| CASE NO. EQCE084508 |
|-----------------------------------------------------|
| |
| RULING ON MOTION FOR TEMPORARY INJUNCTIVE RELIEF |
| |

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

On May 15, 2019, the Petitioner, Planned Parenthood of the Heartland, Inc. ("PPH") filed a Motion for Temporary Injunctive Relief. On May 22, 2019, the Respondents (collectively, "the State") filed a resistance to the Motion. On May 24, 2019, the Court held a contested hearing on the Motion. Attorneys Julie A Murray and Rita Bettis Austen appeared on behalf of PPH. Solicitor General Jeffrey Thompson and Assistant Attorney General Thomas Ogden appeared on behalf of the State. Having considered the court file, filings of parties, and arguments of counsel, the court enters the following ruling.

I. FACTUAL AND PROCEDURAL BACKGROUND

In 2019, the Iowa Legislature passed, and the Governor signed into law, Sections 99 and 100

of House File 766 (hereinafter, "the Act"). The Act provides in relevant part:

Sec. 99. ADMINISTRATION OF PERSONAL RESPONSIBILITY EDUCATION PROGRAM AND SEXUAL RISK AVOIDANCE EDUCATION GRANT PROGRAM FUNDS.

1. Any contract entered into on or after July 1, 2019, by the department of public health to administer the personal responsibility education program as specified in 42 u.s.c. §713 or to administer the sexual risk avoidance education grant program authorized pursuant to section 510 of Tit. v of the federal Social Security Act, 42 u.s.c. §710, as amended by section 50502 of the federal Bipartisan Budget Act of 2018, Pub. L. No. 115-123, and as further amended by division S, Title VII, section 701 of the federal Consolidated Appropriations Act of 2018, Pub. L. No. 115-141, shall exclude as an eligible applicant, any applicant entity that performs abortions, promotes abortions, maintains or operates a facility where abortions are performed or promoted, contracts or subcontracts with an entity that performs or promotes abortions, becomes or continues to be an affiliate of any entity that performs or promotes abortions, or regularly makes referrals to an entity that provides or promotes abortions or maintains or operates a facility where abortions are performed. However, the prohibition specified in this section shall not be interpreted to include a nonpublic entity that is a distinct location of a nonprofit health care delivery system, if the distinct location provides personal responsibility education program or sexual risk avoidance education grant program services but does not perform abortions or maintain or operate as a facility where abortions are performed...

Sec. 100. AWARD OF COMMUNITY ADOLESCENT PREGNANCY PREVENTION AND SERVICES PROGRAM GRANT FUNDS.

1. Any contract entered into on or after July 1, 2019, by the department of human services to award a community adolescent pregnancy prevention and services program grant using federal temporary assistance for needy families block grant funds appropriated to the department shall exclude from eligibility any applicant, grantee, grantee contractor, or grantee subcontractor that performs abortions, promotes abortions, maintains or operates a facility where abortions are performed or promoted, contracts or subcontracts with an entity that performs or promotes abortions, becomes or continues to be an affiliate of any entity that performs or promotes abortions, or regularly makes referrals to an entity that provides or promotes abortions or maintains or operates a facility where abortions are performed.

2. The eligibility exclusion specified in subsection 1 shall not be interpreted to include a nonpublic entity that is a distinct location of a nonprofit health care delivery system, if the distinct location provides community adolescent pregnancy prevention program services but does not perform abortions or maintain or operate as a facility where abortions are performed.

The following information comes from the Petition, the Act itself, affidavit submitted with PPH's Motion for Injunctive Relief, or statements of counsel:

The Act refers to two types of federal grants administered by the Iowa Department of Human Services ("IDHS") and the Iowa Department of Public Health ("IDPH"). These grants, which are part of the Community Adolescent Pregnancy Prevention and Services Program ("CAPP") and the Personal Responsibility Education Program ("PREP"), enable grantees throughout Iowa to provide sexual education and teen pregnancy prevention services in communities. PPH has received funding through CAPP since at least 2005, and from PREP since 2012. Stoesz Aff. ¶ 8, 14.

PPH has four existing contracts with IDHS to provide CAPP-funded services to Iowans in Dallas, Des Moines, Henry, Jasper, Lee, Linn, Polk, Plymouth, and Woodbury Counties. *Id*, at ¶ 8. PPH currently has a contract to offer PREP services in Polk, Pottawattamie, and Woodbury Counties. Id. at ¶ 17. To PPH's knowledge, PPH is the only grantee providing CAPP and PREP programming in the above counties. *Id*. In each program, PPH is required to rely on existing curricula selected by the respective state agencies administering the programs. *Id*. ¶ 9, 16; *see also*, e.g., Stoesz Aff., Ex. B at B22 (requiring program fidelity).

During its current CAPP contract period, which runs from July 1, 2018, to June 30, 2019, PPH was awarded \$182,797 in funding from IDHS. *Id.* ¶ 12. In the current PREP contract period, which runs from August 1, 2018, through July 31, 2019, PPH has received a contract in the

amount of \$85,000. *Id.* ¶ 19. Prior to the filing of PPH's Motion for Injunctive Relief herein, IDHS planned to announce by May 17, 2019, those applicants selected to enter into grant contracts for the upcoming contract period for CAPP funding, and IDPH stated it would do so by May 22, 2019 for PREP funding. By agreement of the parties herein, those dates have been extended to May 31, 2019.

PPH provides a range of health-related services, including, specifically, all of the things that the Act prohibits eligible applicants for CAPP or PREP funding to do. PPH is a not-for-profit corporation organized under the laws of Iowa and operating in Iowa and Nebraska. *Id.* ¶ 1. In Iowa, PPH delivers clinical, educational, and counseling services at eight health centers across the state, and education programs in reproductive health, human development, and sexuality throughout the communities in which it serves. *Id.* In addition to its educational work, PPH provides comprehensive reproductive health

services at eight health centers in Iowa and two health centers in Nebraska. In Iowa, those services include well-patient exams, cancer screening, STI testing and treatment, a range of birth control options including long-acting reversible contraceptives, and transgender healthcare. *Id.* ¶ 20. As part of its clinical services, PPH also provides medication and/or surgical abortion at health centers in Des Moines, Iowa City, Ames, Cedar Falls, and Council Bluffs, Iowa, and at health centers in Lincoln and Omaha, Nebraska. *Id.* ¶ 21. In 2017, the last year for which aggregate state data are available, PPH performed roughly 95 percent of all abortions in Iowa and 55 percent of abortions in Nebraska. *Id.*

Upon patient request, all PPH health centers refer patients for abortion care. *Id.* ¶ 22. PPH also engages in advocacy intended to protect and expand access to safe and legal abortion

4

services for women who decide to have an abortion. *Id.* \P 24. PPH also associates with other organizations that provide abortion or advocate for abortion access.

PPH filed its lawsuit herein seeking a Declaratory Judgment and Injunctive Relief based on alleged violations of Article I, §§ 1, 6, 7, 9 and 21 of the Iowa Constitution.

II. LEGAL STANDARD

There are three circumstances in which a court may grant a temporary injunction under *Iowa Rule of Civil Procedure* 1.1502: (1) when it "pertains to an act causing great or irreparable harm," (2) when it "pertains to a violation of a right tending to make the judgment ineffectual," or (3) when the court is statutorily authorized. *Max 100 L.C. v. Iowa Realty Co., Inc.*, 621 N.W.2d 178, 181 (Iowa 2001) (internal citations and quotations omitted). "Generally, the issuance of an injunction invokes the equitable powers of a court and courts apply equitable principles." *Id.* To prove that it is entitled to a temporary injunction, PPH must show that (1) in the absence of the injunction it will suffer irreparable harm, (2) it is likely to succeed on the merits, and (3) injunctive relief is warranted considering the circumstances confronting the parties and "balance[ing] the harm that a temporary injunction may prevent against the harm that may result from its issuance." *Id.*

"[T]emporary injunctions require a showing of the *likelihood* of success on the merits whereas permanent injunctions require *actual* success." *PIC USA v. North Carolina Farm Partnership*, 672 N.W.2d 718, 723 (Iowa 2003) (*citing Max 100 L.C.*, 621 N.W.2d at 181) (emphasis in original). "Rules of evidence are applied more strictly on final hearing of a cause than on an application for temporary injunction, when evidence that would not be competent to support a perpetual injunction may properly be considered." *Id. (quoting Kleman v. Charles City* *Police Dep't*, 373 N.W.2d 90, 95 (Iowa 1985)). Ultimately, "the decision to issue or refuse 'a temporary injunction rests largely [within] the sound judgment of the trial court." *Max 100 L.C.*, 621 N.W.2d at 181.

III. ANALYSIS

PPH argues that it will suffer irreparable damage if the Act is not enjoined, that it will likely succeed on the merits of its claims that the Act violates the Iowa Constitution, and that, issuing an injunction is proper when balancing the potential harm to the parties.

A. Irreparable Harm.

A harm is irreparable when there is no other adequate remedy at law. *See In re Langholz*, 887 N.W.2d 770, 779 (Iowa 2016). Furthermore, "'[t]o succeed in demonstrating a threat of irreparable harm, a party must show that the harm is certain and great and of such imminence that there is a clear and present need for equitable relief." *Fort Des Moines Church of Christ v. Jackson*, 215 F.Supp.3d 776, 803 (S.D. Iowa 2016) (*quoting S.J.W. ex rel. Wilson v. Lee's Summit R–7 Sch. Dist.*, 696 F.3d 771, 778 (8th Cir. 2012)) (further quotations omitted).

"When an alleged constitutional right is involved, most courts hold that no further showing of irreparable injury is necessary." *Kikumura v. Hurley*, 242 F.3d 950, 963 (10th Cir.2001) (*quoting* 11A Charles Alan Wright, Arthur R. Miller & Mary Kay Kane, *Federal Practice and Procedure* § 2948.1 (2d ed. 1995)). Indeed, the Supreme Court has held that "[t]he loss of First Amendment freedoms, for even minimal periods of time, unquestionably constitutes irreparable injury." *Elrod v. Burns*, 427 U.S. 347, 373, 96 S.Ct. 2673, 49 L.Ed.2d 547 (1975)." *Planned Parenthood Ass'n of Utah v. Herbert*, 828 F.3d 1245, 1263 (10th Cir. 2016).

Here, but for enforcement of the Act, PPH's receiving grants for the upcoming CAPP and PREP grants is likely imminent, as no one else stands in position to receive them. PPH, therefore, stands to lose funding that it has received since 2005 and 2012, respectively for CAPP and PREP grants. The most recent grants, ending June 30, 2019, totaled around \$268,000. No theory has been put forth as to how PPH could seek to recover money damages from the State once the grant application period has expired, or how the grants could be awarded after-the fact should PPH provide the services covered by the grants on its own. Further, this request for an injunction involves an alleged deprivation of Constitutional rights. Should the court find that to be the case, no further showing of irreparable harm is necessary. *Id*.

B. Likelihood of Success on the Merits.

PPH must next show that it has a likelihood of succeeding on the merits. Under this factor, the Court need not decide whether the movant will ultimately prevail but only whether it has a "fair chance of prevailing" on the merits. *Reg Seneca, LLC v. Harden*, 938 F. Supp. 2d 852, 857 (S.D. Iowa 2013) *citing Planned Parenthood Minnesota, North Dakota, South Dakota v. Rounds*, 530 F.3d 724, 732 (8th Cir.2008); *See O'Connor v. Peru State College*, 728 F.2d 1001, 1002 (8th Cir.1984) ("the court should avoid deciding with any degree of certainty who will succeed or not succeed."). In order for there to be a likelihood of success on the merits, PPH's complaint must, at the very least, be grounded in good law. *Id; Uncle B's Bakery, Inc. v. O'Rourke*, 920 F.Supp. 1405, 1424 (Iowa N.D.1996) ("In order to weigh in the movant's favor, the movant's success on the merits must be at least sufficiently likely to support the kind of relief it requests. Thus, likelihood of success on the merits requires that the movant find support for its position in governing law.")

7

Here, PPH argues the following constitutional grounds in support of its Motion: that the Act 1) unconstitutionally conditions funding on the abandonment of state constitutional rights to free speech, free association, and substantive due process; and 2) violates its state constitutional right to equal protection under the law. The State counters that 1) the provisions of the Act are severable, so it is unnecessary to decide PPH's free speech and free association claims because even if it were likely to succeed on those claims, it is not entitled to an injunction; 2) PPH does not have a due process right to perform abortions; and 3) the Act does not violate PPH's rights under the equal protection clause. In arguing back and forth, the parties raise interesting and unsettled areas of the law, including among others, severability of the Act provisions, whether PPH has a fundamental right to perform abortions; whether PPH can assert due process rights on behalf of its patients directly or derivatively in the context of the Act. While ultimately it may become necessary for it to address some or all of these issues after a full hearing on the merits, the court need not do so at this stage. This is because the court believes that the issue of whether to grant a temporary injunction can be resolved through addressing the equal protection argument.

Article I, section 6 of the Iowa Constitution is referred to as the equal protection clause and provides, "All laws of a general nature shall have a uniform operation; the general assembly shall not grant to any citizen, or class of citizens, privileges or immunities, which, upon the same terms shall not equally belong to all citizens." *Iowa Const.* art. I, § 6. Iowa's equal protection clause "is essentially a direction that all persons similarly situated should be treated alike." *AFSCME Iowa Council 61 v. State*, No. 17-1841, 2019 WL 2147339, at *6 (Iowa May 17, 2019) *quoting Varnum v. Brien*, 763 N.W.2d 862, 878–79 (Iowa 2009) (*quoting Racing Ass'n of Cent.*

8

Iowa v. Fitzgerald (RACI), 675 N.W.2d 1, 7 (Iowa 2004)).

In Varnum, we noted,

Even in the zealous protection of the constitution's mandate of equal protection, courts must give respect to the legislative process and presume its enactments are constitutional. We understand that Iowa's tripartite system of government requires the legislature to make difficult policy choices, including distributing benefits and burdens amongst the citizens of Iowa. In this process, some classifications and barriers are inevitable. As a result, courts pay deference to legislative decisions when called upon to determine whether the Iowa Constitution's mandate of equality has been violated by legislative action. More specifically, when evaluating challenges based on the equal protection clause, our deference to legislative policy-making is primarily manifested in the level of scrutiny we apply to review legislative action.

Id, quoting Varnum at 879. To prove an equal protection violation, a plaintiff must first establish that the statute treats similarly situated individuals differently. *Id, citing McQuistion v. City of Clinton*, 872 N.W.2d 817, 830 (Iowa 2015). Generally, however, determining whether classifications involve similarly situated individuals is intertwined with whether the identified classification has any rational basis. *Id, citing State v. Dudley*, 766 N.W.2d 606, 616 (Iowa 2009).

Here, a provider of legal abortions is similarly situated to non-abortion providers who seek government funds having nothing to do with abortion. Both CAPP and PREP grantees are required to rely on existing curricula selected by the respective state agencies administering the programs, and must follow reporting and documentation requirements. Permitted purposes of the CAPP and PREP grants do not include performing or promoting abortion.

Specifically excepted from the classification are any "nonpublic entity that is a distinct location of a nonprofit health care delivery system, if the distinct location provides personal responsibility education program or sexual risk avoidance education grant program services but

does not perform abortions or maintain or operate as a facility where abortions are performed." Under the Act, such location of a "nonprofit health care delivery system" can otherwise promote abortions, contract or subcontract with an entity that performs or promotes abortions, become or continue to be an affiliate of any entity that performs or promotes abortions, and/or regularly make referrals to an entity that provides or promotes abortions or maintains or operates a facility where abortions are performed, and still be eligible for CAPP and PREP funding.

PHH argues that the court should use strict scrutiny in its equal protection analysis because the Act impinges on the fundamental rights to free speech, free association, and abortion. The State, focusing only on the right to abortion and not free speech or association, argues that the court should apply rational basis scrutiny because there is no right to *perform* abortions. Again, the court need not settle this dispute at this juncture, because it believes PPH would likely prevail even if the lowest level of scrutiny, the rational basis test, were applied.

"The rational basis test is a 'very deferential standard.' "*NextEra Energy Res. LLC v. Iowa Utils. Bd.*, 815 N.W.2d 30, 46 (Iowa 2012) (*quoting Varnum*, 763 N.W.2d at 879). PPH would bear "the heavy burden of showing the statute unconstitutional and [would have to] negate every reasonable basis upon which the classification may be sustained." *Id.* (*quoting Bierkamp v. Rogers*, 293 N.W.2d 577, 579–80 (Iowa 1980)). "The rational basis test defers to the legislature's prerogative to make policy decisions by requiring only a plausible policy justification, mere rationality of the facts underlying the decision and, again, a merely rational relationship between the classification and the policy justification." *Varnum*, 763 N.W.2d at 879. "We will not declare something unconstitutional under the rational-basis test unless it 'clearly, palpably, and without doubt infringe[s] upon the constitution.' "*Residential & Agric. Advisory Comm., LLC v.* Dyersville City Council, 888 N.W.2d 24, 50 (Iowa 2016) (alteration in original) (quoting RACI,

675 N.W.2d at 8). Nevertheless, the rational basis standard, while deferential, " 'is not a toothless

one' in Iowa." Varnum, 763 N.W.2d at 879 (quoting RACI, 675 N.W.2d at 9). "[T]his court

engages in a meaningful review of all legislation challenged on equal protection grounds by

applying the rational basis test to the facts of each case." Id.

We use a three-part analysis when reviewing challenges to a statute under article I, section 6. "First, we must determine whether there was a valid, 'realistically conceivable' purpose that served a legitimate government interest." Residential & Agric. Advisory Comm., LLC, 888 N.W.2d at 50 (quoting McQuistion, 872) N.W.2d at 831). "To be realistically conceivable, the [statute] cannot be 'so overinclusive and underinclusive as to be irrational." "Id. (quoting Horsfield Materials, Inc. v. City of Dyersville, 834 N.W.2d 444, 459 (Iowa 2013)). "Next, the court must evaluate whether the 'reason has a basis in fact.' " McQuistion, 872 N.W.2d at 831 (quoting RACI, 675 N.W.2d at 7–8). "[A]lthough 'actual proof of an asserted justification [i]s not necessary, ... the court w[ill] not simply accept it at face value and w[ill] examine it to determine whether it [i]s credible as opposed to specious." *LSCP, LLLP v. Kay-Decker*, 861 N.W.2d 846, 860 (Iowa 2015) (alteration in original) (quoting Owest Corp. v. Iowa State Bd. of Tax Review, 829 N.W.2d 550, 560 (Iowa 2013)); see also King v. State, 818 N.W.2d 1, 30 (Iowa 2012) ("[W]e have continued to uphold legislative classifications based on judgments the legislature *could* have made, without requiring evidence or 'proof' in either a traditional or a nontraditional sense." (Emphasis added.)).

AFSCME Iowa Council 61 v. State, 2019 WL 2147339, at *7.

The state offers two judgments the legislature could have made in creating the classification here. First, the state proposes that it could make a value judgment favoring childbirth over abortion. That could certainly be a legitimate government interest. It is also an interest that would be completely unserved by this legislation. This is because CAPP and PREP programming have nothing to do with the issue of live birth or abortion. It is not realistically conceivable that the classification here would make any difference regarding grants for such programming. Regardless of who is awarded the grants, the same state-controlled curricula is

provided. The same prohibition on the use of grant money for abortion related reasons remains. It is hard to imagine how abortion would become more or less likely depending on who receives these grants.

Further, the classification is likely irrationally underinclusive to achieve the suggested government interest. The Act's exception for distinct locations of nonprofit healthcare delivery systems leaves possible a grant award to a provider who promotes abortions; contracts, subcontracts or affiliates with an entity that performs or promotes abortions; and/or regularly makes referrals to an entity that provides or promotes abortions.1 Effectively singling out PPH, while permitting other potential grantees to provide extensive abortion related services (including, perhaps, referring patients to PPH for abortions), is antithetical to a value judgment favoring childbirth over abortion.

The classification is also likely irrationally overinclusive to achieve the suggested governmental interest of favoring child birth over abortion. PPH could discontinue all abortion related activities in the State of Iowa and still be ineligible for CAPP and PREP funding due solely to its association with entities that perform abortion related activities in states other than Iowa. Yet, again, other potential grantees that are a distinct location of a nonprofit healthcare delivery system would remain eligible even though they would be free to promote and refer patients for abortions within Iowa. This value judgment/ government interest would likely be found not to be a valid, realistically conceivable purpose of this legislation.

¹ Note that the classification created in the Act is broader than the classification for eligibility for family planning services program funds that the legislature created when it enacted *Iowa Code* section 217.41B in 2018. That legislation also carved out an exception for any nonpublic entity that is a distinct location of a nonprofit health care delivery system, if the distinct location does not perform abortions or maintain or operate as a facility where abortions are performed. That legislation, however, only excluded entities that perform abortions or that maintain or operate a facility where abortions are performed from participating in program funds, and did not include entities that promote abortion, contract or associate with those who perform or promote abortions, or make referrals for

The other judgment/ governmental interest suggested by the state is that the legislature could conclude that it would prefer Iowa teens to receive sexual education and teen pregnancy prevention programming from entities other than those for whom abortion represents a significant revenue stream. This is proposed in the context that one for whom abortion represents a significant revenue stream is "less scrupulous" than one for whom it does not. Again, the classification here is likely irrationally underinclusive to the purported interest. One is left to wonder how an eligible nonprofit healthcare delivery system facility that under this legislation is allowed to receive grants while also promoting abortions; contracting, subcontracting or affiliating with an entity that performs or promotes abortions; and/or regularly making referrals to an entity that provides or promotes abortions would be any more scrupulous than the intended target of this legislation. For that matter, what basis in fact could there be that providers of legal abortions have less scruples than anyone else? Beyond that, this legislation leaves out what could be a universe of "less scrupulous" providers whom the legislature could find not preferable to provide Iowa teens with sexual education and teen pregnancy prevention programming.

This classification is also likely irrationally overinclusive to achieve this second suggested governmental interest for the same reason stated above with regard to the suggested interest of favoring child birth over abortion. As with the other, this second value judgment / governmental interest would likely be found not to be a valid, realistically conceivable purpose of this legislation.

It is possible that at a full hearing on the merits, PPH might not be able to refute every basis upon which the classification could be sustained. Nevertheless, for the ones it has been

abortions.

presented with so far, it seems unlikely that the court would find a rational relationship between the classification and the policy justification. The court finds that PPH is likely to succeed on the merits of its equal protection claim, and therefore it need not address all of PPH's constitutional claims at this stage of the litigation.

C. Balancing the Harms.

"Before granting an injunction, the court should carefully weigh the relative hardship which would be suffered by the enjoined party upon awarding injunction relief." *Ney v. Ney*, 891 N.W.2d 446, 451 (Iowa 2017). The State has made no argument that it would be harmed by the award of temporary injunctive relief. PPH, on the other hand, would lose the opportunity to obtain substantial annual grant money to continue to provide sexual education and teen pregnancy prevention programs under CAPP and PREP funding that it has been participating in for some time. The balancing of harms weighs in favor of granting the requested injunction.

IV. BOND

Iowa Rule of Civil Procedure 1.1508 provides that an "order directing a temporary injunction must require that before the writ issues, a bond be filed, with a penalty to be specified in the order, which shall be 125 percent of the probable liability to be incurred." Here, the state presumes in its argument that the court would require a bond of \$335,000, representing 125 percent of \$268,000, PPH's estimate of expected annual CAPP and PREP grant funds. The purpose of bond is to indemnify the person or entity enjoined or restrained from damage through the use of the writ. *See PICA USA v. North Carolina Farm Partnership*, 672 N.W.2d 718 (Iowa 2003). Paying for grants does not cause any damage to the state. The state will not be injured by receiving services from a qualified provider in exchange for funds that have already been

14 of 16

appropriated and intended to be awarded under the CAPP and PREP programs. Payment of damages based on an amount of grant funds would only stand to provide a windfall to the state. It is possible, however, that the state could incur some expense associated with administering a new or extra round of grant applications and awards that would not have been required if the writ had not been issued. Any such probable liability should not amount to more than \$5,000. A bond of 125 percent of that would be \$6,250.

V. ORDER

IT IS THE ORDER OF THE COURT that the Motion for a Temporary Injunction is GRANTED.

IT IS FURTHER ORDERED that enforcement of Sections 99 and 100 of House File 766 is hereby ENJOINED pending final resolution of this case.

IT IS FURTHER ORDERED that the temporary injunction will become effective immediately upon the Plaintiff posting a bond of \$6,250.00.



State of Iowa Courts

Case Number EQCE084508 Case Title PLANNED PARENTHOOD OF THE HEARTLAND V KIM REYNOLDS OTHER ORDER

Type:

So Ordered

Joseph Seidlin, District Court Judge Fifth Judicial District of Iowa

Electronically signed on 2019-05-29 11:38:51