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SUPREME COURT OF THE UNITED STATES

Syllabus

SHALALA, SECRETARY OF HEALTH AND HUMAN SERVICES v. SCHAEFER

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

No. 92-311. Argued March 31 1993—Decided June 24, 1993

In 1986, respondent Schaefer filed a claim for Social Security disability benefits, which was denied by petitioner Secretary at the administrative level. Schaefer sought judicial review and, on April 4, 1989, the District Court reversed the administrative denial of benefits and remanded the case to the Secretary pursuant to the fourth sentence of 42 U. S. C. §405(g). Schaefer was awarded benefits on remand and, in July of 1990, he returned to the District Court and filed for attorney's fees under the Equal Access to Justice Act (EAJA). In opposing the motion, the Secretary noted that the EAJA required Schaefer to file his application within 30 days of "final judgment" in the action, 28 U. S. C. §2412(d)(1)(B), and argued that the 30-day clock began running when the District Court's sentence-four remand order of April 4, 1989 became final, which would have occurred at the end of the 60 days for appeal provided under Federal Rule of Appellate Procedure 4(a). The District Court awarded fees to Schaefer, holding that a sentence-four remand order is not a final judgment where a court retains jurisdiction and plans to enter a judgment after remand proceedings are complete. The Court of Appeals affirmed on the same basis.

Held:

1. The 30-day period for filing an application for EAJA fees begins immediately upon expiration of the time for appeal of a "sentence-four remand order." Pp. 3-10.

(a) A district court remanding a case pursuant to sentence four of §405 must enter judgment in the case and may not retain jurisdiction over the administrative proceedings on remand. Sentence four's plain language authorizes a court to enter a judgment "with or without remanding the cause for a rehearing," not a remand order "with or without" a judgment.

Pp. 3-5.

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(b) The Court's decision in *Sullivan v. Hudson*, 490 U. S. 877, 892—that fees incurred during administrative proceedings held pursuant to a district court's remand order may be recovered under the EAJA—does not apply where the remand is ordered pursuant to sentence four of §405(g). Pp. 6–8.

(c) Contrary to dicta in *Sullivan v. Hudson*, a Social Security claimant who obtains a sentence-four judgment reversing the Secretary's denial of benefits meets the description of a "prevailing party" set out in *Texas Teachers Assn. v. Garland Independent School Dist.*, 489 U. S. 782, 791–792. Pp. 8–10.

2. Schaefer's application for EAJA fees was nonetheless timely under §2412(d)(1) because the District Court failed to comply with Federal Rule of Civil Procedure 58 in entering its sentence-four remand order of April 4, 1989. The EAJA's 30-day time limit runs from the *end* of the period for appeal, and that period does not begin until a judgment is entered in compliance with the formalities of Rule 58. Because the District Court never entered formal judgment, neither the time for appeal nor the EAJA's 30-day clock had run when Schaefer filed his application. Pp. 10–11.

960 F. 2d 1053, affirmed.

SCALIA, J., delivered the opinion of the Court, in which REHNQUIST, C. J., and WHITE, O'CONNOR, KENNEDY, SOUTER, and THOMAS, JJ., joined. STEVENS, J., filed an opinion concurring in the judgment, in which BLACKMUN, J., joined.