Nos. 19-1434, 19-1452, 19-1458

In the Supreme Court of the United States

UNITED STATES,
Petitioner,
v.
ARTHREX, INC., et al.,
Respondents.

SMITH & NEPHEW, INC., et al.,
Petitioners,
v.
ARTHREX, INC., et al.,
Respondents.

ARTHREX, INC.,
Petitioner,
v.
SMITH & NEPHEW, INC., et al.,
Respondents.

On Writs of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF PROFESSOR JOHN HARRISON AS *AMICUS CURIAE* IN SUPPORT OF NEITHER PARTY

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INTEREST OF *AMICUS CURIAE*[*]

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SUMMARY OF ARGUMENT

The court of appeals decided this case on a mistaken assumption about the role of the courts when they find that a statute is unconstitutional. Having found that the statutes as written authorize a Head of Department to appoint to a principal office, the lower court proceeded as though it could cure a constitutional violation by altering the content of the statute. Acting on the assumption that its decision to eliminate a removal restriction changed the provision governing removal of Administrative Patent Judges prospectively only, the court concluded that Patent Trial and Appeal Board decisions made before the court had altered section 7513(a) of Title 5 should be vacated. Decisions made after the judicial change in

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[*] The parties have consented in writing to the filing of this brief, and their letters of consent have been filed with the Clerk. No party's counsel authored this brief in whole or in part, and no counsel or party made a monetary contribution intended to fund its preparation or submission. The University of Virginia School of Law provides financial support for activities related to faculty members' research and scholarship, which helped defray the costs of preparing this brief. (The School is not a signatory to the brief, and the views expressed here are those of the *amicus curiae*.) Otherwise, no person or entity other than the *amicus curiae* has made a monetary contribution intended to fund the preparation or submission of this brief.

the statute, the court found, would be consistent with the Constitution.

Courts do not give remedies that cause unconstitutional statutes to become invalid. They do not give remedies that sever parts of statutes, altering unconstitutional statutes so that they become constitutional and valid. Neither Article III nor the federal law of remedies authorizes invalidation or severance in those senses. When a statutory rule, or a combination of statutory rules, is inconsistent with the Constitution, the Constitution makes the rule or combination of rules invalid. Courts identify constitutional invalidity as appropriate in deciding cases. When a court finds that a rule or combination of rules is inoperative because of the Constitution, it often must identify the fallback rule that applies in the contingency of unconstitutionality. In doing so, the court does not apply a remedy that changes the content of the statute. It finds the content the statute already has. Courts have no power to revise statutes to make them constitutional. They need no such power. All they need is the power to say what the law is.

This case illustrates the fallacy of the assumption that courts invalidate statutory rules and revise statutes by rewriting them to make them constitutional. That reasoning takes an analogy too far. Courts' holdings can have effects similar to those of changes in statutory law brought about by the legislature. The effects of judicial holdings come from their precedential force, however, not from actual changes in statutes. If a federal court of appeals could give remedies that altered the content of statutory law, other courts would have to apply the statute as

altered by the court of appeals' remedy. Other federal courts of appeals are not required to follow the Federal Circuit's conclusion in this case, however, because they are not bound by its precedents on this issue. This Court's decisions can have effects similar to the effects of changes to statutes brought about by Congress, but not because the Court gives a remedy that revises statutory law. The difference between the effects of decisions of this Court and of the courts of appeals reflects the different precedential scope of those decisions. No federal court gives a remedy that changes federal statutory law the way Congress does. Courts find invalidity under the Constitution and set precedents by doing so. They do not bring invalidity about.

The court of appeals' error on this point affected its reasoning concerning the timing of the legal events involved in this case. Invalidity caused by the Constitution arises when a statute is enacted, not later when a court finds invalidity. Severance and statutory fallback systems are part of the content of statutory law, and so go into effect when the relevant statute is adopted. Their effectiveness does not wait for judicial decision. In this case, if the applicable statutes call for an appointment by a Head of Department to a principal office, which the Constitution does not allow, the courts must find the fallback system implicit in the statutes. If under that fallback system Administrative Patent Judges are freely removable by the Secretary of Commerce so that the office is inferior, and the Secretary appoints to the office, that system was in effect when the appointments at issue here were made. If those assumptions are correct, those appointments were by a Head of Department to an inferior office and were

valid. Their validity did not have to wait for the court of appeals to revise the statute, which it cannot do. If this Court agrees with the court of appeals on the constitutional and fallback questions, it should conclude that the Administrative Patent Judges' appointments were valid when made and continue to be valid. (Amicus takes no position on the constitutional issue, nor on the fallback system that applies if the statute as written calls for appointment to a principal office by a Head of Department.)

ARGUMENT

I. The Court of Appeals Relied on the Mistaken Assumption that Courts Give Remedies that Change the Content of Statutory Law

A. The Court of Appeals Decided the Case on the Assumption that Its Decision Changed the Content of the Statutory Law, Transforming a Principal Office into an Inferior Office

The court of appeals decided this case on the assumption that it could give a remedy that would change the content of the statutory law. It found that "severing the portion of the Patent Act restricting removal of the APJs [Administrative Patent Judges] is sufficient to render the APJs inferior officers and remedy the constitutional appointment problem." *Arthrex, Inc.* v. *Smith & Nephew, Inc.*, 941 F.3d 1320, 1325 (Fed. Cir. 2019). The court did not use "remedy" by analogy or as a figure of speech. The next sentence in its opinion is "[a]s the final written decision on appeal issued while there was an Appointments Clause violation, we vacate and remand. Following

Lucia v. S.E.C., the appropriate course of action is for this case to be remanded to a new panel of APJs to which Arthrex is entitled." *Id*. (citation omitted). The court's reference to a period "while there was an Appointments Clause violation" shows that it assumed that prior to its decision, the statutes made the office of Administrative Patent Judge a principal office, but that the decision changed the law so that it no longer violates the Constitution. That reasoning also underlay the court's directive that on remand the case be heard by a new panel of APJs. *Id* at 1340. Unlike this Court in *Lucia* v. *SEC*, 138 S. Ct. 2044 (2018), the Federal Circuit was not giving an instruction concerning the contingency in which persons whose appointment had been invalid would receive a new, valid, appointment, *id*. at 2055 (directing that the individual who had heard the case without a valid appointment not hear it if he later received a valid appointment). The court of appeals assumed that after it changed the office from principal to inferior by altering the statute, the current APJs' earlier appointments by the Secretary would become effective.

B. Invalidation, Severance of Unconstitutional Statutory Provisions, and the Activation of Statutory Fallback Systems, Are Brought About by the Constitution and the Statutes Involved, and Are Not Remedies by Which Courts Change the Content of the Law

The court of appeals' reasoning stretched an analogy past its breaking point. The court treated its holding as if that holding were a remedy that changed the content of statutory law. That is why the lower

court applied the statute as modified prospectively only. After its remedy had worked a change in the law, the court reasoned, APJs would have valid appointments to the office they hold. Before that change, the office was principal, not inferior, and the judges' appointment by the Secretary was ineffective.

Neither invalidation of unconstitutional aspects of a statute, nor severance of severable aspects, nor the activation of a statutory fallback system, is a remedy by which courts change the content of statutory law. Courts cannot and need not bring about such changes. The Constitution itself brings about the invalidity of unconstitutional statutory rules and combinations of rules. Courts find invalidity as appropriate in the process of deciding cases, but do not cause it. *Marbury* v. *Madison*, 5 U.S. (1 Cranch) 137 (1803) (statutory rules that are inconsistent with the Constitution are invalid). "The term 'invalidate' is a common judicial shorthand when the Court holds that a particular provision is unlawful and therefore may not enforced[.]" *Barr* v. *Am. Ass'n of Pol. Consultants, Inc.*, 140 S. Ct. 2335, 2351 n.8 (2020) (opinion of Kavanaugh, J.). "[H]owever, when it 'invalidates' a law as unconstitutional, the Court does not formally repeal the law from the U.S. Code or the Statutes at Large." *Id.*

Because invalidity is produced by the Constitution itself and not by a judicial remedy, unconstitutional criminal statutes are void when adopted, and hence never criminalize the conduct they purport to forbid. *See, e.g*, *United States* v. *Davis*, 139 S. Ct. 2319, 2323-24 (2019) (explaining that unconstitutionally vague statutory rule is "no law at all" and cannot support a criminal conviction). Also

for that reason, subsequent judicial findings of unconstitutionality and invalidity apply to conduct that took place after the statute was adopted but before the judicial decision. *See id.* Judicial findings of invalidity are retrospective in that fashion because they recognize invalidity that had already occurred.

A statute's operation in the contingency that it is to some extent unconstitutional is part of the statute's content. Explicit severability or fallback provisions, *see*, *e.g.*, *Bowsher* v. *Synar*, 478 U.S. 714, 735-36 (1986) (applying statutory fallback system in light of the primary system's unconstitutionality), underline that point.[1] They govern because the issue they

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[1] The court of appeals referred to the issue as one of severability, *e.g.*, 941 F.3d at 1335 (heading of section C.). This brief refers both to severability and to the fallback system that operates in case of unconstitutionality. Describing the question in terms of a fallback is more strictly correct. This case does not involve the most common kind of severability issue, which arises when one aspect of a statute is independently unconstitutional, and the question is whether other aspects are severable from it. Rather, this case involves the possibility that the statutes involved have features that are independently constitutional but that form a combination the Constitution does not allow. Congress could make the office of Administrative Patent Judge principal. Congress may create principal offices, provided the President appoints to them. U.S. Const. art. II, § 2, cl. 2 (Appointments Clause). Appointment to an office by the Secretary of Commerce is not itself unconstitutional. Congress may provide for appointment by the Secretary, a Head of Department, provided the office involved is inferior. *Id.* Appointments Clause problems arise from a mismatch between an office and the appointing authority. The solution to a mismatch is not to find that an unconstitutional feature of the system is severable, because no feature is itself unconstitutional. Describing the response to

address concerns the content of statutory law. The principle that the severability of a state statute is "a matter of state law," *Leavitt* v. *Jane L.*, 518 U.S. 137, 139 (1996), similarly reflects the assumption that the severability of a state statute is an aspect of the statute's content, which for state statutes is a question of state law.

Severance of unconstitutional provisions, and the activation of fallback systems, are brought about by the statutes involved. Courts do not give remedies that change the content of statutory law, deleting one part while retaining another, or taking out specific words or phrases.[2]

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possible unconstitutionality in terms of a fallback system expresses the point that any constitutional defect inheres in the whole system, and the question concerns the different system that the statute implicitly or explicitly creates in the contingency of unconstitutionality of its primary system.

[2] Questions of severability sometimes arise in formulating a remedy. In *Ayotte* v. *Planned Parenthood of N. New England*, 546 U.S. 320 (2006), the question of severability affected the injunction to be issued, *id*. at 331-32. In *United States* v. *Booker*, the question of severability affected the Court's order concerning the remand. 543 U.S. 220, 227-29 (2005). Injunctions and instructions on remand are remedies, but the courts do not issue remedies that alter the content of statutory law.

C. The Possibility that Lower Courts May Resolve the Same Question Differently Demonstrates that Courts Do Not Give Remedies that Change the Content of Statutory Law, But Rather Set Precedents, the Scope of Which is Limited for Courts Other than this Court

The court of appeals found that the relevant statutes as written conferred an appointment power the Constitution does not allow. It concluded, in light of that constitutional difficulty, that the removal protection of 5 U.S.C. § 7513(a) does not apply to APJs. The court reasoned as though it were giving a remedy that changed the content of the statute. Its conclusion, however, was a holding, not a remedy. It stated but did not change the law. This case illustrates the limits of the analogy between remedies and holdings. The two are alike to some extent because of the precedential effects of holdings. A holding of this Court has effects very much like those of a change in the statutory law, because all other courts follow its precedents concerning federal law.

The analogy between holdings and remedies breaks down when the holding is by a court other than this one. This case illustrates the difference between remedies, which change legal relations, and holdings, which set precedent. The court of appeals assumed that it had given a remedy that changed the content of Title 5, as an act of Congress could. Courts apply statutory law, so if the Federal Circuit had amended Title 5, other courts would have to apply that statute as amended. Other federal courts of appeals, however, are not bound by the Federal Circuit's

conclusion, because that conclusion is a holding and they are not bound by the Federal Circuit's precedents.

An example based on this case shows that when they find invalidity or severance, or implement statutory fallback systems, courts set precedents but do not change the statutory law. According to the court of appeals' reasoning, its decision changed Title 5, and expanded the removal authority of the Secretary of Commerce. Suppose that the Secretary, in reliance on that new authority, were to give instructions to the APJs and say that those who did not comply would be removed. If the threat of removal were sufficiently likely to be carried out, it could justify a declaratory proceeding by an APJ. The judge would seek a declaration that, because of the statutory removal restriction, the judge is immune from removal other than for the reasons set out in § 7513(a).[3]

A declaratory proceeding of that kind would be brought under the Declaratory Judgment Act, 28 U.S.C. § 2201, and the Administrative Procedure Act, 5 U.S.C. § 703, with jurisdiction under 28 U.S.C. § 1331. It could be brought, for example, in the District Court for the District of Columbia. Such a declaratory proceeding would not be subject to the Federal Circuit's appellate jurisdiction under 28 U.S.C. § 1295. The district court might find that the office of Administrative Patent Judge as defined by

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[3] See 28 U.S.C. § 2201 (courts may declare the rights and other legal relations of the party seeking the declaration). This example assumes events that take place before this Court has resolved the question of the Secretary's removal power.

the statutes is inferior, so that no fallback inquiry is necessary and the removal restriction of 5 U.S.C. § 7513(a) remains in effect. The district court might then give declaratory relief. The D.C. Circuit might agree, and affirm the declaratory judgment. With that judgment in effect, removal of the plaintiff judge for any reason not allowed by 5 U.S.C. § 7513(a) would be unlawful. Unless and until this Court holds to the contrary, the D.C. Circuit is free to conclude that § 7513(a) is in effect as written. The D.C. Circuit is not bound by the Federal Circuit's precedents. It is not obliged to apply the statute as amended by the Federal Circuit, because courts cannot amend statutes in the sense in which Congress can.[4]

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[4] Another example, with the courts reversed, also illustrates the point. A D.C. Circuit case, *Intercollegiate Broadcasting System, Inc.* v. *Copyright Royalty Board*, 684 F. 3d 1332 (D.C. Cir. 2012), *cert. denied*, 133 S. Ct. 2735 (2013), involved an Appointments Clause challenge to the appointment of members of the Copyright Royalty Board. The board's members, Copyright Royalty Judges (CRJs), are appointed by the Librarian of Congress. 17 U.S.C. §§ 801-02. The statute provides that they may be removed only for misconduct, neglect of duty, or disqualifying disability. 17 U.S.C. § 802(i). Intercollegiate Broadcasting System (IBS) challenged an adverse decision by the Copyright Royalty Board. IBS argued that as established by the statute the office of Copyright Royalty Judge is principal, pointing to the limited supervision produced by the removal restriction, and that the Librarian of Congress is not a Head of Department. 684 F. 3d at 1336.

The D.C. Circuit in *Intercollegiate Broadcasting System* concluded that the Librarian of Congress is a Head of Department for purposes of the Appointments Clause, 684 F. 3d at 1341-42, but that the statute as written made the office of Copyright Royalty Judge principal and not inferior, *id.* at 1340.

Holdings are not remedies, and are like remedies only to a limited extent. The analogy between a holding of invalidity under the Constitution and a change in statutory law is strongest with respect to this Court's holdings. That is not because this Court can give remedies that no other court can give. All federal courts administer the same law of remedies. The difference is that this Court's precedents on federal law bind all other courts.

Another possibility related to this case illustrates the error in thinking that judicial precedents actually change the law. Suppose that, while this case is pending before this Court, the Secretary were to

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The court of appeals reasoned as if it could apply a remedy that would change the content of the statute. "To remedy the violation, we follow the Supreme Court's approach in *Free Enterprise Fund* v. *Public Accounting Oversight Bd.*, 561 U.S. 477 (2010), by invalidating and severing the restrictions on the Librarian of Congress's ability to remove the CRJs." 684 F. 3d at 1334 (additional citations omitted).

The D.C. Circuit cannot change the content of statutory law any more than the Federal Circuit can. After the decision in *Intercollegiate Broadcasting System*, the Librarian of Congress might have purported to remove a CRJ contrary to 17 U.S.C. § 802(i), relying on the D.C. Circuit's purported elimination of the removal restriction. The purportedly removed judge might have sought backpay in the United States Court of Federal Claims under 28 U.S.C. § 1491(a) (giving jurisdiction over claims against the United States for money damages founded on federal statutes and contracts with the federal government). Decisions of the Court of Federal Claims are appealable to the Federal Circuit, 28 U.S.C. § 1295(a)(3), which is not bound by the D.C. Circuit's precedents. In such a case, the Federal Circuit might have concluded that the removal restriction is intact and that the CRJ had been unlawfully removed.

purport to remove an APJ for reasons not allowed by 5 U.S.C. § 7513(a), but allowable under the Federal Circuit's decision. If courts can change statutory law, that removal would be effective. In this case, this Court might find that the office of Administrative Patent Judge as defined by the statutes is inferior, so that appointment by the Secretary is constitutional, and reverse the Federal Circuit. If courts change statutory law, such a decision by this Court would change the statutory law back to what it had been before the lower court's decision. In the interim the statute would have stood as amended by the lower court. The situation would be as if Congress had repealed and then reinstated the removal restriction. The removal, having been made while the statute had no restriction, would remain effective.

That result would be nonsensical. If this Court concludes that the statutory system as enacted creates an inferior office, it will have concluded that the law has always had that feature. The Federal Circuit will have erred, but will not have actually changed § 7513(a). On this score too, the analogy between holding and remedy breaks down for lower courts, because they can be reversed, whereas this Court is final. Thinking that a decision that may yet be reversed can change the statutory law leads to the conclusion that if such a decision is reversed, the law is changed again. That difficulty arises from the misleading analogy between holdings and remedies. Holdings state the law as found. Remedies change parties' legal relations, but no remedy can change the content of a statute.

II. Because Invalidity Arises, and Statutory Fallbacks Are Effective, Ab Initio, If the Court of Appeals Was Correct on the Constitutional and Fallback Issues, the Appointments of APJs at Issue In this Case Were Valid When Made and Did Not Become Valid Only After the Lower Court's Decision

The court of appeals misunderstood the roles of the Constitution, the statutes at issue, and the courts, in cases that involve constitutional invalidity and statutory fallbacks. That misunderstanding led the court to decide this case incorrectly, assuming that it was correct about the constitutional issue and the statutory fallback.[5] The court's error concerns the time at which legal events occur.

As the court of appeals understood the situation, the statute as adopted was unconstitutional. The statute authorized a Head of Department to appoint to a principal office, which the Constitution does not allow. The court's decision "severing" the removal restriction, however, changed the statutory law and thereby cured the constitutional defect. Once the court of appeals had changed the statute, the office became inferior, and a Head of Department could appoint to it. According to this reasoning, APJs

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[5] The decision below was also incorrect if the statutes involved have no constitutional defect. The decision is correct only if the statutes as written combine a principal office with appointment by a Head of Department and the fallback is not an inferior office with appointment by the Secretary of Commerce. If the statute as written is inconsistent with the Constitution and no fallback is in operation that authorizes the appointments the APJs have received from the Secretary, then they lack valid appointments.

lacked valid appointments prior to the court of appeals' act of severance. That act of severance changed the law and caused the appointments the Secretary had previously made to become effective. The court of appeals vacated decisions of the PTAB made prior to the court's decision, but stated that PTAB decisions made after the Federal Circuit's decision would be valid under the Appointments Clause. 941 F. 3d at 1338-39. The court of appeals reasoned that its decision cured the constitutional violation, but did so only prospectively.[6]

Judicial decisions say what the law is, but courts do not give remedies that invalidate unconstitutional statutory provisions. The Constitution itself causes statutory rules that are inconsistent with it to be invalid. Invalidity results from the Constitution's self-executing effect, and does not wait until a court finds it. That is why findings of unconstitutionality generally apply to events that took place after an unconstitutional statute was adopted but before the judicial finding.

Myers v. *United States*, 272 U.S. 52 (1926), illustrates the ab initio operation of the Constitution. *Myers* was a suit for backpay, maintained in this Court by the administratrix of a Postmaster who had been removed by the President contrary to a statutory removal restriction. The Court found that the restriction was unconstitutional and invalid, *id*. at

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[6] Another theory that might support the court of appeals' result is that the APJs wrongly believed that they were protected from removal by 5 U.S.C. § 7513(a), and that the incorrect belief somehow tainted their decision. The court of appeals did not rely on that reasoning.

176, and denied the claim for backpay, *id*. at 177. The disposition of the case rested on the assumption that the removal restriction had been invalid when adopted. If it had become invalid only when the Court found it to be unconstitutional, it would have been valid from the day Myers was removed to the end of the four-year term to which he had been appointed. *See id*. at 106 (explaining that Myers claimed backpay up to the expiration of his term in July 1921).

Similar principles govern the timing of severance and the operation of statutory fallback systems. A statute's operation in the contingency of its partial unconstitutionality is part of the statute's content. When this Court faces a severability question, or a question concerning a statutory fallback, it searches for that content. That is why the Court's formulation of the severability inquiry depends on its way of describing the content of statutes. Conducting severability analysis in *Barr* v. *American Association of Political Consultants*, 140 S. Ct. 2335 (2020) (opinion of Kavanaugh, J.), Justice Kavanaugh explained that severability analysis looks to the statutory text. Inquiry into congressional intent "may have carried some force back when courts paid less attention to statutory text as the definitive expression of Congress's will." *Id*. at 2349. Today, however, courts "zero in on the precise statutory text," and therefore "hew closely to the text of severability or nonseverability clauses." *Id*. By contrast, *Alaska Airlines, Inc.* v. *Brock*, 480 U.S. 678 (1987), formulated its inquiry in terms that the Court at that point often used in describing Congress's will, stating that it was seeking the "congressional intent of severability," *id*. at 687.

The source of fallback systems in statutory content is especially clear when a statute provides an explicit fallback. The statute at issue in *Bowsher* v. *Synar*, 478 U.S. 714 (1986), explicitly provided for the possibility that its primary system would be unconstitutional. When the Court found that the primary system was inconsistent with the Constitution, *id.* at 734, and implemented the statutory alternative, *id.* at 735-36, it was carrying out the statute. The Court was not called on to revise statutory law, which the judicial power cannot do, but only to implement it.

Severability and fallback systems are part of the content of statutory law, which is fixed when the statute is enacted. If a statute as written has a constitutional defect, severance or the fallback system goes into effect upon enactment. The statutes need not wait for courts to modify them.

If the statutes at issue in this case create a primary system that authorizes appointment to a principal office by a Head of Department, but have a fallback system in which the office of Administrative Patent Judge is inferior and the Secretary of Commerce may appoint to it, that fallback system was in effect when the Secretary made the appointments; it did not go into effect only when the Federal Circuit found it. If the fallback system is in effect, the appointments by the Secretary at issue in this case were valid when made. They did not become valid only after the lower court changed the office from principal to inferior, a step only Congress can take.

CONCLUSION

If the Court finds that under the statutes as written the office of Administrative Patent Judge is principal, but that the statutes provide a fallback system in which the office is inferior and the Secretary of Commerce may make appointments to that office, the Court should conclude that the appointments at issue in this case were valid when made.

Respectfully submitted,

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