	Case 1:18-cv-00566-CL Document 1	Filed 04/03/18 Page 1 of 11							
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4	IN THE UNITED STATES DISTRICT COURT IN THE DISTRICT OF OREGON MEDFORD DIVISION								
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7									
8	JOSEPHINE COUNTY,								
9	Plaintiff,	Case No. 1:18-cv-566							
10	vs.	ACTION FOR DECLARATORY AND							
11	STATE OF OREGON; and ELLEN F.	INJUNCTIVE RELIEF							
12	ROSENBLUM , Attorney General for the State of Oregon								
13									
14	Defendants,								
15									
16	COMI	α ατηγή							
17		PLAINT							
18	Plaintiff alleges as follows:								
19	JURSDICTIO	N AND VENUE							
20		1.							
21	The court has Federal Question jurisdiction over this action pursuant to 28 U.S.C. §1331,								
22	specifically as an issue arising under the Controlled Substances Act ("CSA"), 21 U.S.C. §801,								
23	supplemental jurisdiction pursuant to 28 U.S.C §1367, and jurisdiction based on 28 U.S.C §2201								
24	(declaratory relief) and 28 U.S.C §2202 (injunctive relief).								
25		2.							
26	This court has personal jurisdiction over Defendant ELLEN F. ROSENBLUM because								
	Action for Declaratory and Injunctive Relief -1-	JOSEPHINE COUNTY LEGAL COUNSEL 500 N.W. Sixth St., Room 152 Grants Pass, OR 97526 (541) 474-5226 FAX: (541) 474-5223							

Defendant resides, conducts business and practices law in the State of Oregon and within this district as a public official operating under the laws of the State of Oregon.

26

3. Venue is proper in this district under 28 U.S.C. §§ 1391(b) and 1391(c). 4. An actual controversy has arisen between the parties. Defendants are requiring Plaintiff to allow. facilitate and accommodate the production of marijuana. This action threatens and causes injury to JOSEPHINE COUNTY and its ability to regulate lawful uses of land within its jurisdiction. PARTIES 5. Plaintiff JOSEPHINE COUNTY ("the county") is a home-rule local government entity organized and existing under the constitution and laws of the State of Oregon. 6. Defendant STATE OF OREGON is a state organized and existing under the Oregon and United 7. Defendant ELLEN F. ROSENBLUM is the Attorney General for the State of Oregon and has the duty of enforcing state law. <u>STATEMENT OF THE FACTS ESTABLISHING ENTITLEMENT TO RELIEF</u> 8. On November 3, 1998 Oregon voters approved Ballot Measure 67 which purported to decriminalize the use, possession and cultivation of medical marijuana. The Oregon Medical Marijuana

Program is administered and regulated by the Oregon Health Authority, which is a division of Defendant

Action for Declaratory and Injunctive Relief -2-

STATE OF OREGON.

9.

On November 4, 2014, Oregon voters approved Ballot Measure 91 which purported to decriminalize the use, possession and cultivation of recreational marijuana. The recreational marijuana program is administered and regulated by the Oregon Liquor Control Commission (OLCC) which is a division of Defendant STATE OF OREGON.

10.

On June 30, 2015, Defendant STATE OF OREGON's Governor signed HB 3400 into law, giving local governments the authority to adopt reasonable "time, place, and manner" regulations for the production, cultivation and use of recreational and medical marijuana. The "time, place, and manner" regulations are codified as ORS 475B.486 and ORS 475B.928 for recreational and medical marijuana, respectively.

11.

Defendant STATE OF OREGON requires Plaintiff's public officials to provide Defendant with a completed Land Use Compatibility Statement for every application to produce recreational marijuana within Plaintiff's jurisdiction.

12.

18 U.S.C §371 states in part: "If two or more persons conspire to commit any offense against the United States...in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined under this title or imprisoned not more than five years, or both."

13.

Defendant ELLEN F. ROSENBLUM is charged with enforcing ORS 162.405 which requires:

Action for Declaratory and Injunctive Relief -3-

"A public servant commits the crime of official misconduct in the second degree if the person knowingly violates any statute relating to the office of the person."

Plaintiff sent to the May 16, 2017 election ballot the following non-binding question: "In your opinion, should Josephine County prohibit the production of commercial, recreational marijuana in all Rural Residential zones?" Out of 28,262 returned ballots 17,240 (63.85%) were marked: "Yes".

14.

In July, 2017 Plaintiff began the process of regulating marijuana production in rural residential zones. At a public hearing on July 19, 2017 Plaintiff outlined and adopted Order No. 2017-034 which authorized the Community Development Director to initiate the process for regulating the production of marijuana in rural residential zones. Ordinance 2017-002 ultimately resulted from that Order.

16.

Ordinance 2017-002 was subject to four public hearings: September 20, 2017; November 1, 2017; November 29, 2017; and December 6, 2017. Public comments supporting and opposing the Ordinance were entered at all hearings.

17.

Plaintiff's Board of County Commissioners adopted Ordinance 2017-002 on December 6, 2017. The ordinance would have allowed for continued marijuana production throughout Josephine County, but would have limited the amount of marijuana that could be produced upon properties located in Rural Residential zones.

18.

Pursuant to the Josephine County Home Rule Charter the Ordinance was to go into effect on March 6, 2018. On December 7, 2017 a group of petitioners filed, through counsel, a Notice of Intent to

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^{15.}

Appeal with the Oregon Land Use Board of Appeals ("LUBA"), which is a division of Defendant STATE OF OREGON, alleging that the Ordinance eviscerated "nonconforming use rights" under ORS 215.130, that the County did not provide the proper notice of a land use change under ORS 215.503, and that the Ordinance was an unreasonable exercise of Plaintiff's authority to impose reasonable "time, place and manner" regulations on marijuana production under ORS 475B.486 and ORS 475B.928.

19.

On January 24, 2018 the LUBA petitioners submitted a motion to stay Ordinance 2017-002 pending their appeal. Plaintiff timely responded to the Motion for Stay on January 31, 2018. The LUBA petitioners submitted a Supplemental Memorandum in Support of their Motion for Stay on the afternoon of Friday, February 2, 2018 to which Plaintiff was provided less than a full business day to respond. Based the petitioners' Supplemental Memorandum LUBA ordered the stay of Ordinance 2017-002 on the following Monday, February 5, 2018. Plaintiff moved for Reconsideration of the Stay, but LUBA ultimately decided the case without ruling on that motion.

20.

The LUBA petitioners timely filed their Petition for Review on February 7, 2018. Plaintiff timely filed its Response Brief on February 28, 2018. Oral argument occurred on March 8, 2018.

21.

LUBA issued its final order and opinion on March 14, 2018. LUBA remanded Ordinance 2017-002 to Plaintiff, ruling that the county had not substantially complied with the requirements of ORS 215.503 regarding notice of a potential land use change. The county has petitioned the Oregon Court of Appeals for judicial review of LUBA's final order.

22.

The Controlled Substances Act comprehensively regulates the manufacture, distribution,

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dispensing and possession of controlled substances. See 21 U.S.C. §841(a)(1) and 844(a).

23.

Congress has classified marijuana as a Schedule I controlled substance and has thereby prohibited its manufacture, transfer, dispensing, and possession. 21 USC §§812(c) and 841(a)(1).

24.

As a schedule I controlled substance, marijuana does not have any federally authorized or recognized acceptable use other than as part of a Food and Drug Administration pre-approved research project. 21 USC §823(f). Despite efforts to reclassify marijuana, it has remained a Schedule I drug since the enactment of the CSA. *See Gonzales v. Raich,* 545 US 1, 14-15 and n. 23 (summarizing "considerable efforts," ultimately unsuccessful, to reschedule marijuana).

25.

The CSA addresses its own relationship with state law. Pursuant to the CSA's express terms, states are free to pass laws "on the same subject matter" as the CSA unless there is a "positive conflict" between state and federal law "so that the two cannot consistently stand together." 21 USC §903.

FIRST CLAIM FOR RELIEF

(Declaratory Relief – The recognition of a "lawful nonconforming use" is inapplicable to marijuana production under the CSA)

26.

Plaintiff re-alleges and incorporates by reference the preceding paragraphs.

27.

ORS 215.130(5) states in part: "The lawful use of any building, structure or land at the time of the enactment or amendment of any zoning ordinance or regulation may be continued."

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Action for Declaratory and Injunctive Relief -6-

28. Defendant STATE OF OREGON asserts that established marijuana producers possess a right to continue growing marijuana up to limits determined by the state in rural residential zones, despite any regulations and limitations of Josephine County. 29. The CSA expressly prohibits the manufacture, transfer, dispensing and possession of marijuana. 30. Any person in any state who possesses, distributes, or manufactures marijuana for medical or recreational purposes, or attempts or conspires to do so, is committing a federal crime. 31. The Supremacy Clause of the United States Constitution states: "This Constitution, and the Laws of the United States, which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby; any Thing in the Constitution or Laws of any State to the Contrary notwithstanding." U.S. Const., Art. VI, Cl. 2. 32. The recognition of marijuana production as a "lawful nonconforming use" under ORS 215.130 is inapplicable to Oregon's system of land use regulation under the Supremacy Clause and the CSA because the manufacture, transfer, dispensing and possession of marijuana are unlawful.

33.

A justiciable controversy exists between the parties inasmuch as defendant STATE OF OREGON purports to require Plaintiff to authorize, allow for and accommodate marijuana production on rural residential land within Josephine County in direct conflict with federal law.

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34.

A justiciable controversy exists between the parties inasmuch as the state law is in conflict with the CSA to the extent the state law purports to require what the CSA prohibits. Plaintiff contends that it does not have to allow marijuana production as a "lawful nonconforming use" because such use is illegal under federal law.

SECOND CLAIM FOR RELIEF

(Declaratory Judgment - Ballot Measure 67, Ballot Measure 91, and HB 3400 preempted by CSA)

35.

Plaintiff re-alleges and incorporates by reference the preceding paragraphs.

36.

Ballot Measure 67 authorizes the use, possession and cultivation of medical marijuana to be

administered and regulated by defendant STATE OF OREGON in direct contradiction of the CSA.

37.

Ballot Measure 91 authorizes the use, possession and cultivation of recreational marijuana to be administered and regulated by defendant STATE OF OREGON in direct contradiction of the CSA.

38.

HB 3400 assigns to local governments authority to adopt reasonable "time, place, and manner" regulations for the cultivation of recreational and medical marijuana.

39.

By enacting the CSA, Congress legislated within a particular field. When Congress legislates comprehensively, and within the scope of its constitutional authority, its enactments control. See *Louisiana Pub. Serv. Comm'n v. FCC*, 476 U.S. 355, 106 S.Ct. 1890, 90 L.Ed.2d 369 (1986).

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40.

Ballot Measure 67, Ballot Measure 91, HB 3400 and other relevant legislation attempt to defy the CSA by legalizing the production, use, and regulation of recreational and medical marijuana.

41.

Plaintiff could not propose a full ban on marijuana production within all or part of its jurisdiction because defendant STATE OF OREGON, by employing Ballot Measures 67 & 91, HB 3400 and other relevant legislation, prevents Plaintiff from implementing the will of 63.85% of the voters who responded to the May 16, 2017 non-binding ballot question.

42.

A justiciable controversy exists inasmuch as Ballot Measure 67, Ballot Measure 91, HB 3400 and other relevant legislation authorize what federal law expressly prohibits, and purportedly preempt the authority of Plaintiff to place restrictions on federally illegal activities in rural residential zones within its jurisdiction.

THIRD CLAIM FOR RELIEF

(Declaratory Judgment – Police Powers authorize a local government to take measures to regulate

or prohibit federally prohibited activities under the CSA)

43.

Plaintiff re-alleges and incorporates by reference the preceding paragraphs.

44.

The police power, delegated to the states through the Tenth Amendment, authorizes a state or local government to enact measures to preserve and protect the safety, health, welfare, and morals of the

community, and extends to all appropriate ordinances for the protection of the same.

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45.

Because Congress legislated regarding the manufacture, transfer, dispensing and possession of marijuana through the CSA, the police power does not enable a state government to enact measures that are inconsistent with the CSA.

46.

The STATE OF OREGON's imposition and enforcement of Measures 67 & 91, HB 3400 and other relevant legislation relating to the production and regulation of marijuana restricts Plaintiff and its officials from adopting measures regarding the manufacture, transfer, dispensing and possession of marijuana that would be consistent with the CSA.

47.

A justiciable controversy exists between the parties inasmuch the STATE OF OREGON's imposition of conflicting laws materially and unreasonably restricts a local government or jurisdiction from exercising its police powers in a manner consistent with federal law regarding the production, use, and regulation of marijuana.

48.

A justiciable controversy exists between the parties inasmuch as the STATE OF OREGON limits the exercise of Plaintiff's police power to regulate the use of land in a manner that is consistent with federal law.

FOURTH CLAIM FOR RELIEF

(Injunctive Relief – Preemption of ORS 162.405 by the CSA)

49.

Defendant STATE OF OREGON, through Defendant ELLEN F. ROSENBLUM and the District Attorneys, is charged with enforcing ORS 162.405 which is the crime of Official Misconduct in the

Action for Declaratory and Injunctive Relief -10-

Second Degree.

50.									
М	easures 67 & 91, HB 3400, ORS 215.130(5) and other relevant state legislation are preempted								
by federal	law. Therefore abiding the CSA, 18 U.S.C §371 (conspiracy) and other relevant federal laws								
cannot co	nstitute Official Misconduct.								
W	HEREFORE, Plaintiff prays for a judgment as follows:								
1.	Declaring the inapplicability of ORS 215.130(5) to the production and processing of								
	recreational or medical marijuana;								
2.	Declaring that Ballot Measure 67, Ballot Measure 91, HB 3400 and other relevant legislation								
	are preempted by the CSA pursuant to the Supremacy Clause of the United States								
	Constitution;								
3.	Declaring that a local government's police powers authorize the limitation and outright								
	prohibition of activities prohibited under the CSA irrespective of conflicting state law;								
4.	Enjoining the STATE OF OREGON and ELLEN F. ROSENBLUM from charging violations								
	of ORS 162.405 and similar statutes based on actions by public servants that are consistent								
	with this judgment; and								
5.	Grant Plaintiff such further relief as may be just, proper and equitable.								
DA	ATED this day of April, 2018 M. Wally Hicks, OSB#: 08080 Josephine County Legal Counsel 500 NW 6 th St, Dept. 13 Grants Pass, OR 97524 T: (541) 474-5226 F: (541) 474-5223 whicks@co.josephine.or.us Attorney for Plaintiff								

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JS 44 (Rev. 06/17)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS Josephine County				DEFENDANTS State of Oregon Ellen F. Rosenblu					
(b) County of Residence of First Listed Plaintiff Josephine				County of Residence of First Listed Defendant Marion					
(EXCEPT IN U.S. PLAINTIFF CASES)				(IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.					
(c) Attorneys (Firm Name, Address, and Telephone Number) M. Wally Hicks, Josephine County Legal Counsel 500 NW Sixth St. Dept 13 Grants Pass, OR 97526				Attorneys (If Known) Frederick M. Boss, DOJ Attorney General's Office 1162 Court St NE Salem, OR 97301					
II. BASIS OF JURISDI	CTION (Place an "X" in C	Ine Box Only)		TIZENSHIP OF F		AL PARTIES (Place an "X" in	One Box fe	or Plaintiff
1 U.S. Government Plaintiff				(For Diversity Cases Only) and One Box for Defendant) PTF DEF PTF DEF zen of This State X 1 X 1 Incorporated or Principal Place I 4 I 4 of Business In This State					
2 U.S. Government Defendant	4 Diversity (Indicate Citizensh)	J 4 Diversity (Indicate Citizenship of Parties in Item III)				2 Image: Constraint of the state 1 2 5 of Business In Another State 5			
				Citizen or Subject of a					
IV. NATURE OF SUIT			1 20	DEPETHING/DENAL TS/		here for: Nature o			
CONTRACT 110 Insurance 120 Marine 130 Miller Act 130 Miller Act 140 Negotiable Instrument 150 Recovery of Overpayment & Enforcement of Judgment 151 Medicare Act 152 Recovery of Defaulted Student Loans (Excludes Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise REAL PROPERTY 210 Land Condemnation 220 Foreclosure 230 Rent Lease & Ejectment 240 Torts to Land 245 Tort Product Liability 290 All Other Real Property	TC PERSONAL INJURY 310 Airplane Product Liability 320 Assault, Libel & Slander 330 Federal Employers' Liability 340 Marine 345 Marine Product Liability 350 Motor Vehicle 355 Motor Vehicle Product Liability 360 Other Personal Injury 362 Personal Injury - Medical Malpractice CIVIL RIGHTS 440 Other Civil Rights 442 Employment 443 Housing/ Accommodations 445 Amer. w/Disabilities - Employment 448 Education	PRTS PERSONAL INJUR Display Stress of Stress	Y □ 62. □ 694 □ 714 □ 724 □ 744 □ 75. NS □ □ 794 □ 79. □ 79. □ 466.	PRFEITURE/PENALTY 5 Drug Related Seizure of Property 21 USC 881 0 Other D Fair Labor Standards Act D Labor/Management Relations Relations Relations Relations Relations Conter Labor Act Family and Medical Leave Act O Other Labor Litigation Employee Retirement Income Security Act IMMIGRATION Naturalization Application 5 Other Iumnigration Actions	 422 Appe 423 With 28 U PROPE: 820 Copy 830 Pater 835 Pater New 840 Trad 861 HIA 863 DIW 864 SSIE 865 RSI 0 870 Taxe or D 871 IRS-26 U 	JSC 157 RTY RIGHTS vrights nt Abbreviated Drug Application emark SECURITY (1395ff) k Lung (923) C/DIWW (405(g)) D Title XVI	 □ 480 Consum □ 490 Cable/St □ 850 Security □ 850 Other St □ 891 Agricult □ 893 Environm □ 895 Freedom Act □ 896 Arbitrati □ 899 Adminis 	aims Act apportion apportion t apportion t apportion apportion t apportion or apportion	nent ed and ons dities/ tions ters tation cedure weal of
V. ORIGIN (Place an "X" in	One Box Only)								
	te Court	Appellate Court	J 4 Reins Reop	ened Anothe (specify	er District	☐ 6 Multidistri Litigation Transfer	-	Multidist Litigation Direct Fil	n -
VI. CAUSE OF ACTIO	N Controlled Substa Brief description of ca	ances Act ("CSA") 2 luse:	21 U.S.C	o not cite jurisdictional sta . <u>\$801</u> ng with Josephine (late land use	э.	
VII. REQUESTED IN COMPLAINT:		EMAND \$	С	HECK YES only i URY DEMAND:			.t:		
VIII. RELATED CASE IF ANY	(See instructions):	JUDGE	1	1	DOCKE	T NUMBER			
DATE 04/03/2018		SIGNATURE OF ATT	RNEYO	FRECORD HIC	ks				
FOR OFFICE USE ONLY		/		~ 1,00					
RECEIPT # AM	IOUNT	APPLYING IFP		JUDGE		MAG. JUDO	GE		

AO 398 (Rev. 01/09) Notice of a Lawsuit and Request to Waive Service of a Summons

UNITED STATES DISTRICT COURT

for the

District of Oregon

Josephine County *Plaintiff* v. Ellen F. Rosenblum

Defendant

Civil Action No. 1:18-cv-566

NOTICE OF A LAWSUIT AND REQUEST TO WAIVE SERVICE OF A SUMMONS

To: Frederick M. Boss

(Name of the defendant or - if the defendant is a corporation, partnership, or association - an officer or agent authorized to receive service)

Why are you getting this?

A lawsuit has been filed against you, or the entity you represent, in this court under the number shown above. A copy of the complaint is attached.

This is not a summons, or an official notice from the court. It is a request that, to avoid expenses, you waive formal service of a summons by signing and returning the enclosed waiver. To avoid these expenses, you must return the signed waiver within <u>30</u> days (give at least 30 days, or at least 60 days if the defendant is outside any judicial district of the United States) from the date shown below, which is the date this notice was sent. Two copies of the waiver form are enclosed, along with a stamped, self-addressed envelope or other prepaid means for returning one copy. You may keep the other copy.

What happens next?

If you return the signed waiver, I will file it with the court. The action will then proceed as if you had been served on the date the waiver is filed, but no summons will be served on you and you will have 60 days from the date this notice is sent (see the date below) to answer the complaint (or 90 days if this notice is sent to you outside any judicial district of the United States).

If you do not return the signed waiver within the time indicated, I will arrange to have the summons and complaint served on you. And I will ask the court to require you, or the entity you represent, to pay the expenses of making service.

Please read the enclosed statement about the duty to avoid unnecessary expenses.

I certify that this request is being sent to you on the date below.

Date: 04/03/2018

Signature of the attorney or unrepresented party

M. Wally Hicks Printed name 500 NW Sixth St. Dept 13 Grants Pass, OR. 97526

Address

whicks@co.josephine.or.us E-mail address

541-474-5226

Telephone number

AO 398 (Rev. 01/09) Notice of a Lawsuit and Request to Waive Service of a Summons

UNITED STATES DISTRICT COURT

for the

District of Oregon

Josephine County *Plaintiff* v. State of Oregon

Defendant

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Date: 04/03/2018

Signature of the attorney or unrepresented party

M. Wally Hicks Printed name

500 NW Sixth St. Dept 13 Grants Pass, OR. 97526

Address

whicks@co.josephine.or.us E-mail address

541-474-5226

Telephone number