



SCOTUS Snapshot

Your weekly window into the Court that shapes the nation.

Trump v. Cook

What's At Stake

- What is the case about?

The case involves President Trump's firing of Lisa Cook, a member of the Federal Reserve's Board of Governors. The U.S. District Court for the District of Columbia issued an order allowing Cook to remain in her job while her lawsuit challenging her firing moves forward. The Trump administration petitioned the Supreme Court requesting a stay of the lower court's order. The Supreme Court heard oral arguments on the administration's petition last week.

- Who is affected and how?

Not only does the case have implications for the litigants, but it will set a precedent for the executive branch's power to remove heads of independent agencies created by Congress.

- Why does it matter?

The Federal Reserve is the central bank of the United States. The Fed is an independent government agency, and under the Federal Reserve Act, members of the Fed's Board of Governors are nominated by the President and confirmed by the Senate for 14-year terms. They can only be removed by the President "for cause," and this case goes to the central issue of how much control a president has over the nation's central bank. The Fed's independence is seen as critical to stable monetary policy, including interest-rate decisions that affect inflation, employment, and financial markets. This ruling can either expand presidential power over monetary policy or limit the president's removal powers, thereby ensuring the Fed's autonomy.

Our Take

It appears likely that the Supreme Court will leave Lisa Cook on the job while her challenge to her firing continues. The Justices' questions at oral argument indicate reluctance to grant the President authority to fire a member of the Fed's Board of Governors. The Justices seemed concerned about preserving the Fed's independence, and questions focused on due process and curbing executive power. The High Court's decision is expected this summer.