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

JONES ET AL. ON BEHALF OF HERSELF AND A CLASS OF OTHERS SIMILARLY SITUATED *v.* R. R. DONNELLEY & SONS CO.

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

No. 02–1205. Argued February 24, 2004—Decided May 3, 2004

After this Court held that federal courts should apply the most appropriate state statute of limitations to claims arising under 42 U. S. C. §1981, which contains no statute of limitations, see *Goodman* v. *Lukens Steel Co.,* 482 U. S. 656, 660, Congress enacted a 4-year statute of limitations for causes of action "arising under an Act of Congress enacted after [December 1, 1990]," 28 U. S. C. §1658(a). Petitioners, African-American former employees of respondent, filed a class action alleging violations of §1981, as amended by the Civil Rights Act of 1991. Respondent sought summary judgment, claiming that the applicable state 2-year statute of limitations barred their claims, but the District Court held that petitioners' wrongful discharge, refusal to transfer, and hostile work environment claims arose under the 1991 Act and therefore are governed by §1658. The Seventh Circuit reversed, concluding that §1658 does not apply to a cause of action based on a post-1990 amendment to a pre-existing statute.

Held: Petitioners' causes of action are governed by §1658. Pp. 5–15.

(a) Because the meaning of "arising under" in §1658 is ambiguous, Congress' intent must be ascertained by looking beyond the section's bare text to the context in which it was enacted and the purposes it was designed to accomplish. Pp. 5–7.

(b) Before §1658's enactment, Congress' failure to pass a uniform limitations statute for federal causes of action had created a void that spawned a vast amount of litigation. The settled practice of borrowing state statutes of limitations generated a host of issues, such as which of the forum State's statutes was the most appropriate,

whether the forum State's law or that of the situs of the injury controlled, and when a statute of limitations could be tolled. Congress was keenly aware of these problems, and a central purpose of §1658 was to minimize the need for borrowing. That purpose would not be served if §1658 were interpreted to reach only entirely new sections of the United States Code. An amendment to an existing statute is no less an "Act of Congress" than a new, stand-alone statute. What matters is the new rights of action and corresponding liabilities created by the enactment. Thus, a cause of action "aris[es] under an Act of Congress enacted" after December 1, 1990—and therefore is governed by §1658's 4-year statute of limitations—if the plaintiff's claim against the defendant was made possible by a post-1990 enactment. This construction best serves Congress' interest in alleviating the uncertainty inherent in the practice of borrowing state statutes of limitations, while protecting litigants' settled expectations by applying only to causes of actions not available until after December 1, 1990. It also is consistent with the common usage of "arise" and with this Court's interpretations of "arising under" as it is used in statutes governing the scope of federal subject-matter jurisdiction. Pp. 7–13.

(c) Petitioners' hostile work environment, wrongful termination, and failure-to-transfer claims all "ar[rose] under" the 1991 Act in the sense that they were made possible by that Act. The 1991 Act overturned this Court's decision in *Patterson* v. *McLean Credit Union,* 491 U. S. 164, 171, which held that racial harassment relating to employment conditions was not actionable under §1981. The Act redefined §1981's key "make and enforce contracts" language to include the "termination of contracts and the enjoyment of all benefits, privileges, terms, and conditions of the contractual relationship," §1981(b). In *Rivers* v. *Roadway Express, Inc.,* 511 U. S. 298, this Court held that the amendment enlarged the category of conduct subject to §1981 liability, *id.,* at 303, and thus did not apply to a case that arose before it was enacted, *id.,* at 300. *Rivers'* reasoning supports the conclusion that the 1991 Act qualifies as an "Act of Congress enacted after [December 1, 1990]." Petitioners' causes of action clearly arose under the 1991 Act, and the hypothetical problems posited by respondent and the Seventh Circuit pale in comparison with the difficulties that federal courts faced for decades in trying to answer questions raised by borrowing state limitations rules. Pp. 13–15.

305 F. 3d 717, reversed and remanded.

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