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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

RYAN KARNOSKI, et al.,)	
)	
Plaintiffs,)	No. 2:17-cv-01297-MJP
)	
vs.)	Seattle, WA
)	
DONALD J. TRUMP, et al.,)	
)	Motion to Dismiss/Preliminary
Defendants,)	Injunction Hearing
)	
)	November 21, 2017

VERBATIM REPORT OF PROCEEDINGS
BEFORE THE HONORABLE JUDGE MARSHA J. PECHMAN
UNITED STATES DISTRICT COURT

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1 THE CLERK: This is in the matter of Ryan Karnoski
2 vs. Donald J. Trump, Cause Number C17-1297-MJP.

3 Counsel, please rise and make your appearance for the
4 record.

5 MR. RENN: Good morning, Your Honor. Peter Renn, for
6 plaintiffs. Also appearing on behalf of plaintiffs are Natalie
7 Nardecchia, Peter Perkowski, Derek Newman, Samantha Everett,
8 Jordan Heinz, Vanessa Barsanti, and Daniel Siegfried.

9 MS. BAKER: Good afternoon, Your Honor. La Rond
10 Baker, for the State of Washington, plaintiff intervenor, and
11 also with Ms. Colleen Melody.

12 THE COURT: Good afternoon.

13 MR. LUCAS: Good afternoon, Your Honor. Brinton
14 Lucas, for defendants. With me is Ryan Parker.

15 THE COURT: All right. We're here this afternoon for
16 two different motions. The first is the government's motion to
17 dismiss. The second is the plaintiff's motion for a
18 preliminary injunction. I have read all of the materials that
19 you have given me, as well as the attendant affidavit, so I do
20 believe that I'm ready to hear you argue this afternoon.

21 Have you made a decision amongst yourselves as to how
22 you're going to divide your time, or what issues you're going
23 to take up first?

24 MR. RENN: Your Honor, plaintiffs have conferred with
25 the State of Washington. We are happy to share five minutes

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1 out of our time so Ms. Baker can present argument on behalf of
2 the State.

3 MR. LUCAS: Your Honor, we have no objection to that,
4 and we're happy to take up both motions in a single argument.

5 THE COURT: All right. Then I believe that the
6 government -- well, what I would say is, the government gets to
7 go first, because if there is no standing, there is no
8 preliminary injunction. That's the rationale. So I'm not
9 prejudging whether there will be a preliminary injunction. I'm
10 simply procedurally saying, that's where we are. That's the
11 first thing that we need to attend to.

12 So I'm going to let the government go first. If the
13 plaintiffs wish to respond to the standing argument, they can
14 do so. If they want to respond inside their preliminary
15 injunction argument, that's fine too. But I take it you
16 haven't divided yourselves up that way.

17 MR. RENN: No, Your Honor. But we're happy to
18 address both at the same time, when it's our turn to present
19 argument.

20 THE COURT: Okay. Then this is what I'm going to
21 suggest that you're going to do, because each of you have been
22 the plaintiffs on one, which means that the government gets to
23 argue first and last on standing; the plaintiffs get to argue
24 first and last on preliminary injunction. So you're each going
25 to argue twice. How's that? Okay?

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1 All right. Let's go.

2 MR. LUCAS: Good afternoon, Your Honor. May it
3 please the Court, Brinton Lucas for the United States. I'd
4 like to reserve five minutes for rebuttal.

5 I'd like to start by addressing an incorrect assumption
6 underlying plaintiff's challenge, namely that the presidential
7 memorandum mandates discharge of currently serving transgender
8 individuals on March 23, 2018. That premise is contrary to
9 both the memorandum itself, as well as Secretary Mattis'
10 response.

11 To start, the memorandum itself does not require the
12 discharge of current service members on March 21, 2018.
13 Instead, it gives Secretary Mattis the authority to study and
14 resolve that issue. Specifically, I'd like to point your
15 attention to Section 3 of the memorandum, which expressly
16 delegates authority to Secretary Mattis to, quote, "determine
17 how to address transgender individuals currently serving in the
18 United States military." And it goes on to specify that until
19 the Secretary has made that determination, no action may be
20 taken against such individuals.

21 THE COURT: Well, Counsel, isn't that simply saying,
22 in the presidential memorandum, "I want you to make a plan for
23 how to get them out"?

24 MR. LUCAS: No, Your Honor. Respectfully, we don't
25 take the memorandum to suggest that. Instead, we think it

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1 leaves it open to the Secretary's discretion. And I'd like to
2 work through the reasons why.

3 I think specifically the fact that it starts and addresses
4 saying that Secretary Mattis has the discretion to determine
5 how to deal with transgender individuals serving in the
6 military does not just suggest that this is a study into how
7 and when to discharge individuals. And I'd like to point
8 exactly how Secretary Mattis' response to this memorandum
9 confirms that a more fulsome study is being conducted.

10 THE COURT: Well, Counsel, you're going to need to
11 back up, then, and address the President's words when he says,
12 "After consultation with my generals and military experts,
13 please be advised that the United States government will not
14 accept or allow transgender individuals to serve in any
15 capacity in the U.S. military."

16 There's nothing ambiguous about that statement.

17 MR. LUCAS: We recognize that, Your Honor. But the
18 President did follow up those statements on Twitter with a very
19 specific and thorough presidential memorandum that the military
20 has taken as operative, and is treating it. So we suggest to
21 this Court, you don't need to necessarily ignore the statements
22 on Twitter, but we would suggest that the Court look carefully
23 at the presidential memorandum, which goes through these very
24 specifically.

25 THE COURT: But doesn't the tweet inform you as to

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1 what the President is thinking, when he basically says to them
2 that they have to have a study done, that he's talking about
3 how to get transgender people out, or keep them out of the
4 military? I mean, what am I supposed to do with the
5 President's tweet, if that's not something that you can rely
6 upon?

7 MR. LUCAS: Your Honor, we think the better course is
8 to look at the President's subsequent statements in the
9 memorandum. And we don't think that, reading the memorandum as
10 a whole, that it is ambiguous. But even if there is ambiguity
11 in the memorandum, Your Honor, we would urge the Court to take
12 a look and see what the military has done and what defendants
13 are currently viewing the memorandum as.

14 THE COURT: So you're telling me, as the Department
15 of Justice, that I should ignore the President's statements to
16 the public?

17 MR. LUCAS: No, Your Honor. We're not saying you
18 have to ignore them, but we do suggest that you look at what
19 the President followed up his statements with, which are a
20 specific presidential memorandum that contains directives. And
21 we think that the best reading of this memorandum is informed
22 by a careful analysis of each of the provisions in it,
23 alongside with the Department of Defense's response.

24 THE COURT: All right. Well, let's go through the
25 memorandum. And please point out to me where you believe that

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1 the President is saying that he wants a memorandum to see how
2 they're going to stay in the military, as opposed to how it is
3 he's going to get them out.

4 MR. LUCAS: Certainly, Your Honor.

5 So I started with Section 3. But I would also point you
6 to the first provision of the memorandum, which is
7 Section 1(a), which talks about how the President wants further
8 study of this issue. And so we think Section 3 needs to be
9 read in light of Section A, which instructs Secretary Mattis to
10 conduct a further study of this issue. And indeed, that is
11 what Secretary Mattis is doing right now.

12 And I'd like to point you to several things that he's
13 issued in response: First, his interim guidance, which
14 confirms that no action shall be taken to involuntarily
15 separate or discharge an otherwise qualified service member
16 solely on the basis of gender dysphoria diagnosis or
17 transgender status, quote, "until I promulgate DOD's final
18 policy in this matter." And we read that to suggest that
19 Secretary Mattis has the final decision-making authority as to
20 what happens to currently serving transgender individuals.

21 But even beyond that, Your Honor, Secretary Mattis has
22 begun a study and implementation plan in accordance with
23 Section A of the memorandum. And that study and implementation
24 plan will address both accessions of transgender individuals
25 and transgender individuals that are currently serving. And as

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1 part of this study, Secretary Mattis has established a panel of
2 experts. And those experts will be led by the Deputy Secretary
3 of Defense and the Vice-Chairman of the Joint Chiefs of Staff.
4 And these members will bring mature experience, notably in
5 deployability and combat, and will assemble and thoroughly
6 analyze all data, both quantifiable and nonquantifiable.

7 And what this tells us, Your Honor, is that there wouldn't
8 be a need to conduct such a thorough study using such
9 high-ranking DOD officials if the sole question was just simply
10 how to get the transgender service members out of the military.

11 THE COURT: And where do I get that understanding
12 from?

13 MR. LUCAS: Well, Your Honor, the Defense Department
14 just simply would not devote this many resources to the study
15 of this issue, and considering all these factors, if it were
16 simply a matter of discharge is preordained, and we're not
17 going to consider this issue. We think the Defense Department
18 is taking this very seriously, and going through and studying
19 these issues, and devoting a significant amount of resources to
20 them.

21 THE COURT: And apparently the Defense Department did
22 that previously.

23 MR. LUCAS: That is true, Your Honor, yes, but --

24 THE COURT: So why would the Defense Department do it
25 twice?

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1 MR. LUCAS: Your Honor, the Defense Department is
2 doing it twice because the President was concerned about the
3 study previously, and he wanted further inquiry to be made into
4 this issue. And that is what's going to happen. I can't
5 predict the outcome of this particular study, or what the
6 Defense Department will ultimately conclude. But I will say
7 that it is not a foreordained conclusion as to what will
8 ultimately occur, or what the Defense Department will
9 ultimately decide.

10 THE COURT: Is there any way to know why the
11 President changed his position?

12 MR. LUCAS: Your Honor, I can't speak to that. I
13 don't know. And I don't know if I -- I mean, if I did, I'm not
14 aware that I could comment about it. But --

15 THE COURT: So how can you comment on what the
16 committee is going to do if you don't know what prompted the
17 committee to be formed?

18 MR. LUCAS: Well, we do know what prompted the
19 committee to be formed here, Your Honor, is that the President
20 did direct them to study this issue, in Section 1(a) of this
21 memorandum, and Secretary Mattis then formed a committee and
22 ordered them to do this.

23 THE COURT: Let's talk about Section 2(b).

24 MR. LUCAS: Yes, Your Honor.

25 THE COURT: 2(b) indicates -- this is the one section

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1 that was not ruled upon by the judge in Washington, D.C.

2 MR. LUCAS: Yes, Your Honor. And I would like to
3 inform you that, earlier today, the District Court in Maryland
4 issued an injunction enjoining both the accession directive and
5 the retention directive, as well as this directive, as well.

6 THE COURT: All right. So this particular directive
7 was enjoined.

8 MR. LUCAS: Yes.

9 THE COURT: All right. Let's go back to my question.

10 2(b) talks about, "halt all use of DOD or DHS resources to
11 fund sex reassignment surgical procedures for the military
12 personnel, except to the extent necessary to protect the health
13 of an individual who has already begun a course of treatment to
14 reassign his or her sex."

15 It's my understanding that Plaintiffs Stephens and Muller
16 have a plan for reassignment of their gender. And at least in
17 Muller's case, it was halted.

18 Doesn't that present harm that is actionable, since the
19 surgery was canceled?

20 MR. LUCAS: No, Your Honor. With respect to Chief
21 Warrant Officer Muller, under the interim guidance, she can
22 reschedule surgery, and she's shown an interest in doing so.
23 We've informed her. And currently, there's nothing applying to
24 these plaintiffs right now. I think there may have been some
25 initial confusion when -- at the start of when the interim

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1 guidance was being promulgated. But right now, these
2 plaintiffs may still seek to get this particular surgical
3 treatment done.

4 THE COURT: But don't we look at this at the moment
5 that the case was filed and her surgery was canceled? So
6 hasn't she sustained a harm in being unable to proceed with her
7 surgery, and the emotional problems that that may cause, and
8 worry, and upset? Doesn't that give one standing, to be told
9 you could have something and then take it away?

10 MR. LUCAS: Your Honor, right now, though, I believe
11 Chief Warrant Officer Muller is currently exploring the
12 possibility of receiving the surgery, and is in consultation
13 with her commanding officer.

14 THE COURT: But that's not my question.

15 My question is, what point in time do we view this? Do
16 you view the standing issue at the time that the lawsuit is
17 filed?

18 MR. LUCAS: Your Honor, I'm not sure if -- and I'd
19 have to go back and take a look. I'm not sure if this was a
20 specific allegation at the particular complaint, or -- but we
21 do consider the facts, Your Honor, and declarations, even on a
22 motion to dismiss, when assessing standing. And I don't think
23 Plaintiff Muller, right now, is suffering any injury.

24 THE COURT: And do you have an affidavit that says
25 that?

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1 MR. LUCAS: Well, we do have an affidavit -- a
2 declaration from her commanding officer, Easley, who says that
3 under the interim guidance, she can reschedule surgery, but has
4 not -- and has shown an interest in doing so.

5 THE COURT: But my point is, apparently at the time
6 of the filing of the suit and the filing of her initial
7 declaration, she had surgery scheduled that was canceled.

8 MR. LUCAS: Yes, Your Honor. We believe that's the
9 assertion she made. But we do believe right now, and as we ask
10 Your Honor to consider our affidavits in considering our motion
11 to dismiss, that she can get surgery at this point, and has,
12 indeed, shown an interest in doing so.

13 THE COURT: Well, if you're talking about standing,
14 is standing a moveable point in time? In other words, are you
15 telling me that standing can change as you -- as you compromise
16 or settle with each plaintiff, or give them the surgery that
17 they desire?

18 MR. LUCAS: Yes, Your Honor. There could be
19 intervening events that moot the case. And we think that there
20 have been intervening factual developments. The plaintiffs
21 first filed their complaint even before the interim guidance
22 was released, and there's been a lot that's happened since
23 then. And when they amended it, they didn't really address the
24 interim guidance or what current measures are being taken by
25 the Defense Department to address their concerns.

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1 THE COURT: All right. Go ahead.

2 MR. LUCAS: But, Your Honor, if I may return to the
3 retention issue for a moment.

4 In addition to Secretary Mattis' response to all of this,
5 I'd also like to point to specifically what the sex
6 reassignment surgery directive suggests about retention. And
7 we think that if the memorandum did, indeed, mandate that
8 discharge had to occur on March 23, this directive, and its
9 exception, wouldn't serve any purpose, because this directive
10 only takes effect on March 23. So if all of the transgender
11 individuals currently serving in the military were going to be
12 simply discharged on that date, there would have been no need
13 for this sex reassignment surgery directive, or its exception,
14 going forward. So we think this is yet another clue suggesting
15 that, even within the presidential memorandum itself, the
16 outcome of the study is not preordained.

17 Now, Your Honor, I realize the plaintiffs have relied
18 heavily on Section 1(b) of the memorandum, which instructs
19 Secretary Mattis to return to the military's longstanding
20 policy and practice on service by transgender individuals. But
21 we'd like to point your attention to the fact that 1(b), in
22 that statement and directive, comes with a caveat, quote,
23 "until such time as a sufficient basis exists upon which to
24 conclude that terminating that policy and practice would not
25 have the negative effects discussed in Section 1(a)." And this

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1 is consistent with Section 1(a), which does call for further
2 study of this issue. And Secretary Mattis is, indeed, studying
3 this issue and may provide and conclude that the transgender
4 individuals currently serving do not impose these negative
5 effects raised in Section 1(a).

6 THE COURT: One moment, please.

7 Could I have everyone please have a seat? Thank you.

8 Go ahead.

9 MR. LUCAS: Thank you, Your Honor.

10 So in light of this, we think that plaintiffs simply lack
11 standing to challenge the memorandum with respect to currently
12 serving transgender individuals. It's undisputed that no
13 current service members are going to be discharged on the basis
14 of their transgender status. And we think that it's
15 speculative, at this point, what will occur on March 23, 2018,
16 what Secretary Mattis will ultimately conclude and decide. And
17 we think that the issue should be revisited then.

18 THE COURT: Isn't there damage simply by having your
19 Commander in Chief declare that you're unfit and that he wants
20 you out?

21 MR. LUCAS: Your Honor, two points to respond to
22 that, if I may.

23 First, in the presidential memorandum, the President has
24 specified that he simply wants more study into this issue, and
25 that process is currently going on. And that's what the

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1 plaintiffs are challenging, and we think that is not the same
2 as just simply saying, "We want you all out immediately."

3 But secondly, Your Honor, we also read *Allen vs. Wright*,
4 the Supreme Court decision, to say that any sort of stigmatic
5 injury that plaintiffs might be alleging, they have to actually
6 show a concrete effect to themselves. And under the interim
7 guidance, they are fully protected from having any adverse
8 action taken against them while they're serving in the
9 military. So we don't think that that is ultimately a
10 cognizable injury, for those two reasons.

11 THE COURT: Well, there's at least one plaintiff in
12 this suit that is claiming that they have not been promoted, or
13 that their promotional papers have been ignored.

14 Isn't that damage?

15 MR. LUCAS: Yes, Your Honor. I would like to address
16 that particular plaintiff. I believe that's Staff Sergeant
17 Schmid. And that's with respect to the accessions directive,
18 and if I may move there, right now.

19 And so the accessions directive -- and that's in Section
20 2(a) -- directs the Defense Department to maintain its
21 longstanding accessions policy, which generally barred
22 transgender individuals from joining the military, but also
23 included a waiver process, past January 1, 2018, until
24 Secretary Mattis studies the issue and provides the President
25 with a convincing recommendation to abandon this policy.

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1 Now, because the accession policy allows for
2 individualized waivers, and none of the plaintiffs have sought
3 one, we believe it's speculative that the accessions policy
4 will actually have any effect on them.

5 THE COURT: Has anybody ever sought one and been
6 granted it?

7 MR. LUCAS: Not to my knowledge, Your Honor, but we
8 don't think that's dispositive in this case. I mean, right
9 now, the policy is currently in flux. Things are being
10 studied. And I would point you to the interim guidance where
11 Secretary Mattis expressly states that this is subject to the
12 waiver process.

13 THE COURT: So if nobody has done it, and nobody has
14 ever been granted a waiver, why would you want to make someone
15 go through a needless process?

16 MR. LUCAS: Your Honor, we don't think it's a
17 needless process. We think that the waiver is available, and
18 Secretary Mattis has provided for that in his interim guidance.
19 And so if plaintiffs want to apply for waiver, we urge them to
20 do so and see if the process happens. We're taking the
21 guidance that Secretary Mattis has given, that a waiver process
22 is available, and they can apply for it right now.

23 THE COURT: Well, why would somebody apply for a
24 waiver? Isn't this just like "blacks need not apply"?

25 MR. LUCAS: No, Your Honor. We take the point of --

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1 that plaintiffs have raised of all of these cases involving
2 competitive injury, but we don't think that those cases are
3 squarely on point. And the reason why is, in all of those
4 cases, there was no dispute that the plaintiffs were otherwise
5 eligible to obtain the desired benefit. Those cases simply
6 concerned the matter of, they didn't want to apply, because
7 they didn't want to compete for the same benefit under the
8 particular policy.

9 But here, it's unclear whether the plaintiffs could meet
10 all of the other requirements that would render them otherwise
11 eligible to be assessed into the military.

12 THE COURT: Well, Counsel, you've got thousands of
13 transgender people who are already performing in the military.

14 Why is it that they would not -- are you telling me that
15 it's your position that these people would not be eligible to
16 compete because of some issue?

17 MR. LUCAS: No, Your Honor. All we're saying is, we
18 don't -- for especially the accessions plaintiffs, we don't
19 know whether there will be some other disqualifying factor.
20 There are many different requirements to be met before one can
21 assess into the military, and we simply just don't have that
22 information right now.

23 THE COURT: So you're saying you don't know whether
24 they have bone spurs.

25 MR. LUCAS: We don't know enough information, Your

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1 Honor, to make -- to be sure whether they could accede or not,
2 totally apart from the challenged accessions policy.

3 I would like to point you to Staff Sergeant Schmid, where
4 this issue is somewhat more concrete. This is the member who's
5 applied to be a warrant officer. And she's applied for
6 accessions, but she's not applied for a waiver. So that's one
7 issue. But even in addition to that, there's another issue
8 that would bar her from obtaining a position as a warrant
9 officer, and that is specifically her -- that she's exceeded
10 the maximum years of federal service allowed, under Army
11 regulation. Now, a waiver is available for that, as well, but
12 these are the kinds of examples where someone may not even be
13 eligible to accede into the military, and thus the accessions
14 policy may have no ultimate effect on them.

15 And we realize, Your Honor, that plaintiffs do claim that
16 seeking a medical waiver would be futile. They make this a
17 point of their argument. But we think that rests on two
18 problematic assumptions. First, as I discussed before, the
19 interim guidance does expressly provide that a waiver process
20 is available. And second, plaintiffs argue that the reason the
21 waiver process would be futile is because you cannot grant a
22 waiver for a retention-disqualifying condition. But that
23 assumes that Secretary Mattis will, indeed, conclude that
24 transgender status is a retention-disqualifying condition,
25 which we dispute and think is part of an ongoing study.

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1 So finally, Your Honor, I return to the sex reassignment
2 surgery directive and just address why plaintiffs don't have
3 standing to challenge that either.

4 Now, we know that the interim guidance provides that
5 current service members may receive funding for these
6 procedures. Indeed, as news reports indicate, such a surgery
7 occurred just last week. But even after March 23, the Defense
8 Department will pay for these procedures if they are necessary
9 to protect the health of those who have already done a course
10 of treatment to reassign their sex.

11 Now, the *Doe* court, in D.C., dismissed the claims
12 challenging this directive, because none of the plaintiffs had
13 shown they were likely to be affected by it. And we believe
14 the same is true here. First, the currently serving plaintiffs
15 may all seek these surgeries now. And due to the exception,
16 it's speculative whether they will ever be denied funding after
17 March 23. All of the named service member plaintiffs have
18 begun a course of treatment to reassign their sex, and thus
19 they may qualify for this exception.

20 Now, I realize that plaintiffs do argue that this
21 exception will not apply, because they read the exception to
22 cover only measures that would address complications arising in
23 surgery. But they offer nothing to support that particular
24 reading of the provision, and we are unaware of anything that
25 would support it.

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1 THE COURT: So as I understand it, this process
2 begins with a plan.

3 Are you telling me that the government is going to cover
4 all of the costs for anyone who has a plan?

5 MR. LUCAS: Your Honor, I can't commit to ultimately
6 what the exception will cover in the future. That is being
7 currently determined by the Defense Department. But I will say
8 that, right now, under the interim guidance, they may seek
9 funding for this particular surgery. And in the future, if
10 they've begun a plan, they may very well qualify for the
11 exception.

12 THE COURT: Well, what does it mean to say "protect
13 the health of an individual who has already begun"?

14 MR. LUCAS: Your Honor, DOD is currently resolving
15 what the scope of this exception will be. I'm sorry. I can't
16 give you a definitive answer. But I will say that plaintiffs
17 take a very narrow reading of that. But we just have no basis
18 to assume that that's the only reading, or that it is the
19 reading that DOD will ultimately adopt.

20 And finally, I would address Plaintiff Jane Doe, who
21 claims that surgery is necessary for her, but she's not sought
22 it, out of fear of discharge, and thus would not qualify for
23 the exception.

24 THE COURT: Just a minute.

25 Everyone needs to have a seat, please.

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1 Go ahead.

2 MR. LUCAS: Thank you, Your Honor.

3 But we read this theory to be foreclosed by the Supreme
4 Court's decision in *Clapper vs. Amnesty International*, which
5 held that a plaintiff can't manufacture standing by imposing
6 burdens on himself or herself based on fears, even reasonable
7 ones, of a speculative future harm. And because it is our
8 position and our belief that it's simply speculative that
9 transgender individuals will be discharged from the military
10 following this study, we think that Plaintiff Jane Doe cannot
11 make -- somehow create standing to challenge the surgery
12 directive on the basis of her fears.

13 THE COURT: Well, Jane Doe also talks about a fear of
14 talking to others in the military about her authentic feelings.
15 Isn't that a harm as well?

16 MR. LUCAS: Your Honor, we don't think so. Right
17 now, she's currently protected under the interim guidance. No
18 action can be taken against her for talking, or expressing, or
19 doing any things along that nature. And we think it's
20 speculative that any harm would occur in the future. We simply
21 just don't know.

22 THE COURT: Well, isn't it realistic to assume that
23 if the President's tweet goes into effect, if she or he
24 identifies themselves, that they run the risk of being severed
25 from the military?

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1 MR. LUCAS: Your Honor, we don't take that to be the
2 position of the memorandum. We think it is an open question.
3 And we think that, if there's a risk, it's simply not
4 significant enough, or likely enough, or settled enough, to
5 create standing. Using the Supreme Court's language, it calls
6 for a certainly impending harm, or at least a substantial risk
7 of harm, and we just don't think that is met here.

8 THE COURT: So you're not accepting that there could
9 be any emotional damage from having to live this particular
10 silence?

11 MR. LUCAS: Your Honor, we understand the emotional
12 damage that plaintiffs have alleged, and we acknowledge that,
13 but we don't think it confers standing in this case. Because
14 right now, it's an uncertain policy. It's going to be
15 resolved, soon, in a few months. In the meantime, we just
16 don't think that concern or worry over the outcome of the final
17 policy is a sufficient basis to create Article III standing.

18 THE COURT: So if there is standing, is that a harm?

19 MR. LUCAS: Well, for -- with respect to irreparable
20 injury, Your Honor, or --

21 THE COURT: The emotional distress from having to be
22 silent about one's life choices, or one's gender, is that a
23 harm that is compensable, if there's standing?

24 MR. LUCAS: Your Honor, we're -- I think the whole
25 discussion of harm, and our consideration of it, has been done

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1 largely in the context of standing. And so we don't know of
2 any sort of authority that would support saying that concern
3 over a future policy is a sufficient basis to create a harm, I
4 guess, either for standing or otherwise.

5 THE COURT: So you're telling me that that's not a
6 harm that would -- that would confer damages. It certainly
7 would be the kind of harm, if one were in any regular tort
8 suit, that emotional distress would be one of the things that
9 would be compensated.

10 Is this different?

11 MR. LUCAS: Your Honor, I guess we don't -- because
12 of the speculative nature of this, we just don't see it as an
13 actual harm. And so I'm not sure how plaintiffs can create
14 this, if we simply don't know what the final policy is,
15 especially under the particular terms of the presidential
16 memorandum.

17 THE COURT: Now, am I correct in understanding that
18 the report needs to be back by February 21, I believe?

19 MR. LUCAS: Yes. Let me -- yes. So February 21,
20 Secretary Mattis will provide the President with an
21 implementation plan.

22 THE COURT: So we're probably 60 days away.

23 Are you still thinking that that is a speculative time
24 frame when these things will go into effect?

25 MR. LUCAS: Yes, Your Honor. The military is

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1 currently studying this and devoting a considerable amount of
2 resources to it. The Secretary will provide the President with
3 a plan on the 21st, after he comes to his conclusions and
4 receives his expert recommendations. And then at that point,
5 the plan will take effect on March 23, 2018.

6 THE COURT: All right. Thank you.

7 MR. LUCAS: Thank you, Your Honor.

8 MR. RENN: Good afternoon, Your Honor.

9 I'll turn first to standing. And I'd like to address the
10 relevant facts that I think support plaintiffs' injury and
11 facts, and then turn separately to the reasons why plaintiffs
12 have standing to challenge each of the three components of the
13 ban with respect to retention, accession, and denial of medical
14 care.

15 The government's defense here is built on the fictional
16 premise that the President has not yet made a decision about
17 whether or not transgender people should be allowed to serve in
18 the military. But the facts show quite plainly that the
19 President has already made that decision, and all that's left
20 is for a subordinate to carry that plan out.

21 First of all, the tweets, as Your Honor pointed out, make
22 exceptionally clear what the President meant here. He said
23 that transgender people shall not be allowed to serve, quote,
24 "in any capacity in the military." The government can't stand
25 up here and argue that the President didn't mean what he said.

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1 And as Your Honor noted, there's really no ambiguity in the
2 phrase "in any capacity." The President, here, is the source
3 of the policy change. And so his words, unfiltered, provide
4 perhaps the clearest and most candid insight into his own
5 intentions.

6 But even if we were to set aside the tweets and look just
7 at the memorandum, the memorandum mandates a return to the
8 pre-2016 policy. It provides, in relevant part, that it is
9 directing the military, quote, "to return to the longstanding
10 policy and practice on military service by transgender
11 individuals that was in place prior to June 2016," end quote.
12 Notably, the memorandum does not ask the military for advice on
13 whether or not to return to that policy. Instead, it mandates,
14 "This is our governing policy now," in the most unequivocal
15 terms.

16 Now, the government also stood up here and argued that
17 laws can always change, and that the President is willing to
18 accept a different interpretation if someone convinces him
19 otherwise. But it's always the case that laws could be
20 changed. We have to evaluate standing based on the facts that
21 exist today. Nothing about the interim guidance changes any of
22 this. That document merely defines the rules of engagement
23 before February 21, 2018. But whatever protection it
24 supposedly provides evaporates in an instant, once it reaches
25 its expiration date.

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1 Now, it's true, of course, that the military has been
2 ordered to draw up implementation plans. But the
3 responsibility of the military is to implement the President's
4 policy, not to create a new policy out of whole cloth. And the
5 President has essentially said, "Tell me how we are going to
6 execute my vision, but understand that whatever you come back
7 to me with, a fixed constant, and not a variable, is that we
8 are authorizing the discharge of service members merely because
9 they are transgender." And that same constraint applies to
10 both Secretary Mattis and to the panels that he is convening.

11 Now, the government also argued that there would be no
12 point to drawing up implementation plans if the military wasn't
13 also authorized to decide the question of whether or not
14 transgender people should be discharged. But that's simply not
15 true, for the simple fact that discharges don't happen
16 overnight. That, understandably, requires some amount of
17 implementation and study, and --

18 THE COURT: Presumably, all those jobs that would be
19 vacant would have to be filled.

20 MR. RENN: Absolutely, Your Honor. And the
21 plaintiffs who occupy mission-critical positions right now,
22 those would have to be filled, taking a very time-intensive and
23 consuming process to actually implement. And I think all of
24 that goes to the reason why the government does need to devote
25 substantial resources to understanding how it's going to roll

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1 out this policy. And I also want to emphasize that the
2 memorandum itself actually acknowledges that discharges don't
3 happen overnight. And that is the reason why it freezes
4 surgical care after March 2018, because it recognizes they may
5 not be able to discharge everyone immediately.

6 Plaintiffs have standing, in light of all of this context,
7 to challenge each of the three aspects of the policy.

8 THE COURT: Well, talk to me about when does standing
9 happen. Counsel appeared to argue to me that standing can go
10 away, it can come back. And that's not quite my understanding
11 of where standing is.

12 MR. RENN: Well, I think plaintiffs do need to
13 establish standing at the time that they filed this action.
14 And I think there's no question that, in light of the impending
15 harms from the policy, that they satisfied standing at that
16 point in time.

17 And it's also true, of course, that plaintiffs have to
18 maintain standing throughout the action for purposes of
19 obtaining injunctive relief. So, for example, if someone were
20 to get surgical care outside of the military, and no longer had
21 a need for surgical care, we wouldn't argue that they would be
22 injured by any sort of surgical ban. But here, of course,
23 that's not what happened.

24 THE COURT: Well, they're arguing that Plaintiff
25 Muller can get -- can go forward with the surgery that was

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1 canceled.

2 Does that destroy the standing for that individual?

3 MR. RENN: I don't think it does, Your Honor, but I
4 do think that plaintiffs only have to show one plaintiff who
5 has standing for each aspect of the relief that they're
6 seeking. And I would direct this Court more towards Plaintiffs
7 Doe and Stephens as the plaintiffs who have very clear,
8 undeniable standing to challenge the surgical ban. I think the
9 issue with Plaintiff Muller is informative and relevant,
10 because it shows that the threat of not being able to get the
11 medical care that you need is credible. It's already been
12 canceled once before, and that was before even the policy
13 technically went into effect. So it's certainly credible for
14 plaintiffs to fear that they will not be able to get the care
15 that they need.

16 And we know for certain that Plaintiff Doe, for example,
17 will be injured by the policy. And that's because she hasn't
18 yet even begun to transition. So the government argued that
19 perhaps some plaintiffs might be able to qualify for an
20 exception to the surgical ban if they've already undertaken
21 transition. But no matter how broad they try to stretch this
22 exception, for purposes of standing, it will never be broad
23 enough to cover Plaintiff Doe. She faces harm, no matter what.

24 THE COURT: Let's talk about Plaintiff Doe, since you
25 brought it up, and I brought it up previously with counsel.

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1 Is there a harm that she is sustaining by not being able
2 to be authentic with those in the military around her?

3 MR. RENN: Absolutely, Your Honor. And it's more
4 than just a harm. It's an irreparable harm. Every day that
5 Jane Doe is deterred from living openly and honestly as the
6 woman that she is is a day that she cannot get back. And those
7 are irretrievable losses to her First Amendment, due process,
8 and equal protection rights. And I think it really trivializes
9 those rights to claim that an award of damages would in any way
10 be an adequate substitute. Because there is no going back,
11 once she comes out.

12 I mean, the government argued that essentially she's
13 protected, right now, under the interim guidance. But let's
14 play that out. If she were, in fact, to come out to her
15 command, even though the interim guidance supposedly provides
16 her protection from discharge until March 23, 2018, what
17 happens after that point in time? She can't very well un-ring
18 the bell. And the President has made clear that openly
19 transgender people are subject to discharge after March 23,
20 2018. So there's certainly standing currently happening to the
21 plaintiffs.

22 And it's not at all limited to Jane Doe. I think that the
23 other plaintiffs likewise face an incredible harm in the form
24 of stigma. They have been branded by their Commander in Chief
25 as being presumptively unfit to serve. They have been told, to

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1 all the world, that they are burdens and disruptions. And they
2 have to carry around that badge of inferiority with them as
3 they try to go about their everyday life and do their job. And
4 that understandably weakens the bonds and the trust that exists
5 between service members right now. And in the Ninth Circuit's
6 words in *SmithKline*, this stigma harm is one of great
7 constitutional significance. So even if we were only talking
8 about the current harms right now, plaintiffs absolutely have
9 standing, based on those alone.

10 THE COURT: Let's talk about waiver.

11 Opposing counsel seems to say, "Well, look, you can waive.
12 You can apply. Why isn't that good enough?"

13 MR. RENN: Certainly, Your Honor.

14 Well, the government has argued that, as a theoretical
15 matter, perhaps waivers could be obtained. But first, this
16 record shows that the government is not actually in the
17 business of giving out waivers, undisputedly. And counsel
18 conceded that he wasn't aware of any instance in which a waiver
19 had ever been granted.

20 But second of all, even if a waiver were to be granted, it
21 wouldn't actually cure the equal protection violation. So part
22 of the harm that we allege here is not merely denial of entry
23 into the military. It is also the uneven playing field that
24 transgender people will have to play on under the President's
25 policy. That unequal treatment is, itself, cognizable injury,

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1 regardless of whether or not someone would actually be able to
2 get into the military. Perhaps one of the accession plaintiffs
3 has bone spurs, for example. We don't know, but we don't have
4 to show that as part of our case. All we have to show is that
5 they are ready, willing, and able to apply to the military, and
6 that the military has basically put up a barrier to their entry
7 on discriminatory grounds. That's it. We don't have to show
8 but-for causation.

9 And there are a long line of cases in the education
10 context that basically make clear, if you want to challenge a
11 school's race-conscious admissions policy, for example, you
12 don't need to prove that but for that policy, that you would
13 have gotten admission into a particular school. You still have
14 standing to be able to challenge it. So I think that is the
15 answer to the waiver piece.

16 And the answer is similarly true for the argument that
17 they raised with respect to Staff Sergeant Schmid, who was able
18 to join us here in the courtroom today. She is eligible for a
19 waiver based on the number of years that she's already served
20 in the Army. And regardless of whether or not that waiver is
21 ultimately granted, she still has standing to challenge the
22 aspect of the discrimination here that she faces, which is
23 independent of that waiver process.

24 So plaintiffs have standing to challenge both the medical
25 ban, the accession ban, and also, of course, the retention ban,

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1 which we haven't yet discussed. But the core point here is
2 that the legal standard is whether or not plaintiffs face a
3 credible threat of discharge. That's all they need to
4 establish to show injury in fact. And indeed, I have to point
5 out that Plaintiff Megan Winters was already threatened with
6 separation proceedings, right after the President's tweets.
7 And now, in light of the President's policy, he has authorized
8 the discharge of all transgender service members merely because
9 they're transgender. So it is certainly a credible threat that
10 the harm of discharge will actually materialize.

11 I'm happy to turn to the preliminary injunction, unless
12 the Court would like further argument on the standing ripeness
13 issues.

14 THE COURT: No. Let's talk about the preliminary
15 injunction. And you were here last week -- or I should say,
16 Ms. Baker was here last week, arguing.

17 Is there a reason for this Court to issue a third opinion?

18 MR. RENN: There is, Your Honor. And, of course, the
19 *Stone vs. Trump* decision was just issued hours ago, and so we
20 haven't had an opportunity to fully review it yet, but I
21 imagine we will submit a notice of supplemental authority.

22 But the government has made no secret of its views about
23 the first D.C. injunction that was issued. It has said that it
24 believes that decision was plainly erroneous. And I suspect
25 that they will not take a different view about the second

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1 injunction that has been issued. And I think all of that shows
2 that the injunction that's been granted in another case is in
3 no way a substitute for the injunction that plaintiffs are
4 entitled to here, because the injunction in another case is
5 invariably of a different duration, scope, and certainty than
6 the one that this Court would issue. Part of the reason that
7 the Court granted the motion to intervene, by the State of
8 Washington, was because the State of Washington presented
9 distinct interests as a sovereign entity, that private
10 plaintiffs cannot possibly bring into the fold. And plaintiffs
11 are entitled to an injunction supported by the array of factual
12 circumstances that give rise to their injuries.

13 So I think the medical ban is actually another
14 illustration of the reason why this Court can and should still
15 issue an injunction. There's a dispute going on, right now,
16 about the scope of the exception to the medical ban, that
17 applies if someone has already begun a course of treatment to
18 reassign his or her sex. And our point is that, no matter what
19 shape that exception ultimately takes, it will never be broad
20 enough to cover Plaintiff Jane Doe. And I'm sure that the
21 government will continue to press, in any ensuing appeal of the
22 Maryland decision, for example, that those plaintiffs do not
23 have standing to obtain a preliminary injunction on the medical
24 ban. But I don't think that argument has any legs here, in
25 this context, in light of Plaintiff Jane Doe, and also the

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1 other plaintiffs, as well.

2 And I also have to emphasize that it is par for the course
3 that courts issue overlapping injunctions, particularly on
4 issues that affect huge swaths of people and that implicate
5 important national interests. Courts have done that, of
6 course, in the context of the travel ban, in the context of the
7 Affordable Care Act litigation. And there's nothing that
8 prevents them from doing that. It is, in fact, helpful to the
9 development of federal law on important issues that multiple
10 courts, particularly in different circuits, decide the same or
11 similar issues. And, of course, there are differences between
12 the cases. We, for example, have a First Amendment claim, that
13 we've been discussing in the context of Plaintiff Jane Doe,
14 that is not at play in either of the two cases in which
15 preliminary injunctions have been granted.

16 Plaintiffs satisfy all of the requirements for a
17 preliminary injunction. And if I could, I'd like to spend most
18 of my time today talking about the equal protection claim, and
19 begin by discussing the proper level of scrutiny that applies
20 to that claim. Strict scrutiny is the appropriate standard,
21 for reasons that I'll explain. But because this policy also
22 discriminates based on sex, it's subject to intermediate
23 scrutiny, at a minimum. And in any event, plaintiffs prevail
24 under any standard of review.

25 First of all, the policy is subject to strict scrutiny

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1 because discrimination against transgender people exhibits all
2 of the indicia of a suspect classification. Transgender people
3 have suffered a long and painful history of discrimination on
4 the basis of an immutable characteristic, that has no bearing
5 on their ability to contribute to society. And as I think this
6 case so powerfully illustrates, they also often find themselves
7 in the crosshairs of discrimination because they remain a
8 politically vulnerable minority. But second, discrimination
9 against transgender people is also inherently sex
10 discrimination. Gender identity is, itself, a sex-related
11 characteristic. So when someone discriminates based on gender
12 identity, they are necessarily discriminating based on sex.

13 So regardless of which form of heightened scrutiny this
14 Court applies, the import is that the government bears the
15 burden of justifying the discrimination. And furthermore, they
16 are limited, in terms of the support that they draw upon, to
17 what was actually available and what actually influenced the
18 decision that was made at the time it was made. They can't
19 rely on after-the-fact, post hoc factual support that they
20 conceive in litigation. The government's only response to
21 this, for the most part, is to say that because the
22 discrimination here occurred in the military context, that
23 heightened scrutiny should be suspended.

24 But I think that deference is -- the case law is quite
25 clear, that deference is not automatic. Cases like *Rostker*,

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1 for example, teach that, in order to get the benefit of
2 deference, the government has to do its due diligence. It has
3 to do things like engage in a meaningful factual inquiry. It
4 must consult with the range of officials with relevant
5 information. And it has to engage in careful deliberation.
6 And it has to do all of this before it makes the decision, not
7 afterwards. Because otherwise, those steps, logically, cannot
8 possibly influence the decision at issue.

9 And the government has not exercised its due diligence
10 here. On this record before the Court, the decision-making
11 process about whether to return to the pre-2016 policy largely
12 begins and ends with the President's three tweets. And that is
13 a stark contrast to the facts of *Rostker*, where Congress held
14 hearings, took testimony, and engaged in debate about whether
15 or not to exclude women from the draft, based on their
16 exclusion from combat positions at the time. Here, the
17 President didn't do any of that. But the military did. They
18 did engage in a deliberative process, a year-long one. And it
19 resulted in the very policy of allowing transgender people to
20 serve openly, that the President has now discarded. So the
21 President is essentially overriding the very considered
22 judgment of the military that courts have found to
23 appropriately warrant deference in other cases.

24 The government has essentially argued three justifications
25 for its discrimination here. It has argued military readiness,

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1 cost, and unit cohesion; but none can justify the sweeping
2 scope of the President's ban. And I'll address each one in
3 turn.

4 First of all, with respect to military readiness, the
5 government claims that its policy promotes readiness, but they
6 have no evidence of that. Even four months now after the
7 President's tweets, we don't have a single declaration from a
8 military official in support of the government's readiness
9 justifications. And in fact, this assertion contradicts the
10 evidence the government already has in its hands. The RAND
11 study, for example, systematically analyzed this issue, and it
12 concluded there were no readiness implications that prevented
13 transgender people from serving openly. Similarly, the
14 declarations on file of former military leaders all show that
15 discrimination actually undermines readiness, because it
16 focuses on a characteristic that has no bearing on a person's
17 ability to serve. And I also want to emphasize that, as Your
18 Honor noted, discharges, in particular, are very disruptive,
19 and they damage readiness because they consume resources to
20 fill those positions that are now vacant.

21 Now, the government does note that transition-related care
22 can lead to periods of limited deployability, but so too do a
23 variety of other medical conditions, none of which are
24 disqualifying. And I think pregnancy, itself, is one clear
25 example of another condition that leads to a period of limited

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1 deployability. But courts there have struck down rules that
2 require the discharge of pregnant troops as unconstitutional
3 discrimination, as in the *Crawford* case.

4 Second, the government also asserts cost. But the mere
5 fact that it saves the government money to deprive one group of
6 medical care, which will always be true, no matter what group
7 of people we're talking about, is not a legally adequate
8 justification. And it's also not a factually supported
9 justification on this record, because we know from Secretary
10 Mattis that the government actually crunched the numbers. And
11 as he describes it, the cost of providing transition-related
12 care amounts to mere budget dust in the military's nearly
13 \$50 billion annual healthcare budget.

14 THE COURT: Well, Counsel, are there any other things
15 that have been crunched to make a comparison? How much does it
16 cost the military to treat athlete's foot? How much does it
17 cost the military to provide Viagra? How much does it cost the
18 military to deal with poison oak?

19 I'm trying to get a handle on what "budget dust" is. And
20 if the dollars are going to be something that the government
21 uses to justify it, is there anything in the record that shows
22 a comparison?

23 MR. RENN: I think that the best estimate would
24 probably come from the RAND study itself, which I don't know if
25 it gets into that level of granular detail about the costs of

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1 other conditions. But there were reports, of course, after the
2 President's tweets, that the cost of providing
3 transition-related care would be a small, small fraction of the
4 amount that the government also spends on providing treatment
5 for sexual health issues, as Your Honor noted. And so at the
6 end of the day, you know, it's a small, small drop in the
7 bucket of what the military spends on healthcare.

8 And again, there's no limiting principle to this. Because
9 if it's -- if the government could say that it saves money to
10 get rid of care for this group of people, then it could say
11 that about any group of people. Left-handed people, for
12 example, what if the government deprived healthcare to those
13 individuals? Surely, that would save the government money, but
14 it wouldn't be a rational thing for the government to do.

15 THE COURT: Unit cohesion is the third one. And I
16 would like to have you talk to me about that, because I
17 honestly don't know what that term encompasses, and whether it
18 means the ability to get along, or does it mean the ability to
19 carry through on a task? Does it mean you have to like one
20 another? What is it?

21 MR. RENN: Sure. I don't think the government
22 actually pinpoints what aspect of unit cohesion forms the basis
23 of the interest that they're asserting. But the declaration of
24 Professor Eitelberg, I think, goes into this a little bit and
25 talks about the difference between social cohesion and task

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1 cohesion. And he explains that task cohesion is actually the
2 part that matters for getting a job done. You have to get
3 along with people well enough that you can focus on the
4 mission, but it doesn't necessarily mean that you have to
5 actually like the person that you're working with.

6 But I have to emphasize that, regardless of what form of
7 unit cohesion we're talking about, there is no evidence on this
8 record that allowing transgender people to serve openly, which
9 they've been doing for the last year and a half, has had any
10 compromise whatsoever on unit cohesion, which is exactly what
11 the RAND study, and also the experience of foreign militaries,
12 confirmed would be the case. And in fact, on this record, we
13 have evidence that shows that open service actually promotes
14 cohesion, because people don't have to lie about who they are.
15 And when they drop those barriers, that creates and fosters
16 better bonds and trust between service members.

17 And, of course, I think it's also important to emphasize
18 that unit cohesion has historically been used to justify all
19 sorts of discrimination in the military context, whether on the
20 basis of race, or sex, or sexual orientation. But the lesson
21 that we've taken away from each one of those experiences is
22 that the military grew stronger when it dismantled barriers to
23 service that had no bearing on an individual's ability to
24 serve.

25 If there are no further questions, I'll reserve the

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1 balance of my time for rebuttal.

2 THE COURT: Ms. Baker?

3 MS. BAKER: Good afternoon, Your Honor. I'm La Rond
4 Baker, Assistant Attorney General for the State of Washington.

5 And as you know, the State of Washington was recently
6 granted intervention, and the defendants did not actually file
7 their motion to dismiss against the State. They did
8 incorporate their motion to dismiss in their response to the
9 State's motion for intervention. And so as such, I think it
10 might be best for me to talk about standing in the context of
11 the preliminary injunction. Is that okay?

12 THE COURT: That's fine.

13 MS. BAKER: Okay. Great.

14 So first, I want to address the fact that we now have two
15 injunctions that are in place, the *Doe* injunction and the *Stone*
16 injunction. And you asked Mr. Renn, earlier, why we still need
17 another injunction, or a third injunction. And from the
18 State's perspective, our state interests are simply broader
19 than any other private plaintiff's interests that have been
20 protected by the *Stone* and the *Doe* injunctions. And as the
21 defendants have consistently attacked the standing of private
22 plaintiffs, we don't feel that an injunction that is tethered
23 to private plaintiffs' standings is sufficient to protect the
24 State's interests, which are much broader than an individual's
25 or an organizational standing.

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1 THE COURT: Now, it's my understanding that the
2 California case that was set to be argued has been postponed
3 because California has intervened.

4 MS. BAKER: That's correct. I believe the hearing is
5 set for December 11, but intervention was granted on behalf of
6 the State of California. However, nothing has been -- there
7 are -- no P.I. motion has been adjudicated in that.

8 THE COURT: Thank you.

9 MS. BAKER: There also is a potential for the other
10 injunctions to be narrowed, overturned, or vacated for specific
11 reasons. And the State wants to ensure that its
12 quasi-sovereign and sovereign interests are protected, which
13 goes to our standing and our interests for a preliminary
14 injunction.

15 For a preliminary injunction, you have to prove that a
16 party is likely to succeed on the merits, likely to suffer
17 irreparable harm in the absence of preliminary relief, and that
18 the balance of equities tips in their favor, and an injunction
19 is in the public interest. We are going to address Prong 2,
20 the irreparable harm to the State of Washington, which is also
21 tethered to our standing arguments.

22 First, Washington suffers harm to its parens patriae
23 interests in protecting the health, both physical and economic,
24 of Washingtonians from invidious discrimination based on
25 transgender status, gender identity, and sex. Without a

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1 preliminary injunction, the approximately 38,000 transgender
2 Washingtonians would be subjected to defendants' discriminatory
3 ban. Further, transgender Washingtonians currently serving in
4 the military, either openly or silently, would be denied access
5 to necessary medical treatment, equal opportunity, and would
6 suffer stigma. This harms Washington's *parens patriae* interest
7 in protecting Washingtonians who are transgender, and their
8 families, and it's the type of harm that no legal remedy or
9 award of damages can fully vindicate, and as such should be
10 deemed irreparable harm sufficient to sustain the issuance of a
11 preliminary injunction.

12 Second, Washington has proprietary interests that are at
13 risk here and that would be in -- entered if defendants' ban is
14 not enjoined. Courts have repeatedly found that non-trivial
15 economic impact on the proprietary interests of government
16 entities is sufficient to warrant injunctive relief, here
17 Washington's proprietary interest in avoiding economic harm
18 that occurs to Washington's tax base and economy when
19 Washingtonians are denied employment and advancement
20 opportunities. The military is the second-largest public
21 employer in the State of Washington, and indeed there are
22 approximately 60,000 active, reserve, and guard members in
23 Washington. When such a large employer enacts discriminatory
24 policies that restrict employment opportunity and advancement
25 opportunities on such a grand scale, that impacts Washington's

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1 economy and tax revenue.

2 Washington also has an interest in not spending its scarce
3 economic resources to support discriminatory policies. The
4 State spends millions of dollars to support the Washington
5 National Guard, which is impaneled pursuant to the military's
6 accession policy. There are 8,000 members. And when deployed
7 by the Governor, the State pays the Guard members' wages, and
8 thereby manages and pays a guard body that has been staffed
9 pursuant to a discriminatory policy. This is the type of harm
10 that no legal remedy or award of damages can fully vindicate,
11 and should be sufficient to show irreparable harm.

12 Third, Washington has sovereign interests that are
13 irreparably harmed by defendants' ban. Washington has
14 sovereign interests in ensuring that the National Guard can
15 protect its natural resources of the State and provide aid in
16 times of emergency. Turning away a single Washingtonian that
17 seeks to serve reduces the strength and efficacy of the Guard,
18 and forces us to lose skilled and qualified personnel, and
19 potential personnel, which is something Washington can't
20 afford.

21 Further, such discriminatory practices fly in the face of
22 longstanding policies against discriminatory employment
23 practices. Washington also has sovereign interests in
24 protecting its antidiscrimination laws and ensuring that itself
25 is not utilizing its resources and service opportunities in a

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1 discriminatory manner. Without a preliminary injunction, these
2 interests would be damaged, and no legal remedy or award of
3 damages could fully vindicate these harms; and as such, as said
4 before, they should be deemed irreparable harm sufficient to
5 sustain a preliminary injunction.

6 As such, Washington requests that this Court issue a
7 preliminary injunction barring defendants from implementing any
8 and all aspects of the transgender military service ban. And
9 Washington also asks this Court to include in its consideration
10 the harms that Washington will suffer, that have been briefed
11 and argued today, in its consideration of the balance of
12 equities and public interest components of the *Winter* standard.

13 And if there are no further questions, or questions for
14 me, the State joins private plaintiffs' motion for a
15 preliminary injunction and all of the legal arguments put
16 forward. As the State was granted intervention after the
17 briefing had been done, we did not want to put forward any new
18 legal arguments, but wanted to make sure that our interests
19 were before this Court.

20 Thank you.

21 THE COURT: Thank you.

22 MR. LUCAS: Thank you, Your Honor.

23 I'd like to just make two points. First, there is no need
24 for a third injunction in this case. The *Stone* court gave the
25 plaintiffs all the relief they seek. It also gave all of

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1 Washington the relief it seeks. All Washingtonians are
2 protected under the terms of the *Stone* court's injunction, as
3 are all of its interests. So we don't see --

4 THE COURT: So was there another state that was
5 involved in the *Stone* court?

6 MR. LUCAS: No, Your Honor. But the injunction
7 itself, that was issued by the *Stone*, were enjoining all
8 aspects of the memorandum, would conceivably give Washington
9 all of its relief. We're not sure what else could be enjoined.
10 Because all of Washington's concerns flow from the presidential
11 memorandum.

12 THE COURT: I see. So not necessarily all the
13 reasons stated, but you're saying that the order covers all of
14 the concerns.

15 MR. LUCAS: Yes, Your Honor.

16 THE COURT: Okay.

17 MR. LUCAS: And I'd also just like to reiterate that
18 Judge Robart did stay and decline to enter an overlapping
19 injunction in the travel executive order litigation, under very
20 similar circumstances here, and we think that that would be the
21 right course, as well.

22 And if Your Honor has any concerns over us appealing any
23 of these injunctions, or what will happen in the future, we
24 would just like to emphasize that the issue has been fully
25 briefed, the parties have been ably represented, and there's

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1 been argument. So Your Honor can always come back to it and
2 decide to issue an injunction, if there's any concern that this
3 Court has in the future. But we just don't see a need for a
4 third one, right now.

5 THE COURT: Well, Judge Robart was asked to have a
6 second ruling within the same circuit. The other opinions are
7 not in the Ninth Circuit; correct?

8 MR. LUCAS: That is true, Your Honor. Our primary
9 submission is that the plaintiffs, and Washington, as well,
10 have all the relief they seek.

11 But moving on to my second and final point, Your Honor, we
12 just want to be clear that we're not asking this Court to say
13 that it can never review the presidential memorandum or any
14 policy that is ultimately adopted by the military. Instead,
15 our position simply is that review would not be appropriate
16 with respect to these plaintiffs at this time. We therefore
17 simply ask you to conserve your resources, and just wait a few
18 months until the military finishes studying this issue and
19 issues a final policy. At that point, this Court will be in a
20 much better position to assess the product of that deliberative
21 process and make a full and informed constitutional ruling.

22 And in the meantime, the plaintiffs are triply protected
23 under the -- what we view as the express terms of the
24 presidential memorandum, under the terms of the interim
25 guidance, and now under two separate injunctions, issued by two

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1 separate courts, in two separate circuits. So for these
2 reasons, we ask you to dismiss their complaint right now.

3 Thank you, Your Honor.

4 THE COURT: Thank you.

5 MR. RENN: Your Honor, I just wanted to respond to
6 the last point about whether or not a third injunction is
7 necessary, and to emphasize, again, that it is par for the
8 course for courts, particularly in different circuits, to rule
9 on issues that are common. And that is, for example, how
10 circuit splits are able to evolve, which I think the Supreme
11 Court finds quite helpful in knowing what issues merit their
12 attention. And as Your Honor noted, the situation with the
13 travel ban and Judge Robart is quite distinguishable, because
14 there, it was another case that was already up before the Ninth
15 Circuit. And that also involved another sovereign, the State
16 of Hawaii, whereas there is no other case, right now, in which
17 an injunction has been granted covering another state entity.

18 With respect to the second point counsel made about this
19 Court staying its hand until the results of this supposed study
20 come out, my response to that is that the study cannot change
21 the decision that was already made. The government's
22 constitutional -- the government's action here has to be judged
23 on the information that it had at the time that it made the
24 decision. And so whatever study that's going on right now
25 can't go back and change the facts as they existed at the

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1 relevant time. They're designed, I think, to do so, to
2 implement and justify what the President already did, but they
3 can't change the facts as they existed on July 26, 2017, and on
4 the date that the President issued his memorandum, which is the
5 only relevant inquiry as to whether or not the government's
6 actions are constitutional or not.

7 THE COURT: Counsel, opposing counsel argued to me
8 that the military would not go through this laborious process
9 if it were simply to have people exit.

10 Is there anything in the record that says anywhere what
11 they're doing, or what they are -- what their progress is?

12 MR. RENN: The only thing we have in the record are
13 the statements of Secretary Mattis. And it doesn't at all
14 provide any clarity as to whether or not the study will go into
15 what the government claims that it will. But we do know that
16 the memorandum sets the parameters of what discretion has been
17 delegated to the Secretary. The memorandum says, "We are
18 returning to our pre-2016 policy." So whatever study or
19 implementation that's happening, it has to happen within the
20 contours of that basic framework. And that basic framework is
21 the only piece of this that we challenge. And it doesn't
22 matter how the government actually chooses to roll out its
23 policy. The point is, it's doing it in the first place, which
24 is enough for plaintiffs to have standing.

25 THE COURT: Thank you.

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1 MR. RENN: Thank you, Your Honor.

2 THE COURT: Ms. Baker, do you wish any further
3 argument?

4 MS. BAKER: No, Your Honor. Thank you.

5 THE COURT: All right. Counsel, I thank you for your
6 arguments. And I'm going to take some time to study the issues
7 that you've presented to me, and you will have an opinion by me
8 by December 8, if not before.

9 So thank you. Have a good holiday.

10 (Adjourned)

11 (End of requested transcript)

12 * * *

13 I certify that the foregoing is a correct transcript from
14 the record of proceedings in the above matter.

15

16 Date: 11/21/17

Andrea Ramirez

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18 _____
Signature of Court Reporter

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