

Case Summaries | August 19, 2024

## Chevron Cases: Loper Bright Enterprises v. Raimondo, Relentless v. Department of Commerce

**Background:** These cases involve challenges to the National Marine Fisheries Service's (NMFS) interpretation of the Magnuson-Stevens Act, which governs the management of fisheries in federal water and allows the NMFS to require fishing boats to carry federal monitors on board for data collection. The lower courts, applying the "Chevron Doctrine," granted deference to the federal agency's interpretation of the statute. The Chevron Doctrine (established in 1984) requires federal courts to give deference to a federal agency's interpretation of a statute if the agency administers the statute, the statute is ambiguous or silent, and the agency's interpretation is reasonable.

**Decision:** The U.S. Supreme Court overturned the Chevron Doctrine.

**Rationale:** The Court explained that the Chevron Doctrine was inconsistent with the federal Administrative Procedures Act and that federal courts must exercise their own independent judgement when deciding whether an agency has acted within the agency's statutory authority. The Court clarified that the decision does not overturn past cases that relied on the Chevron Doctrine - this decision will only impact the outcome of current and future legal challenges to actions by federal agencies.

**Utah Implications:** In the 2024 General Session, the Utah Legislature enacted <u>H.B.</u> <u>470</u>, *Federal Agency Regulatory Review Amendments*, requiring certain state agencies to report to the Utah Attorney General's Office before January 1, 2024, any federal regulation impacting those agencies that received Chevron Deference in the respective federal agency's interpretation of the statute. Because the Supreme Court overturned the Chevron Doctrine, H.B. 470 permits the Attorney General to file suit challenging a federal regulation impacted by Chevron Deference if the Attorney General determines that the state will succeed in its challenge. H.B. 470 further requires the Attorney General to report to the Federalism Commission on or before July 1, 2025, regarding any suits for which the Attorney General has filed or intends to file.

## Title IX: Kansas v. U.S. Department of Education

**Background:** This case involves a challenge to the U.S. Dept. of Education's Final Rule for the Title IX regulations. The Final Rule, scheduled to take effect on Aug. 1, 2024, extends Title IX's protections against sex discrimination to discrimination on the basis of sexual orientation and gender identity.

**Decision:** The District Court issued a preliminary injunction enjoining enforcement of the Final Rule in the four states at suit, including Utah.

**Rationale:** The Court found that the Dept. of Education had, among other things, exceeded its scope of Congressional authority. The decision rested primarily upon the Court's determination that Title IX's plain language and legislative history clearly define the term "sex" to mean the traditional concept of biological sex.



**Utah Implications:** With the passage of <u>H.J.R. 301</u> and <u>H.C.R. 301</u> during the 2024 Special Session, government officers have been directed not to enforce provisions of the Final Rule that conflict with the Utah laws described in the resolutions. However, these resolutions have no effect while the Final Rule is enjoined under *Kansas*.

## Good Neighbor Rule: Ohio v. EPA

**Background:** This case involves a challenge to the EPA's Federal Implementation Plan ("FIP") for ozone standards ("Good Neighbor Rule"). The Good Neighbor Rule requires states to significantly reduce emissions that significantly contribute to air quality problems in other states.

**Decision:** The U.S. Supreme Court stayed (paused) the EPA's enforcement of the FIP/Good Neighbor Rule pending the resolution of the many suits challenging the Good Neighbor Rule currently before the D.C. Circuit Court.

**Rationale:** The Court found that the EPA offered no reasoned response to questions about impacts on downwind states if a state's upwind neighbors fall outside of the FIP. Since an agency action is deemed "arbitrary" or "capricious" if the action is not reasonable and reasonably explained, the Court held that the plaintiffs in this case are likely to prevail on their arbitrary-or-capricious claim.

**Utah Implications:** The Utah Attorney General is currently challenging the EPA's implementation of the Good Neighbor Rule and the EPA's 2022 rejection of Utah's State Implementation Plan ("SIP") before the D.C. Circuit Court of Appeals. Until the D.C. Circuit Court rules on the merits, Utah is not subject to EPA enforcement of the ozone FIP. While this outcome is merely a procedural delay while a lower court considers the merits of the case, the U.S. Supreme Court majority was clear in its opinion that "EPA's final FIP likely runs afoul of long-settled standards."