



EMPLOYMENT LITIGATION CONFERENCE

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SCOTUS Decision - Stanley V. City of Sanford



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Stanley v. City of Sanford Overview



- Why does this case matter to employers?
 - *Stanley* establishes the bounds to which the ADA extends after the employment relationship, specifically limiting disability-discrimination claims involving retiree benefits.
 - Provides employers with a clear endpoint for ADA exposure.
 - Applies equally to private-sector employers.
- CLE objectives
 - To analyze the reasoning of the majority and separate opinions.
 - To provide defense-oriented guidance for litigators.
 - To discuss potential ramifications of holding on ADA and other statutory claims moving forward
 - Who is protected after *Stanley*?
 - *Long Covid, Retirement, and ADA risks?*
 - *Ramifications on remote work accommodations and timing?*
 - *State-law workarounds?*
 - *How to properly plead an ADA Claim?*
 - *What does Stanley say about how this Court and its future rulings in employment-related disputes?*



Factual Timeline (Key Events)



- Chronology
 - 1999: Stanley was hired as a firefighter with the City of Sanford, Florida.
 - When hired, the City offered insurance until age 65 for two categories of retirees: (1) those with 25+ years of service; (2) those who retired earlier than 25+ years due to disability
 - 2003: Employer revised its disability-retirement health benefits.
 - Provides insurance up to age 25 only for (1) retirees with 25+ years of service, but (2) if you retire due to disability, it only continues for 24 months after retirement
 - 2018: Stanley was forced to retire on medical disability due to Parkinson's disease.
 - 2020: Stanley's post-retirement health coverage expired after 24 months.
 - 2021–2025: Litigation from District Court, through Eleventh Circuit, to final Decision from United States Supreme Court (Gorsuch, J.) on June 20, 2025.



Additional Facts

- Stanley's Employment Relationship with the City
 - Stanley worked continuously for nineteen years.
 - Her employment was governed by written retirement and benefits policies.
- Benefit Design
 - Disability retirees initially received health coverage until age sixty-five.
 - Service retirees received comparable coverage until Medicare eligibility.
 - Disability retirement was treated as a distinct benefits category.

Policy Change Specifics



2003 Policy revision

- In 2003, the City of Sanford *prospectively* limited disability-retiree coverage to 24 months unless the employee started receiving Medicare sooner.
- The change applied only to employees who had not yet retired.
- No vested or paid benefits were rescinded.





Procedural Posture and Issue Presented

Lower courts

- Among additional causes of action, Stanley asserted a single claim under ADA Title I.
- Stanley based her ADA Claim on Disparate Treatment Discrimination
 - Stanley alleged discrimination based on disability status
 - Specifically, she claimed disparate treatment:
 - (1) those employees who retired **without** a disability, and
 - (2) those employees who retired **because of** a disability.
 - Stanley framed the claim as discrimination in the terms and conditions of employment.
- The District Court dismissed the claim at the pleading stage on a motion to dismiss.
- The Eleventh Circuit affirmed on statutory grounds.

Supreme Court



- Question presented to Supreme Court
 - Whether a retiree is a “qualified individual” under 42 U.S.C. § 12111(8). More narrowly, whether a retired employee who does not hold or seek a job is a “qualified individual” under the ADA.
 - Whether post-employment benefit decisions are actionable under ADA Title I.



Supreme Court (cont.)



- Majority Holding
 - ADA Title I protects only current employees and job applicants who are able to perform the essential functions of the position with or without reasonable accommodation.
 - Individuals who neither *hold* nor *seek* employment are excluded, as they are not “qualified individuals” under the statutory framework of the ADA.
 - Post-employment benefit decisions fall outside Title I’s scope.

Majority Opinion — Textual Analysis



- Statutory Focus
 - Definition of “qualified individual” in 42 U.S.C. § 12111(8):
 - (8) Qualified individual
 - *The term “qualified individual” means an individual who, with or without reasonable accommodation, **can perform the essential functions of the employment position that such individual holds or desires.** For the purposes of this subchapter, consideration shall be given to the employer’s judgment as to what functions of a job are essential, and if an employer has prepared a written description before advertising or interviewing applicants for the job, this description shall be considered evidence of the essential functions of the job.*
 - The Majority focuses on Congress’ use of present-tense language (bolded above) referring to positions an individual holds or desires. That is, the statute does not reach retirees who neither hold nor desire a job the time of an alleged act of discrimination
 - Emphasis is placed on the fact that the statute does not reference former employees or retirees – only current or prospective employees.
- Authority cited
 - Relied upon and cited traditional textualist principles.
 - The Court reinforced its textual reading by comparing Title I’s definition of “qualified individual” with other ADA provisions and Title VII of the Civil Rights Act of 1964. This emphasizes that Congress deliberately drafted the verb tense language in 42 U.S.C. § 12111(8).
 - Emphasized that Congress’s choice of verb tense is presumed intentional, and the Court will not expand to reach a desired end.

Majority Opinion — Structural Analysis



- ADA framework analysis
 - Reasonable accommodation provisions pre-suppose an active employment relationship.
 - Hiring, advancement, and discharge provisions reinforce an employment-centric statute.
 - The ADA provides no mechanism for post-employment accommodations.
- Supporting authority
 - Relies on prior ADA cases focusing on current employees and applicants.
 - It distinguished cases involving active employment contexts.

Majority Opinion — Continued



- Judicial restraint
 - The Court rejected Stanley and the Dissent's arguments based on fairness or remedial purpose. The majority rejected the argument that the Court should look to the ADA's overall/broader purpose and legislative history.
 - Emphasized that Congress—not the courts—defines statutory scope.
 - Potential policy gaps must be addressed legislatively.
 - “If Congress wishes to extend Title I to reach retirees like Ms. Stanley, it can. But the decision whether to do so lies with the body, not this one.
- Employer benefit
 - The ruling promotes predictability in compliance and benefits planning.
 - It avoids open-ended liability tied to retirement status.

Justice Thomas (concurrency)



- Analytical Approach
 - Agreed fully with the majority’s textual analysis.
 - Emphasized that statutory interpretation begins and ends with the text.
 - Categorically rejects reliance on remedial purpose or policy concerns.
 - Departs from the Majority regarding its willingness to address a new question posed by Stanley after the court granted certiorari: Whether Stanley could sue based on discrimination that occurred while she was still employed and able to work. That is, the Court should not opine on a new theory raised by Stanley.
- Authority and Themes
 - Separation-of-powers principles.
 - Aligns with Justice Thomas’s broader textualist jurisprudence.



Justice Sotomayor (concurrency)



- Key analysis
 - Acknowledged Stanley’s reliance interests, but agreed that the statutory text foreclosed relief.
 - Identified a gap between perceived fairness and statutory coverage.
- Takeaway
 - Sympathetic facts cannot override clear statutory language.
 - Legislative action is required to expand coverage.



Justice Jackson

(Dissent)



- Analysis
 - Argued that retiree benefits are part of the employment relationship. Thus, the alleged discrimination concerns benefits earned through prior employment, and that discrimination with respect to those benefits is therefore discrimination as to the terms and conditions of employment, even if it occurs post-retirement.
 - Emphasized the ADA's broad remedial purpose.
 - Criticized the majority's reliance on grammatical tense.
- Authorities cited
 - Primarily relied on civil-rights precedents interpreting benefits as employment terms and other cases construing anti-discrimination statutes broadly.

Dissent — Practical and Policy Concerns



- Concerns created by the Majority's ruling...
 - Warned employers could time discriminatory decisions to occur post-retirement, undermining the ADA's remedial aims.
 - Emphasized employee reliance on promised benefits.
 - Highlighted perceived inequities for disabled retirees.
- Majority response
 - Rejected speculative policy concerns.
 - Administrability and statutory clarity controlled the analysis.

Key Doctrinal Divide Shown by Competing Opinions



Majority View

- Textual interpretation governs ADA coverage.
- Coverage ends with the employment relationship.
- Bright-line rules control liability.

Dissenting View

- Purpose and employee expectations should guide interpretation.
- Coverage should follow benefits earned during employment.

Impact on Private Employers



- Litigation Impact
 - Employers are likely to face fewer ADA claims from retirees. The narrow “qualified individuals” definition thereby insulates post-retirement benefit decisions from ADA discrimination claims.
 - Courts likely receptive to early dismissal.
 - However, states may begin to act to expand rights or fill in perceived gaps in the ADA...
- HR impact
 - Benefit planning is more predictable. Employers have greater certainty that changes to or administration of retiree benefits—if applied after employment ends—fall outside Title I liability.
 - Post-retirement decisions require less ADA analysis and compliance burdens.

Defense Implications Going Forward



- For litigators
 - Raise employment status as a threshold issue in ADA claims.
 - Frames disputes as statutory interpretation.
- For HR professionals
 - Document benefit changes and timing carefully.
 - Coordinate ADA, ERISA, and contract compliance.
 - Avoid over-reliance on informal benefit expectations.
 - HR must remember that the *Stanley* holding is narrow. Benefits programs remain subject to the ADA and other statutes, including Title VII of the Civil Rights Act, and may not discriminate on the basis of protected characteristics. The decision only limits retired employees' ability to assert ADA Title I claims.



What's Next?



- ADA is a status-based statute, not harm-based
 - Protection turns on who plaintiff is at moment of harm, not whether discrimination occurred.
- Retirement and separation from employment are new legal cutoff points.
 - The decision provides clear defense based on the end employment relationship
- Long COVID and Chronic Illness claims weakened?
 - If disability evolves over time – i.e., post-COVID complications after retirement – claims potentially barred
- Plaintiffs' Bar likely to shift Disability claims to State Statutes and Alternative Federal Statutes
 - Employers will need to be more aware of state-level protections and changes.
 - Define “employee” more broadly than the ADA.
 - Explicitly cover retirees or post-employment benefits.
 - Provide longer statutes of limitation and broader remedies.
 - Rehabilitation Act of 1973 (Section 504)
 - ERISA (Employee Retirement Income Security Act)
 - Age Discrimination in Employment Act (ADEA)
 - Equal Protection Claims (42 U.S.C. § 1983) (Public-sector employers only)
- Employers gain leverage in end-of-employment accommodations
 - If a dispute arises over accommodations near the end of employment, employers likely have more leverage in severance or separation negotiations
- Supreme Court views ADA as “workplace management” statute, rather than a Civil Rights statute?
 - Majority’s reasoning reframes ADA to govern active workplace relationships, accommodation logistics and job performance, not a broad civil rights statute to address economic consequences of disabilities
- Legislative pressure likely to increase at state and Federal levels
- Potential Congressional Response
 - Because the Supreme Court’s reasoning is textual, only Congress can expand ADA protections to include retirees. Employers should watch for possible legislative changes affecting post-retirement disability rights.