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Coons v. Geithner - Amicus Brief for Pacific Legal Foundation

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8 UNITED STATES DISTRICT COURT
9 DISTRICT OF ARIZONA
10

11 NICK COONS, et al.,)

12 Plaintiffs,)

13 v.)

14 TIMOTHY GEITHNER, et al.,)

15 Defendants.)
16

No. 2:10-cv-01714-GMS

**BRIEF AMICUS CURIAE OF
PACIFIC LEGAL FOUNDATION
IN OPPOSITION TO
DEFENDANTS' MOTION TO
DISMISS AND IN SUPPORT
OF PLAINTIFFS' MOTION
FOR SUMMARY JUDGMENT**

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INTRODUCTION AND SUMMARY OF ARGUMENT

Amicus Pacific Legal Foundation offers this brief to address in more depth Plaintiffs' seventh cause of action, that the provisions of the Patient Protection and Affordable Care Act (PPACA), which establish the Independent Payment Advisory Board (IPAB), describe its powers, and insulate it from legislative, executive, or judicial oversight, violate the separation of powers.

IPAB is an autonomous lawmaking body purposely shielded from any meaningful accountability to Congress, voters, or the courts. It is designed to be free of oversight so that it can act (in the words of one of PPACA's most prominent advocates) as a group of "Platonic Guardians," or an "independent 'Federal Health Board' of experts." Timothy Stoltzfus Jost, *Focus on Health Care Reform: The Independent Medicare Advisory Board*, 11 Yale J. Health Pol'y L. & Ethics 21, 21 (2011). But the Constitution is not compatible with any system of independent Platonic Guardians.¹ Indeed, the framers explicitly rejected the idea of being governed by "a will in the community independent of the majority," because such an independent entity "may as well espouse . . . unjust views," *The Federalist* No. 51, at 351 (James Madison) (Jacob E. Cooke ed., 1961). They chose instead a system of checks and balances, in which all branches of government enjoy clear and limited powers, and are ultimately accountable to the public, so as to protect both the majority and the minority.

The provisions governing IPAB violate the separation of powers because they unconstitutionally delegate lawmaking power to this independent agency without oversight and control. Considering "the aggregate effect of the factors," *Synar v. United States*, 626 F. Supp. 1374, 1390 (D.C. Cir. 1986), *aff'd sub nom. Bowsher v. Synar*, 478 U.S. 714 (1986), it becomes

¹ Plato, of course, believed political power should reside "[o]nly in the hands of the select few or of the enlightened individual." *Statesman* 297c, in *Plato: The Collected Dialogues* 1067 (Edith Hamilton & Huntington Cairns eds., 1961). His ideal state would therefore be overseen by Guardians who would govern the "art of medicine" by a law which "will care for the bodies and souls of such of your citizens as are truly wellborn, but those who are not, such as are defective in body, they will suffer to die, and those who are evil-natured and incurable in soul they will themselves put to death." *Republic* 3:409e-410a, in *id.* at 654. "This," he contended, "has been shown to be the best thing for the sufferers themselves and for the state." *Id.* at 3:410a. Thomas Jefferson and John Adams agreed that Plato's work was "shock[ing] . . . disgust[ing]," "unintelligible . . . nonsense" produced by a "foggy mind." *Compare* Letter from Jefferson to Adams, July 5, 1814, in *The Adams-Jefferson Letters* 432-33 (Lester J. Cappon, ed., 1987), with Letter from Adams to Jefferson, July 16, 1814, in *id.* at 437.

1 clear that IPAB is not subordinate to Congress, because its “recommendations” cannot be
 2 meaningfully altered or blocked, but are automatically enforced without regard to the will of
 3 elected representatives. Worse, PPACA provides only a sharply limited, and temporary, power of
 4 repeal, which expires if not used by 2017, leaving Congress without power to discontinue IPAB’s
 5 existence. These factors, taken together, make it clear that IPAB is not merely a subordinate
 6 agency, but enjoys autonomous lawmaking authority, contrary to the Constitution. Separation of
 7 powers principles—not to mention the concept of constitutional democracy—does not allow
 8 Congress to commission “Platonic Guardians.”

9 ARGUMENT

10 I

11 42 U.S.C. § 1395kkk, 12 UNDER WHICH IPAB’S “RECOMMENDATIONS” 13 AUTOMATICALLY BECOME LAW WITHOUT MEANINGFUL 14 CONGRESSIONAL OVERSIGHT, IS AN UNCONSTITUTIONAL 15 DELEGATION OF LAWMAKING POWER

14 Courts reviewing nondelegation cases employ the “intelligible principle” test, but this test
 15 is more than a simple inquiry into whether Congress’ instructions to a challenged agency are
 16 sufficiently clear. Instead, it is a holistic, totality-of-the-circumstances test, which determines
 17 whether, considering “the aggregate effect of the factors,” the agency is employing the essential
 18 legislative power of enactment independent of Congressional control. *Synar*, 626 F. Supp. at 1390.
 19 Delegation is permissible only where Congress retains sufficient supervisory authority over the
 20 agency’s actions that the agency can properly be characterized as an *instrument* of Congress,
 21 instead of an *autonomous law-making body*.

22 As Prof. Jost admits, “the conscious abdication of congressional responsibility to the IPAB
 23 is striking.” Jost, *supra*, at 31. It is not only striking, it also fails the intelligible principles test.
 24 PPACA’s provisions insulating IPAB from accountability, either to Congress, the public, or the
 25 courts, drastically limiting Congress’ power to abolish it, and otherwise rendering it independent
 26 of executive, legislative, or judicial control, are far beyond any previous example of delegation, and
 27 so extensive that this case is less like prior nondelegation situations and more akin to the Contracts
 28 Clause cases holding that legislatures may not contract away the police power. *See, e.g., United*

1 *States v. Winstar Corp.*, 518 U.S. 839, 874-75 (1996); *Butchers' Union Slaughter-House &*
 2 *Live-Stock Landing Co. v. Crescent City Live-Stock Landing & Slaughter-House Co.*, 111 U.S. 746
 3 (1884); and *Stone v. Mississippi*, 101 U.S. 814 (1880). But however characterized, PPACA's
 4 unprecedented delegation of unreviewable, unaccountable, lawmaking authority to IPAB is
 5 unconstitutional.

6 **A. How IPAB's "Recommendations" Become Law**
 7 **Without Meaningful Congressional Review or Control**

8 IPAB is legally charged with the duty of preparing "recommendations" which will "reduce
 9 the Medicare per capita growth rate." But these "recommendations" are much more than
 10 recommendations. Instead, the Secretary of Health and Human Services is required to implement
 11 them, without regard to Congress' views on the matter. 42 U.S.C. § 1395kkk(b)(2) and (3). These
 12 and other statutory provisions insulating IPAB's "recommendations" from meaningful
 13 Congressional oversight are much more than mere "parliamentary procedures," as the government
 14 characterizes them. *See* Defendants' Response to Plaintiffs' Motion for Preliminary Injunction
 15 (Opp. to Mtn. for Prelim. Inj.) at 1. On the contrary, PPACA deliberately ensures that the
 16 "recommendations" of this unelected, politically unaccountable agency automatically become law
 17 except in extremely rare circumstances.

18 The first indication that IPAB's "recommendations" are not just recommendations is that
 19 PPACA establishes a *separate* procedure whereby IPAB is authorized to prepare truly *advisory*
 20 proposals for Congress' consideration—and these proposals, identified in the statute as "advisory
 21 reports," are treated in an entirely different way than the "recommendations" IPAB is required to
 22 prepare under Section 1395kkk(c)(2)(A)(i). Under Section 1395kkk(c)(1)(B), IPAB is permitted
 23 (but not required) to prepare "advisory reports on matters related to the Medicare program,
 24 regardless of whether or not the Board submitted a proposal for such year Any advisory report
 25 submitted under this subparagraph *shall not be subject to the rules for congressional consideration*
 26 *under subsection (d).*" (emphasis added). This separate authority would be redundant and
 27 unnecessary if IPAB's "recommendations" under Section 1395kkk(c)(2)(A)(i) were, in fact, mere
 28 "recommendations."

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1 But IPAB's power is *not* recommendatory. Once its authority is triggered, IPAB is required
 2 to issue on January 15 a set of "recommendations" to reduce overall Medicare spending, along with
 3 "a legislative proposal that implements" these "recommendations." Section 1395kkk(c)(3)(B)(iv).
 4 Congress, however, does not adopt or give lawful effect to these "recommendations." On the
 5 contrary, the Secretary of Health and Human Services must "implement *the recommendations*
 6 *contained in a proposal submitted . . . to Congress,*" Section 1395kkk(e)(1) (emphasis added),
 7 regardless of whether Congress approves or disapproves of them. Congress, in fact, is given no
 8 significant opportunity to review or alter these "recommendations" at all; on the contrary, Section
 9 1395kkk(d)(3)(A) and (B) *deprives* Congress of such an opportunity by prohibiting either house
 10 from considering "any bill, resolution, or amendment . . . that fails to satisfy the requirements of
 11 subparagraphs (A)(i) and (C) of subsection (c)(2)"—that is, the statutory criteria IPAB itself is
 12 required to comply with when drafting the "recommendations." In other words, Congress is only
 13 allowed to amend the "recommendations" by adding provisions that IPAB itself could have already
 14 drafted but failed to. This extraordinarily tight boundary on Congressional discretion is reinforced
 15 by a further prohibition against any repeal of the prohibition. Section 1395kkk(d)(3)(C).

16 Thus, the Secretary is required, "notwithstanding any other provision of law," to enforce
 17 the "recommendations" IPAB drafts *regardless* of what Congress thinks of them. Section
 18 1395kkk(e)(1). Congress as a whole may add further "recommendations," but may not reverse or
 19 alter them.

20 Congress has only one means of barring IPAB's "recommendations" from automatically
 21 becoming law, and that method is rendered defunct if it is not exercised in a brief period in the year
 22 2017. Once IPAB's "recommendations" are submitted to Congress, the President of the Senate and
 23 the Speaker of the House must, by the next business day, refer them to, respectively, the Senate
 24 Finance, House Energy And Commerce, and House Ways And Means Committees. *See* Section
 25 1395kkk(d)(1)(D).² But just as Congress as a whole is barred from altering these

26 _____
 27 ² IPAB is also required to submit its "recommendations" to the Medicare Payment Advisory
 28 Commission and the Secretary of Health and Human Services for review and comment. *See*
 (continued...)

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1 “recommendations,” the committees are *not* allowed to alter, or to recommend for or against
 2 passage of the “recommendations” and “legislative proposal”; rather, they to are allowed only to
 3 amend the “legislative proposal,” in ways that comply with the same instructions IPAB itself must
 4 follow when formulating the “recommendations” in the first place. *See* Section 1395kkk(d)(3)(B).
 5 Thus the committees may only add additional provisions that IPAB itself could have written but
 6 for some reason did not. With this trivial exception, the Congressional committees are required
 7 to report IPAB’s “legislative proposal” (which PPACA now refers to as a “bill”) on or before
 8 April 1—three months after IPAB first issues its “recommendations” and “legislative proposal.”
 9 Section 1395kkk(d)(2)(A).³

10 PPACA then requires the Senate to take up consideration of this bill, and *again* prohibits
 11 amendments, *see* Section 1395kkk(d)(4)(B)(ii), (iv), as well as severely restricting debate on it.
 12 Section 1395kkk(d)(4)(D). This prohibition on altering IPAB’s so-called “recommendation” is
 13 further reinforced by another provision that also forbids any change to the rule against alterations:
 14 “It shall not be in order in the Senate or the House of Representatives to consider any bill,
 15 resolution, amendment, or conference report that would repeal or otherwise change this
 16 subsection.” Section 1395kkk(d)(3)(C). The Senate—and *only* the Senate—may remove this
 17 obstruction, and only by a 3/5 vote of all *elected* Senators. Section 1395kkk(d)(3)(D).

18 Should Congress pass this bill—prefaced with the language required by Section
 19 1395kkk(e)(3)(A)(i)—it will supersede IPAB’s original “recommendations.” To repeat, this route
 20 does *not* allow Congress to alter or reverse those “recommendations,” but only to supplement the
 21 cuts in Medicare spending that IPAB originally “recommended” with further cuts that also fall
 22 within the same boundaries provided for IPAB. This alternative only allows Congress to do what
 23 IPAB could originally have done.

24 _____
 25 ² (...continued)
 26 Sections 1395kkk(c)(2)(D) and (E). Although the Secretary must issue a report to Congress on the
 27 results of such review, PPACA does not give either the Secretary or Congress power to overrule
 28 the “recommendations.” *Id.*

³ Any committee that fails to meet this deadline is legally deprived of any further power over the
 bill. Section 1395kkk(d)(2)(D).

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1 But in 2020, these rules change. In that year, Congress loses its power to supplement
 2 IPAB's recommendations if it has not *also* enacted a joint resolution, between January 1, and
 3 August 15, of 2017, to discontinue IPAB's existence. The procedure for doing so is so complicated
 4 as to be unworkable. Such a resolution must be introduced during the 29 days between January 3
 5 (when Congress convenes) and February 1, 2017. *See* Section 1395kkk(f)(1)(A). It must receive
 6 a vote of 3/5 of all *elected* members of Congress—one of the most extreme supermajority
 7 requirements ever enacted in the history of American law.⁴ And it must be enacted by August 15,
 8 2017. If these things do not occur, Section 1395kkk(e)(3)(A)(i) and (ii) become inoperative, and
 9 at that point, the process whereby IPAB's "recommendations" automatically become law becomes
 10 utterly irreversible. From that point on, IPAB's recommendations will automatically become law
 11 every year *regardless* of what Congress does.

12 Thus Defendants are more correct than they realize when they say that PPACA "allow[s]
 13 Congress, if it wishes, to act quickly to supersede a Board proposal." Defendants' Motion to
 14 Dismiss (MTD) at 46. Congress can, in fact, *only* supersede IPAB's "proposals" if it acts quickly!
 15 If Congress does not pass a joint resolution discontinuing IPAB during the 29-day window between
 16 January 3 and February 1, in the years 2012, 2013, 2014, 2015, 2016, or 2017, it loses any ability
 17 to bar IPAB's "recommendations" from being automatically enforced as law.

18 **B. PPACA Exceeds the "Intelligible Principles" Rule**
 19 **by Giving IPAB Autonomous Lawmaking Authority**
 20 **Free of Legislative, Executive, or Judicial Oversight**

21 In *Currin v. Wallace*, 306 U.S. 1, 15 (1939), the Supreme Court explained that Congress
 22 may not "abdicate, or . . . transfer to others, the essential legislative functions with which it is
 23 vested." Because it is sometimes "impracticable for the legislature to deal directly" with certain

24 ⁴ By comparison, only two thirds of Senators *present* need to vote to remove a sitting president,
 25 U.S. Const. art. I, § 3, or to make a treaty the supreme law of the land. U.S. Const. art. II, § 2. The
 26 104th and 105th Congresses enacted a House rule requiring a 3/5 vote of all *present* members to
 27 approve tax increases. H.R. Res. 6, 104th Cong. 106(a) (1995); H.R. Res. 5, 105th Cong. 106(a)
 28 (1997). The constitutionality of this rule was challenged in *Skaggs v. Carle*, 110 F.3d 831 (D.C.
 Cir. 1997), but the court dismissed the case in its equitable discretion. *See also* Bruce Ackerman,
 et al., *An Open Letter to Congressman Gingrich*, 104 Yale L.J. 1539, 1543 (1995) (arguing that this
 supermajority requirement "strikes at the heart of the system of deliberative democracy established
 by the Constitution.").

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1 “details,” Congress may set up a “selected instrumentalit[y]” and allow it to make “subordinate
 2 rules within prescribed limits.” *Id.* (quoting *Panama Refining Co. v. Ryan*, 293 U.S. 388, 421
 3 (1935)). Thus Congress may create administrative agencies and commissions, but may not yield
 4 its ultimate lawmaking role to another entity. Again, in *Yakus v. United States*, 321 U.S. 414
 5 (1944), the Court explained that Congress may make a law declaring that upon the occurrence of
 6 some fact or circumstance, a certain rule shall become operative, and then establish an agency to
 7 determine whether that fact or circumstance has occurred—but Congress may *not* give an agency
 8 “[t]he essentials of the legislative function,” which it defined as “the determination of the
 9 legislative policy and its formulation and promulgation as a defined and binding rule of conduct.”
 10 *Id.* at 424. In other words, Congress may authorize an agency to promulgate rules within Congress’
 11 legislative suzerainty, but may not yield to that agency the ultimate authority to *enact* laws.
 12 “Congress may not delegate the power to make laws and so may delegate *no more* than the
 13 authority to make policies and rules that *implement its statutes*.” *Loving v. United States*, 517 U.S.
 14 748, 771 (1996) (emphasis added).

15 There are two reasons Congress cannot give away its power to make law. First, the
 16 Constitution explicitly gives this power to Congress, and the Constitution’s procedures for
 17 lawmaking exclude any alternative methods. *Id.* at 758; *cf. Clinton v. New York*, 524 U.S. 417, 439
 18 (1998) (Constitution’s lack of alternative methods of lawmaking are “equivalent to an express
 19 prohibition.”). More fundamentally, the power to make law cannot be given away to an
 20 independent agency for the same reason that the legislature cannot contract away that power to a
 21 private party: because government is organized for the purpose of protecting public health and
 22 safety, so the legislature, which is the servant of the people, cannot part with that authority. *Stone*,
 23 101 U.S. at 819.

24 The “true distinction” between legitimate and illegitimate delegations of authority is
 25 “between the delegation of power to *make* the law,” which “cannot be done,” and statutes which
 26 “confer[] authority or discretion as to its *execution*, to be exercised *under* and *in pursuance* of the
 27 law.” *Loving*, 517 U.S. at 758-59 (citations omitted; emphasis added). That distinction is often
 28 “a question of degree,” *Mistretta v. United States*, 488 U.S. 361, 415 (1989) (Scalia, J., dissenting),

1 and “varies according to the scope of the power congressionally conferred.” *Whitman v. Am.*
 2 *Trucking Ass’ns, Inc.*, 531 U.S. 457, 475 (2001). As then-Judge Scalia explained in *Synar*, 626 F.
 3 Supp. at 1386,

4 the ultimate judgment regarding the constitutionality of a delegation must be made
 5 not on the basis of the scope of the power alone, but on the basis of its scope *plus*
 6 the specificity of the standards governing its exercise. When the scope increases
 to immense proportions . . . the standards must be correspondingly more precise.

7 Thus the “intelligible principle” test is not merely a question of whether the agency’s
 8 instructions are clear (which is already covered by due process and equal protection standards, *see*,
 9 *e.g.*, *Hawkins v. Bleakly*, 243 U.S. 210, 216 (1917) (for an “administrative body [to be] clothed
 10 with an arbitrary and unbridled discretion [is] inconsistent with a proper conception of due process
 11 of law”)). Rather, the Court must evaluate “the aggregate effect of the factors” to determine
 12 whether Congress has unconstitutionally given away its lawmaking role. *Synar*, 626 F. Supp.
 13 at 1390. The question is whether the agency is confined to act in “compliance with the legislative
 14 will,” *Yakus*, 321 U.S. at 425, meaning subordinate to Congress’ ultimate lawmaking authority.
 15 A delegation of authority is unconstitutional “if . . . there is an absence of standards for the
 16 guidance of the Administrator’s action, so that it would be impossible in a proper proceeding to
 17 ascertain whether the will of Congress has been obeyed.” *Id.* at 426 (emphasis added).

18 Unlike any previous delegation in American history, PPACA allows the politically
 19 unaccountable IPAB to write “recommendations” that not only require no Congressional approval
 20 before being implemented by the Secretary of Health and Human Services, but which Congress is
 21 basically powerless to alter or block. With one minor exception—*i.e.*, if and only if 3/5 of all
 22 elected members of Congress approve a joint resolution disbanding IPAB during a 29-day period
 23 in January of the five years between now and 2017—the Secretary must, beginning in 2020,
 24 implement the “recommendations” that are *submitted* to Congress, and Congress is deprived of any
 25 legal opportunity to prevent their enforcement. Between now and 2020, Congress can only amend
 26 IPAB’s “recommendations” by adding to these provisions that IPAB could have drafted but did
 27 not—that is, its discretion is bound by the same criteria that apply to IPAB. *See* Section
 28 1395kkk(d).

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1 The statute also restricts the *President's* oversight powers in a manner that violates the
 2 Separation of Powers. Section 1395kkk(c)(4) and (5) provide that in the event that IPAB fails to
 3 submit the "recommendations" as required, the Secretary of Health and Human Services must
 4 prepare such "recommendations," which the President is then required to submit, within two days,
 5 to Congress. The content of these "recommendations" is dictated by the same rules provided to
 6 IPAB. In other words, the statute specifies the content of the legislation that the President may
 7 submit to Congress. But the Constitution gives the President full discretion to "recommend to
 8 [Congress'] Consideration such Measures *as he shall judge necessary and expedient.*" U.S. Const.
 9 art. II, § 3 (emphasis added). Presidents have routinely asserted their full authority under the
 10 Recommendations Clause, opposing Congressional attempts to restrict or define the types of
 11 measures they may recommend. *See, e.g.*, Statement by President Obama on H.R. 1105, Omnibus
 12 Appropriations Act, Mar. 11, 2009 (citation omitted)⁵ (declaring it unconstitutional under the
 13 Recommendation Clause for Congress to "require me and other executive officers to submit budget
 14 requests to the Congress in particular forms"); Statement by President Clinton on S. 2327, Oceans
 15 Act of 2000, Aug. 7, 2000⁶ (because the Recommendation Clause "protects the President's
 16 authority to formulate and present his own recommendations, which includes the power to decline
 17 to offer any recommendation" to Congress, President would "construe section 4(a) not to extend
 18 to the submission of proposals or responses that the President finds it unnecessary or inexpedient
 19 to present."). *See also* Constitutionality of Statute Requiring Executive Agency to Report Directly
 20 to Congress, 6 U.S. Op. Off. Legal Counsel 632, 640; 1982 WL 170732, at *8 (Nov. 5, 1982)
 21 ("[T]he Constitution gives to the President the right to present legislative recommendations on
 22 behalf of the Executive Branch," so Congress cannot "require a subordinate executive official to
 23 present legislative recommendations of his own."); J. Gregory Sidak, *The Recommendation Clause*,
 24 ///

25 _____
 26 ⁵ Available at http://www.whitehouse.gov/the_press_office/Statement-from-the-President-on-the-signing-of-HR-1105/ (last visited June 14, 2011).

27 ⁶ Available at <http://www.presidency.ucsb.edu/ws/index.php?pid=1470&st=&st1=#axzz1PO7KoNxV> (last visited June 14, 2011).
 28

1 77 Geo. L.J. 2079, 2121 (1989) (“the recommendation clause obviously contemplates that the
2 President is the sole judge of what measures he will submit to Congress”).

3 The statute unambiguously deprives the judiciary of any oversight responsibility, as well.
4 It explicitly prohibits any judicial or administrative review of the “recommendations” that the
5 Secretary is required to implement. Section 1395kkk(e)(5).

6 PPACA’s process of automatic lawmaking without meaningful oversight by the legislative,
7 executive, or judicial branches—and its nullification of Congress’ power to approve or disapprove
8 of the “recommendations” before they are enforced—makes it impossible “to ascertain whether the
9 will of Congress has been obeyed,” *Yakus*, 321 U.S. at 425. Even if Congress were unanimously
10 to *disapprove* of IPAB’s “recommendations,” the Secretary would still enforce them, and
11 Congressional attempts to alter IPAB’s bill before it goes into effect are deemed by statute to be
12 out of order. *See* Sections 1395kkk(d)(3)(C), (d)(3)(B), (d)(4)(B)(ii), and (d)(4)(B)(iv).

13 This goes far beyond the delegations upheld in previous cases, such as *Mistretta* and *Alaska*
14 *Airlines, Inc. v. Brock*, 480 U.S. 678, 690 n.12 (1987), which involved “report and wait”
15 procedures. A “report and wait” provision “gives Congress an opportunity to review the
16 regulations and either to attempt to influence the agency’s decision, or to enact legislation
17 preventing the regulations from taking effect.” *Id.* at 690. In *Alaska Airlines*, the Secretary of
18 Transportation was directed to submit proposed regulations to Congress, wait 30 days, and then
19 issue them as final. 480 U.S. at 689-90.⁷ That law did not preclude judicial review of the
20 regulations, or bar Congressional amendment, or restrict the President’s recommendation power.

21 A “report and wait” procedure was also upheld in *Mistretta*, in which the Sentencing
22 Commission was empowered to write mandatory guidelines for the sentencing of criminal convicts.

23 ///

24 ///

25 _____
26 ⁷ That statute provided that “[a]ny rule or regulation issued by the Secretary . . . shall be submitted
27 to the Congress and shall become effective 60 legislative days after the date of such submission,
28 unless during that 60-day period either House adopts a resolution stating that that House
disapproves such rules or regulations.” Airline Deregulation Act of 1978, Pub. L. No. 95-504,
§ 32(f)(3), 92 Stat. 1705, 1752 (1978).

1 See 28 U.S.C. § 994(p).⁸ But there, the statute provided elaborate and precise limits on the
 2 Commission’s authority, and Congress retained full power to modify or disapprove the
 3 Commission’s proposed rules. The statute also made ““ample provision for review of the
 4 guidelines by the Congress and the public,”” *United States v. Lopez*, 938 F.2d 1293, 1297 (D.C.
 5 Cir. 1991) (quoting S. Rep. No. 225, 98th Cong. 1st Sess. 180-81 (1983)), because it made the
 6 notice and comment requirements of the Administrative Procedure Act applicable. *See id.* (citing
 7 28 U.S.C. § 994(x)). Thus even though that statute did bar judicial review, there were sufficient
 8 alternative mechanisms for ensuring that the agency was subordinate to Congress’ lawmaking role.

9 By contrast, PPACA plainly intends Congress to act as a rubber stamp. It does *not* include
 10 ample—or even modest—provision for review of IPAB’s “recommendations” by Congress or the
 11 public. IPAB’s “recommendations” are not subject to the Administrative Procedure Act, for
 12 example,⁹ and PPACA precludes judicial review entirely. Section 1395kkk(e)(5). More
 13 importantly, unlike the “report and wait” procedure in *Alaska Airlines* or *Mistretta*, the law at issue
 14 here bars Congressional control over IPAB’s “recommendations” in all but the most extreme
 15 circumstances.

16 It is true, as Defendants argue, MTD at 51, that the lack of judicial review does not *by itself*
 17 render a delegation unconstitutional. *See United States v. Bozarov*, 974 F.2d. 1037, 1041-45
 18 (9th Cir. 1992). But the “intelligible principle” test is a holistic test, which requires the Court to
 19 evaluate “the totality of [PPACA]’s standards, definitions, context, and reference to past
 20 administrative practice,” *Synar*, 626 F. Supp. at 1389. The question in a delegation case is not
 21 whether any single factor is lacking, but whether all factors taken together “meaningfully

22 ⁸ The Commission . . . may promulgate . . . and submit to Congress amendments to
 23 the guidelines and modifications to previously submitted amendments that have not
 24 taken effect Such . . . shall take effect . . . no earlier than 180 days after being
 25 so submitted . . . except to the extent that the effective date is revised or the
 amendment is otherwise modified or disapproved by Act of Congress.

26 ⁹ PPACA does not *explicitly* immunize IPAB’s “recommendations” from the APA, but under the
 27 *exclusio alterius* rule, the fact that Congress established procedures that IPAB must follow when
 28 promulgating those “recommendations” mean that APA procedures do not apply. *Cf. Lopez*, 938
 F.2d at 1297; *Ctr. for Biological Diversity v. United States Fish & Wildlife Serv.*, 450 F.3d 930,
 939 (9th Cir. 2006) (notice and comment provisions of APA did not apply to action of Fish and
 Wildlife Service because Congress specified other procedures for agency rulemaking.).

1 constrain[]” the delegatee’s power. *Touby v. United States*, 500 U.S. 160, 166 (1991). PPACA
 2 does not just render IPAB’s “recommendations” immune from judicial review. It also:

3 (a) insulates those “recommendations” from normal Administrative Procedure Act
 4 notice and comment rules,

5 (b) prevents Congress from altering or amending the “recommendations” in any way
 6 except to add provisions that IPAB could itself have added but for some reason failed to,

7 (c) forbids Congress from repealing the restriction against alteration or amendment,

8 (d) prohibits judicial review of the “recommendations,”

9 (e) curtails the President’s constitutional power to recommend such measures as he
 10 considers expedient,

11 (f) provides that Congress may bar IPAB’s “recommendations” from automatically
 12 becoming only law if 3/5 of all elected members of Congress pass a joint resolution within a 29-day
 13 period of 2017 to disband IPAB, and

14 (g) eliminates even this impracticable opportunity of repeal in 2020 if Congress does
 15 not exercise it before August 15, 2017, whereupon it

16 (h) provides that, regardless of what any amendment or legislation Congress *does* adopt,
 17 the Secretary must still enforce the original “recommendations” that IPAB submits to Congress.

18 When all these factors are considered together, the “intelligible principles” test tilts against
 19 this delegation. Section 1395kkk as a whole makes IPAB not an “instrumentalit[y]” or a
 20 “subordinate,” *Currin*, 306 U.S. at 15, but an autonomous—and unconstitutional—lawmaker.

21 II

22 PROVISIONS THAT MAKE REPEAL OF IPAB’S 23 ENABLING LEGISLATION PRACTICALLY IMPOSSIBLE 24 ARE A FORM OF UNCONSTITUTIONAL ENTRENCHMENT 25 THAT FAILS THE STRICT SCRUTINY TEST

26 “[L]egislation which restricts those political processes which can ordinarily be expected to
 27 bring about repeal of undesirable legislation” is “subjected to more exacting judicial scrutiny” than
 28 are “most other types of legislation.” *United States v. Carolene Products Co.*, 304 U.S. 144, 152
 n.4 (1938). This heightened scrutiny requires that a law be narrowly tailored to advance a

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1 | compelling government interest. Section 1395kkk(f), combined with Sections 1395kkk(e)(3)(A)
 2 | and 1395kkk(d)(4)(B)(iv), effectively eliminates Congress' power to restrict the repeal of IPAB's
 3 | authority to draft "recommendations" which automatically become law. The purpose of these
 4 | restrictions is to render IPAB independent of political accountability. *See Jost, supra*, at 31 ("In
 5 | creating the IPAB, Congress is attempting to lash itself to the mast."); *see also* Michael H. Cook,
 6 | *Independent Payment Advisory Board: Part of the Solution for Bending the Cost Curve?* 4 J.
 7 | Health & Life Sci. L. 102, 111-12 (2010) ("The mandated quick timetable and requirement for a
 8 | super majority vote reflect a concern that Congress would not have the fiscal discipline to enforce
 9 | the spending targets the proposal requires."). This is not a legitimate state interest, and
 10 | Section 1395kkk as a whole must therefore fail the heightened scrutiny test.

11 | **A. Section 1395kkk(f) Is an Unprecedented Anti-Repeal Provision**

12 | Under PPACA, IPAB's "recommendations" are automatically enforced by the Secretary
 13 | of Health and Human Services, with only the narrow exceptions detailed above—which provide
 14 | for only a temporary and impracticable opportunity for Congress to add additional
 15 | "recommendations." The statute's limits on congressional discretion are reinforced by a provision
 16 | that forbids Congress from discontinuing IPAB after 2020 unless, prior to August 15, 2017,
 17 | Congress (a) introduces a joint resolution between January 3, and February 1, 2017, which (b) does
 18 | not have any preamble, (c) has a title that PPACA lays out in full,¹⁰ and (d) states "that Congress
 19 | approves the discontinuation of the process for consideration and automatic implementation of the
 20 | annual proposal of the Independent Medicare Advisory Board under section 1899A of the Social
 21 | Security Act." Section 1395kkk(f)(1)(D). This resolution must be approved by three-fifths of all
 22 | *elected* members (not just present members) of both houses. Section 1395kkk(f)(2)(F).

23 | Contrary to the Government's contention, *see* Opp. to Mtn. for Prelim. Inj. at 13,
 24 | Section 1395kkk(f) is not a mere "fast track procedure[]" for overriding IPAB's recommendations;
 25 | it is the exclusive—and perishable—method whereby IPAB can be discontinued.

26 | _____
 27 | ¹⁰ It must be titled "Joint resolution approving the discontinuation of the process for consideration
 28 | and automatic implementation of the annual proposal of the Independent Medicare Advisory Board
 under section 1899A of the Social Security Act." 1395kkk(f)(1)(C).

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1 For example, PPACA differs from the Defense Base Closure and Realignment Act of 1990,
 2 Pub. L. No. 101-510, which did not restrict in any way Congress' power to disband that
 3 Commission. The Defense Base Closure and Realignment Act simply provided Congress with
 4 authority to enact a joint resolution (by simple majority) whereby the Secretary of Defense would
 5 be barred from carrying out a base closure recommendation. *See* Pub. L. No. 101-510, § 2904(b).
 6 The word "require," however, appeared nowhere in this or the other sections regarding the
 7 Commission's authority. By contrast, Section 1395kkk(f) provides that a joint resolution is
 8 "*required* to discontinue the Board." (emphasis added).

9 The fact that IPAB can be discontinued *only* by passage of a joint resolution described in
 10 Section 1395kkk(f) also is supported by Section 1395kkk(e)(3), which contemplates IPAB's
 11 *perpetual existence* after the year 2020. Under Section 1395kkk(e)(3)(A)(ii) the Secretary must
 12 implement IPAB's "recommendations" unless Congress enacts "a joint resolution described in
 13 subsection (f)(1) . . . not later than August 15, 2017," meaning that if Congress fails to enact such
 14 a resolution before that date, the Secretary must, beginning in the year 2020, do so into the
 15 indefinite future. *See also* Cook, *supra*, at 112 (PPACA gives Congress only a "a one-time
 16 opportunity . . . to terminate the IPAB," whereby "Congress may introduce by February 1, 2017,
 17 a Joint Resolution to terminate. . . . If the resolution passes by a three-fifths vote of the members
 18 of each house, by August 15 of that year, the IPAB will be terminated effective for its
 19 recommendations for the 2020 implementation year and thereafter.")

20 Nor is the anti-repeal provision in PPACA anything like the Congressional Review Act,
 21 5 U.S.C. § 801, *et seq.*, as the government claims, *Opp. to Mtn. for Prelim. Inj.* at 4. That statute
 22 provides a means whereby Congress can disapprove the actions of administrative agencies, and the
 23 statute is clear that it is *not* the exclusive method for Congressional disapproval of agency action.
 24 *See* 5 U.S.C. § 801(g) ("If the Congress does not enact a joint resolution of disapproval . . . no court
 25 or agency may infer any intent of the Congress from any action or inaction of the Congress with
 26 regard to such rule."). Nothing in that statute provides—as PPACA does—that a specifically
 27 worded joint resolution is "required to discontinue" an agency, let alone provides that Congress'
 28 power to discontinue the agency expires if not used within a narrow time period. Indeed, *no other*

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1 *federal statute of which amicus is aware* has a provision requiring a joint resolution, passed by 3/5
 2 of all elected members of Congress, before an agency or board can be discontinued, or discontinues
 3 Congress' repeal power after a specified deadline.

4 The Defendants concede (and have stipulated) that Congress "cannot preclude future
 5 Congresses from repealing or modifying *any* statute," Opp. to Mtn. for Prelim. Inj. at 14, yet
 6 Section 1395kkk(f) is not susceptible of any other interpretation. First, such a reading would
 7 render the word "required" in Section 1395kkk(f) surplusage, in violation of basic maxims of
 8 statutory construction. *United States v. Wenner*, 351 F.3d 969, 975 (9th Cir. 2003).¹¹ Second, such
 9 a reading conflicts with Sections 1395kkk(e)(1), (e)(3)(A)(ii), and (f)(1), which together make the
 10 repeal resolution in Section 1395kkk(f) the *exclusive* method for preventing IPAB's
 11 "recommendations" from being implemented as law. In short, the joint resolution procedure is not
 12 just one alternative Congress can use to eliminate IPAB; it is the only way that Congress is allowed
 13 to discontinue IPAB, and that mechanism self-destructs in 2020 unless Congress uses it before
 14 2017.

15 **B. Section 1395kkk(f) Fails the Strict Scrutiny Test**

16 In *Carolene Products*, 304 U.S. at 152 n.4, the Supreme Court made clear that heightened
 17 scrutiny should apply to laws that obstruct the normal political process whereby undesirable laws
 18 can be repealed. This is because the judiciary has a special role to play "when the normal processes
 19 of democracy have broken down." 1 Laurence H. Tribe, *American Constitutional Law* 1052 (3d
 20 ed. 2000). The scheme of multiple tiers of scrutiny, which has prevailed from *Carolene Products*
 21 to this day, withholds judicial deference to the political branches when those branches abuse their
 22 _____

23 ¹¹ The government's invocation of the constitutional avoidance doctrine is unpersuasive. Opp. to
 24 Mtn. for Prelim. Inj. at 13-14. The rule against surplusage takes precedence over the constitutional
 25 avoidance doctrine. *See Clark v. Martinez*, 543 U.S. 371, 385 (2005) (constitutional avoidance
 26 canon "comes into play only when, *after the application of ordinary textual analysis*, the statute
 27 is found to be susceptible of more than one construction; and the canon functions as a means of
 28 choosing between them" (emphasis added)). In *Michel v. Anderson*, 14 F.3d 623, 629 (D.C. Cir.
 1994), the court rejected the argument that the constitutional avoidance canon could limit an
 unconstitutional House of Representatives rule because "we do not see how we can ascribe [the
 limiting construction] to the whole House. Nothing in the legislation reflects that understanding."
 For exactly the same reason, the government's attempt to avoid the plain language of PPACA
 cannot succeed.

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1 power in a manner that cannot be overcome through the normal democratic process. In other
 2 words, footnote four establishes a “representation-reinforcing theory of judicial review,” John Hart
 3 Ely, *Democracy and Distrust* 181 (1980), according to which courts should “assess claims . . . that
 4 either by clogging the channels of change or by acting as accessories to majority tyranny, our
 5 elected representatives in fact are not representing the interests of those whom the system
 6 presupposes they are.” *Id.* at 103. As the Court explained in *City of Cleburne, Tex. v. Cleburne*
 7 *Living Ctr., Inc.*, 473 U.S. 432, 440 (1985), courts apply heightened scrutiny to laws that subvert
 8 the democratic process, precisely because such abuses are “unlikely to be soon rectified by
 9 legislative means.”

10 The application of strict scrutiny to the anti-repeal provisions in Section 1395kkk is
 11 consistent with this goal. PPACA as a whole is not supported by a majority of Americans;
 12 although at the time of passage, PPACA’s popularity hovered around the 50% mark, a majority of
 13 Americans did not support it, *see* Robert J. Blendon & John M. Benson, *Public Opinion at the Time*
 14 *of the Vote on Health Care Reform*, 362 *New Eng. J. Med.* e55 (Apr. 22, 2010)¹² (“In none of the
 15 10 polls did a majority favor the proposed legislation.”). The Individual Mandate itself has
 16 remained consistently unpopular; six months before PPACA was passed, 51% of Americans
 17 opposed it,¹³ and today that number has risen to 56%.¹⁴ Indeed, President Obama himself opposed
 18 an individual mandate during his campaign. *See Florida v. U.S. Dep’t of Health & Human Servs.*,
 19 No. 3:10-cv-91-RV/EMT, 2011 U.S. Dist. LEXIS 8822, at *138 n.30 (N.D. Fla. Jan. 31, 2011).
 20 To be clear, amici do *not* suggest that political polling should guide the Court’s consideration of
 21 a legal issue. Rather, the point is that the heightened scrutiny contemplated by *Carolene Products*
 22 was designed *exactly* for a case like this, in which an unpopular piece of legislation, which the
 23 general public did not support and may now wish to see repealed or amended, is entrenched by

24 _____
 25 ¹² Available at <http://www.nejm.org/doi/full/10.1056/NEJMp1003844> (last visited June 16, 2011).

26 ¹³ Quinnipiac University Poll, July 1, 2009, available at <http://www.quinnipiac.edu/x1295.xml?ReleaseID=1344> (last visited June 16, 2011).

27 ¹⁴ CNN Opinion Research Poll, June 3-7, 2011, available at <http://i2.cdn.turner.com/cnn/2011/images/06/09/healthcare.pdf> (last visited June 16, 2011).
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1 provisions that “restrict[] those political processes which can ordinarily be expected to bring about
 2 [its] repeal.” 304 U.S. at 152 n.4.

3 Heightened scrutiny places the burden on the government, not the plaintiffs, to demonstrate
 4 a substantial interest in support of the law, that the law directly and materially advances that
 5 interest, and that it is narrowly drawn—no broader than necessary to accomplish that substantial
 6 interest. *ACLU v. Napolitano*, No. CIV 00-505 TUC ACM, 2002 U.S. Dist. LEXIS 28303 (D.
 7 Ariz. June 14, 2002). The government cannot meet this burden, because a law explicitly designed
 8 to block future reconsideration and repeal—let alone to delegate Congress’ lawmaking power to
 9 an independent body, and to deprive the legislative, executive, and judicial branches of any
 10 meaningful control—is not a legitimate state interest. *Cf. Williams v. Rhodes*, 393 U.S. 23, 32
 11 (1968) (state has no legitimate interest in interfering with “competition in ideas and governmental
 12 policies.”); *Stewart v. Blackwell*, 444 F.3d 843, 872 (6th Cir. 2006), *vacated as moot*, 473 F.3d 692
 13 (6th Cir. 2007) (“An individual’s vote is the lifeblood of a democracy. To that extent, we find it
 14 difficult to conjure up what the State’s legitimate interest is by the use of technology that dilutes
 15 the right to vote.”).

16 C. Entrenchment Is Unconstitutional

17 “Entrenchment”—the attempt to enact a law that cannot be repealed—has for centuries been
 18 considered beyond the reach of any legislature. *See* Francis Bacon, *Elements of the Common*
 19 *Lawes of England* 77 (1630) (“*perpetua lex est nullam legem*”—a perpetual law is void); 4 Edward
 20 Coke, *Institutes* *43 (1644) (“though divers Parliaments have attempted to barre, restrain, suspend,
 21 qualifie, or make void subsequent Parliaments, yet could they never effect it.”); Thomas Jefferson,
 22 A Bill for Establishing Religious Freedom, *reprinted in Jefferson: Writings* 347-48 (Merrill D.
 23 Peterson ed., 1984) (“[T]his Assembly . . . ha[s] no power to restrain the acts of succeeding
 24 Assemblies, constituted with powers equal to our own.”); *Winstar*, 518 U.S. at 871-80 (legislature
 25 cannot make binding promise not to use its powers).

26 Congress’ attempt in Section 1395kkk(f) to bar itself from disbanding IPAB and, in Section
 27 1395kkk(d)(3)(A), (B), and (C), to bar itself from amending the “recommendations” that IPAB
 28 makes before they are enforced as law are unlike any other statute ever enacted. The only previous

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1 | example of Congress attempting to pass rules or laws barring itself from exercising its lawmaking
 2 | power is the “Gag Rule” adopted in the 1830s and 1840s to bar any reception of petitions for
 3 | abolishing slavery—a rule that Congressman John Quincy Adams rightly attacked as
 4 | unconstitutional. *See* David C. Frederick, *John Quincy Adams, Slavery, and the Disappearance*
 5 | *of the Right of Petition*, 9 *Law & Hist. Rev.* 113 (1991). That rule was never challenged in court,
 6 | but ever since it was repealed in 1844, Congress has never attempted to legislate away (by law or
 7 | internal rule) its power to make law on a subject.

8 | Nor is there any precedent regarding an attempt by Congress to establish a law that cannot
 9 | be repealed or an agency that cannot be eliminated. Still, scholars have addressed the question,
 10 | focusing first on whether it is logically possible to enact a law immune from repeal and, second,
 11 | on whether such a law would be constitutional. As Professors Eric Posner and Adrian Vermeule
 12 | observe, the intuitive notion that any attempt to create an unrepealable law would itself be subject
 13 | to repeal—asserted by the government, *Opp. to Mtn. for Prelim. Inj.* at 14—is not necessarily
 14 | correct. “Consider statute *PR*,” they write, “in which *P* prohibits bicycles in the park, and *R*
 15 | prohibits repeal The conceptual challenge to this statute is the claim that . . . *PR* would not
 16 | bind . . . a subsequent Congress,” because it “could first repeal the statute *PR*, enabling itself to
 17 | repeal *P*.” Eric A. Posner & Adrian Vermeule, *Legislative Entrenchment: A Reappraisal*, 111
 18 | *Yale L.J.* 1665, 1668 (2002) (emphasis added). But this apparently obvious solution would fail in
 19 | the case of a statute that contains its own anti-repeal provision:

20 | The original Congress could pass an additional entrenching provision, *R'*, which
 21 | provides that *R* can be repealed only with a two-thirds majority, but then of course
 22 | the next Congress could repeal *R'* with a simple majority, and so on down the line.
 23 | But ordinary language can handle the infinite regress. Let the original Congress
 enact *R**, which says that a two-thirds majority is necessary to repeal or amend both
 P and *R**. The statute *PR** is invulnerable to repeal. Self-reference solves the
 problem of infinite regress.

24 | *Id.* at 1669 (emphasis added). This is what PPACA appears to do. It not only requires (under
 25 | Section 1395kkk(f)(2)(F)) a 3/5 majority of all elected members of Congress to vote to disband
 26 | IPAB, it also requires (under Sections 1395kkk(e)(3)(A)(ii) and 1395kkk(f)(3)) that this vote occur
 27 | before August 15, 2017. If it does not occur by that time, then IPAB’s “recommendations” will
 28 | be enforced as law beginning in 2020 and extending into the indefinite future without any

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1 possibility of repeal under Section 1395kkk(f)(2)(F). In addition, Section 1395kkk(d)(3)(A) and
 2 (B) bar Congress from amending or altering IPAB’s recommendations in any way—except to add
 3 provisions that IPAB itself could have added but failed to—and Section 1395kkk(d)(3)(C) prohibits
 4 Congress from considering any measure “that would repeal or otherwise change” this gag rule.
 5 *These* restrictions on Congress’ discretion do *not* expire in 2020. In other words, these provisions
 6 combine to create a mechanism whereby IPAB’s authority can be restrained only until August 15,
 7 2017; thereafter, Congress loses all authority to abolish IPAB. And because the statute is self-
 8 referential in the manner described by Posner and Vermeule, it appears to be a logically consistent
 9 prohibition on repeal.

10 Posner’s and Vermuele’s article drew a sharp reply from John C. Roberts and Erwin
 11 Chemerinsky, *Entrenchment of Ordinary Legislation: A Reply to Professors Posner and Vermeule*,
 12 91 Cal. L. Rev. 1773 (2003), who convincingly argue that if unrepealable laws are possible, they
 13 are unconstitutional for at least four reasons.

14 First, attempts to entrench legislation against future repeal violate Article I of the
 15 Constitution. That Article sets forth the exclusive method by which Congress may pass laws. *See*
 16 *id.* at 1784 (citing *INS v. Chadha*, 462 U.S. 919, 951 (1983)); *see also Clinton*, 524 U.S. at 439
 17 (“There are powerful reasons for construing constitutional silence” as to alternative ways of
 18 enacting a statute “as equivalent to an express prohibition.”). A statute that prohibits its own repeal
 19 conflicts with this method and “destroys the legislative power as to that subject matter entirely.”
 20 Roberts & Chemerinsky, *supra*, at 1784.

21 Second, anti-repeal provisions conflict with the constitutional authority of subsequent
 22 Congresses to set their own rules. *Id.* at 1789-95. In 2020, Section 1395kkk(e)(3)(A) will
 23 automatically abolish the limited repeal option if not used by 2017, thereby limiting the rulemaking
 24 powers of Congresses elected after 2017, contrary to the rulemaking authority that each future
 25 Congress enjoys under Article I, section 5. Thus, notwithstanding the precatory assertion in
 26 Section 1395kkk(d)(5), that PPACA is consistent with *this* Congress’ constitutional rulemaking
 27 authority, the actual provisions of the statute restrict the rulemaking authority of *future* Congresses.

28 ///

1 *Cf. United States v. Smith*, 286 U.S. 6, 48-49 (1932) (Courts are not bound by the Senate’s
2 characterization of its own rules).

3 Third, laws purportedly immune from repeal are contrary to the constitutional rotation in
4 office. As Roberts and Chemerinsky argue, *supra*, at 1789, such provisions “allow members of
5 Congress to effectively extend their terms in office beyond those prescribed in the Constitution,”
6 because, if enforced, such rules would deprive newly elected representatives of legislative power.

7 Finally, entrenchment rules conflict with the nature of the Constitution itself, by elevating
8 ordinary legislative action to the level of constitutional provisions. The American constitutional
9 tradition rests on distinguishing a constitution—an act of the people which cabins legislative
10 discretion—from ordinary laws passed by legislatures that employ delegated authority. *See*
11 *Marbury v. Madison*, 5 U.S. (1 Cranch) 137, 177 (1803) (“the constitution controls any legislative
12 act repugnant to it . . . [and is not] alterable when the legislature shall please to alter it”); Gordon
13 Wood, *The Creation of the American Republic* 276 (1998) (noting colonial era arguments that
14 constitutions must be superior to legislative authority).

15 No legal precedent clearly covers the situation presented by Section 1395kkk, for the simple
16 reason that no Congress has attempted previously to waive its lawmaking role to such an extreme
17 degree. Indeed, this case is much more like precedents established under the Contracts Clause, in
18 which the Court has made clear that except in certain very limited situations, “[t]he Government
19 cannot make a binding contract that it will not exercise a sovereign power.” *Winstar*, 518 U.S.
20 at 881 (citation omitted). Congress cannot give up its power to legislate because that power does
21 not belong to Congress; it belongs to the people, who delegate that authority to Congress on certain
22 limited conditions. One of those conditions is that Congress act within the boundaries of the
23 Article I legislative process. To enact a law like Section 1395kkk, which creates a permanent,
24 independent, law-making agency, the activities of which cannot be meaningfully overseen by
25 Congress, and which is only subject to repeal through an extremely complicated process—which
26 expires in 2017—is to abuse that entrusted power. *See* Julian N. Eule, *Temporal Limits on the*
27 *Legislative Mandate: Entrenchment and Retroactivity*, 1987 Am. Bar Found. Res. J. 379, 396

28 ///

1 (1987) (“the question of whether a legislature—a subordinate, albeit representative body—can
2 promulgate entrenching laws should ultimately be a question of agency”). This is unconstitutional.

3 **D. Defendants’ Argument That Congress Can Disband**
4 **IPAB in Some Other Way Does Not Resolve This Case**

5 The Defendants contend that Congress could “repeal or suspend” the anti-repeal provision
6 “and then vote to repeal [IPAB].” Opp. to Mtn. for Prelim. Inj. at 14. But this is simply to admit
7 that the statute does *not* permit the repeal of IPAB. Nor is it clear that this alternative would
8 actually be effective.

9 First, the anti-repeal provisions do *not* purport to be (as the Defendants claim, MTD at 47-
10 48) merely Congress’ internal rules.¹⁵ Sections 1395kkk(d)(5)(A) and (B) state only that sections
11 (d) and (f)(2) are exercises of Congress’ internal rulemaking power. The other provisions of the
12 statute—including the section withdrawing Congress’ limited power to discontinue IPAB if that
13 power is not used by 2017—do *not* purport to be an exercise of the rulemaking power. No court
14 or a legislative body has ever conclusively determined whether a rule established by a statute
15 passed by both houses and signed by the president can be altered unilaterally by a single house.
16 *See* Aaron-Andrew P. Bruhl, *Using Statutes to Set Legislative Rules: Entrenchment, Separation*
17 *of Powers, and the Rules of Proceedings Clause*, 19 J. L. & Politics 345, 368 (2003) (“Congress
18 has expressed concern over whether it retains the ability to alter statutized rules as recently as
19 1983.”).¹⁶

20 Second, as noted above, the argument that Congress must still retain an ultimate repeal
21 power is contrary to the plain language of Section 1395kkk(f), which says that the joint resolution
22 described therein is “required” to discontinue IPAB. Second, Section 1395kkk(e)(1) provides that
23 “[n]otwithstanding any other provision of law,” the Secretary must implement IPAB’s
24 _____

25 ¹⁵ Even if they were merely Congress’ internal rules, however, they would be subject to judicial
26 review. *See, e.g., Michel*, 14 F.3d at 627 (“There are [judicially enforceable] limitations to the
House’s rulemaking power.”); *Smith*, 286 U.S. 6 (same).

27 ¹⁶ Although Congress often uses “disclaimer clauses” to reinforce its power to change even rules
28 enacted by statute, *see id.* at 368 n.96, the disclaimer clause here only applies to Section
1395kkk(d), and *not* to the anti-repeal provisions in Section 1395kkk(f).

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1 “recommendations,” the sole exception being the enactment of the joint resolution described in
 2 Section 1395kkk(f). Merely repealing the so-called “fast track” provision in Section 1395kkk(f),
 3 therefore, would *not* bar the Secretary’s obligatory, ministerial implementation of IPAB’s
 4 “recommendations” under Section 1395kkk(e)(1).

5 Nor is it clear that the parties’ stipulation of March 8, 2011 (to the effect that the challenged
 6 sections pose no impediment to Congress disbanding IPAB) can bind Congress. The legislative
 7 branch has an equal and independent authority to determine the scope of its powers, at least until
 8 the judiciary pronounces an interpretation, and Congress cannot be bound by the interpretation
 9 adopted by the executive branch defendants in this case. *Cf. Fourteen Diamond Rings v. United*
 10 *States*, 183 U.S. 176, 180 (1901) (president is not bound by Congress’ interpretation of a treaty);
 11 *Hirt v. Richardson*, 127 F. Supp. 2d 833, 845 n.8 (W.D. Mich. 1999) (“the judiciary is not bound
 12 by the Executive Branch’s interpretations of [a federal law]”); Walter Dellinger, *Memorandum for*
 13 *Bernard N. Nussbaum Counsel to the President*, 48 Ark. L. Rev. 333, 340 (1995) (“it can be argued
 14 that the President simply cannot speak for Congress, which is an independent constitutional actor”);
 15 Michael Stokes Paulsen, *The Most Dangerous Branch: Executive Power to Say What the Law Is*,
 16 83 Geo. L.J. 217, 322 (1994) (“Congress is not bound by the President’s interpretation of the law.”)

17 Given these considerations, clarification by this Court, in the form of declaratory relief, is
 18 at least warranted to clarify the reach of their repeal authority.

19 CONCLUSION

20 PPACA is a law like no other in history. Not only is the Individual Mandate
 21 “unprecedented,” *Florida*, 2011 U.S. Dist. LEXIS 8822, at *71, but so are the provisions
 22 establishing IPAB as a group of “Platonic Guardians,” Jost, *supra*, at 21. The danger of such an
 23 autonomous, unaccountable lawmaking body are obvious. As Prof. Jost writes,

24 There is no reason to believe that Congress is ready to adopt price controls in the
 25 private sector, and thus the gap between Medicare and private payment is likely to
 26 continue to be an issue. At some point, however, the gap may become
 27 unacceptable, which may require Congress to take the private sector
 28 recommendations of the IPAB more seriously. If this leads to all-payer rate setting,
 this may be the most revolutionary contribution of the IPAB concept. If the IPAB
 plays a role in all-payer rate setting, it will truly have become the Platonic Guardian
 of our health care system.

1 *Id.* at 31. When “the aggregate effect of the factors” are taken into account, *Synar*, 626 F. Supp.
2 at 1390, it is clear that IPAB is an unconstitutional delegation of lawmaking authority. That
3 delegation, and the anti-repeal provision in PPACA, cannot withstand the applicable strict scrutiny.
4 The motion to dismiss should be *denied* and the motion for summary judgment should be *granted*.

5 DATED: June 21, 2011.

6 Respectfully submitted,

7
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