United States District Court Northern District of California 1

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

JESSE HERNANDEZ, et al., Plaintiffs,

v.

COUNTY OF MONTEREY, et al.,

Defendants.

Case No. 13-cv-02354-BLF

ORDER DENYING DEFENDANTS' MOTION FOR STAY OF SEALING ORDER PENDING APPEAL; AND EXTENDING DATE FOR PLAINTIFFS TO RE-FILE NEUTRAL MONITOR REPORTS UNTIL AUGUST 10, 2023

[Re: ECF 806]

On July 21, 2023, this Court issued an order ("Sealing Order") addressing the parties' administrative motions to seal briefing and documents filed in connection with Plaintiffs' pending motion to enforce the Settlement Agreement and Implementation Plan regarding treatment of 19 inmates at the Monterey County Jail ("Jail"). See Sealing Order, ECF 802. As relevant here, 20 Defendants requested that the Court seal, in their entirety, more than thirty reports prepared by 21 court-appointed neutral monitors tasked with determining Defendants' compliance with the 22 Settlement Agreement and Implementation Plan. The Court denied Defendants' request to seal the 23 neutral monitor reports in their entirety, but it granted the parties' joint motion to seal limited 24 portions of the neutral monitor reports to protect individual privacy rights in personal identifying 25 information and health records. See id. at 7. The Court directed Plaintiffs to re-file the neutral 26 monitor reports on the public docket by July 28, 2023, with only the limited redactions and sealing 27 permitted by the Sealing Order. See id. Defendants have appealed the Sealing Order and have 28 filed a motion for stay of the Sealing Order pending appeal.

Defendants' motion for stay of the Sealing Order pending appeal is DENIED. However, the Court will extend the date for Plaintiffs to re-file the neutral monitor reports on the public docket until August 10, 2023 to give Defendants an opportunity to seek a stay from the Court of Appeals.

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LEGAL STANDARD

A stay of an order pending appeal "is an intrusion into the ordinary processes of administration and judicial review" and therefore "is not a matter of right, even if irreparable injury might otherwise result to the appellant." Nken v. Holder, 556 U.S. 418, 427 (2009) (internal quotation marks and citations omitted). "Judicial discretion in exercising a stay is to be guided by the following legal principles, as distilled into a four factor analysis in *Nken*: (1) whether the stay applicant has made a strong showing that he is likely to succeed on the merits; (2) whether the applicant will be irreparably injured absent a stay; (3) whether issuance of the stay will substantially injure the other parties interested in the proceeding; and (4) where the public interest lies." Lair v. Bullock, 697 F.3d 1200, 1203 (9th Cir. 2012) (quoting Nken, 556 U.S. at 434). The moving party bears the burden of showing that the circumstances warrant an exercise of the court's discretion to grant a stay. See id.

II. DISCUSSION

18 Before evaluating Defendants' motion under the Nken factors, the Court addresses 19 Defendants' contention that their motion for stay of the Sealing Order is governed not by the legal 20standard set forth in Nken but rather by the standard set forth in Landis v. N. Am. Co., 299 U.S. 248 (1936). Landis recognized a court's inherent power to stay proceedings before it pending 21 resolution of proceedings in another forum. See Landis, 299 U.S. at 254-55. Exercise of that 22 23 inherent power is governed by the three so-called Landis factors: "[1] the possible damage which 24 may result from the granting of a stay, [2] the hardship or inequity which a party may suffer in 25 being required to go forward, and [3] the orderly course of justice measured in terms of the simplifying or complicating of issues, proof, and questions of law which could be expected to 26 result from a stay." CMAX, Inc. v. Hall, 300 F.2d 265, 268 (9th Cir. 1962) (citing Landis, 299 27 28 U.S. at 254-255).

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Northern District of California United States District Court

Other district courts in the Ninth Circuit "have reasoned that the Nken test is applicable when there is a request to stay a district court's judgment or order pending an appeal of the same case, while Landis applies to the decision to stay proceedings[.]" Kuang v. United States Dep't of Def., No. 18-CV-03698-JST, 2019 WL 1597495, at *3 (N.D. Cal. Apr. 15, 2019) (internal quotation marks and citations omitted) (collecting cases). This Court agrees with that reasoning and therefore concludes that the Nken test is applicable here, as Defendants seek to stay an order of this Court pending appeal of the order.

In their reply, Defendant Wellpath, Inc. ("Wellpath")¹ relies on *Flores v. Bennett*, No. 1:22-cv-01003-JLT-HBK, 2023 WL 3751998 (E.D. Cal. June 1, 2023), in arguing that Defendants' motion for stay is governed by Landis rather than Nken. That reliance is misplaced. In *Flores*, the district court determined that the defendants' request for stay of its preliminary injunction order was governed by Nken, while the defendants' request for stay of the proceedings entirely was governed by Landis. See Flores, 2023 WL 3751998, at *3 ("[T]he Court uses the Nken factors to evaluate Defendants' request to stay enforcement of the preliminary injunction and relies on the Landis test to evaluate the request to stay the proceedings pending the interlocutory appeal."). Here, Defendants have not sought a stay of the proceedings pending appeal of the Sealing Order, but rather have sought a stay of the Sealing Order itself. Under those circumstances, Nken is the applicable test.

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A. Likelihood of Success

Defendants' motion for stay does not address the first Nken factor, likelihood of success on 22 their appeal of this Court's Sealing Order. The Sealing Order is subject to review for abuse of 23 discretion. See Kamakana v. City & Cnty. of Honolulu, 447 F.3d 1172, 1178 (9th Cir. 2006) (applying abuse of discretion standard to decision relating to sealing); see also Kinsley v. Udemy, 24 25 Inc., No. 21-15787, 2022 WL 10966073, at *1 (9th Cir. Oct. 19, 2022) ("We review the district court's rulings on Kinsley's motions to file under seal . . . for abuse of discretion."). Thus, in 26

The Court next addresses Defendants' showing on each of the four Nken factors.

¹ Wellpath formerly was known California Forensic Medical Group, Inc.

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order to prevail on their appeal, Defendants must show that this Court abused its discretion when it denied Defendants' request to seal the neutral monitor reports in their entirety.

This Court applied the correct legal standard – the compelling reasons standard set forth in *Kamakana* – and Defendants do not suggest otherwise. *See* Sealing Order at 2-3. This Court carefully considered whether the compelling reasons standard was satisfied by the reasons advanced by Defendants for sealing the neutral monitor reports in their entirety. *See id.* at 3-5. The Court determined that Defendants did not satisfy the compelling reasons standard. *See id.* While Defendants clearly do not like the Court's conclusion, they have not attempted to explain how the Court's application of the relevant legal standard to Defendants' proffered reasons for sealing constituted an abuse of discretion.

This factor weighs against granting the requested stay.

B. Irreparable Harm to Movants Absent Stay

Defendants' initial motion brief does not explain how the public filing of the neutral monitor reports, with the limited redactions mandated by the Sealing Order, would cause Defendants irreparable harm. Defendants correctly point out that once the material in the reports is made public, Defendants would have no effective recourse even if they were to prevail on their appeal of the Sealing Order. However, Defendants' motion does not identify any concrete injury that would flow from public access to the neutral monitor reports.

19 In their reply, Defendants County of Monterey and Monterey County Sheriff's Office 20("County Defendants") assert that publication of the neutral monitor reports would implicate safety and security concerns because the reports disclose when welfare checks are done, which 21 22 information might make it easier for an inmate to inflict harm to self or others. Defendants also 23 assert that information in the reports could lead members of the public to identify inmates who died in custody, which could distress the deceased inmates' families. These speculations 24 25 regarding harms that might be suffered by inmates or their families are insufficient to satisfy the second Nken factor. See Nken, 556 U.S. at 434-35 ("[S]imply showing some possibility of 26 irreparable injury fails to satisfy the second factor." (internal quotation marks and citation 27 28 omitted)).

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United States District Court Northern District of California Plaintiffs object to consideration of the County Defendants' assertion of new safety and security concerns, arguing that those concerns are not supported by evidence in the record and that the County Defendants improperly seek reconsideration of the Sealing Order in their reply brief without complying with this district's civil local rules regarding reconsideration. It is unfortunate that the County Defendants neglected their obligations to identify health and safety concerns by failing to raise these issues in the context of the underlying sealing motions. Moreover, a reply brief supporting a motion to stay is not a proper vehicle for seeking reconsideration. Nonetheless, in light of the importance of the issues raised by the County Defendants, this Court would *sua sponte* reconsider whether to allow additional limited redactions to the neutral monitor reports to address the County Defendants' newly-raised concerns. Given the appeal of the Sealing Order, however, it does not appear that this Court has jurisdiction to reconsider it at this time. If the County Defendants have a different view regarding this Court's jurisdiction, or if this Court reacquires jurisdiction over the Sealing Order, the County Defendants may reassert their newly-raised and limited safety and security concerns.

In its reply, Wellpath also asserts new grounds for sealing that were not submitted when the parties litigated the underlying sealing motions. Specifically, Wellpath argues that the neutral monitor reports should be sealed in their entirety based on the declaration statement of its employee Paulette Torres Collazo that public disclosure of the reports "would very likely create distrust between CFMG's staff and their patients." Collazo Decl. ¶ 3, ECF 817-1. Wellpath also argues that public disclosure of the reports would impair its ability to hire and retain competent medical staff. *See id.* ¶ 4. These are not legitimate reasons to seal the reports or to grant a stay.

This factor weighs against a stay.

C. Harm to Opposing Parties and Public Interest

Only if the movant satisfies the first two *Nken* factors does the Court consider the third and
fourth factors, the harm to opposing parties and the public interest, respectively. *See Nken*, 556
U.S. at 435; *see also Al Otro Lado v. Wolf*, 952 F.3d 999, 1014 (9th Cir. 2020) ("Because the
Government has not satisfied the first two factors, we need not dwell on the final two factors –
harm to the opposing party and the public interest." (internal quotation marks, citation, and

alterations omitted)). Because Defendants have not demonstrated a likelihood of success on their
appeal or that they will suffer irreparable harm absent a stay, the Court need not address the
remaining *Nken* factors. Those factors would not favor a stay in any event. Allowing the neutral
monitor reports to remain under seal in their entirety pending appeal would impair public access to
documents that are highly relevant to Plaintiffs' pending motion to enforce the Settlement
Agreement and Implementation Plan.

D. Conclusion

Having determined that Defendants' motion properly is evaluated under the *Nken* factors, and that those factors weigh against staying the Sealing Order pending appeal, the Court in the exercise of its discretion will deny Defendants' motion for stay. However, the Court will extend the date for Plaintiffs to re-file the neutral monitor reports on the public docket until August 10, 2023 to give Defendants an opportunity to seek a stay from the Court of Appeals.

III. ORDER

(1) Defendants' motion for stay of the Sealing Order pending appeal is DENIED.

(2) The date on which Plaintiffs shall re-file the neutral monitor reports on the public docket, with the limited redactions authorized by the Sealing Order, is
 EXTENDED to August 10, 2023. The purpose of this extension is to give Defendants an opportunity to seek a stay from the Court of Appeals.

(3) This order terminates ECF 806.

Dated: July 28, 2023

BÉTH LABSON FREEMAN United States District Judge