"All the News That's Fit to Print"

The New York Times

National Edition
Upper Midwest: Clouds and sunshine. Thunderstorms. Highs in the upper 70s north to the 90s south. Dry north tonight. Thunderstorms south. Weather map is on Page A24.

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JUSTICES CURB E.P.A. POWER OVER EMISSIONS

ANNA-RAISE LAUTEN FOR THE NEW YORK TIMES

The Supreme Court remained in the spotlight on Thursday with a 6-to-3 decision limiting federal regulators' control of power plants.

Ruling on Final Day of Court's Term Solidifies a Lurch to the Right

By ADAM LIPTAK

WASHINGTON — The Supreme Court on Thursday limited the Environmental Protection Agency's ability to regulate carbon emissions from power plants, making it much tougher for President Biden to achieve his goal of cutting greenhouse gas emissions in half by the end of the decade.

The vote was 6 to 3, with the court's three liberal justices in dissent, saying that the majority had stripped the E.P.A. of "the power to respond to the most pressing environmental challenge of our time."

In ruling against the E.P.A., the Supreme Court again waded into a politically divisive issue on the final day of a blockbuster term, adding to the conservative supermajority's decisions to eliminate the constitutional right to abortion, vastly expand gun rights and further erode the wall separating church and state.

The implications of the ruling could extend well beyond environmental policy. It also signals that the court's newly expanded conservative majority is deeply skeptical of the power of administrative agencies to address major issues facing the nation and the planet.

The decision set off criticism from the left, but voices from the coal industry and conservative states praised the ruling.

Mr. Biden, left with far fewer tools to fight climate change, said the ruling was "another devastating decision that aims to take our country backwards." [Page A16.]

The president vowed to take action even as the court limited his ability to act, adding: "We cannot and will not ignore the danger to public health and existential threat the climate crisis poses."

Patrick Morrisey, the attorney general of West Virginia and one of the leaders of the challenge to the E.P.A.'s authority, welcomed the decision.

"E.P.A. can no longer sidestep Congress to exercise broad regulatory power that would radically transform the nation's energy grid and force states to fundamentally shift their energy portfolios away from coal-fired generation," he said.

Writing for the majority, Chief Justice John G. Roberts Jr. only glancingly alluded to the harms caused by climate change. Justice Elena Kagan began her dissent with a long passage detailing the devastation the planet faces, including hurricanes, floods, famines, coastal erosion, mass migration and political crises.

The question in the case, Chief Justice Roberts wrote, turned on the scope of the language of the Clean Air Act. Under it, he wrote, Congress had not clearly given the agency sweeping authority to regulate the energy industry.

"Capping carbon dioxide emissions at a level that will force a

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Major Victory in Long Game to Dismantle Business Regulations

By CHARLIE SAVAGE

WASHINGTON — The Supreme Court ruling in the Environmental Protection Agency case on Thursday was a substantial victory for libertarian-minded conservatives who have worked for decades to curtail or dismantle modern-style government regulation of the economy.

In striking down an E.P.A. plan to reduce carbon emissions from power plants, the court issued a decision whose implications go beyond hobbling the government's ability to fight climate change. Many other types of regulations might now be harder to defend.

The ruling widens an opening to attack a government structure that, in the 20th century, became the way American society imposes rules on businesses: Agencies set up by Congress come up with the specific methods of ensuring that the air and water are clean; that food, drugs, vehicles and consumer products are safe; and that financial firms follow the rules.

Opens Door to Hobbling of Federal Agencies

Such regulations may benefit the public as a whole, but can also cut into the profits of corporations and affect other narrow interests. For decades, wealthy conservatives have been funding a long-game effort to hobble that system, often referred to as the administrative state.

"This is an intentional fight on the administrative state that is the same fight that goes back to the New Deal, and even before it to the progressive era — we're just seeing its replaying and its resurfacing," said Gillian Metzger, a Columbia University professor who wrote a Harvard Law Review arti-

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SARAHBETH MANDUTIUK NEW YORK TIMES

NEW JUSTICE Ketanji Brown Jackson was sworn in as the first Black woman on the court. PAGE A15

FLORIDA PAUSE A judge temporarily blocked a state law banning abortions after 15 weeks. PAGE A18

For Wall Street, Already Dismal, Gloom Deepens

By ISABELLA SIMONETTI

Wall Street set records in the first half of the year, none of them good.

The economy is on the cusp of a recession, battered by high inflation and rising interest rates, which eat into paychecks, dent consumer confidence and lead to corporate cutbacks. As it has teetered, markets have tanked.

The six months through Thursday were the stock market's worst first half of a year since 1970. The S&P 500, the cornerstone of many stock portfolios and retirement accounts, peaked in early January and has dropped nearly 21 percent over the last six months.

The sell-off has been remarkably broad, with every sector except energy down this year. Bellwethers like Apple, Disney, JPMorgan Chase and Target have all fallen more than the overall market.

And that's only part of the horror story for investors and companies this year.

Bonds, which are seen as providing lower but more stable returns for investors, have had a terrible six months, too. Because bonds are particularly sensitive to economic conditions, reflecting shifts in inflation and interest rates more directly than stocks,

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Jan. 6 Fees Paid By Trump PAC Raise Red Flags

This article is by **Luke Broadwater, Maggie Haberman, Annie Karni** *and* **Alan Feuer.**

WASHINGTON — Former President Donald J. Trump's political organization and his allies have paid for or promised to finance the legal fees of more than a dozen witnesses called in the congressional investigation into the Jan. 6 attack, raising legal and ethical questions about whether the former president may be influencing testimony with a direct bearing on him.

The arrangement drew new scrutiny this week after Cassidy Hutchinson, a former aide in his White House, made an explosive appearance before the House panel, providing damning new details about Mr. Trump's actions and statements on the day of the deadly riot.

She did so after firing a lawyer who had been recommended to her by two of Mr. Trump's former aides and paid for by his political action committee, and hiring new counsel. Under the representation of the new lawyer, Jody Hunt, Ms. Hutchinson sat for a fourth interview with the committee in which she divulged more revelations and agreed to come forward publicly to testify to them.

It is not known whether Ms. Hutchinson's change in counsel

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SERGEY PONOMAREV FOR THE NEW YORK TIMES

Until recent years, China largely abided by the "one country, two systems" approach to Hong Kong.

Turning Point for an Ever-Changing Hong Kong

By HANNAH BEECH

HONG KONG — On the day that Hong Kong was returned to China a quarter century ago, the noodle maker of Queen's Road worked as he had done for days and decades before, mixing flour and water into sustenance for a city filled with refugees from the mainland. To satisfy the diverse tastes, he made tender Shanghai noodles and Cantonese egg pasta, slippery wonton wrappers from China's south and thick dumpling skins beloved in Beijing.

25 Years After Handoff, Beijing's Sway Grows

When the five-starred flag of the People's Republic of China replaced the Union Jack on July 1, 1997, it rained and rained, the water rising fast along Queen's Road and its tributaries. Some people took the deluge as an omen of Communist control, others as a purifying ritual to cleanse Hong Kong of Western imperialism.

The storm held no greater meaning for To Wo, who ran the noodle shop with his family. Mr. To still had to work every day of every year, feeding dough into clanging machines and emptying so many bags of flour that everything was dusted white, even the shrine to the kitchen god.

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Supreme Court Could Reshape Election Rules

By ADAM LIPTAK and NICK CORASANITI

WASHINGTON — The Supreme Court announced on Thursday that it would hear a case that could radically reshape how federal elections are conducted by giving state legislatures independent power, not subject to review by state courts, to set election rules in conflict with state constitutions.

The case has the potential to affect many aspects of the 2024 election, including by giving the justices power to influence the presidential race if disputes arise over how state courts interpret state election laws.

In taking up the case, the court could upend nearly every facet of the American electoral process, allowing state legislatures to set new rules, regulations and districts on federal elections with few checks against overreach, and potentially create a chaotic system with differing rules and voting eligibility for presidential elections.

"The Supreme Court's decision will be enormously significant for presidential elections, congressional elections and congressional district districting," said J. Michael Luttig, a former federal appeals court judge. "And therefore, for American democracy."

Proections against partisan

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Unfailing Support for Ukraine
President Biden vowed that the U.S. and NATO would keep aiding Ukraine against Russia despite the economic pain roiling the world markets. PAGE A9

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Inquiry Into N.Y.P.D. Division
The Justice Department will examine the city's special victims division, which has long faced troubling claims from people reporting sex crimes. PAGE A20

SPORTS B6-8
College Conference Shake-Up
U.C.L.A. and U.S.C., the powerful anchors of the Pac-12, are close to joining the Big Ten, which is bulking up to be a formidable rival to the SEC. PAGE B8

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Where Art and Ecology Mix
In the Hudson Valley, a design center and an Italian art museum are delivering their own environmental messages, both indoors and out. PAGE C1

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David Brooks PAGE A22

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What's News

Business & Finance

Global markets closed out their most bruising first half of a year in decades, leaving investors bracing for the prospect of further losses after a months-long rout that left few asset classes unscathed. **A1, B1, B7**

◆ **China has been** signaling an easing of its regulatory campaign against the technology sector, but the country's tech giants are moving ahead with more job cuts as growth stalls. **A1**

◆ **U.S. consumer spending** cooled to a 0.2% advance in May, the smallest monthly gain this year, amid high inflation and elevated interest rates. **A2**

◆ **General Motors aims** to ramp up production of its electric Hummer vehicles, but most prospective buyers still likely face a long wait. **B1**

◆ **SpaceX received** permission from the FCC to link a range of vehicles to its satellite-Internet service. **B1**

◆ **Walgreens said** its fiscal third-quarter sales fell and earnings plunged as revenue from Covid-19 vaccinations dried up. **B1**

◆ **A judge dismissed** a case by Leon Black alleging that the ex-Apollo CEO's former partner and others conspired to destroy his reputation and push him out of the firm. **B1**

◆ **A former partner** at D.E. Shaw was awarded $52 million by an arbitration panel, which determined that the firm and four of its top executives defamed him. **B12**

◆ **The SEC rejected** Grayscale Investments' bid to transform its large bitcoin fund into an ETF. **B12**

World-Wide

◆ **The Supreme Court**, in a 6-3 decision, ruled that the EPA exceeded its authority in seeking to limit emissions from coal plants, a decision that sharply curtails the executive branch's authority to make policy actions on a range of issues without congressional direction. **A1, A6-7**

◆ **The high court ruled** 5-4 that the Biden administration could cancel the Trump-era "Remain in Mexico" program on asylum seekers. **A6**

◆ **Biden endorsed** making an exception to filibuster rules to pass legislation codifying Roe v. Wade into law, but key Senate Democrats say they would oppose such a move. **A1**

◆ **At the end of six days** of international summitry, Biden pledged to support Ukraine for "as long as it takes," as Russia's war drags on. **A8**

◆ **Israeli lawmakers voted** to dissolve parliament and set Nov. 1 as the date for a new election, the country's fifth in less than four years. **A11**

◆ **The FDA directed** vaccine makers to modify their Covid-19 shots to better target the recently circulating offshoots of Omicron. **A3**

◆ **The FDA is devising** plans to allow clinical trials testing the transplantation of pig organs into humans, a person familiar with the matter said. **A3**

◆ **USC and UCLA**, in a blockbuster defection, will be leaving the Pac-12 Conference to join the Big Ten. **A1**

◆ **Columbia won't** submit information to be included in next year's U.S. News & World Report college rankings. **A2**

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High Court Limits EPA on Emissions

Ruling that the agency overstepped on climate has wide ramifications for other U.S. regulators

By Jan Wolfe And Timothy Puko

WASHINGTON—The Supreme Court ruled that federal regulators exceeded their authority in seeking to limit emissions from coal plants, a decision that sharply curtails the executive branch's authority to make policy actions on a range of issues without congressional direction.

In a blockbuster 6-3 decision penned by Chief Justice John Roberts, the court said on Thursday that the Environmental Protection Agency had overstepped when it devised the Obama-era regulatory program, the Clean Power Plan. The court said that when federal agencies issue regulations with sweeping economic and political consequences—in this case, rules to address climate change—the regulations are presumptively invalid unless Congress has specifically authorized the action.

"A decision of such magnitude and consequence rests with Congress itself, or an agency acting pursuant to a clear delegation from that representative body," the chief justice wrote, faulting the EPA for finding new powers in "the vague language of a long-extant, but rarely used, statute."

The Clean Power Plan had been challenged by West Virginia and others.

Beyond the EPA, the decision is likely to curb President Biden's ability to use other departments and regulators such as the Treasury Department, Securities and Exchange Commission and the Federal Energy Regulatory Commission to address climate change.

Mr. Biden, a Democrat, called the court's ruling "a devastating decision that aims to take our country backwards."

"I have directed my legal team to work with the Department of Justice and affected agencies to review this decision carefully and find ways that we can, under federal law, continue protecting Americans from harmful pollution, including pollution that causes climate change," Mr. Biden said.

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◆ 'Remain in Mexico' is allowed to end A6
◆ Supreme Court will hear election-law case A6
◆ Conservative shift marks historic term A7

Jackson Becomes First Black Woman on Supreme Court

NEW MEMBER: Ketanji Brown Jackson is sworn in Thursday by Supreme Court Chief Justice John Roberts, as her husband, Patrick Jackson, holds two Bibles. She is the 116th associate justice, and the first Black woman to serve on the court. A6

Biden Backs Roe Filibuster Change

By Andrew Restuccia And Ken Thomas

WASHINGTON—President Biden endorsed making an exception to filibuster rules to pass legislation codifying Roe v. Wade into law. But key Democrats in the evenly divided Senate said they would oppose such a move.

"The most important thing to be clear about is we have to codify Roe v. Wade into law and the way to do that is to make sure Congress votes to do that," Mr. Biden, a Democrat, said during a news conference in Spain. "And if the filibuster gets in the way, it's like voting rights, it should be provided an exception for this...to the filibuster."

Changing the filibuster rules of the Senate would allow legislation protecting abortion access to pass the chamber with 51 votes rather than the 60 votes usually required for bills to advance. While he has expressed greater skepticism than other Democrats at lifting the filibuster rules, Mr. Biden had previously backed an exception to them to pass long-stalled election bills. It was the first time that the president publicly backed changing the filibuster rules to pass legislation codifying Roe v. Wade into law.

As a practical matter, a change seems unlikely. The filibuster could be changed with a simple majority vote, but not all Democrats in the 50-50 Senate are on board with such a move, saying it would fundamentally change the nature of the Senate and could backfire if the GOP takes control of the chamber.

Such legislation faces roadblocks to passage because Sens. Joe Manchin of West Virginia and Kyrsten Sinema of Arizona, both moderate Democrats, have said they opposed changing or ending the Senate's filibuster rules. Spokeswomen for both senators said Thursday their positions were unchanged.

The Supreme Court last week overturned Roe, the 1973 decision that established a

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◆ Judge set to temporarily halt Florida abortion ban A4

Markets Post Worst First Half Of Year In Decades

By Akane Otani

Global markets closed out their most bruising first half of a year in decades, leaving investors bracing for the prospect of further losses.

Accelerating inflation and rising interest rates fueled a months-long rout that left few markets unscathed. The S&P 500 fell 21% through Thursday, suffering its worst first half of a year since 1970, according to Dow Jones Market Data. The blue-chip Dow Jones Industrial Average lost 15%.

Investment-grade bonds, as measured by the iShares Core U.S. Aggregate Bond exchange-traded fund, lost 11%—posting their worst start to a year in history.

Stocks and bonds in emerging markets declined, hurt by slowing growth. And cryptocurrencies came crashing down, saddling individual investors and hedge funds alike with steep losses.

About the only thing that rose in the first half was commodities prices. Oil prices surged above $100 a barrel, and U.S. gas prices hit records after the Russia-Ukraine war up-

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◆ Treasury rally pushes yield below 3% B1
◆ Cryptocurrencies' tumult leaves investors leery B7

UCLA, USC Bolt Pac-12 for Big Ten

By Laine Higgins And Rachel Bachman

The University of Southern California and UCLA are leaving the Pac-12 Conference to join the Big Ten, a blockbuster defection that accelerates a dramatic, money-driven consolidation of college sports.

The Big Ten's Council of Presidents and Chancellors voted unanimously on Thursday to add USC and UCLA for the 2024-25 academic year, marking another big leap toward a world in which the biggest brands in college sports compete in just two powerful conferences—the Southeastern Conference and the Big Ten. This latest seismic realignment began last year, when Texas and Oklahoma said they would leave the Big 12 Conference by no later than 2025 to join the SEC.

The move by USC and UCLA to the Big Ten will severely hobble the West Coast-based Pac-12, which has long been one of the premier conferences in college sports. USC and UCLA are two of the Pac-12's most decorated schools athletically and they reside in its largest media market. The winners of the Pac-12 and the Big Ten traditionally played each other in the Rose Bowl most years.

The move also appears to

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Xi Marks Hong Kong Handover

China's leader, Xi Jinping, said Hong Kong has moved from chaos to governance at a ceremony Friday marking the 25th anniversary of the city's handover from Britain to China. A10

Your Beach Read's Sunny Cover Might Mask Something Darker

Publishers rely on sand and seas; 'Hemlock Sisters' becomes 'Sunshine Sisters'

By Ellen Gamerman

The siren call of the "beach read" finally reached Jennifer Weiner, who long considered the term dismissive of writing associated with women.

"After years and years of, 'This is sexist,' I was like, 'You know what? If I can't beat them, join them,'" said Ms. Weiner, whose new book out this spring, "The Summer Place," is set on Cape Cod in Massachusetts.

"I wanted to be at the beach," said the author, who wrote the novel during the pandemic, the last in her three-book Cape Cod series. "I wanted to be anywhere but stuck in my house with my family."

Beach reads, loosely defined as easy engrossing tale released for summer, are under pressure to perform. June has been the second-biggest month for adult fiction sales for the past decade, according to NPD BookScan, and book sales overall soared during the pandemic. Now, as vacations kick off with the July Fourth holiday, publishers are trying to hang on to those numbers.

Novels with beachy covers are so popular, book industry executives say, publishers put have feet and glistening seas on

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China's Tech Giants Target New Layoffs As Business Slows

By Raffaele Huang

China has been signaling an easing of its regulatory campaign against the technology sector, but the country's tech giants are moving ahead with more job cuts as growth stalls.

Companies including Tencent Holdings Ltd. and ByteDance Ltd. are implementing fresh layoffs affecting thousands of employees in their latest round of cost-cutting, current and former employees said. These job cuts come on top of the tens of thousands of employees already axed by Chinese internet companies since late last year after Beijing's regulatory crackdown swamped the sector.

Previous job cuts were mostly focused on restructuring unprofitable businesses and noncore segments. But as the Omicron variant of Covid-19 prompts harsh lockdowns, roiling the Chinese economy, some companies are extending layoffs to core businesses.

The fresh round of layoffs points to the scars that the regulatory assault and macroeconomic headwinds have left on some tech companies—a

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