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Attorneys for Defendants

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON

POWELL'S BOOKS, INC., et al.,

Plaintiffs,

v.

HARDY MYERS, in his official capacity as
ATTORNEY GENERAL OF THE STATE
OF OREGON, et al.,

Defendants.

Case No. 08-501-MO

DEFENDANTS' ANSWER TO PLAINTIFFS'
AMENDED COMPLAINT

Hardy Myers, Matt Shirtcliff, John M. Haroldson, John Foote, Joshua Marquis,
R. Stephen Atchison, Paul Frasier, Gary L. Williams, Everett Dial, Michael Dugan, Jack Banta,
Marion T. Weatherford, Ryan Joslin, Timothy J. Colahan, John T. Sewell, Mark Huddleston,
Peter L. Deuel, Stephen D. Campbell, Edwin I. Caleb, David A. Schutt, F. Douglass Harclerod,
Bernice Barnett, Jason Carlile, Dan Norris, Walter M. Beglau, Elizabeth Ballard, Michael D.
Schrunk, John W. Fisher, Wade M. McLeod, William Bryan Porter, Dean Gushwa, Timothy R.

Thompson, Daniel Ousley, Eric J. Nisley, Robert Hermann, Thomas W. Cutsforth, Bradley C. Berry (together “defendants”) answer and raise affirmative defenses to plaintiffs’ amended complaint for declaratory and injunctive relief as follows:

1.

Defendants incorporate by reference their responses to plaintiffs’ allegations and claims, as set forth in defendants’ memorandum in opposition to plaintiffs’ motion for preliminary injunction, and their arguments presented at the hearing on that motion. Those arguments fairly frame the issues in this case.

2.

Defendants admit that Hardy Myers is the Attorney General of the State of Oregon, and that each of the defendant district attorneys or their successors also hold the offices alleged by plaintiffs.

3.

Except as set forth in defendants’ affirmative defenses below, defendants admit that this court has subject matter jurisdiction of plaintiffs’ federal claims, and that venue is appropriate in this court.

4.

Plaintiffs allege the substance of, or otherwise characterize, various provisions of law and judicial decisions. All of those provisions of law and judicial decisions speak for themselves.

5.

Defendants lack knowledge or information sufficient to form a belief about the truth of the allegations in paragraphs 15, 20-34, and 41-59.

6.

Defendants admit that on July 31, 2007, Governor Ted Kulongoski signed into law House Bill 2843, effective January 1, 2008, as chapter 869 of Oregon Laws 2007, part of which is codified in the statutes challenged by plaintiffs, but deny the balance of paragraph 2.

7.

Defendants deny each and every allegation not expressly admitted herein.

8.

For defendants' FIRST AFFIRMATIVE DEFENSE, defendants allege that plaintiffs lack standing to pursue this action.

9.

For defendants' SECOND AFFIRMATIVE DEFENSE, defendants allege that plaintiffs' "as applied" constitutional claims are not ripe.

10.

For defendants' THIRD AFFIRMATIVE DEFENSE, defendants allege that plaintiffs' complaint fails to state a claim upon which relief may be granted.

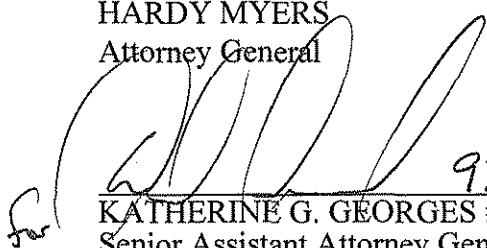
WHEREFORE, defendants pray for judgment:

- (1) Dismissing plaintiffs' complaint with prejudice; and
- (2) Awarding defendants their costs and disbursements incurred herein.

DATED this 7 day of July, 2008.

Respectfully submitted,

HARDY MYERS
Attorney General


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Senior Assistant Attorney General
MICHAEL A. CASPER #06200
Assistant Attorney General
Special Litigation Unit
Trial Attorneys
Of Attorneys for Defendants

CERTIFICATE OF SERVICE

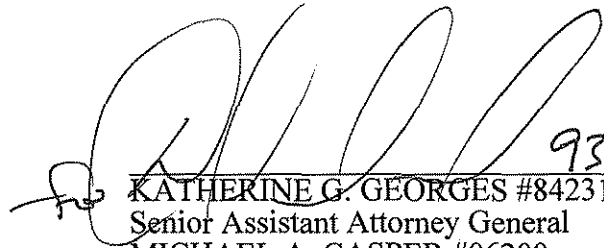
I certify that on July 7, 2008, I served the foregoing DEFENDANTS' ANSWER TO PLAINTIFFS' AMENDED COMPLAINT upon the parties hereto by the method indicated below, and addressed to the following:

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