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COMPLAINT FOR VIOLATION OF CIVIL RIGHTS --

Jacqueline Sneddon, Chief Clerk of the Nevada Assembly;
Diane Keetch, Assistant Chief Clerk of the Nevada
Assembly; Brenda Erdoes, Legislative Counsel of the
Nevada Legislature; Claire J. Clift, Secretary of the Nevada
Senate; Hon. Kenny Guinn, Governor of the State of Nevada;
Hon. Dean Heller, Secretary of State of the State of Nevada;
Hon. Charles E. Chinnock, Executive Director, Nevada
Department of Taxation; DOES 1 through 10 inclusive; all in
both their official and individual capacities,

COMPLAINT

COME NOW, Plaintiffs, by and through their attorneys of record, John C. Eastman, Esq., The Claremont Institute Center for Constitutional Jurisprudence, and Jeffrey A. Dickerson, Esq., and for their causes of action and claims for relief against the Defendants, and each of them, allege and complain as follows:

JURISDICTION

This action arises under the Republican Guaranty Clause of Article IV, Section 4 of the United States Constitution and the Fourteenth Amendment to the United States Constitution and under 42 U.S.C. §§ 1983 and 1988. This Court has subject matter jurisdiction of this action under 28 U.S.C. § 1331 (federal question jurisdiction) and § 1343 (civil rights).

VENUE

 Venue is proper under 28 USC § 1391 as there is only one official district for Nevada, defendants reside throughout Nevada, and all the events giving rise to this action occurred in Nevada.

INTRODUCTION

3. Article 4, Section 18(2) of the Nevada Constitution, adopted by voter initiative as a constitutional amendment in 1996 (the "Gibbons Constitutional Tax Initiative"), requires a two-thirds vote of each house of the Nevada legislature "to pass a bill or joint resolution which creates, generates, or increases any public revenue in any form,

- including but not limited to taxes, fees, assessments and rates, or changes in the computation bases for taxes, fees, assessments and rates."
- At the outset of the 2003 legislative session, Defendant Kenny Guinn, the Governor of the State of Nevada, submitted to the Nevada Legislature a request for \$980 million in tax increases to balance the budget he proposed for the 2003-2005 biennium
- During its 2003 regular legislative session, the Nevada State Assembly was unable to muster the 2/3 vote necessary to adopt the proposed tax increase, but the Nevada Legislature instead passed appropriations totaling \$3,264,269,361 for various governmental functions, exclusive of public education, to be drawn from existing state revenues before its session concluded on June 3, 2003
- 6. The Governor convened a special legislative session on June 3, 2003, in order for the Legislature to appropriate funds for the K-12 public school system and to approve a tax increase to provide revenues for the appropriation. The Governor's order convening the special session did not allow the legislature to reconsider its previously-approved appropriations.
- After the Assembly was unable to muster the 2/3 vote necessary to approve a tax increase, and at the request of the Senate Majority Leader and the Speaker of the House, the Governor adjourned the special session on June 12, 2002, and convened the Legislature for a second special session to begin on June 25, 2003
- 8. The Assembly was again unable to muster the 2/3 vote necessary to increase taxes and, barred from considering reductions in previously-approved spending by virtue of limitations in the Governor's order convening the special session, the Legislature was unable to provide appropriations to fund public education by the beginning of the 2004 fiscal year on July 1, 2003
- On July 1, 2003, the Governor filed in the Supreme Court for the State of Nevada a

 Petition for Writ of Mandamus, asking the Court to order the Legislature to provide the funding for public education required by Article, § 6 of the Nevada Constitution,

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and to submit the balanced budget required by Article 9, § 2 of the Nevada Constitution.

- On Thursday, July 10, 2003, the Supreme Court of Nevada issued a writ of mandamus "directing the Legislature to proceed expeditiously with the 20th Special Session [to provide funding for public education] under simple majority rule," contrary to the express provisions of Article 4, § 18(2) of the Nevada Constitution, as the Court itself acknowledged.
- 11. The Nevada State Assembly held a floor session on Sunday, July 13, 2003, during which it held a vote on an amended version of SB 6, a tax increase measure previously approved by the State Senate on June 25 but which failed on two different occasions to receive the necessary 2/3 vote in the State Assembly.
- The vote on SB 6 in the Assembly was 26 in favor, 16 against, short of the 2/3 majority required by Article 4, § 18(2) of the Nevada Constitution. Nevertheless, the Speaker of the Assembly, Defendant Richard D. Perkins, ruled that the measure had "passed."
- After a point of order by Plaintiff Lynn C. Hettrick was not sustained, and a request for a roll-call vote on the point of order was rebuffed, Defendant Perkins gaveled the session adjourned
- 14. The Nevada State Senate has scheduled a floor session for Monday, July 14, 2003, at 12:00 Noon, at which it is scheduled to consider, and expected to approve by majority vote, the amendments to SB 6 approved by the State Assembly on July 13, 2003, in violation of Article 4, § 18(2) of the Nevada Constitution.
- The order of the Nevada Supreme Court directing the Legislature to proceed to consider a tax increase by majority vote rather than the 2/3 vote required by the Nevada Constitution, and the action of the Nevada Assembly to adopt SB 6 without the requisite 2/3 vote, dilutes the votes of individual members of the State Legislature in violation of the Fourteenth Amendment of the U.S. Constitution, infringes the voting and equal protection rights of citizens of the State of Nevada in violation of the

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COMPLAINT FOR VIOLATION OF CIVIL RIGHTS

Fourteenth Amendment of the U.S. Constitution, and contravenes the Republican Guaranty Clause of Article IV of the U.S. Constitution

If adopted in violation of the Nevada Constitution, the tax increase proposed by SB 6 on a certain segment of Nevada business would amount to a taking of property without due process of law, in violation of the Fourteenth Amendment of the U.S. Constitution.

NATURE OF THE COMPLAINT

This Complaint alleges causes of action for injunctive, legal, and declaratory relief, including claims under 42 U.S.C. §§ 1983 and 1988, the Republican Guaranty Clause of Article IV of the Constitution of the United States, and the Due Process and Equal Protection Clauses of the Fourteenth Amendment to the Constitution of the United States. It alleges that the Nevada State Assembly has already violated the due process and equal protection rights of the Plaintiffs by acting in violation of the clear constitutional mandate of the people of Nevada as memorialized in the Nevada Constitution, Article 4 Section 18(2), and that as a result has violated the Republican Guarantee Clause of Article IV of the U.S. Constitution. It alleges further that should the legislature pass a tax increase without the constitutionally mandated two thirds majority, and should the Governor sign such a tax increase into law, as they are set to do, such action would violate the clear mandates of the Nevada Constitution and would violate the due process and equal protection rights of the Plaintiffs protected by the Fourteenth Amendment of the Constitution of the United States and the Republican Guarantee Clause of Article IV

This action is also brought pursuant to 42 U.S.C. § 1983 and 28 U.S.C. §§ 2201 and 2202, to have declared unconstitutional the actions of the Nevada Assembly, and to enjoin any further violations of the Nevada Constitution that operate to deprive Plaintiffs of federally-protected civil, political, and constitutional rights

PARTIES

PLAINTIFFS:

- 19. At all times relevant to the allegations contained in this complaint, Plaintiffs Hon.

 Sharron E. Angle, Hon. Walter Andonov, Hon. Bob Beers, Hon. David F. Brown, Hon.

 John C. Carpenter, Hon. Chad Christensen, Hon. Peter J. Goicoechea, Hon. Thomas J.

 Grady, Hon. Donald G. Gustavson, Hon. Lynn C. Hettrick, Hon. Ronald L. Knecht,

 Hon. R. Garn Mabey, Jr., Hon. John W. Marvel, Hon. Roderick R. Sherer, and Hon.

 Valerie E. Weber have been members of the Nevada State Assembly who have voted and intend to keep voting against certain bills that would increase taxes in Nevada, including SB 6. (The "Assembly Plaintiffs" herein)
- At all times relevant to the allegations contained in this complaint, Plaintiffs Hon. Mark E. Amodei, Hon. Barbara K. Cegavske, Hon. Warren B. Hardy II, Hon. Mike McGinness, Hon. Dennis Nolan, Hon. Ann O'Connell, Hon. Dean A. Rhoads, Hon. Sandra J. Tiffany, Hon. Maurice E. Washington have been members of the Nevada State Senate who have voted and intend to keep voting against certain bills that would increase taxes in Nevada, including SB 6. (The "Senate Plaintiffs" herein; collectively, the Senate Plaintiffs and the Assembly Plaintiffs are referred to herein as the "Legislator Plaintiffs").
- 21. At all times relevant to the allegations contained in this complaint, Plaintiffs Ira Victor Spinack, Eddie Floyd, Dolores Holets, Janine Hansen, Lynn Chapman, O.Q. Chris Johnson, Thomas Jefferson, David Schuman, Joel Hansen, Jonathan Hansen, Christopher Hansen, John Lusk, Ray Bacon, Greg White, Mary Lau, Larry Martin, Nanette Moffitt, Richard Ziser, Robert Larkin, Jill Dickman, Thomas Cox, Stan Paher and Judith Moss have been taxpayers and citizens of, and voters in, the State of Nevada, at least some of whom who reside in the districts of, and voted for, one or more of the Legislator Plaintiffs, and at least some of whom voted for the "Gibbons Constitutional Tax Initiative" in 1996. (The "Individual Voter Plaintiffs" herein).

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- At all times relevant to the allegations contained in this complaint, Plaintiffs Nevada

 Manufacturers Association and Retail Association of Nevada have been trade

 associations whose members include business entities in the State of Nevada who will

 be subject to the gross receipts tax created by SB 6. (The "Taxpayer Association

 Plaintiffs" herein).
- 23. At all times relevant to the allegations contained in this complaint, Plaintiff Nevadans for Tax Restraint has been an organization whose members are taxpayers in the State of Nevada. (Together with the Individual Voter Plaintiffs and the Taxpayer Association Plaintiffs, the "Taxpayer Plaintiffs" herein)
- At all times relevant to the allegations contained in this complaint, Plaintiff Nevada

 Concerned Citizens has been an organization whose members are voters in the State of

 Nevada. (Together with the Individual Voter Plaintiffs, the "Voter Plaintiffs" herein).

DEFENDANTS:

- 25. At all times relevant to the allegations contained herein, Defendant Legislature of the State of Nevada was the official legislative body in the State created by the Nevada Constitution to enact laws pursuant thereto.
- At all times relevant to the allegations contained in this complaint, Defendant Lorraine

 T. Hunt was President of the Nevada Senate, whose official duties include signing bills
 that have been passed by the Senate in conformity with the Nevada Constitution.
- 27. At all times relevant to the allegations contained in this complaint, Defendant Richard
 Perkins was Speaker of the Nevada Assembly, whose official duties include signing
 bills that have been passed by the Assembly in conformity with the Nevada
 Constitution
- 28. At all times relevant to the allegations contained in this complaint, Defendant Claire J.

 Clift was Secretary of the Nevada Senate, whose official responsibilities include

 transmitting to the Legal Division for enrollment bills passed by the Senate in

 conformity with the Nevada Constitution.

- 29. At all times relevant to the allegations contained in this complaint, Defendant
 Jacqueline Sneddon was Chief Clerk of the Nevada Assembly, whose official duties
 include signing bills that have been passed by the Assembly in conformity with the
 Nevada Constitution and transmitting the signed bills to the Legal Division for delivery
 to the Governor for his consideration.
- 30. At all times relevant to the allegations contained in this complaint, Defendant Diane Keetch was Assistant Chief Clerk of the Nevada Assembly, whose official duties including signing bills passed by the Assembly in conformity with the Nevada Constitution and transmitting the bills, together with any amendments passed by the Assembly, to the Senate for further consideration.
- At all times relevant to the allegations contained in this complaint, Defendant Brenda
 Erdoes was the Legislative Counsel of the Nevada Legislature, whose official duties
 include enrolling bills passed by the Nevada Legislature in conformity with the Nevada
 Constitution.
- 32. At all times relevant to the allegations contained herein, Defendant Hon. Kenny Guinn was the Governor of the State of Nevada.
- At all times relevant to the allegations contained herein, Defendant Hon. Dean Heller was the Secretary of State of the State of Nevada, whose official duties include retaining laws passed by the Legislature and signed by the Governor in conformity with the Nevada Constitution, and assigning to such laws a chapter number in the compilation of the Statutes of Nevada.
- At all times relevant to the allegations contained herein, Defendant Hon. Charles E.

 Chinnock was the Executive Director of the Nevada Department of Taxation, whose official duties include overseeing the Nevada Department of Taxation, which administers the duly-enacted tax statutes of the State of Nevada.
- The true names and capacities of Defendants named herein as DOES through 10 are unknown to Plaintiffs, who therefore sue these Defendants by such fictitious names.

 Plaintiffs are informed and believe and thereon allege that the Defendants designated

herein as DOES 1 through 10 are responsible for the events and happenings herein referred and alleged and proximately caused damages to Plaintiffs as alleged herein. Plaintiffs will ask leave of Court to amend the Complaint to insert the true name and capacity of DOES 1 through 10 when the same have been ascertained, and to join such Defendants in this action.

FIRST CLAIM FOR RELIEF, BY THE LEGISLATOR PLAINTIFFS AND THE

VOTER PLAINTIFFS, FOR NOMINAL DAMAGES

- 36. Plaintiffs incorporate by this reference and re-allege paragraphs 1 through 35 of this Complaint.
- 37. The action of the Nevada Assembly to approve SB 6, a tax increase, without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution, diluted and rendered nugatory the votes of the Legislator Plaintiffs in violation of the Equal Protection and Due Process clauses of the Fourteenth Amendment of the United States Constitution.
 38. The action of the Nevada Assembly to approve SB 6, a tax increase, without the 2/3
 - vote required by Article 4, § 18(2) of the Nevada Constitution, diluted the representation to which Voter Plaintiffs are entitled, and therefore of their right to vote, in violation of the Equal Protection and Due Process clauses of the Fourteenth Amendment of the United States Constitution.
- 39. The action of the Nevada Assembly to approve SB 6, a tax increase, without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution, essentially eviscerated the votes cast by the Voter Plaintiffs in favor of the Gibbons Constitutional Tax Initiative, depriving the Voter Plaintiffs of an effective vote and giving greater—indeed dispositive—weight to the votes of opponents of the Initiative, in violation of the Due Process and Equal Protection Clauses of the Fourteenth Amendment.
- 40. The action of the Nevada Assembly to approve SB 6, a tax increase, without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution, ignored the

constitutional structure imposed by the people of Nevada on the legislature, including the Voter Plaintiffs, in violation of the Republican Guarantee Clause of Article IV of the U.S. Constitution.

41. Plaintiffs have therefore been deprived of their civil, political, and constitutional rights, for which they are entitled to nominal damages, pursuant to 42 U.S.C. § 1983.

SECOND CLAIM FOR RELIEF,

FOR DECLARATORY RELIEF

- 42. Plaintiffs incorporate by this reference and re-allege paragraphs 1 through 41 of this complaint.
- 43. The action of the Nevada Assembly to approve SB 6, a tax increase, without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution, diluted the votes of the Legislator Plaintiffs, diluted the representation to which the Voter Plaintiffs were entitled, and deprived the Voter Plaintiffs of the right to an effective vote, all in violation of the Equal Protection and Due Process clauses of the Fourteenth Amendment and/or the Republican Guarantee Clause of Article IV
- 44. The Plaintiffs are informed and believe and thereon allege that Defendants, and each of them, intend to treat the action of the Nevada Assembly as valid, and thereby proceed to enact SB 6 into law and give it full force and effect, despite the fact that it was enacted without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution. Such action would impose an unlawful tax on the Taxpayer Plaintiffs, taking their property without due process of law, in violation of the Fourteenth Amendment.
- 45. An actual controversy has therefore arisen between Plaintiffs and Defendants concerning the binding effect of Article 4, § 18(2) of the Nevada Constitution, for which Plaintiffs desire a declaration of their rights
- 46. Plaintiffs are entitled to the declaratory judgment of this Court that the action by the State Assembly to deem SB 6 as "passed" without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution infringed Plaintiffs constitutional rights.

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Plaintiffs are further entitled to the declaratory judgment of this Court that the anticipated action by Defendants the State Senate, its presiding officer, its Secretary, the Legislative Counsel, the Governor, the Secretary, and the Executive Director of the Nevada Department of Taxation, treating SB 6 as validly passed by the State Assembly, would further infringe Plaintiffs constitutional rights.

THIRD CLAIM FOR RELIEF,

FOR INJUNCTIVE RELIEF

- 48. Plaintiffs incorporate by this reference and re-allege paragraphs through 47 of this Complaint.
 - The Plaintiffs are informed and believe and thereon allege that Defendants, and each of them, intend to treat the action of the Nevada Assembly as valid, and thereby proceed to enact SB 6 into law and give it full force and effect, despite the fact that it was enacted without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution. Such action would impose an unlawful tax on the Taxpayer Plaintiffs, taking their property without due process of law, in violation of the Fourteenth Amendment. It would also exacerbate the violation of constitutional rights already suffered by the Legislator Plaintiffs (whose votes have been diluted), the Voter Plaintiffs (whose right to representation has been diluted, and whose right to an effective vote has been abrogated), all in violation of the Equal Protection and Due Process clauses of the Fourteenth Amendment and/or the Republican Guarantee Clause of Article IV.
- 50. Plaintiffs have no adequate remedy at law to ensure compliance with Article'4, § 18(2) of the Nevada Constitution. Unless this court enjoins Defendants from violating that provision and giving effect to the action of the Nevada Assembly taken in violation of that provision, Plaintiffs will be irreparably damaged.
- 51. Plaintiffs are entitled to the judgment of this court restraining Defendants from violating Article 4, § 18(2) of the Nevada Constitution and from taking any action to

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give effect to the action of the Nevada Assembly deeming SB 6 as "passed," in violation of Article 4, § 18(2) of the Nevada Constitution

WHEREFORE, Plaintiffs pray:

- 1. For Nominal Damages of \$1 from each Defendant;
- 2. For the declaratory judgment of this Court, declaring that the action by the State Assembly to deem SB 6 as "passed" without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution infringed Plaintiffs constitutional rights, and that the action is thereby null and void
- 3. For the declaratory judgment of this Court, declaring that the anticipated action by Defendants the State Senate, its presiding officer, its Secretary, the Legislative Counsel, the Governor, the Secretary, and the Executive Director of the Nevada Department of Taxation, to treat SB 6 as validly passed by the State Assembly, would further infringe Plaintiffs constitutional rights;
- For a temporary restraining order restraining Defendants from violating Article 4, § 18(2) of the Nevada Constitution and from taking any action that would give effect to the action of the Nevada Assembly deeming SB 6 as "passed" without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution;
- 4. For preliminary and permanent injunctive relief enjoining Defendants from violating Article 4, § 18(2) of the Nevada Constitution and from taking any action that would give effect to the action of the Nevada Assembly deeming SB 6 as "passed" without the 2/3 vote required by Article 4, § 18(2) of the Nevada Constitution;
- 5. That pursuant to 42 U.S.C. § 1988, Plaintiffs be awarded their costs and attorneys' fees incurred in this action; and
 - 6. For such other and further relief as the court deems just and proper.

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Dated: July 14, 2003

Respectfully submitted,

Jeffrey A. Dickerson, Esq.

John C. Eastman, Esq., Of Counsel
The Claremont Institute Center
For Constitutional Jurisprudence

By:

Jeffrey A. Dickerson Attorneys for Plaintiffs

COMPLAINT FOR VIOLATION OF CIVIL RIGHTS -- 13

998 9:49PM 100.14 Ì Jeffrey A. Dickerson (Nev. Bar No. 2690) 2 9655 Gateway Reno, NV 89511 3 (775) 786-6664 (775) 786-7466 FAX 4 John C. Eastman, Of Counsel 5 (Cal. Bar No. 193726) THE CLAREMONT INSTITUTE CENTER 6 FOR CONSTITUTIONAL JURISPRUDENCE C/O Chapman University School of Law 7 One University Drive Orange, CA 92866 8 (714) 628-2587 (714) 844-4817 FAX 9 10 Attorneys for Plaintiffs 1 UNITED STATES DISTRICT COURT 12 DISTRICT OF NEVADA Hon. Sharron E. Angle, et al., 13 Case No. 14 Plaintiffs. MEMORANDUM OF POINTS AND **AUTHORITIES IN SUPPORT OF** VS. PLAINTIFFS' APPLICATION FOR TEMPORARY RESTRAINING ORDER The Legislature of the State Of Nevada, et al., \(\) AND ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION Defendants. 18 19 20 21 22 23 24 25 26

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INTRODUCTION

On July 13, 2003, the Nevada State Assembly conducted a floor vote on SB 6, a bill that would, among other things, impose a gross receipts tax on certain businesses in the State of Nevada. Although the vote in favor of the bill, 26 to 16, fell short of the 2/3 vote required by Article 4, Section 18(2) of the Nevada Constitution, the Speaker of the Assembly, Defendant Richard D. Perkins, ruled that the bill had "passed." A point of order by Plaintiff Hettrick, the Assembly Minority Leader, was rejected by the Speaker, based on a mandamus from the Supreme Court of Nevada issued Thursday, July 10, 2003, directing that the legislature consider measures to obtain revenue for the funding of the public education budget by simple majority vote rather than the 2/3 vote that the Nevada Supreme Court expressly acknowledged to be required by the Nevada Constitution. Guinn v. Legislature of the State of Nevada, 119 Nev., Advance Op. 34 (July 10, 2003). The bill has now been returned to the Nevada State Senate, where it is scheduled to be voted upon this afternoon

As a result of the Assembly's actions, certain Plaintiffs have been, and other Plaintiffs are soon to be, irreparably harmed in the exercise of rights protected by the Federal

Constitution. Specifically, the Assembly Plaintiffs (15 members of the State Assembly who were among those voting against SB 6) have had their legislative vote diluted, in violation of the Equal Protection and/or Due Process clauses of the Fourteenth Amendment. The Voter Plaintiffs (individual voters of the State of Nevada, some residing in the districts of the Assembly Plaintiffs) have had their right to undiluted representation infringed, in violation of the Equal Protection and/or Due Process clauses of the Fourteenth Amendment. Those Voter Plaintiffs who voted in 1996 for the Gibbons Constitutional Tax Initiative, which added Article 4, Section 18(2) to the Nevada Constitution, have also had their constitutionally-protected right to vote (and to have their votes counted and given effect) infringed, in violation of the Equal Protection and/or Due Process clauses of the Fourteenth Amendment and the Republican Guarantee Clause of Article IV. If the Nevada Senate takes up consideration of SB 6, as it is scheduled to do this afternoon, under the same majority-vote rule that was applied in the Assembly, the Senate Plaintiffs (8 members of the Nevada Senate, more than 1/3 of the total)

will likewise be harmed in the same manner as the Assembly Plaintiffs have already been harmed. Should SB 6 be deemed to have become law without the constitutionally-required 2/3 vote, Plaintiffs subject to it will be harmed by having their property taken without due process of law, in violation of the Due Process clause of the Fourteenth Amendment.

For the reasons described in greater detail below, there is a substantial likelihood that Plaintiffs will prevail on the merits of their challenge to the unconstitutional adoption of SB 6 without the 2/3 vote required by the Nevada Constitution. Moreover, should this Court ultimately agree with Plaintiffs' contentions that the imposition of such a tax violates federal civil and constitutional rights, Plaintiffs will have suffered irreparable harm for which there is no adequate remedy at law, far in excess of any potential harm to the Defendants: Defendants simply cannot claim that they are harmed by being required to comply with the Nevada Constitution, nor that they are harmed by allegedly being unable to fund public education when there were alternatives available to them but for their own cynical manipulation of the budgetary process. A temporary restraining order, following by a preliminary injunction, barring Defendants from acting contrary to the Nevada Constitution, is therefore warranted.

ARGUMENT

I. Standard of Review

The standard in this Circuit for assessing whether Plaintiffs are entitled to a preliminary injunction is clear. The moving party must demonstrate either (1) a combination of probable success on the merits and the possibility of irreparable injury if the relief is denied, or (2) that serious questions are raised and the balance of hardships tips sharply in favor of the movant. Tillamook County v. U.S. Army Corps of Engineers, 288 F.3d 1140, 143 (9th Cir. 2002); Los Angeles Memorial Coliseum Comm'n v. National Football League, 634 F.2d 1197, 1201 (9th Cir. 1980); Janra Enterprises, Inc. v. City of Reno, 818 F. Supp. 1361, 1363 (D. Nev. 1993). The showing need not be as strong to satisfy the second test as it must be to satisfy the first. Caribbean Marine Services Co., Inc. v. Baldrige, 844 F.2d 668, 674 (9th Cir. 1988).

One of the tests for granting a temporary restraining order is identical to the test for granting a preliminary injunction: "[A] party may obtain a temporary restraining order, by

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demonstrating either: (1) a combination of probable success on the merits and the possibility of irreparable injury if relief is not granted; or (2) the existence of serious questions going to the ments and that the balance of hardships tips sharply in its favor." Byron M. v. City of Whittier, 46 F. Supp. 2d 1032, 1034 (C.D. Cal. 1998) (citing International Jensen, Inc. v. Metrosound U.S.A., Inc., 4 F.3d 819, 822 (9th Cir. 1993)). Alternatively, a "court may issue a temporary restraining order if it determines: (1) the moving party will suffer irreparable injury if the relief is denied; (2) the moving party will probably prevail on the merits; (3) the balance of potential harm favors the moving party; and depending on the nature of the case, (4) the public interest favors granting relief." Id. (citing International Jensen, 4 F.3d at 822). Under either of these standards, Plaintiffs are entitled to both a temporary restraining order and a preliminary injunction.

n. Plaintiffs Are Likely To Succeed on the Merits.

A. Legislative Plaintiffs' Vote Dilution Claim

The Supreme Court of the United States has expressly recognized that a state legislator has a federal cause of action to challenge actions by the state legislature that dilute or render nugatory the legislator's vote. In Coleman v. Miller, 307 U.S. 433, 438 (1939), the Supreme Court held that state legislators "have a plain, direct, and adequate interest in maintaining the effectiveness of their votes." At issue in the case was whether, in voting to ratify a federal constitutional amendment, the lieutenant governor of the state was permitted to cast a vote in the event of a tie. As the Court noted, "the twenty senators [who were petitioners in the case] were not only qualified to vote on the question of ratification but their votes, if the Lieutenant Governor were excluded as not being part of the legislature for that purpose, would have been decisive in defeating the ratifying resolution." Id. at 441; cf. Skaggs v. Carle, 110 F.3d 831, 833 (D.C. Cir. 1997) (noting that "the harm worked by [a rule changing the amount of votes necessary to pass legislation]—diluting the Representatives' votes and diminishing their ability to advocate a position- is apparent, as is the command of the Constitution that we remedy that harm

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Although Coleman involved a federal constitutional amendment, several courts, including the Ninth Circuit, have recognized that a State legislature's failure to comply with its own procedures may violate sederal Due Process. See, e.g., Rea v. Matteucci, 121 F.3d 483, 485 (9th Cir. 1997) (quoting Atkins v. Parker, 472 U.S. 115, 130 (1985)); Conway v. Searles, 954 F. Supp. 756, 767 (D. Vt. 1997). "Fairness (or due process) in legislation is satisfied when legislation is enacted in accordance with the procedures established in the state constitution and statutes for the enactment of legislation," Richardson v. Town of Eastover, 922 F.2d 1152, 158 (4th Cir. 1991), not by legislation enacted in violation of the procedures mandated by the state constitution, as here. "Legislative rules are judicially cognizable, and may therefore be enforced by the Courts." Conway, 954 F. Supp. at 769 (citing Yellin v. United States, 374 U.S. 109, 114 (1963); Christoffel v. United States, 338 U.S. 84 (1949)). Moreover, the Supreme Court has expressly suggested, albeit in dicta, that members of state legislative bodies have standing to bring a vote dilution claim that arises from violations of state law. Bender v. Williamsport Area Sch. Dist., 475 U.S. 534, 544 n.7 (1986) ("if state law authorized School Board action solely by unanimous consent," a disenfranchised school board member "might claim that he was legally entitled to protect 'the effectiveness of [his] vot[e]"") (quoting Coleman, 307 U.S. at 438) (brackets in original). A legislator in such circumstances "would have to allege that his vote was diluted or rendered nugatory under state law," and "he would have a mandamus or like remedy against the Secretary of the School Board." Id.

The hypothetical case described in Bender is identical to the case here. State law-Article 4, § 18(2) of the Nevada Constitution—authorizes legislative action on tax increases "solely" by 2/3 vote. The disenfranchised legislators—the Legislator Plaintiffs in this case who together provided enough votes to defeat the tax increase pursuant to the 2/3 vote requirement of Article 4—can and do claim that they are legally entitled to protect the effectiveness of their vote. They have alleged in their complaint that their vote was diluted or rendered nugatory under state law, and they have sought to enjoin the clerk of the Assembly and the Secretary of the Senate, among others, from certifying as passed a bill that did not receive the necessary 2/3 vote. Under the provisions of the Nevada Constitution, the vote a

1 member of the State Assembly is 1/15 of the votes necessary to defeat a tax increase. Under

2 the procedure employed by the Assembly yesterday, an assemblyman's vote was only 1/21 of

3 the votes necessary to defeat a tax increase—a classic case of vote dilution, in violation of the

4 Due Process clause

B. Voter Plaintiffs' Derivative Vote Dilution Claim

The Supreme Court has repeatedly recognized vote dilution claims by voters. See

Westberry v. Sanders, 376 U.S. 1 (1964), Franklin v. Massachusetts, 505 U.S. 788 (1992).

That the dilution occurs after the voters' representative is elected, and is therefore derivative of
the legislator's own vote dilution claim, is immaterial. Michel v. Anderson, 14 F.3d 623, 626

(D.C. Cir. 1994); see also Skaggs, 10 F.3d at 834. As the D.C. Circuit noted in Michel with
its characteristic flair: "It could not be argued seriously that voters would not have an injury if
their congressman was not permitted to vote at all on the House floor." 4 F.3d at 626

Depriving voters of representation with the full weight guaranteed their representatives' votes

by the Nevada Constitution's 2/3 requirement is only a difference in degree from the

hypothetical embraced in Michel as a self-evident constitutional violation

Here, by operation of Article 4, § 18(2) of the Nevada Constitution, the Voter Plaintiffs are entitled to representation with a vote sufficient to block a tax increase unless supported by 2/3 of the legislature. The Legislature's failure to abide by that constitutional provision, and to deem as "passed" a tax increase that failed to garner the necessary 2/3 vote, has diluted the representation to which Voter Plaintiffs are entitled, and therefore of their right to vote. "The right of suffrage is 'a fundamental political right, because preservative of all rights." Roe v. State of Ala. By and Through Evans, 43 F.3d 574, 580 (11th Cir. 1995) (quoting Yick Wo v. Hopkins, 118 U.S. 356, 370 (1886)). Infringement on the right to vote, including infringement by dilution, violates the First and Fourteenth Amendments of the U.S. Constitution. Id.
"[T]he right of suffrage can be denied by a debasement or dilution of the weight of a citizen's vote just as effectively as by wholly prohibiting the free exercise of the franchise. If, however, 'the election process itself reaches the point of patent and fundamental unfairness, a

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violation of the due process clause may be indicated and relief under § 1983 therefore in order." Id. (quoting Reynolds v. Sims, 377 U.S. 533, 554 (1964)).

C. The Voter Plaintiffs' Effective Vote Claim

The Voter Plaintiffs also have a federal constitutional claim centered on the effectiveness of the votes they cast in support of the Gibbons Constitutional Tax Initiative in 1996, and by which they achieved an amendment to the State Constitution that was ignored by the Assembly's actions yesterday. The right to vote constitutes more than just the right to show up at a voting booth and cast a meaningless vote. It includes the right to have that vote counted and, if successful, to have the results of the vote given effect. *Gray v. Sanders*, 372 U.S. 368, 380 (1963); *United States v. Mosley*, 238 U.S. 383, 386 (1915).

In deeming as "passed" a tax increase without the 2/3 vote required by the Nevada Constitution, the State Assembly essentially treated the successful vote for the Gibbons Constitutional Tax Initiative as without any effect, at least whenever there is a budget stand-off involving spending for education. By so doing, the Voter Plaintiffs were deprived of their right to an effective vote, protected by the Fourteenth Amendment of the U.S. Constitution. In addition, the action by the State Assembly essentially gave greater—indeed dispositive weight to the votes of those who opposed the Gibbons Constitutional Tax Initiative, in violation of the Equal Protection Clause of the Fourteenth Amendment. See Bush v. Gore, 531 U.S. 98, 104-05 (2000) ("Having once granted the right to vote on equal terms, the State may not, by later arbitrary and disparate treatment, value one person's vote over that of another") (citing Harper v. Virginia Bd. of Elections, 383 U.S. 663, 665 (1966)). "It must be remembered that 'the right of suffrage can be denied by a debasement or dilution of the weight of a citizen's vote just as effectively as by wholly prohibiting the free exercise of the franchise "Id. at 105 (quoting Reynolds v. Sims, 377 U.S. 533, 555 (1964)). "[T]he idea that one group can be granted greater voting strength than another is hostile to the one man, one vote basis of our representative government." Id. at 107 (quoting Moore v. Ogilvie, 394 U.S.

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814, 819 (1969)). Because these fundamental federal voting rights are so clearly established, and so clearly violated here, the Voter Plaintiffs have a strong likelihood of success on the merits of their claims.

D. Plaintiffs' Republican Guarantee Claim

Article IV, section 4 of the U.S. Constitution provides that "The United States shall guarantee to every State in the Union a Republican Form of Government." Although claims premised on the Republican Guarantee Clause have long been viewed as nonjusticiable political questions in most circumstances, see Luther v. Borden, 48 U.S. (7 How.) 1, 46-47 (1849), Justice O'Connor noted for the Court in New York v. United States "that perhaps not all claims under the Guarantee Clause present nonjusticiable political questions," 505 U.S. 144, 183 (1992). "Contemporary commentators," she noted, "have likewise suggested that courts should address the ments of such claims, at least in some circumstances. Id. at 185 (citing L. Tribe, American Constitutional Law 398 (2d ed. 1988); J. Ely, Democracy and Distrust: A Theory of Judicial Review 118, and n., 122-123 (1980); W. Wiecek, The Guarantee Clause of the U.S. Constitution 287-289, 300 (1972); D. Merritt, 88 Colum. L. Rev. 1, 70-78 (Jan. 1988); Bonfield, The Guarantee Clause of Article IV, Section 4: A Study in Constitutional Desuetude. 46 Minn. L. Rev. 513, 560-565 (1962)). Several courts have acknowledged that the Republican Guarantee clause might present justiciable questions in the wake of New York v. United States, but found that the Clause had not been violated in the particular circumstances at issue in the cases. See Texas v. United States, 106 F.3d 661, 667 (5th Cir. 1997); Adams v. Clinton, 90 F.Supp.2d 35 (D.D.C. 2000); New Jersey v. United States, 91 F.3d 463, 468-69 (3rd Cir. 1996); Padavan v. United States, 82 F.3d 23, 27-28 (2nd Cir. 1996); Deer Park Ind. Sch. Dist. v. Harris Cty. Appraisal Dist., 132 F.3d 1095, 1099-1100 (5th Cir. 1998); City of New York v. United States, 79 F.3d 29 (2nd Cir. 1999); Kelley v. United States, 69 F.3d 1503,

The fact that the Nevada Supreme Court ratified this debasement of the initiative voters is of no moment. See Bush, 531 U.S. at 107 (finding an equal protection violation by disparate recount procedures that were "ratified" by the Florida Supreme Court).

1511 (10th Cir. 1995); but see State ex. rel. Huddleston v. Sawyer, 932 P.2d 1145 (Or. 1997) (holding that Republican Guarantee claim is nonjusticiable).

This case presents one of the rare instances in which a Republican Guarantee claim is viable. The essence of the claim, drawn from New York v. United States, is whether a state's citizens may "structure their government as they see fit." Kelley, 69 F.3d at 1511. In New York v. United States itself, the Court dismissed the guarantee clause claim because the statute in that case did not "pose any realistic risk of altering the form or the method of functioning of New York's government." 505 U.S. at 186. By imposing, through a constitutional amendment, a 2/3 vote requirement for tax increases, the citizens of Nevada adopted a new structure for their government with a new method of functioning, making it more difficult to increase taxes. Actions that have a "realistic risk of altering the state's form of government" from what the citizens of the state have themselves adopted have been held to be amenable to Republican Guarantee Clause claims. Texas, 106 F. 3d at 667; New Jersey, 91 F.3d at 468-69. Essentially, the federal courts are supposed to protect the structural preferences of a state's citizens, serving as a sort of "structural referee." Brzonkala v. Virginia Polytechnic Institute and State Univ., 169 F.3d 820, 895 (4th Cir. 1999), aff'd sub nom. United States v. Morrison, 529 U.S. 598 (2000).

The State Assembly's decision to ignore the governing structure imposed upon it by the State's citizens, via a constitutional amendment, is just the kind of violation of the Article IV guarantee of a Republican form of government that the federal courts have begun to entertain. This court should do so, as well.

E. The Taxpayer Plaintiffs' Due Process Claims

Finally, the Taxpayer Plaintiffs—both individual Nevada citizens who will be undirectly taxed and the business entities that will be directly taxed by the gross receipts tax adopted by the Assembly yesterday—will, when the tax is imposed, have their property taken without due process of law in the most basic meaning of that provision of the Fourteenth Amendment.

Due process means, inter alia, some regular, settled, predictable rule of law. Kent v. United States, 383 U.S. 541, 553-553 (1966); Carter v. People of State of Illinois, 329 U.S 73, 175 (1946); L.C. & S. Inc. v. Warren County Area Plan Com'n, 244 F.3d 601, 602 (7th Cir. 2001). "The words, 'due process of law,' were undoubtedly intended to convey the same meaning as the words 'by the law of the land' in Magna Charta." Murray's Lessee v. Hoboken Land & Improv. Co., 59 U.S. (18 How.) 272, 276 (1856). "To be deprived of liberty or property without due process of law means to be deprived of liberty or property without authority of the law." Rosaly v. Ignacio, 593 F.2d 145, 150 (7th Cir. 1979). "[T]he government operates with greater fairness, and thus greater legitimacy, when it does not change the rules midway through the game," Chambers v. Reno, 307 F.3d 284, 296 (4th Cir 2002), particularly when those rules are mandated in the state's own constitution.

The constitutional argument is thus simple and clear. Since 1996, the Nevada Constitution—the relevant "law of the land" for present purposes—has specified the process by which new taxes can be raised: A 2/3 vote of each house of the legislature is required Nev. Const. Art. 4, § 18(2). Adopted without compliance with that constitutionally-mandated process, the gross receipts tax will amount to the taking of the property of Nevada citizens and businesses without the process that was due—it was enacted contrary to the clearly settled requirements of the Nevada Constitution, in violation of the Due Process Clause of the Fourteenth Amendment. On this claim, too, Plaintiffs are likely to succeed on the merits.

III. The Dilution of their Constitutionally-Protected Right to Vote and Infringement of Other Constitutionally-Protected Rights Constitutes Irreparable Injury.

Having demonstrated a likelihood of success on the merits, Plaintiffs need only demonstrate a possibility of irreparable harm in order to be entitled to a preliminary injunction. Meredith v. Oregon, 321 F.3d 807, 815 n. 8 (9th Cir. 2003); A & M Records, Inc. v. Napster, Inc., 239 F.3d 1004, 1013 (9th Cir. 2001). Here, Plaintiffs can demonstrate much more than a mere possibility of irreparable harm

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The constitutional violations at issue in this litigation are the infringement of Plaintiffs' constitutionally protected rights to vote, to have those votes counted fully and equally (and not diluted), to choose the structure for their own government and have that republican structure guaranteed to them, and to not have their property taken without due process of law. "[I]rreparable injury is assumed where constitutional rights have been alleged to be violated." Associated General Contractors of California, Inc. v. Coalition for Economic Equity, 950 F.2d 1401, 1412 (9th Cir. 1991); see also Charles A. Wright, Arthur R. Miller & Mary Kay Kane, 11A Federal Practice and Procedure § 2948. (Where the deprivation of a constitutional right is involved, courts generally hold that no further showing of irreparability is required); Coalition for Economic Equity v. Wilson, 946 F.Supp. 1480, 1519 (N.D.Cal., 1996) (same), overruled on other grounds, 110 F.3d 1431 (1997).

Even if this Court believes that Plaintiffs have not established a likelihood of success on the merits, a temporary restraining order and preliminary injunction is still warranted if Plaintiffs' contentions raise "serious questions" and "the balance of hardships tips sharply in favor of the movant." Meredith, 321 F.3d at 815; A & M Records, 239 F.3d at 1013

At the very least, Plaintiffs have demonstrated "that serious questions are raised" by the claims they have brought An applicant for preliminary injunctive relief raises a serious question on the merits if its claim poses a substantial, difficult and doubtful question that constitutes a fair ground for litigation. Gilder v. PGA Tour, Inc., 936 F.2d 417, 422 (9th Cir 1991); Tribal Village of Akutan v. Hodel, 859 F.2d 662, 663 (9th Cir. 1988). That threshold is easily met here, for the reasons stated above.

The balance of hardships and the public interest also tilts decidedly in Plaintiffs' favor As noted above, the claimed constitutional violations at issue here are the infringement of fundamental constitutional rights, including the right to vote, which is a "fundamental political right, because preservative of all rights." Yick Wo, 118 U.S. at 370

In contrast, Defendants will likely suffer no harm, much less irreparable harm, if they are enjoined from violating the provisions of the Nevada Constitution during the pendency of this litigation. Defendants remain free to act in accord with the Constitution. Defendant

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Legislature remains free to revisit the entirety of the state's budget in order to comply with the constitutional mandate for a balanced budget and the constitutional mandate to provide adequate funding for education. Other Defendants remain free to fulfill all of their legislative, executive, or ministerial responsibilities in accord with the provisions of the Nevada Constitution. The only thing the injunction will prevent is actions that are unconstitutional under the Nevada Constitution. Although some legislators might think it harmful to comply with the state constitution, and the will of the citizens of the state that it represents, that is hardly a harm that this Court—or any court—is permitted to recognize

Finally, the "basic function of a preliminary injunction [and, when circumstances warrant, a TRO] is to preserve the status quo pending a determination of the action on the merits." Chalk v. U.S. Dist. Court, Cent. Dist. of Cal., 840 F.2d 701, 704 (9th Cir. 1988). Plaintiffs' request for a TRO and Preliminary Injunction here would do just that—preserve the status quo until this Court has time to consider the merits of their contentions in an orderly fashion

IV. Because the balance of hardships weighs heavily in favor of Plaintiffs, this Court should exercise its discretion to waive any bond requirement.

Rule 65(c) of the Federal Rules of Civil Procedure provides that "[n]o restraining order or preliminary injunction shall issue except upon the giving of security by the applicant, in such sum as the court deems proper, for the payment of such costs and damages as may be incarred or suffered by any party who is found to have been wrongfully enjoined or restrained." Fed. R. Civ. P. 65(c). While the Rule normally requires the payment of a bond, courts have waived the bond requirement in noncommercial cases such as this where there is "no risk of monetary loss to the Defendants if the injunction is granted" or where, as here, Plaintiffs have demonstrated a strong likelihood of success on the merits. Colin ex rel. Colin v. Orange Unified Sch. Dist., 83 F. Supp. 2d 1135, 151 (C.D. Cal. 2000); see also Hoechst Diafoil Co. v. Nan Ya Plastics Corp., 74 F.3d 4 , 421, n.3 (4th Cir. 1999); Elliott v.

Kiesewetter, 98 F.3d 47, 60 (3rd Cir. 1996); Doctor's Assocs., Inc. v. Stuart, 85 F.3d 975, 985 (2d Cir. 1996); Scherr v. Volpe, 466 F.2d 1027, 1035 (7th Cir. 1972)

Because in this case the granting of a temporary restraining order and a preliminary injunction would result in no risk of monetary loss to Defendants, and because Plaintiffs have demonstrated a strong likelihood of success on the merits, in the event this Court issues the requested temporary restraining order and/or preliminary injunction, Plaintiffs respectfully request that this Court exercise its discretion and waive the bond requirement of Rule 65(c).

CONCLUSION

For the reasons stated above, Plaintiffs' application for a temporary restraining order should be granted, without bond, and an order to show cause why a preliminary injunction should not issue should be entered

Dated: July 14, 2003 Respectfully submitted,

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