ROB BONTA 1 Attorney General of California 2 LISA W. CHAO Superior Court of California Supervising Deputy Attorney General County of San Francisco 3 KARA SIEGEL FEB 0.6 2024 Deputy Attorney General 4 State Bar No. 296126 CLERK OF THE COURT 600 West Broadway, Suite 1800 5 BY: - Ofem Rang -San Diego, CA 92101 6 P.O. Box 85266 San Diego, CA 92186-5266 7 Telephone: (619) 738-9146 Fax: (619) 645-2012 8 E-mail: Kara.Siegel@doj.ca.gov 9 Attorneys for Defendant State of California 10 WILLKIE FARR & GALLAGHER LLP BENEDICT Y. HUR (SBN 224018) 11 bhur@willkie.com EDUARDO E. SANTACANA (SBN 261668) 12 esantacana@willkie.com JOSHUA D. ANDERSON (SBN 312836) 13 jdanderson@willkie.com One Front Street, 34th Floor 14 San Francisco, California 94111 Telephone: (415) 858-7400 15 Facsimile: (415) 858-7599 16 Attorneys for Defendants David Faigman, Simona Agnolucci, Carl Robertson, Shashikala Deb, Michael Ehrlich, Andrew 17 Giacomini, Andrew Houston, Claes Lewenhaupt, Mary Noel Pepys, Courtney Greene Power, and Albert Zecher (the "College Defendants") 18 19 SUPERIOR COURT OF THE STATE OF CALIFORNIA 20 FOR THE COUNTY OF SAN FRANCISCO 21 HASTINGS COLLEGE CONSERVATION CASE NO.: CGC-22-602149 COMMITTEE, an unincorporated association 22 of alumni of Hastings College of the Law; [PROPOSED] ORDER ON STEPHEN HASTINGS BREEZE, an COLLEGE DEFENDANTS' AND 23 individual; STEPHANIE AZALEA STATE OF CALIFORNIA'S BRACKEL, an individual; CATHERINE **DEMURRERS** 24 TORSTENSON, an individual; SCOTT HASTINGS BREEZE, an individual; Hearing Date: February 6, 2024 25 9:30 am COLLETTE BREEZE MEYERS, an Time: individual; and COLIN HASTINGS BREEZE. Dept.: 302 26 Hon. Richard B. Ulmer Jr. an individual, Judge: Action filed: October 4, 2022 27 Plaintiffs, Trial Date: None set 28

v.

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STATE OF CALIFORNIA; DAVID FAIGMAN, in his official capacity as Chancellor and Dean of Hastings College of the Law; SIMONA AGNOLUCCI, in her official capacity as chair of the Board of Directors of Hastings College of the Law; CARL ROBERTSON, in his official capacity as vice chair of the Board of Directors of Hastings College of the Law; SHASHIKALA DEB, in her official capacity as a director of Hastings College of the Law; MICHAEL EHRLICH, in his official capacity as a director of Hastings College of the Law; ANDREW GIACOMINI, in his official capacity as a director of Hastings College of the Law; ANDREW HOUSTON, in his official capacity as a director of Hastings College of the Law; CLAES LEWENHAUPT, in his official capacity as a director of Hastings College of the Law; MARY NOEL PEPYS, in her official capacity as a director of Hastings College of the Law; COURTNEY POWER, in her official capacity as a director of Hastings College of the Law; ALBERT ZECHER, in his official capacity as a director of Hastings College of the Law; and DOES 1-25, inclusive,

Defendants.

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PROPOSED ORDER

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COLLEGE DEFENDANTS' DEMURRER

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College Defendants' (DAVID FAIGMAN, SIMONA AGNOLUCCI, CARL

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ROBERTSON, SHASHIKALA DEB, MICHAEL EHRLICH, ANDREW GIACOMINI, CLAES

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LEWENHAUPT, MARY PEPYS, COURTNEY POWER, ALBERT ZECHER, ANDREW

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HOUSTON) demurrers to causes of action one through five are sustained without leave to

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amend. Those claims fail as a matter of law and cannot be cured by amendment.

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Plaintiffs' request for judicial notice ("RJN") is granted.

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In 1878, Serranus Clinton Hastings deposited \$100,000 with the State of California

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("State") to establish "Hastings' College of the Law." (Plaintiffs' RJN, Ex. 5 ["An Act to create

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Hastings' College of Law" ("Act")]; Complaint, par. 1.) The Act provided that the school would be "forever known" as Hastings and his heir or representative would have a seat on the College's Board of Directors. In response to claims that Mr. Hastings committed genocidal acts, the State enacted AB 1936 to remove both the Hastings name from the school and the hereditary Board seat. Plaintiffs contend that AB 1936 is illegal and unconstitutional.

The court concludes that plaintiffs (or at least some of them) have standing to maintain this action. To have standing, a party must be "beneficially interested" in the controversy; specifically, the party must have "some special interest to be served or some particular right to be preserved or protected over and above the interest held in common with the public at large." (Carsten v. Psychology Examining Com. (1980) 27 Cal.3d 793, 796; see also Limon v. Circle K Stores Inc. (2022) 84 Cal.App.5th 671, 696 [explaining that the injury must be (a) concrete and particularized and (b) actual or imminent, not conjectural or hypothetical].) The removal of the hereditary Board seat constitutes concrete injury.

Plaintiffs' action presents pure legal issues and is amenable to resolution by demurrer. "A trial court may properly sustain a general demurrer to a declaratory relief action without leave to amend when, as here, the controversy presented can be determined as a matter of law." (City of Fresno v. California Highway Com. (1981) 118 Cal.App.3d 687, 699; see also California State Employees' Assn. v. Flournoy (1973) 32 Cal.App.3d 219, 240-241.)

Cause of Action One

The demurrer to cause of action one [declaratory relief—contracts clause] is sustained without leave to amend because plaintiffs fail to state a cause of action. The Act that created the law school is a statute, not a contract.

"In order for a legislative enactment to be deemed a contract for the purposes of the Contract Clause, there must be a clear indication that the legislature intends to bind itself in a

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contractual manner." (Puckett v. Lexington-Fayette Urban Cnty. Gov't (6th Cir. 2016) 833 F.3d 590, 600; see also Nat'l R.R. Passenger Corp. v. Atchison Topeka & Santa Fe Rv. Co., 470 U.S. 451, 465–66 (1985) ["[A]bsent some clear indication that the legislature intends to bind itself contractually, the presumption is that 'a law is not intended to create private contractual or vested rights but merely declares a policy to be pursued until the legislature shall ordain otherwise.' "].) The presumption that a law is not intended to create private contractual rights is known as the "unmistakability doctrine." (United States v. Winstar Corp., 518 U.S. 839, 871 (1996).) In Winstar, the Supreme Court explained that the purpose of the doctrine is to avoid unnecessarily infringing on a state legislature's ability to legislate regarding state sovereign rights unless it is clear beyond any doubt that the legislature meant to give up that right. "[S]overeign power ... governs all contracts subject to the sovereign's jurisdiction, and will remain intact unless surrendered in unmistakable terms." (Winstar, 518 U.S. at 872.) The surrender necessary to bind the government by contract must be "in terms too plain to be mistaken." (Id. at 875.) "A claim that a state statute creates a contract that binds future legislatures confronts a tropical-force headwind in the form of the 'unmistakability doctrine.' [citation] This doctrine precludes finding that a statute creates a binding contract absent a clear and unequivocal expression of intent by the legislature to so bind itself." (Cranston Firefighters, IAFF Local 1363, AFL-CIO v. Raimondo (2018) 880 F.3d 44, 48.)

"To determine whether a legislature intended to bind itself contractually, courts examine both the language of the statute itself and the circumstances surrounding its enactment or amendment—such as its apparent purpose, context, legislative history, or any other pertinent evidence of actual intent." (*Puckett*, 833 F.3d at 600-601.)

Here, plaintiffs fail to meet their heavy burden. The Act "authorized" S.C. Hastings to found the law college. (See Plaintiff's RJN, Ex. 5 [Section 1].) The Legislature provided that

"[t]his Act is passed," referred to "[t]he object of this Act," and stated when "[t]his Act shall take effect." (*Id.* [Sections 7, 13, 15].) The Act does not include any covenanting language; the Act is not couched in the terms of a contract. (See *Indiana ex rel. Anderson v. Brand*, 303 U.S. 95, 105 (1938) [the statutory benefit was literally "couched in terms of contract."].)

For example, in *U.S. Trust Co. of New York v. New Jersey*, 431 U.S. 1 (1997), the intent to contract was clear. The legislation expressly stated that New York and New Jersey "covenant and agree with each other and with the holders of any affected bonds" that the Port Authority would not "apply any of the ... revenues or reserves ... pledged in whole or in part as security for such bonds, for any railroad purposes whatsoever other than permitted purposes hereinafter set forth." (*Id.* at 9–10.)

The Act has no such language. In addition, the fact that Mr. Hastings paid money into the state treasury is not dispositive. (See *Cranston Firefighters v. Raimondo* (1st Cir. 2018) 880 F.3d 44, 49 [no contract even though "the state 'received something in return" for passing the law].)

Citing Cal Fire Local 2881 v. CALPERS (2019) 6 Cal.5th 965, plaintiffs contend that the court does not need to inquire into legislative intent because the parties had a unilateral contract and Mr. Hastings performed by donating the \$100,000. (Opposition, pgs. 32-33.) Plaintiffs' reliance on Cal Fire is misplaced. There, the court explained that it will imply contractual rights for a public employee to receive statutory pension benefits because those benefits constitute deferred compensation. (See also Kern v. City of Long Beach (1947) 29 Cal.2d 848, 852-853 [same and noting distinction between tenure and pension rights]; California Teachers Assn. v. Cory (1984) 155 Cal.App.3d 494, 505 ["That is the case here. The subject of the legislation, pension rights, has long been characterized as within the domain of contract."].) This action is unrelated to protecting earned pension rights.

Cause of Action Two

The demurrer to cause of action two [declaratory relief—bill of attainder/ex post facto] is sustained without leave to amend because plaintiffs fail to state a cause of action.

AB 1936 is not a proscribed bill of attainder, nor does it violate the Ex Post Facto Clause.

The Ex Post Facto Clause generally only applies to criminal laws and AB 1936 is a civil statute. (See *Armijo v. Miles* (2005) 127 Cal.App.4th 1405, 1419 ["The United States Supreme Court has long recognized that 'the constitutional prohibition on ex post facto laws applies only to penal statutes which disadvantage the offender affected by them."].) AB 1936 is not "so punitive either in purpose or effect as to negate [the State's] intention to deem it 'civil'." (*Coats v. New Haven Uni. Sch. Dist.* (2020) 46 Cal.App.5th 415, 425.)

"[L]egislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group in such a way as to inflict punishment on them without a judicial trial are bills of attainder prohibited by the Constitution." (*United States v. Lovett* (1946) 328 U.S. 303, 315.) To prevail on the bill of attainder claim, plaintiffs would need the "clearest proof" that AB 1936 "specifies" and "inflicts punishment" on them. (See *SeaRiver Mar. Fin. Holdings, Inc. v. Mineta* (9th Cir. 2002) 309 F.3d 662, 668-669.) But the only person that AB 1936 arguably singles out is Mr. Hastings, who died years ago. In sum, AB 1936 is not *punishing plaintiffs* without a judicial trial.

Cause of Action Three

The demurrer to cause of action three [declaratory relief—collegiate freedom] is sustained without leave to amend because plaintiffs fail to state a cause of action.

Plaintiffs argue that AB 1936's removal of the Hastings name and hereditary seat violate Article 9, Section 9 of the California Constitution ["[t]he university shall be entirely independent

of all political or sectarian influence and kept free therefrom in the appointment of its regents and in the administration of its affairs "]. "The purpose of designating the University as a public trust was to insulate it from state government." (*People v. Lofchie* (2014) 229 Cal.App.4th 240, 254.) In this case, the College Board itself was the impetus to make the changes; it passed the resolution to remove the Hastings name and hereditary seat. (See Complaint, pars. 3-5.) This case therefore does not present the situation where the Legislature is attempting to dictate university policy.

Causes of Action Four and Five

The demurrers to causes of action four [injunctive relief—waste of taxpayer funds] and five [deprivation of civil rights (42 USC 1983)] are sustained without leave to amend. These derivative claims fail to state a claim because plaintiffs do not allege any unlawful or unconstitutional conduct.

STATE OF CALIFORNIA'S DEMURRER

State of California's ("State") demurrer to the complaint is sustained without leave to amend.

Plaintiffs' request for judicial notice is granted and the court overrules State's objections.

State's demurrers to causes of action one [declaratory relief—contracts clause], six

[breach of contract—specific performance] and seven [breach of contract—damages] are

sustained without leave to amend. For the reasons explained in College Defendants' companion
demurrer, these claims fail as a matter of law. The Act does not constitute a contract. Cause of
action two fails because there was no violation of the ex post facto laws or prohibition against
bills of attainder. AB 1936 does not "punish" plaintiffs. Cause of action three fails because
there was no violation of collegiate freedom. The College Board caused the changes and was not
a victim of State overreaching.

Plaintiffs do not allege the fourth cause of action [injunctive relief—waste of taxpayer funds] or fifth cause of action [deprivation of civil rights] against State. IT IS SO ORDERED. Wy Dated: February 6, 2024 Honorable Richard B. Ulmer, Jr. Judge of the Superior Court