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

RAGSDALE ET AL. *v.* WOLVERINE WORLD WIDE, INC.

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

No. 00–6029. Argued January 7, 2002—Decided March 19, 2002

The Family and Medical Leave Act of 1993 (FMLA or Act) guarantees qualifying employees 12 weeks of unpaid leave each year and encourages businesses to adopt more generous policies. Respondent Wolverine World Wide, Inc., granted petitioner Ragsdale 30 weeks of medical leave under its more generous policy in 1996. It refused her request for additional leave or permission to work part time and terminated her when she did not return to work. She filed suit, alleging that 29 CFR §825.700(a), a Labor Department regulation, required Wolverine to grant her 12 additional weeks of leave because it had not informed her that the 30-week absence would count against her FMLA entitlement. The District Court granted Wolverine summary judgment, finding that the regulation was in conflict with the statute and invalid because it required Wolverine to grant Ragsdale more than 12 weeks of FMLA-compliant leave in one year. The Eighth Circuit agreed.

Held: Section 825.700(a) is contrary to the Act and beyond the Secretary of Labor's authority. Pp. 3–14.

(a) To determine whether §825.700(a) is a valid exercise of the Secretary's authority to issue regulations necessary to carry out the FMLA, see 29 U. S. C. §2654, this Court must consult the Act, viewing it at a "symmetrical and coherent regulatory scheme," *Gustafson* v. *Alloyd Co.,* 513 U. S. 561, 569. Among other things, the Act subjects an employer that interferes with, restrains, or denies the exercise of an employee's FMLA rights, §2615(a)(1), to consequential damages and equitable relief, §2617(a)(1); and requires the employer to post a notice of FMLA rights on its premises, §2619(a). The Secretary's regulations require, in addition, that an employer give employees written notice that an absence will be considered FMLA leave. 29

CFR §825.208. Even assuming that this regulatory requirement is valid, the Secretary's categorical penalty for its breach is contrary to the Act. Section 825.700(a) punishes an employer's failure to provide timely notice of the FMLA designation by denying the employer any credit for leave granted before the notice, and the penalty is unconnected to any prejudice the employee might have suffered from the employer's lapse. The employee will be entitled to 12 additional weeks of leave even if he or she would have acted in the same manner had notice been given and can sue if not granted the additional leave. Pp. 3–6.

(b) This penalty is incompatible with the FMLA's remedial mechanism. To prevail under §2617, an employee must prove that the employer violated §2615 by interfering with, restraining, or denying the exercise of FMLA rights. Even then, §2617 provides no relief unless the employee has been prejudiced by the violation. In contrast, §825.700(a) establishes an irrebuttable presumption that the employee's exercise of FMLA rights was restrained. There is no empirical or logical basis for this presumption, as the facts of this case demonstrate. Ragsdale has not shown that she would have taken less, or intermittent, leave had she received the required notice. In fact her physician did not clear her to work until long after her 30-week leave period had ended. Blind to the reality that she would have taken the entire 30-week absence even had Wolverine complied with the notice regulations, §825.700(a) required the company to give her 12 more weeks and rendered it liable under §2617 when it denied her request and terminated her. The regulation fundamentally alters the FMLA's cause of action by relieving employees of the burden of proving any real impairment of their rights and resulting prejudice. The Government claims that its categorical rule is easier to administer than a fact-specific inquiry, but Congress chose a remedy requiring the retrospective, case-by-case examination the Secretary now seeks to eliminate. The regulation instructs courts to ignore §2617's command that employees prove impairment of their statutory rights and resulting harm. Agencies are not authorized to contravene Congress' will in this manner. Cf. *Mourning* v. *Family Publications Service, Inc.,* 411 U. S. 356. Pp. 6–10.

(c) Section 825.700(a) would be an unreasonable choice even if the Secretary were authorized to circumvent the FMLA's remedial provisions for the sake of administrative convenience. Categorical rules reflect broad generalizations holding true in so many cases that inquiry into whether they apply to the case at hand would be needless and wasteful. However, when the generalizations fail to hold in the run of cases, as is true here, the justification for the categorical rule disappears. See, *e.g., State Oil Co.* v. *Khan,* 522 U. S. 3, 8–22. Pp. 10–11.

(d) Inasmuch as the Secretary's penalty will have no substantial relation to the harm to the employee in the run of cases, it also amends the FMLA's fundamental guarantee of entitlement to a "total" of 12 weeks of leave in a 12-month period, a compromise between employers who wanted fewer weeks and employees who wanted more. Courts and agencies must respect and give effect to such compromises. However, the Secretary's penalty subverts this balance by entitling certain employees to leave beyond the statutory mandate. Pp. 11–12.

(e) That the penalty is disproportionate and inconsistent with Congress' intent is also evident from §2619, which assesses a $100 fine for an employer's willful failure to post a general notice. In contrast, the regulation establishes a much heavier sanction for any violation of the Secretary's supplemental notice requirement. Pp. 12–13.

(f) Section 825.700(a) is also in considerable tension with the statute's admonition that nothing in the Act should discourage employers from adopting more generous policies. Congress was well aware that the more generous employers, discouraged by technical rules and burdensome administrative requirements, might be pushed down to the Act's minimum standard, yet §825.700(a)'s severe, across-the-board penalty is directed at such employers. Pp. 13–14.

(g) In holding that the bounds of the Secretary's discretion to issue regulations were exceeded here, this Court does not decide whether the notice and designation requirements are themselves valid or whether other remedies for their breach might be consistent with the statute. P. 14.

218 F. 3d 933, affirmed.

KENNEDY, J., delivered the opinion of the Court, in which REHNQUIST, C. J., and STEVENS, SCALIA, and THOMAS, JJ., joined. O'CONNOR, J., filed a dissenting opinion, in which SOUTER, GINSBURG, and BREYER, JJ., joined.