FTC now has three Republicans and no Democrats instead of the typical 3-2 split



After declaring the FTC to be under White House control, Trump fired both Democratic members despite a US law and Supreme Court precedent stating that the president cannot fire commissioners without good cause.

House Commerce Committee leaders said the all-Republican FTC will end the "partisan mismanagement" allegedly seen under the Biden-era FTC and then-Chair Lina Khan. "In the last administration, the FTC abandoned its rich bipartisan tradition and historical mission, in favor of a radical agenda and partisan mismanagement," said a statement issued by Reps. Brett Guthrie (R-Ky) and Gus Bilirakis (R-Fla.). "The Commission needs to return to protecting Americans from bad actors and preserving competition in the marketplace."

Consumer advocacy group Public Knowledge thanked Senate Democrats for voting against Meador. "In order for the FTC to

be effective, it needs to have five *independent* commissioners doing the work," said Sara Collins, the group's director of government affairs. "By voting 'no' on this confirmation, these senators have shown that it is still important to prioritize protecting consumers and supporting a healthier marketplace over turning a blind eye to President Trump's unlawful termination of Democratic Commissioners Slaughter and Bedoya."

Democrats sue Trump

The two Democrats are challenging the firings in a lawsuit that said "it is bedrock, binding precedent that a President cannot remove an FTC Commissioner without cause." Trump "purported to terminate Plaintiffs as FTC Commissioners, not because they were inefficient, neglectful of their duties, or engaged in malfeasance, but simply because their 'continued service on the FTC is' supposedly 'inconsistent with [his] Administration's priorities,'" the lawsuit said.

US law says an FTC commissioner "may be removed by the President for inefficiency, neglect of duty, or malfeasance in office." A 1935 Supreme Court ruling said that "Congress intended to restrict the power of removal to one or more of those causes."

Slaughter and Bedoya sued Trump in US District Court for the District of Columbia and asked the court to declare "the President's purported termination of Plaintiffs Slaughter and Bedoya unlawful and that Plaintiffs Slaughter and Bedoya are Commissioners of the Federal Trade Commission."

https://arstechnica.com/tech-policy/2025/04/trump-cements-control-of-federal-trade-commission-with-3-0-republican-advantage/

Google takes advantage of federal cost-cutting with steep Workspace discount



Google has long been on the lookout for ways to break Microsoft's stranglehold on US government office software, and the current drive to cut costs may be it. Google and the federal government have announced an agreement that makes Google Workspace available to all agencies at a significant discount, trimming 71 percent from the service's subscription price tag.

Since Donald Trump returned to the White House, the government has engaged in a campaign of unbridled staffing reductions and program cancellations, all with the alleged aim of reducing federal spending. It would appear Google recognized this opportunity, negotiating with the General Services Administration (GSA) to offer Workspace at a lower price.

Google claims the deal could yield up to $2 billion in savings.

Google has previously offered discounts for federal agencies interested in migrating to Workspace, but it saw little success displacing Microsoft. The Windows maker has enjoyed decades as an entrenched tech giant, leading the 365 productivity tools to proliferate throughout the government. While Google has gotten some agencies on board, Microsoft has traditionally won the lion’s share of contracts, including the $8 billion Defense Enterprise Office Solutions contract that pushed Microsoft 365 to all corners of the Pentagon beginning in 2020.

https://arstechnica.com/gadgets/2025/04/google-slashes-workspace-pricing-for-feds-to-capitalize-on-cost-cutting/

Amazon’s Chinese sellers to raise prices or quit US market as tariffs hit 145%



Jassy said Amazon is “doing everything we can to try and keep prices the way they’ve been for customers, as low as possible.” Amazon has already “done some strategic forward inventory buys to get as many items as make sense for customers at lower prices,” and may renegotiate some deals, he said.

Seller: “You can’t rely on the US market”

Reuters spoke to five Chinese sellers, writing that “three said they would look to raise prices for their exports to the US, while two planned to leave the market entirely.”

Dave Fong sells products “from schoolbags to Bluetooth speakers” and has already raised prices in the US by up to 30 percent, the article said. “For us and anyone else, you can’t rely on the US market, that’s quite clear,” Fong told Reuters. “We have to reduce investment, and put more resources into regions like Europe, Canada, Mexico, and the rest of the world.”

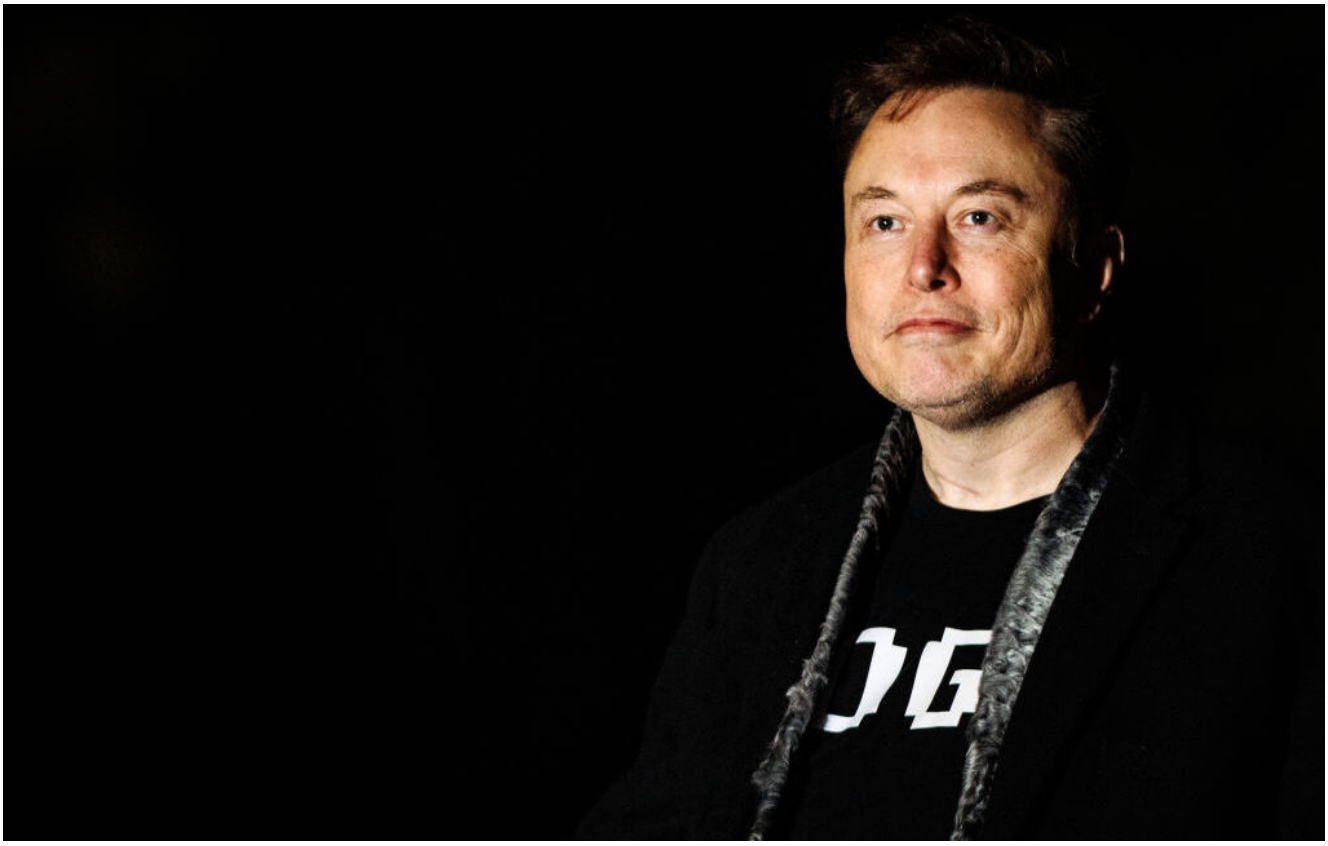
Products already shipped to Amazon fulfillment centers in the US soften the blow temporarily, but Shenzhen-based seller Brian Miller “anticipated he and other sellers would need to raise prices steeply when current inventories run out in one or two months.”

“Building blocks for children that sell on Amazon for $20 that cost his company $3 to produce would now cost $7 including the tariff. Maintaining margins would require raising the price by at least 20 percent, and prices for higher-cost toys might see 50 percent increases, he said,” according to Reuters. Miller said that if the tariffs aren’t changed, “manufacturing that serves the US will have to be transferred to other countries like Vietnam or Mexico.”

Bloomberg reported yesterday that Amazon “canceled orders for multiple products made in China and other Asian countries.”

https://arstechnica.com/tech-policy/2025/04/amazons-chinese-sellers-to-raise-prices-or-quit-us-market-as-tariffs-hit-145/

Elon Musk wants to be “AGI dictator,” OpenAI tells court



OpenAI also alleges that this is when Musk began intensifying his attacks on OpenAI while attempting to poach its top talent and demanding access to OpenAI's confidential, sensitive information as a former donor and director—"without ever disclosing he was building a competitor in secret."

And the attacks have only grown more intense since then, said OpenAI, claiming that Musk planted stories in the media, wielded his influence on X, requested government probes into OpenAI, and filed multiple legal claims, including seeking an injunction to halt OpenAI's business.

"Most explosively," OpenAI alleged that Musk pushed attorneys general of California and Delaware "to force OpenAI, Inc., without legal basis, to auction off its assets for the benefit of Musk and his associates."

Meanwhile, OpenAI noted, Musk has folded his social media platform X into xAI, announcing its valuation was at $80 billion and gaining "a major competitive advantage" by getting "unprecedented direct access to all the user data flowing through" X. Further, Musk intends to expand his "Colossus,"

which is “believed to be the world’s largest supercomputer,” “tenfold.” That could help Musk “leap ahead” of OpenAI, suggesting Musk has motive to delay OpenAI’s growth while he pursues that goal.

That’s why Musk “set in motion a campaign of harassment, interference, and misinformation designed to take down OpenAI and clear the field for himself,” OpenAI alleged.

Even while counter-suing, OpenAI appears careful not to poke the bear too hard. In the court filing and on X, OpenAI praised Musk’s leadership skills and the potential for xAI to dominate the AI industry, partly due to its unique access to X data. But ultimately, OpenAI seems to be happy to be operating independently of Musk now, asking the court to agree that “Elon’s never been about the mission” of benefiting humanity with AI, “he’s always had his own agenda.”

“Elon is undoubtedly one of the greatest entrepreneurs of our time,” OpenAI said on X. “But these antics are just history on repeat—Elon being all about Elon.”

https://arstechnica.com/ai/2025/04/elon-musk-wants-to-be-agi-dictator-openai-tells-court/

Victory for DOGE as appeals court reinstates access to personal data



A US appeals court ruled yesterday that DOGE can access personal data held by the US Department of Education and Office of Personnel Management (OPM), overturning an order issued by a lower-court judge.

The US government has “met its burden of a strong showing that it is likely to succeed on the merits of their appeal,” said yesterday’s ruling by the US Court of Appeals for the 4th Circuit. In a 2-1 decision, a panel of judges granted the Trump administration’s motion to stay the lower-court ruling pending appeal.

“The Supreme Court has told us that, unlike a private party, the government suffers an irreparable harm when it cannot carry out the orders of its elected representatives… Judicial management of agency operations offends the Executive Branch’s exclusive authority to enforce federal law,” wrote Court of Appeals Judge Steven Agee, a George W. Bush appointee.

Agee was joined by Judge Julius Richardson, a Trump appointee, in voting to grant the motion to stay pending appeal. Judge Robert King, a Clinton appointee, voted to deny the motion.

Judge “strongly” dissents

In a separate 8-7 vote, the full court denied King’s request for an *en banc* hearing. King’s dissent said:

> *Given the exceptional importance of this matter, I sought initial en banc consideration of the government’s motion for a stay pending appeal of the district court’s award of preliminary injunctive relief—an injunction that bars the defendant federal agencies and officials from disclosing to affiliates of the President’s new Department of Government Efficiency, or “DOGE,” highly sensitive personal information belonging to millions of Americans. Regrettably, my request for initial hearing en banc has been denied on an 8-7 vote, and the panel majority has granted the government’s motion for a stay pending appeal on a 2-1 vote. I strongly dissent from both decisions.*
>
> *At stake is some of the most sensitive personal information imaginable—including Social Security numbers, income and assets, federal tax records, disciplinary and other personnel actions, physical and mental health histories, driver’s license information, bank account numbers, and demographic and family details. This information was entrusted to the government, which for many decades had a record of largely adhering to the Privacy Act of 1974 and keeping the information safe. And then suddenly, the defendants began disclosing the information to DOGE affiliates without substantiating that they have any need to access such highly sensitive materials.*

Yesterday’s decision overturned a ruling by US District Judge Deborah Boardman in the District of Maryland. Plaintiffs include the American Federation of Teachers; the International Association of Machinists and Aerospace Workers; the National Active and Retired Federal Employees Association; the National Federation of Federal Employees; and the International

Federation of Professional & Technical Engineers. There are also six individual plaintiffs who are military veterans.

https://arstechnica.com/tech-policy/2025/04/victory-for-doge-as-appeals-court-reinstates-access-to-personal-data/

White House figures out how it texted secret bombing plans to a reporter



We contacted the White House today and will update this article if it provides any comment.

Waltz: “It said one person and then

a different phone number”

Waltz recently told Fox News, “I’m sure everybody out there has had a contact where it said one person and then a different phone number… if you have somebody else’s contact, and then somehow it gets sucked in, it gets sucked in.”

Goldberg later told NBC News that “this isn’t *The Matrix*. Phone numbers don’t just get sucked into other phones. I don’t know what he’s talking about there.”

Waltz has also denied knowing Goldberg despite a 2021 picture of the two men standing next to each other at an event. Goldberg told The Guardian, “I’m not going to comment on my relationship with Mike Waltz beyond saying I do know him and have spoken to him.”

President Trump and administration officials have claimed that no classified information about war plans was shared with Goldberg. But The Atlantic published texts showing that the Trump administration did send bombing plans to the chat in which Goldberg was included. Specific details about the planned attacks were sent before the bombings by Secretary of Defense Pete Hegseth.

Other recent reports said that Waltz and a senior aide used personal Gmail accounts for government communications, and that “Waltz has created and hosted multiple other sensitive national-security conversations on Signal with cabinet members.”

Waltz has kept his job. The Guardian wrote that Trump was “mollified by the findings of the internal investigation,” and did not want the media “to have the satisfaction of forcing the ouster of a top cabinet official weeks into his second term.”

White House Press Secretary Karoline Leavitt told reporters

last week that “this case has been closed here at the White House as far as we are concerned. There have been steps made to ensure that something like that can obviously never happen again, and we’re moving forward.”

“As the president has made it very clear, Mike Waltz continues to be an important part of his national security team,” Leavitt also said.

Senate Armed Services Chairman Roger Wicker (R-Miss.) has said the committee will investigate the information leak, and that “it appears that mistakes were made, no question.”

https://arstechnica.com/tech-policy/2025/04/white-house-figures-out-how-it-texted-secret-bombing-plans-to-a-reporter/

DOGE gearing up for hackathon at IRS, wants easier access to taxpayer data



DOGE has already slashed and burned modernization projects at other agencies, replacing them with smaller teams and tighter timelines. At the Social Security Administration, DOGE representatives are planning to move all of the agency's data off of legacy programming languages like COBOL and into something like Java, WIRED reported last week.

Last Friday, DOGE suddenly placed around 50 IRS technologists on administrative leave. On Thursday, even more technologists were cut, including the director of cybersecurity architecture and implementation, deputy chief information security officer, and acting director of security risk management. IRS's chief technology officer, Kaschit Pandya, is one of the few technology officials left at the agency, sources say.

DOGE originally expected the API project to take a year, multiple IRS sources say, but that timeline has shortened dramatically down to a few weeks. "That is not only not technically possible, that's also not a reasonable idea, that will cripple the IRS," an IRS employee source tells WIRED. "It will also potentially endanger filing season next year, because obviously all these other systems they're pulling people away from are important."

(Corcos also made it clear to IRS employees that he wanted to kill the agency’s Direct File program, the IRS’s recently released free tax-filing service.)

DOGE’s focus on obtaining and moving sensitive IRS data to a central viewing platform has spooked privacy and civil liberties experts.

“It’s hard to imagine more sensitive data than the financial information the IRS holds,” Evan Greer, director of Fight for the Future, a digital civil rights organization, tells WIRED.

Palantir received the highest FedRAMP approval this past December for its entire product suite, including Palantir Federal Cloud Service (PFCS), which provides a cloud environment for federal agencies to implement the company’s software platforms, like Gotham and Foundry. FedRAMP stands for Federal Risk and Authorization Management Program and assesses cloud products for security risks before governmental use.

“We love disruption and whatever is good for America will be good for Americans and very good for Palantir,” Palantir CEO Alex Karp said in a February earnings call. “Disruption at the end of the day exposes things that aren’t working. There will be ups and downs. This is a revolution, some people are going to get their heads cut off.”

This story originally appeared on wired.com.

https://arstechnica.com/tech-policy/2025/04/doge-gearing-up-for-hackathon-at-irs-wants-easier-access-to-taxpayer-data/

The speech police: Chairman Brendan Carr and the FCC’s news distortion policy



“The number of reported decisions drops off dramatically after 1976, and there is only one finding of distortion after 1982, when the Reagan-era FCC began to remove content regulations on broadcast news,” Raphael wrote. The one post-1982 finding of distortion was issued in a letter of admonishment to NBC in 1993 “for staging a segment of a Dateline NBC report on unsafe gas tanks in General Motors trucks,” Raphael wrote.

GM investigated the incident and NBC “admitted to staging the explosion, made an on-air apology to GM, fired three producers who contributed to the segment, and eventually dismissed its news president,” he wrote. The FCC itself sent the letter quietly, with “the first mention of this action appearing in a 1999 decision rejecting a challenge to NBC’s license renewals.”

Investigations rare, penalties even rarer

The rare findings of news distortion were usually accompanied by other infractions. “Most penalties consisted of issuing letters of admonishment or censure that did not figure heavily in subsequent license renewals, all of which were successful,” Raphael wrote.

Despite Raphael’s paper being nearly a quarter-century old, it’s practically up to date. “Since the time of Raphael’s study, it appears that the Commission has only considered allegations of news distortion in a very small number of cases,” said a 2019 paper by Joel Timmer, a professor of film, television, and digital media at Texas Christian University.

Timmer found eight post-1999 cases in which news distortion allegations were considered. Most of the allegations didn’t get very far, and none of them resulted in a finding of news distortion.

The FCC technically has no rule or regulation against news distortion. “Instead, it has a news distortion policy, developed ‘through the adjudicatory process in decisions resolving challenges to broadcasters’ licenses,'” Timmer wrote.

The FCC dismissed an allegation of news distortion over broadcast networks incorrectly projecting that Al Gore would win Florida in the 2000 presidential election, he wrote. The FCC said the incorrect projections were “not a sufficient basis to initiate such an investigation.”

https://arstechnica.com/tech-policy/2025/04/trumps-fcc-chair-invokes-rarely-enforced-news-distortion-policy-to-punish-media/

Judge calls out OpenAI’s “straw man” argument in New York Times copyright suit



“Taken as true, these facts give rise to a plausible inference that defendants at a minimum had reason to investigate and uncover end-user infringement,” Stein wrote.

To Stein, the fact that OpenAI maintains an “ongoing relationship” with users by providing outputs that respond to users’ prompts also supports contributory infringement claims, despite OpenAI’s argument that ChatGPT’s “substantial noninfringing uses” are exonerative.

OpenAI defeated some claims

For OpenAI, Stein’s ruling likely disappoints, although Stein did drop some of NYT’s claims.

Likely upsetting to news publishers, that included a “free-riding” claim that ChatGPT unfairly profits off time-sensitive “hot news” items, including the NYT’s Wirecutter posts. Stein explained that news publishers failed to plausibly allege non-attribution (which is key to a free-riding claim) because, for example, ChatGPT cites the NYT when sharing information from Wirecutter posts. Those claims are pre-empted by the Copyright Act anyway, Stein wrote, granting OpenAI’s motion to dismiss.

Stein also dismissed a claim from the NYT regarding alleged removal of copyright management information (CMI), which Stein said cannot be proven simply because ChatGPT reproduces excerpts of NYT articles without CMI.

The Digital Millennium Copyright Act (DMCA) requires news publishers to show that ChatGPT’s outputs are “close to identical” to the original work, Stein said, and allowing publishers’ claims based on excerpts “would risk boundless DMCA liability”—including for any use of block quotes without CMI.

Asked for comment on the ruling, an OpenAI spokesperson declined to go into any specifics, instead repeating OpenAI’s long-held argument that AI training on copyrighted works is fair use. (Last month, OpenAI warned Donald Trump that the US would lose the AI race to China if courts ruled against that argument.)

“ChatGPT helps enhance human creativity, advance scientific discovery and medical research, and enable hundreds of millions of people to improve their daily lives,” OpenAI’s spokesperson said. “Our models empower innovation, and are trained on publicly available data and grounded in fair use.”

https://arstechnica.com/tech-policy/2025/04/judge-doesnt-buy-openai-argument-nyts-own-reporting-weakens-copyright-suit/

EU may “make an example of X” by issuing $1 billion fine to Musk’s social network



European Union regulators are preparing major penalties against X, including a fine that could exceed $1 billion, according to a New York Times report yesterday.

The European Commission determined last year that Elon Musk’s social network violated the Digital Services Act. Regulators are now in the process of determining what punishment to impose.

“The penalties are set to include a fine and demands for product changes,” the NYT report said, attributing the information to “four people with knowledge of the plans.” The penalty is expected to be issued this summer and would be the first one under the new EU law.

“European authorities have been weighing how large a fine to issue X as they consider the risks of further antagonizing [President] Trump amid wider trans-Atlantic disputes over trade, tariffs and the war in Ukraine,” the NYT report said. “The fine could surpass $1 billion, one person said, as regulators seek to make an example of X to deter other companies from violating the law, the Digital Services Act.”

X’s global government affairs account criticized European regulators in a post last night. “If the reports that the European Commission is considering enforcement actions against X are accurate, it represents an unprecedented act of political censorship and an attack on free speech,” X said. “X has gone above and beyond to comply with the EU’s Digital Services Act, and we will use every option at our disposal to defend our business, keep our users safe, and protect freedom of speech in Europe.”

Penalty math could include Musk’s other firms

The Digital Services Act allows fines of up to 6 percent of a company’s total worldwide annual turnover. EU regulators suggested last year that they could calculate fines by including revenue from Musk’s other companies, including SpaceX. Yesterday’s NYT report says this method is still under consideration:

https://arstechnica.com/tech-policy/2025/04/eu-may-make-an-example-of-x-by-issuing-1-billion-fine-to-musks-social-network/