

23-1007 CUNNINGHAM V. CORNELL UNIV.

DECISION BELOW: 86 F.4th 961

LOWER COURT CASE NUMBER: 21-88, 21-96, 21-114

QUESTION PRESENTED:

The Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. § 1106(a)(1)(C), prohibits a plan fiduciary from "engag[ing] in a transaction, if he knows or should know that such transaction constitutes a direct or indirect furnishing of goods, services, or facilities between the plan and a party in interest." The statute elsewhere defines "party in interest" broadly to include a variety of parties that may contract with or provide services to a plan. See 29 U.S.C. § 1002(14)(B).

The Eighth and Ninth Circuits have applied the Seventh, and Tenth Circuits have, on the other hand, required plaintiffs to allege additional elements to state a claim, because a "literal reading" of 29 U.S.C. § 1106(a)(1)(C) would purportedly produce "results that are inconsistent with ERISA's statutory purpose." *Albert v. Oshkosh Corp.*, 47 F.4th 570, 585 (7th Cir. 2022). The question presented is:

Whether a plaintiff can state a claim by alleging that a plan fiduciary engaged in a transaction constituting a furnishing of goods, services, or facilities between the plan and a party in interest, as proscribed by 29 U.S.C. § 1106(a)(1)(C), or whether a plaintiff must plead and prove additional elements and facts not contained in the provision's text.

CERT. GRANTED 10/4/2024