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# Supreme Court Clarifies Federal Jurisdiction Over Post-Arbitration Motions After FAA §3 Stays

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In a unanimous decision issued on May 14, 2026, the Supreme Court held in *Jules v. Andre Balazs Properties*, No. 25-83, that when a federal court stays an action pending arbitration under §3 of the Federal Arbitration Act (“FAA”), the court retains jurisdiction to resolve a subsequent motion to confirm or vacate the arbitral award under §§9 and 10. The decision provides welcome clarity regarding the availability of a federal forum for post-arbitration proceedings.

## Key Takeaways

The decision resolves a significant question left open after *Badgerow v. Walters* and confirms that a party

that properly invokes federal jurisdiction at the outset of a case may continue in that same court for post-arbitration confirmation or vacatur proceedings following a mandatory FAA §3 stay. For businesses and employers that regularly arbitrate federal claims, the ruling offers greater certainty in forum selection and post-award strategy.

## Background

Jules sued his former employer in the Southern District of New York, asserting federal discrimination claims. The District Court stayed the case pending arbitration under FAA §3. After the arbitrator ruled against Jules, the parties returned to the same court when respondents moved to confirm the award under §9, and Jules cross-moved to vacate under §10. Jules argued that, under *Badgerow v. Walters*, 596 U.S. 1 (2022), the court lacked jurisdiction because the post-arbitration motions did not independently present a federal question. The District Court and the Second Circuit disagreed, and the Supreme Court granted certiorari to resolve a circuit split on the issue.

## The Court's Reasoning

The Court distinguished this case from *Badgerow* on a straightforward ground. Unlike a freestanding confirm-or-vacate proceeding, the §9 and §10 motions here arose in a case already pending in federal court. As the Court explained, “[j]urisdiction to decide [a] case includes jurisdiction to decide [a] motion” within that case, and there is no need to “look through” the motion for a separate jurisdictional basis.

The Court also emphasized consistency with *Smith v. Spizzirri*, 601 U.S. 472 (2024), which held that §3 requires a stay rather than dismissal. That mandate makes sense, the Court reasoned, only if the court retains authority to “superintend the arbitration to the end, including through confirmation or vacatur.” The Court rejected Jules’s remaining

counterarguments, including that post-arbitration motions should be treated as “new federal actions” and that the decision would encourage protective “anchor suits.”


## Practical Implications

The decision carries several practical implications for parties drafting arbitration agreements and managing post-award proceedings:

**Preserving a federal forum.** Where an action is filed in federal court and stayed under FAA §3, parties now have stronger support for returning to that same court to seek confirmation or vacatur of the award. At the same time, the Court indicated that purely precautionary “anchor suits” may continue to present meaningful litigation risk, including potential waiver arguments.

**Reducing procedural inefficiency.** The ruling should help avoid parallel federal and state proceedings concerning related arbitration issues, thereby reducing cost, motion practice, and forum-related uncertainty for parties seeking to enforce or challenge arbitral awards.

The ruling brings greater clarity to an important procedural question under the FAA.



The decision confirms that a party that properly invokes federal jurisdiction at the outset of a case may continue in that same court for post-arbitration confirmation or vacatur proceedings following a mandatory FAA §3 stay.