

Supreme Court Decision Reshapes Legal Terrain for TCPA Class Actions, by Richard J. Perr, Esq., Jason M. Myers, Esq., and Graeme E. Hogan, Esq., 7-1-2025

A recent landmark decision by the United States Supreme Court will significantly alter the legal landscape of class action lawsuits under the Telephone Consumer Protection Act (TCPA).

In its June 20, 2025 decision in *McLaughlin Chiropractic Associates Inc. v. McKesson Corp.*, the Court determined that that “the Hobbs Act does not bind district courts in civil enforcement proceedings to an agency’s interpretation of a statute.” This is notable considering the Hobbs Act previously granted exclusive jurisdiction to the circuit courts of appeal to review final orders issued by certain federal agencies, including the FCC, thereby providing a great deal of protection to the FCC’s final orders.

Rather the Supreme Court’s ruling states that, “district courts must independently determine the law’s meaning under ordinary principles of statutory interpretation while affording appropriate respect to the agency’s interpretation.”

This decision, which builds upon an earlier *Loper Bright* Supreme Court decision, directly addresses a long-standing question: whether the Hobbs Act obliges district courts to defer to the Federal Communications Commission’s (FCC) interpretation of the TCPA. In other words, the district courts will begin to assert their authority in interpreting the TCPA rather than rely upon the FCC’s interpretations of the statute.

Case Background

- **Facts:** The case involved a TCPA lawsuit against McKesson Corp., a healthcare company, for allegedly sending unsolicited fax advertisements through a subsidiary in 2009 and 2010 to medical practices, including McLaughlin Chiropractic Associates, without an opt-out mechanism required by the TCPA.
- **Initial Lawsuit:** McLaughlin filed suit in 2014 in the U.S. District Court for the Northern District of California, seeking damages and class certification for all recipients of the faxes—whether received via traditional fax machines or online fax services. The District Court certified the class without distinguishing between those two methods of receipt
- **FCC Interpretation:** While the case was pending, the FCC issued the *Amerifactors* order, interpreting “telephone facsimile machine” under the TCPA to exclude online fax services.
- **District Court Ruling:** Following Ninth Circuit precedent that FCC final orders are reviewable exclusively in the courts of appeals under the Hobbs Act, the district court treated the FCC’s interpretation as binding, granted summary judgment to McKesson on claims involving online faxes, and decertified the class.
- **Ninth Circuit Affirmation:** The appellate court upheld the district court’s decision, reinforcing the binding nature of the FCC’s interpretation in enforcement proceedings.

The Supreme Court’s Decision

In a 6–3 opinion authored by Justice Kavanaugh, the Court reversed the Ninth Circuit, holding:

- District courts must independently interpret statutes in enforcement proceedings, even when a federal agency has issued a contrary interpretation.
- The Hobbs Act does not preclude district courts from evaluating the validity of agency interpretations during enforcement.

- Courts should give appropriate respect to agency views but are not bound by them unless Congress explicitly says so.

With its decision, the case is remanded back to the district court for further consideration of the issues that it did not previously rule on.

Key Takeaways for Clients

- **Litigation Strategy:** Defendants in TCPA and other statutory enforcement actions may now challenge agency interpretations in district court, even if those interpretations were not previously contested in a court of appeals. Importantly, the statutory construction of the TCPA will be challenged in each Circuit creating potential split decisions throughout the country as to what constitutes a TCPA violation.
- **Business Strategy:** Clients should be aware and mindful of any new decisions within their jurisdiction to understand how the local Courts will apply the statutory interpretation of the TCPA.
- **Class Action Exposure:** The decision may revive or expand class actions previously limited by agency interpretations, particularly in the context of online communications.
- **Administrative Law Impact:** This ruling narrows the scope of agency deference in enforcement contexts and may influence how courts treat agency interpretations across a range of regulatory regimes.

Authors: Richard Perr, Co-Managing Partner of KD's Philadelphia Office and Co-Chair of the Financial Services and Institutions Practice Group, Partner Jason M. Myers, and Partner Graeme E. Hogan