

US agency does not have authority to reinstate net neutrality laws, court rules

3-4 minutes : 1/2/2025

A US appeals court ruled on Thursday the Federal Communications Commission (FCC) did not have legal authority to reinstate landmark net neutrality rules.

The decision is a blow to the outgoing Biden administration that had made [restoring the open internet rules a priority](#). Joe Biden signed a 2021 executive order encouraging the FCC to reinstate the rules.

A three-judge panel of the Cincinnati-based sixth US circuit court of appeals said the FCC lacked authority to reinstate the rules initially implemented in 2015 by the agency under the Democratic former president Barack Obama, but then repealed by the commission in 2017 under the Republican former president Donald Trump.

Net-neutrality rules require internet service providers to treat internet data and users equally rather than restricting access, slowing speeds or blocking content for certain users. The rules also forbid special arrangements in which ISPs give improved network speeds or access to favored users.

The court cited the supreme court's [June decision](#) in a case known as Loper Bright to overturn a 1984 precedent that had given deference to government agencies in interpreting laws they administer, in the latest decision to curb the authority of federal agencies. "Applying Loper Bright means we can end the FCC's vacillations," the court ruled.

The decision leaves in place state neutrality rules adopted by [California and others](#) but may end more than 20 years of efforts to give federal regulators sweeping oversight over the internet.

Brendan Carr, the incoming FCC chair, voted against the reinstatement last year and praised the decision to invalidate what he called Biden's "internet power grab". He vowed to unwind additional regulations.

The FCC chair, Jessica Rosenworcel, called on Congress to act after the decision. "Consumers across the country have told us again and again that they want an internet that is fast, open and fair. With this decision it is clear that Congress now needs to heed their call, take up the charge for net neutrality and put open internet principles in federal law," Rosenworcel said in a statement.

The FCC [voted in April along party lines](#) to reassume regulatory oversight of broadband internet and reinstate open internet rules. Industry groups filed suit and successfully convinced the court to temporarily block the rules as they considered the case.

USTelecom, an industry group whose members include AT&T and Verizon, said in a joint statement with other groups that sued that the ruling is "a victory for American consumers that will lead to more investment, innovation and competition in the dynamic digital marketplace".

The former FCC chair Ajit Pai said the court ruling should mean the end of efforts to reinstate the rules, and a focus shift to "what actually matters to American consumers – like improving internet access and promoting online innovation".

The Trump administration is unlikely to appeal the decision but net-neutrality advocates could seek review by the supreme court.

The rules would have given the FCC new tools to crack down on [Chinese telecom companies](#) and the ability to monitor internet service outages.

A group representing companies including [Amazon](#), Apple, Alphabet and Meta Platforms had backed the FCC net-neutrality rules.