u>, 585 F.3d 508, 522 (1st Cir. 2009). For <u>Younger</u> abstention to apply, "proceedings must be coercive, and in most cases, state-initiated, in order to warrant abstention." <u>Id.</u> (citing <u>Kerkadó-Melendez v. Aponte-Roque</u>, 829 F.2d 255, 259–261 (1st Cir. 1987)). Finding that "<u>Younger</u> abstention is not applicable on these facts," <u>id.</u>, we next turn to Plaintiffs' arguments under the <u>Colorado River</u> doctrine.

The First Circuit has recently "underscore[d] that a decision to yield federal jurisdiction under the <u>Colorado River</u> doctrine must rest on the clearest of justifications displayed by exceptional circumstances." <u>Nazario-Lugo v. Caribevision Holdings, Inc.</u>, 670 F.3d 109, 116 (1st Cir. 2012). Defendants have failed to persuade us that this case presents any such extraordinary circumstances. <u>See id.</u> at 115–18 (discussing exceptional circumstances in which abstention may be appropriate). Rather, Plaintiffs' complaint describes a "plausible discriminatory sequence" of political discrimination that is "all too familiar in this circuit." <u>Ocasio-Hernandez v. Fortuño-Burset</u>, 640 F.3d 1, 19 (1st Cir. 2011). Mindful of our "virtually unflagging obligation" to exercise our lawful jurisdiction, we will resolve the issues in this case. <u>Colo. River</u>, 424 U.S. at 817.

| | Civil No. 11-1025 (JAF) -4- |
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| 1 | Given the foregoing, we hereby DENY Defendants' motion (Docket No. 63). Plaintiffs' |
| 2 | claims under the First Amendment and under commonwealth law remain pending. |
| 3 | IT IS SO ORDERED. |
| 4 | San Juan, Puerto Rico, this 19 th day of April, 2012. |
| 5 | s/José Antonio Fusté |
| 6 | JOSE ANTONIO FUSTE |

U.S. District Judge