Supreme Court Overturns ‘Chevron Doctrine,’ Curtailing Federal Government Power

The 40-year-old doctrine has provided a legal foundation for the modern administrative state.

By Matthew Vadum
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The Supreme Court, in a vote of 6–3, overturned the Chevron deference doctrine, a bureaucracy-empowering judicial doctrine that critics say led to the explosive growth of the U.S. government in recent decades.

The new decision will make it more difficult for unelected government officials to generate new regulations. For years, the doctrine forced judges to defer to the legal interpretations of federal agency officials who enforced federal laws they deemed ambiguous. The White House denounced the ruling as “yet another deeply troubling decision that takes our country backwards.”

“Once again, the Supreme Court has decided in the favor of special interests, just as it did when they sought to gut long-standing protections for clean water, thwart efforts to respond to a global pandemic, and block the cancelation [sic] of crippling student debt for tens of millions of Americans,” White House press secretary Karine Jean-Pierre said in a written statement.

The decision “undermines the ability of federal agencies to use their expertise ... to protect and serve every American.”

Chief Justice John Roberts wrote the majority opinion in the June 28 case. Justices Sonia Sotomayor, Elena Kagan, and Ketanji Brown Jackson dissented.
The doctrine provides a legal underpinning for the modern administrative state, which critics deride as an illegitimate fourth branch of government. Limited-government advocates had pressed for decades to abolish the doctrine.

In the landmark ruling in Chevron v. Natural Resources Defense Council in 1984, the court held that while courts "must give effect to the unambiguously expressed intent of Congress," where courts find Congress has not directly addressed the precise question at issue and "the statute is silent or ambiguous with respect to the specific issue, the question for the court is whether the agency's answer is based on a permissible construction of the statute."

Conservatives and Republican policymakers have long been critical of the doctrine, saying it has contributed to the dramatic growth of government and gives unelected regulators far too much power to make policy by going beyond what Congress intended when it approved various laws. The authority of regulatory agencies has been increasingly questioned by the Supreme Court in recent years.

Those on the other side say the Chevron doctrine empowers the federal government to serve the public interest in an increasingly complicated world without having to seek specific congressional authorization for everything that needs to be done.

The new ruling came in two related cases that the court heard on Jan. 17: Relentless Inc. v. Department of Commerce and Loper Bright Enterprises v. Raimondo. While the vote in Relentless was 6–3, the vote in Loper Bright was 6–2 because Justice Jackson didn't participate in that case. The cases date to 2020, when the U.S. Department of Commerce's National Oceanic and Atmospheric Administration and its National Marine Fisheries Service implemented a rule to compel fishing companies to pay for human monitors aboard their vessels.

The companies said the burden of paying for the monitors was a hardship that significantly reduced their profit margins. Lower courts upheld the regulation.

On Jan. 17, Relentless Inc. attorney Roman Martinez told the justices that the Chevron deference doctrine must be overruled.

"For too long, Chevron has distorted the judicial process and undermined statutory interpretation," he said. "Chevron violates the Constitution. Article III empowers judges to say what the law is ... [and] to interpret federal statutes using their best and independent judgment. Chevron undermines that duty. It reallocates interpretive authority from courts to agencies, and it forces courts to adopt inferior agency constructions that are issued for political or policy reasons.

"In doing so, Chevron blocks judges from serving as faithful agents of Congress. It mandates judicial bias and encourages agency overreach, and by removing key checks on executive power, it threatens individual liberty." U.S. Solicitor General Elizabeth Prelogar countered that overturning the Chevron deference doctrine would cause upheaval and lead to "endless litigation."

"Thousands of judicial decisions sustaining an agency's rulemaking or adjudication as reasonable would be open to challenge, and that profound disruption is especially unwarranted because Congress could modify or overrule the Chevron framework at any time," she said at the time.

Majority Opinion

In the majority opinion, Chief Justice Roberts cited an earlier precedent when he wrote that throughout its entire existence, Chevron has been a "rule in search of a justification," if "it was ever coherent enough to be called a rule at all."
"Experience has also shown that Chevron is unworkable" because "the concept of ambiguity has always evaded meaningful definition," he wrote. He quoted Justice Antonin Scalia, now deceased, who said five years after the Chevron ruling, "How clear is clear?" "We are no closer to an answer to that question than we were four decades ago," Chief Justice Roberts wrote. "One judge might see ambiguity everywhere; another might never encounter it." Part of judicial humility is correcting the court's own mistakes, "especially when those mistakes are serious," he wrote. "This is one of those cases," he said.

"Chevron was a judicial invention that required judges to disregard their statutory duties. And the only way to 'ensure that the law will not merely change erratically, but will develop in a principled and intelligible fashion' ... is for us to leave Chevron behind."

The new ruling won't necessarily invalidate past decisions that relied on Chevron, he added.

"The holdings in those cases that specific agency actions are lawful" are subject to existing precedents despite the "change in interpretive methodology."

The federal Administrative Procedure Act (APA) prevents judges from disregarding their responsibilities just because an executive branch views a statute differently, Chief Justice Roberts said.

"Courts must exercise their independent judgment in deciding whether an agency has acted within its statutory authority, as the APA requires," he wrote.

Courts should pay attention to an executive branch interpretation of a statute, and when a statute constitutionally delegates authority to an agency, courts have to respect that delegation "while ensuring the agency acts within it."

"But courts need not and under the APA may not defer to an agency interpretation of the law simply because a statute is ambiguous," the chief justice wrote.

The Supreme Court vacated the judgments of the U.S. Courts of Appeals for the District of Columbia Circuit and the First Circuit and sent the cases back to them "for further proceedings consistent with this opinion."

Justice Clarence Thomas celebrated the demise of the doctrine in a concurring opinion. "The Court finally ends our 40-year misadventure with Chevron deference," he wrote. Justice Thomas wrote to emphasize "a more fundamental problem," which is that the Chevron deference "also violates our Constitution's separation of powers" by curbing judicial powers while simultaneously expanding "agencies' executive power beyond constitutional limits." The doctrine prevents judges from "exercising their independent judgment to resolve ambiguities."

It also ties a judge's hands, preventing the judiciary from acting as a constitutional check on the executive branch and by ascribing to that branch "powers not given to it," Justice Thomas wrote.

Dissenting Views

Justice Kagan filed a dissenting opinion that Justices Sotomayor and Jackson joined. For 40 years, Chevron has been "a cornerstone of administrative law," under which courts use all their normal interpretive tools "to determine whether Congress has spoken to an issue," she wrote.

If a court finds that Congress has spoken on an issue, that is the end of the matter and the agency's views don't count, but if it finds there is an ambiguity, then a choice has to be made, she wrote.

"Who should give content to a statute when Congress's instructions have run out? Should it be a court? Or should it be the agency Congress has charged with administering the statute?" she wrote. The doctrine, which has become "the warp and woof of modern government," correctly dictates that it should usually be the agency that resolves the ambiguity, she wrote. Justice Kagan quoted Chevron v. Natural Resources Defense Council directly: "Judges are not experts in the field, and are not part of either political branch of the Government." But "agencies are 'experts in the field,'" she wrote. Congress gave agencies, not judges, the power to resolve ambiguities in statutes, she added.

Reactions

Joe Bishop-Henchman, executive vice president of the National Taxpayers Union Foundation, hailed the new ruling, saying it will "level the playing field for taxpayers and government agencies."

"Unreasonable IRS interpretations will no longer automatically win in court, which is as it should be, and reasonable interpretations will still have the force of law," he said in a statement.

Iain Murray, a vice president at the Competitive Enterprise Institute, also weighed in. "Citizens have a right to the protection of courts that can say, as Chief Justice Marshall said in the early days of the Republic, just what the law is, regardless of how convenient it would be for the executive branch to be able to say differently."