

Justice Brennan

APR 3 1984 - 11 15 AM

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 Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

MCDONALD *v.* CITY OF WEST BRANCH, MICHIGAN,
ET AL.

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

No. 83-219. Argued February 27, 1984—Decided April —, 1984

When petitioner was discharged from respondent city's police force, he filed a grievance pursuant to the collective-bargaining agreement between the city and a labor union, contending that there was "no proper cause" for his discharge. The grievance was ultimately taken to arbitration, and the arbitrator ruled against petitioner, finding that there was just cause for his discharge. Petitioner did not appeal this decision, but filed an action in Federal District Court under 42 U. S. C. § 1983 against the city and certain of its officials, including the Chief of Police, alleging that he was discharged for exercising his First Amendment rights of freedom of speech, freedom of association, and freedom to petition the government for redress of grievances. The jury returned a verdict against the Chief of Police but in favor of the other defendants. The Court of Appeals reversed the judgment against the Chief of Police, holding that petitioner's First Amendment claims were barred by res judicata and collateral estoppel. *We unanimously reverse. We hold that*

~~Hold.~~ In a § 1983 action, a federal court should not afford res judicata or collateral estoppel effect to an award in an arbitration proceeding brought pursuant to the terms of a collective-bargaining agreement, and hence petitioner's § 1983 action was not barred by the arbitration award. Pp. 3-8.

(a) Title 28 U. S. C. § 1738—which provides that the "judicial proceedings" of any court of any State shall have the same full faith and credit in every court within the United States as they have by law or usage in the courts of such State from which they are taken—does not require that preclusive effect be given to the arbitration award in question. Arbitration is not a "judicial proceeding" and, therefore, § 1738 does not apply to arbitration awards.

because the arbitrator had ruled against him.

Syllabus

(b) Although arbitration is well suited to resolving contractual disputes, it cannot provide an adequate substitute for a judicial proceeding in protecting the federal statutory and constitutional rights that § 1983 is designed to safeguard. As a result, according preclusive effect to an arbitration award in a subsequent § 1983 action would undermine that statute's efficacy in protecting federal rights. This conclusion is supported by the facts that an arbitrator may not have the expertise to resolve the complex legal questions that arise in § 1983 actions or the authority to enforce § 1983; that a union's usual exclusive control over grievance procedures may result in an employee's loss of an opportunity to be compensated for a constitutional deprivation merely because it was not in the union's interest to press his grievance vigorously; and that arbitral factfinding is generally not equivalent to judicial factfinding. Pp. 4-8.

709 F. 2d 1505, reversed and remanded.

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

Announced April 18, 1984

When a grievance is resolved by a grievance committee, the grievance committee's decision is binding on the grievant. In this case, the grievance committee found that there was "no proper cause" for the grievant's discharge. The grievant then brought a § 1983 action against the Chief of Police, alleging that he was discharged in violation of his First Amendment rights of freedom of speech, freedom of expression, and freedom to petition the government for redress of grievances. The jury returned a verdict against the Chief of Police in favor of the other defendants. The Court of Appeals reversed the judgment against the Chief of Police, holding that the grievant's First Amendment claims were barred by res judicata and estoppel.

Held: In a § 1983 action, a federal court should not afford res judicata or estoppel effect to an award in an arbitrating proceeding brought pursuant to the terms of a collective-bargaining agreement, and a subsequent § 1983 action may not be barred by the arbitration award. Pp. 2-3.

Section 1983 of Title 42, U.S.C.—which provides that the "judicial proceedings" of any court of any State shall have the same full faith and credit as every court within the United States as they have by law or usage in the courts of such State from which they are taken—does not require that preclusive effect be given to the arbitration award in question. Arbitration is not a "judicial proceeding" and, therefore, § 1983 does not apply to arbitration awards.