### No. 4:18-cy-00167-O

# In the United States District Court for the Northern District of Texas

Texas, Wisconsin, Alabama, Arkansas, Arizona, Florida, Georgia, Indiana, Kansas, Louisiana, Paul LePage, *Governor of Maine*, Governor Phil Bryant of the State of Mississippi, Missouri, Nebraska, North Dakota, South Carolina, Tennessee, Utah, West Virginia, Neill Hurley, *and* John Nantz,

### PLAINTIFFS,

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United States of America, United States Department of Health and Human Services, Alex Azar, in his Official Capacity as Secretary of Health and Human Services, United States Internal Revenue Service, and David J. Kautter, in his Official Capacity as Acting Commissioner of Internal Revenue,

#### DEFENDANTS.

# PLAINTIFF-STATES' AND INDIVIDUAL-PLAINTIFFS' APPLICATION FOR PRELIMINARY INJUNCTION

1. Plaintiff-States (Texas; Wisconsin; Alabama; Arkansas; Arizona; Florida; Georgia; Indiana; Kansas; Louisiana; Paul LePage, Governor of Maine; Governor Phil Bryant of the State of Mississippi; Missouri; Nebraska; North Carolina; Tennessee; Utah; and West Virginia) and Individual-Plaintiffs (Neill Hurley and John Nantz) seek a preliminary injunction to enjoin the enforcement of the Patient Protection and Affordable Care Act ("ACA") and its associated regulations.

- 2. As set forth in the accompanying brief in support, Plaintiffs have met their burden of showing that a preliminary injunction should issue:
  - a. First, they have established a likelihood of success on the merits. The ACA's central provision, the individual mandate, can longer be construed as part-and-parcel of a tax penalty—the savings construction adopted in National Federation of Independent Business v. Sebelius, 567 U.S. 519 (2012)—because Congress eliminated the tax penalty for every individual. And once that provision is enjoined, the community-rating and guaranteed-issue provisions that the United States in NFIB conceded were inseverable from the mandate, and ultimately, the entire ACA, must also be enjoined from enforcement.
  - b. Second, Plaintiffs are likely to suffer numerous irreparable harms absent an injunction. The evidence submitted with the accompanying brief demonstrates that the individual mandate causes substantial and irreparable financial harm to the Individual Plaintiffs and to the State Plaintiffs because the ACA requires them to spend money for which there is no known avenue for later recovery. The ACA's remaining, nonseverable provisions also severely and irreparably drain the States' financial resources by increasing their Medicaid and employer-insurance costs, and dramatically curtail state sovereignty by preempting or effectively displacing state law.
  - c. *Third*, the balance of the equities and the public interest strongly favor an injunction. Not only does the United States lack a legitimate interest

in enforcing an unconstitutional mandate, but once the enforcement of the mandate is enjoined, the remainder of the ACA must be enjoined to prevent harms that Congress itself predicted and sought to prevent.

3. For these reasons and those set forth in detail in the accompanying brief in support, the Court should issue a preliminary injunction enjoining Defendants from enforcing the Affordable Care Act and its associated regulations.

Dated, April 26, 2018

BRAD D. SCHIMEL Wisconsin Attorney General

MISHA TSEYTLIN Wisconsin Solicitor General

KEVIN M. LEROY Wisconsin Deputy Solicitor General

State of Wisconsin Department of Justice 17 West Main Street P.O. Box 7857 Madison, Wisconsin 53707-7857 Tel: (608) 267-9323

Attorneys for Wisconsin

/s/ Robert Henneke
ROBERT HENNEKE
Texas Bar No. 24046058
rhenneke@texaspolicy.com
Texas Public Policy Foundation
901 Congress Avenue
Austin, Texas 78701
Tel: (512) 472-2700

Attorney for Individual-Plaintiffs

Respectfully Submitted,

KEN PAXTON Attorney General of Texas

JEFFREY C. MATEER First Assistant Attorney General

BRANTLEY D. STARR Deputy First Assistant Attorney General

JAMES E. DAVIS Deputy Attorney General for Civil Litigation

/s/ Darren McCarty
Darren McCarty
Special Counsel for Civil Litigation
Texas Bar No. 24007631
darren.mccarty@oag.texas.gov

AUSTIN R. NIMOCKS Special Counsel for Civil Litigation

DAVID J. HACKER Special Counsel for Civil Litigation

Attorney General of Texas P.O. Box 12548, Mail Code 001 Austin, Texas 78711-2548 Tel: 512-936-1414

Attorneys for Texas

# **Additional Counsel**

STEVE MARSHALL JOSH HAWLEY

Attorney General of Alabama Attorney General of Missouri

LESLIE RUTLEDGE DOUG PETERSON

Attorney General of Arkansas Attorney General of Nebraska

MARK BRNOVICH WAYNE STENEHJEM

Attorney General of Arizona Attorney General of North Dakota

PAM BONDI ALAN WILSON

Attorney General of Florida Attorney General of South Carolina

CHRISTOPHER M. CARR MARTY JACKLEY

Attorney General of Georgia Attorney General of South Dakota

CURTIS HILL HERBERT SLATERY, III

Attorney General of Indiana Attorney General of Tennessee

DEREK SCHMIDT SETH REYES

Attorney General of Kansas Attorney General of Utah

JEFF LANDRY PATRICK MORRISEY

Attorney General of Louisiana Attorney General of West Virginia

## CERTIFICATE OF SERVICE

I certify that the foregoing document was electronically filed with the Clerk of Court using the CM/ECF system, which will send notification of such filing to all counsel of record.

/s/ Darren McCarty
DARREN MCCARTY

### CERTIFICATE OF CONFERENCE

I certify that on April 25, 2018, I conferred with counsel for Defendants, Eric Beckenhauer, about Plaintiff-States' and Individual-Plaintiffs' Application for Preliminary Injunction. Defendants stated that Defendants will respond to Plaintiffs' preliminary injunction application on June 7, 2018.

/s/ Darren McCarty
DARREN MCCARTY