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ESTOPPEL - SOUTH CAROLINA

Cruz v. City of Columbia

Supreme Court of South Carolina - July 17, 2024 - S.E.2d - 2024 WL 3435968

City retirees under age 65 brought action against city asserting claims including promissory and equitable estoppel regarding city's alleged promise to provide them no-cost health insurance for their lifetimes. Retirees over age 65 also filed suit against city, alleging similar claims.

Cases were consolidated. Following a bench trial, the Circuit Court entered judgment for city. Retirees appealed, and the Court of Appeals affirmed. The Supreme Court granted retiree's petition for certiorari.

The Supreme Court held that:

- Retirees had no right to rely on promises made by city employees who had no authority to bind the city to on matters dealing with future health insurance benefits, and
- A promissory estoppel claim need only be proven by the greater weight of the evidence; abrogating *Barnes v. Johnson*, 402 S.C. 458, 470, 742 S.E.2d 6.

Retirees had no right to rely on promises made by their supervisors and city's human resources employees that the city would provide its retirees with free lifetime health insurance; city employees had no authority to bind the city to matters dealing with future health insurance benefits, and the exclusive authority to make health insurance benefits available to retirees rested with the city council which also had the authority to change the current policy.

Except in a case seeking specific performance of a land transfer, a promissory estoppel claim need only be proven by the greater weight of the evidence; abrogating *Barnes v. Johnson*, 402 S.C. 458, 470, 742 S.E.2d 6.

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