ARTICLES FOR 8-18-16 ROUNDUP

Clinton camp taps ex-Interior chief Ken Salazar to lead transition team

Hillary Clinton has tapped former Interior Secretary Ken Salazar to lead her White House transition team.

Salazar will chair a team that also includes former National Security Adviser Tom Donilon, former Michigan Gov. Jennifer Granholm, and longtime Clinton allies Neera Tanden and Maggie Williams.

"Once Hillary Clinton makes history by being elected as the nation's first woman President, we want to have a turnkey operation in place so she can hit the ground running right away," Salazar said in a press release. "A Clinton-Kaine administration will build on the progress we've made under President Obama, and tackle a new set of challenges both at home and abroad. This transition team will undertake the preparations necessary to ensure our next President has the resources and staff to carry out this all-important work."

Prior to his role at Interior Secretary under President Barack Obama, Salazar was U.S. Senator from Colorado from 2005-2009. From 1999 until his election to the U.S. Senate, Salazar served as Attorney General for Colorado. He currently works as a partner at the international law firm WilmerHale.

The transition team will oversee planning for a potential Clinton administration should the Democratic nominee win in November.

"We are extremely pleased that such an accomplished group of public servants has agreed to lead the transition planning for a potential Clinton-Kaine administration," said John Podesta, the Chair of Hillary for America. "While our campaign remains focused on the task at hand of winning in November, Hillary Clinton wants to be able to get to work right away as President-elect on building an economy that works for everyone, not just those at the top. These individuals, who bring a deep level of experience in the work of presidential transitions, will help us build a team that is ready to govern after the general election."

Republican Donald Trump has tapped New Jersey Gov. Chris Christie to lead his transition efforts.

By law, both nominees have access to offices in Washington and other resources to begin planning for their potential administrations. A 2010 law, known as the Pre-Election Transition Act, formalized the process and provided new resources to both party nominees so they each could take steps ahead of the general election to ensure a seamless transition.

The Associated Press contributed to this report.

Momentous Water Rights Agreement Reached by the Chickasaw Nation, Choctaw Nation, State of Oklahoma

Agreement settles long-standing water disputes, establishes framework for future cooperation and conservation, and provides certainty for water resource management

OKLAHOMA CITY/DURANT, Okla./ADA, Okla. – The Chickasaw and Choctaw Nations, the State of Oklahoma and the City of Oklahoma City announced today that they have reached a water rights settlement, which will be presented to Congress for final approval.

When finalized, the settlement will resolve long-standing questions over water rights ownership and regulatory authority over the waters of the Choctaw and Chickasaw Nations' historic treaty territories, an area that spans approximately 22 counties in south-central and southeastern Oklahoma. The agreement provides a framework that fosters intergovernmental collaboration on significant water resource concerns within the Settlement Area, while at the same time protecting existing water rights and affirming the State's role in water rights permitting and administration. Additionally, the agreement will implement a robust system of lake level release restrictions to allow Oklahoma City's measured use of Sardis Lake for municipal supply purposes while continuing to support regionally critical recreation, fish and wildlife uses.

"We are proud to be part of this historic agreement among the State of Oklahoma, the Choctaw and Chickasaw Nations and the City of Oklahoma City," said Oklahoma Gov. Mary Fallin. "We all understand the importance of water for sustaining life and as the engine that drives our economic growth. By choosing cooperation and collaboration over conflict and litigation, this agreement strengthens governmental relationships based on the common interests of the State and the Choctaw and Chickasaw Nations.

"While the State will continue to exercise its authority to manage and protect water resources throughout Oklahoma, the Choctaw and Chickasaw Nations will rightly play a role in significant water allocation and management evaluations within the Settlement Area. This agreement is an important first step in all Oklahomans coming together to address the wise use and protection of our shared water resources."

For decades there has been legal uncertainty in the Settlement Area regarding water rights and regulatory authority arising from unresolved questions of federal law and tribal rights. These uncertainties have contributed to long-running conflicts over Sardis Lake and the Kiamichi Basin in southeastern Oklahoma, resulting in multiple court actions. Once finalized, the settlement will end ongoing litigation including a federal lawsuit the Nations filed against the State of Oklahoma and the City of Oklahoma City with regard to Sardis Lake and other waters of the historic treaty territory and a second lawsuit the State filed to adjudicate water rights in the Kiamichi, the Muddy Boggy, and the Clear Boggy watersheds. By reaching this settlement, the parties avoid decades of litigation and associated expenses and uncertainty for the State, the Nations, Oklahoma City and property owners throughout the Settlement Area.

Attorney General Scott Pruitt commented, "Water is a shared resource, so finding a way to work together was vitally important. I commend the Choctaw and Chickasaw Nations and City of Oklahoma City for working purposefully and tirelessly with the State over the past five years to reach an equitable agreement. The State retains its permitting authority over water in the Settlement Area, which is important since uniform permitting and administration provide certainty and consistency for the management and use of water resources. When finalized, the agreement will protect existing rights and provide certainty for future uses in southeastern Oklahoma and other areas of the state."

Under the terms of the agreement, the Choctaw and Chickasaw Nations will participate in technical evaluations of significant future water right allocation proposals within the Settlement Area. The agreement also formalizes protections for the current and future water needs of communities throughout the region, ensuring adequate water for south-central and southeastern Oklahoma and

enhancing stewardship of water resources both for future consumptive use within the region as well as protecting lake levels and stream flows on which the vibrant tourism industry relies.

“This agreement is a win for all Oklahomans,” said Gov. Bill Anoatubby of the Chickasaw Nation. “We have forged this deal based on our common interests with an understanding that we all want the same thing – to take care of our vital water resources responsibly with respect to the needs of all Chickasaws, Choctaws and Oklahomans. The Nations now have a meaningful and active voice in significant water transfers from our area. Furthermore, this settlement preserves and protects water resources essential to economic growth and quality of life in south-central and southeastern Oklahoma. Unity and cooperation among all stakeholders offers our best chance to help ensure a strong economy and thriving natural environment for our children and grandchildren through proper stewardship of our shared water resources.”

Chief Gary Batton of the Choctaw Nation stated, “What happens in regards to the protection and preservation of water is of great importance. When finalized, this agreement secures existing uses of water and provides certainty with regard to the future use of Sardis Lake for the benefit of recreation, fish and wildlife, and local water use. Importantly, moving forward, both the Choctaw and Chickasaw Nations will have a seat at the table in the protection of southeastern Oklahoma water resources for municipal and recreational use. And, as we all know, a vibrant recreation and tourism industry creates jobs and strengthens economies inside and outside of the Settlement Area. Additionally, we are pleased that the agreement supports keeping water in the Settlement Area within the State by maintaining current state law prohibitions and adding significant protections.”

“Five years of concentrated research, analysis and modeling provide the underpinnings of this agreement,” stated J.D. Strong, Oklahoma Water Resources Board (OWRB) executive director. “All parties were committed to basing decisions on fact and science, building upon the foundation of the Oklahoma Comprehensive Water Plan using the best information we had or could develop regarding potential impacts on lake levels and stream flows. The State, the Nations and Oklahoma City were committed to applying what we have learned through decades of study so that our water resources can be protected while supporting a strong and growing economy in the region and throughout the state.”

The agreement also establishes the legal security of Oklahoma City’s water supplies and gives the greater Oklahoma City metropolitan area access to water for its future needs. Oklahoma City’s releases from Sardis Lake will be governed by a system of lake level release restrictions based on the Oklahoma Department of Wildlife Conservation’s lake level management plan, which is designed to protect fishing and recreational resources. Oklahoma City will also gain access to the Kiamichi River dependent upon lake level release and minimum stream flow restrictions intended to protect the environment and recreational uses.

Oklahoma City Mayor Mick Cornett commented, “We expect the considerable growth we have experienced in Oklahoma City over the past decades to continue well into this century. Our future growth will be propelled by our ability to attract capital, promote innovation, maintain affordable energy, increase productivity, and probably most importantly, manage our water and land use. And while this agreement ensures we have access to water through a clearly defined and orderly process for decades ahead, we must continue to promote water conservation. We are pleased to be part of this agreement and the opportunities it creates for even greater collaboration and cooperation in the future.”

The agreement achieves the State’s goals of affirming the OWRB’s role in water rights administration, allowing for an orderly system of water allocation and administration.

Additionally, the agreement resolves the outstanding debt associated with Sardis Lake and provides vital water supply to local water users and to Oklahoma City, while at the same time protecting recreational uses and the reservoir's trophy bass fishery.

Existing water rights or rights to surface or groundwater will not be affected by the agreement, and the agreement does not authorize out-of-state use or diversion of water, which remains unlawful absent of State legislative approval. The settlement calls for a commission to evaluate the impacts of future proposals for out-of-state water use or diversion, which would remain subject to State legislative authorization. Should the Oklahoma Legislature ever approve such a proposal, the agreement ensures that any proceeds would be devoted to meeting water and wastewater infrastructure needs, particularly in southeastern Oklahoma.

In response to the announcement of an agreement, The Honorable Judge Lee R. West, with the United States District Court for the Western District of Oklahoma, commented, "I have been on the bench for 51 years, but this is an especially proud moment to witness all of these diverse parties coming together to find solutions that are in the best interest of all Oklahomans and my home state. This is without doubt an historic achievement."

After the agreement is signed by all parties, it must be approved by federal legislation and executed by the Secretary of the United States Department of the Interior. The parties are now working with the Oklahoma congressional delegation to secure appropriate legislation.

Additional information can be found online at www.WaterUnityOK.com.

Colorado Attorney General CYNTHIA H. COFFMAN, DEA, DENVER POLICE, and WEST METRO DRUG TASK FORCE PARTNER to DISMANTLE MAJOR HEROIN TRAFFICKING RING IN DENVER METRO AREA

Operation Muchas Pacas has netted 47 pounds of Mexican heroin valued at $2.2 million

DENVER—Colorado Attorney General Cynthia H. Coffman, in partnership with the Drug Enforcement Administration (DEA), Denver Police Department (DPD), and the West Metro Drug Task Force, today announced the dismantling of a major heroin trafficking organization focused in Colorado. Operation Muchas Pacas, which launched in August 2015, has resulted in 25 indictments, the seizure of 47 pounds of Mexican heroin, with a total street value of $2.2 million, and over 1 pound of cocaine valued at $30,000.

"Stopping the flow and sale of dangerous drugs in Colorado is a major priority of this office" said Attorney General Coffman. "This case was a great example of federal, state and local law enforcement agencies working together to dismantle an international drug trafficking network, and I thank the DEA, DPD, and the West Metro Drug Task Force for their work to keep our state safe."

The Denver Organized Crime Drug Enforcement Task Force (OCDETF) Strike Force headed the law enforcement investigation in partnership with Denver Police Department and the West Metro Drug Task Force that led to the state-level indictment of 25 individuals charged with participating in an international drug trafficking network that transported heroin from Mexico through Arizona into Colorado. The organization was based in the Denver metropolitan area. The DEA Strike Force investigation included agents and officers from DEA, Denver Police Department, West Metro

Drug Task Force, FBI, HSI, IRS, US Marshall's Office, Colorado State Patrol, Aurora Police Department, and Northern Colorado Drug Task Force.

"Opioid abuse is at epidemic proportions throughout the country" stated Barbra Roach, Special Agent in Charge of the Drug Enforcement Administration's Denver Field Division. "The heroin seized in this OCDETF Strike Force operation was produced in Mexico and was destined to ruin lives and communities in the State of Colorado. The criminals that would have benefited from this will now be held accountable and pay for their actions. The law enforcement agencies of Colorado did a tremendous job in working together in Operation Muchas Pacas to attack and dismantle this criminal organization which preyed on our communities."

In total, the investigation has netted:

- 47 pounds of brown heroin, with a street value of $2.2 million
- $218,712 in drug proceeds
- 1.4 pounds of cocaine with a street value of $30,000
- 3 vehicles worth approximately $20,000
- 11 firearms (seven handguns-one stolen, three assault rifles, one shotgun)

During the investigation, the task force executed 17 search warrants within Colorado and 17 arrest warrants in Colorado, Arizona and California.

"The Denver Police Department and the organizations involved in Operation Muchas Pacas want drug dealers to know that selling drugs in our city, state, and country is not tolerated and will be dealt with in a swift and accountable manner," said Denver Police Chief Robert C. White. "Dismantling this heroin ring is one giant step in reducing the supply of illegal narcotics to our streets."

Through the use of court-authorized wiretap intercepts, investigators discovered that this group was importing large quantities of heroin from various sources from the Republic of Mexico into Colorado and then distributing the heroin to local customers throughout the Denver Metro area. The group used a variety of methods to import the heroin, including concealing the drugs in the spare tires of load vehicles and in Fed Ex packages. The group also used a variety of methods to transfer the earned drug proceeds back to the sources of supply in the Republic of Mexico, including concealing bulk currency in load vehicles and wire remittances.

On July 7, 2016, and August 11, 2016, the Colorado Statewide Grand Jury returned indictments relating to this heroin trafficking group. The filing of criminal charges or an indictment is merely a formal accusation that an individual committed a crime. Each defendant should be presumed innocent until proven guilty. The criminal matters have been venued in Douglas County and will be prosecuted by the Attorney General's office in partnership with the District Attorney's Office for the18th Judicial District.

NINTH CIRCUIT UPHOLDS HAWAII'S OPEN PRIMARY ELECTIONS

HONOLULU – In a published opinion issued today, the Ninth Circuit Court of Appeals upheld Hawaii's practice of holding open primary elections. The Democratic Party of Hawaii had sued the state office of elections in 2013 and sought to limit participation in the Democratic primary election to registered Democrats only.

The Ninth Circuit ruled that the Democratic Party did not show that the open primary system burdens its associational rights. The Party offered no evidence that the open primary impacted its candidates or messages. The Ninth Circuit noted that Hawaii's voters may vote in only one party's primary election.

The case, Democratic Party of Hawaii v. Nago, was originally filed in the federal district court of Hawaii. In November 2013, Judge J. Michael Seabright ruled in the State's favor, upholding the open primary. The Democratic Party appealed. The Ninth Circuit heard oral arguments in May 2016.

"The open primary is part of Hawaii's commitment to make voting easier and to include more persons in the democratic process," said Attorney General Doug Chin. "This ruling keeps Hawaii's primary elections open to all registered voters, regardless of their formal party affiliation."

Attorney General Kamala D. Harris Announces Settlement With Privatized Military Housing Contractors Over Allegations of Illegally Evicting Military Servicemembers

Contact: (415) 703-5837, agpressoffice@doj.ca.gov

SAN DIEGO - Attorney General Kamala D. Harris today announced that California has reached a $252,000 settlement with two privatized military housing contractors over the companies' unlawful evictions of 18 military servicemembers and their families from private military housing complexes in San Diego and Orange Counties.

Attorney General Harris argued that these evictions violated the California Military and Veterans Code, the Servicemembers Civil Relief Act, and other state debt collection laws which protect servicemembers who are sued while serving on active military duty and are therefore unable to appear and defend themselves in court. These laws prevent the entry of a default judgment unless a lawyer has been appointed to represent the interests of the absent servicemember, and they prohibit the use of false statements to collect a debt. In addition, the contractors allegedly violated California privacy laws by filing court documents that included unredacted Social Security numbers, birth dates, or other personal information of nearly 100 servicemembers and military family members.

The defendants, Lincoln Military Property Management LP and San Diego Family Housing LLC and their eviction law firm, Kimball, Tirey & St. John LLP, are required to pay $200,000 in civil penalties, as well as provide $52,000 in debt relief for the servicemembers harmed by their conduct and assist victims with restoring and repairing credit history. The settlement also requires the defendants to provide privacy protections to victims, including identity theft repair and mitigation services for one year following notification. In addition, any default judgment evicting a servicemember and his or her family that was unlawfully obtained will be dismissed.

"It is unconscionable that companies would prey upon and illegally evict servicemembers and their families from their homes," said Attorney General Harris. "This agreement holds these contractors accountable for their unlawful conduct – including illegal evictions and privacy violations – and ensures that veterans' rights under the law are protected. I want to thank the Navy Region Legal Service Office (RLSO) Southwest of San Diego for helping us secure justice for the servicemembers harmed by these companies."

The complaint, filed today in San Diego Superior Court, alleges that Lincoln routinely evicted tenants from its private military housing complexes while failing to file affidavits that accurately reflected the military status of the servicemembers. The defendants also violated California privacy laws by disclosing the personal information of servicemembers, exposing at least 100 victims to a risk of identity theft.

The United States Department of Justice is filing a parallel complaint in the U.S. District Court for the Southern District of California alleging violations of federal law.

This is Attorney General Harris's second action against a company that violated the Servicemembers Civil Relief Act. The first was against JP Morgan Chase, which violated the Act in obtaining default judgments against servicemembers on credit card debt. The Attorney General also obtained a $1.1 billion judgment against Corinthian Colleges, which illegally used the official seals of the military services in advertisements to entice servicemembers and veterans to enroll in its programs.

The Attorney General's office has provided training and technical support to JAG legal assistance attorneys at military installations throughout California. The Attorney General has also issued multiple consumer alerts to help members of the military protect themselves from fraud and scams. Her most recent alert for servicemembers and veterans, issued in honor of Memorial Day, provides tips on how to avoid common scams including rental scams, pension scams, predatory auto sales and financing, and education rip-offs.

A copy of the complaint is attached to the online version of this news release at www.oag.ca.gov/news.

"Repeat Violator" Buying Club Operation to Pay $300,000 to State, Refund Iowans, and Reform Conduct

DES MOINES – A Connecticut-based marketing company that has been the target of previous consumer fraud enforcement actions will pay $300,000 to the state, refund Iowa consumers, and stop telemarketing to Iowans after violating a previous agreement to comply with Iowa's Buying Club Memberships Law.

The consent judgment, filed Thursday in Polk County District Court, follows Trilegiant's violation of a 2013 "assurance of voluntary compliance" agreement with the Consumer Protection Division, in which the company committed to comply with the law. Among other requirements, the previous agreement compelled the company, when marketing buying club memberships to Iowans, to provide consumers with important disclosures mandated by state law.

Miller: Company Attempted to Evade Previous Agreement through Fraud
According to Attorney General Tom Miller, a telemarketer working on Trilegiant's behalf attempted to enroll an Iowa resident in the company's "Great Fun" buying club membership by offering a flight booking discount in exchange for the consumer accepting the free trial membership. However, Miller added, the representative did not provide the required legal disclosures.

Unbeknownst to the company, the consumer is an investigator in the Consumer Protection Division.

“The moment our investigator provided his Iowa address, the telemarketer should have stopped the membership sales pitch because it was missing the required disclosures,” Miller said. “Incredibly, the telemarketer asked the Iowan to come up with a mailing address in another state, to close the unlawful sale under the guise that it was outside of Iowa.”

When the Consumer Protection Division confronted Trilegiant about violating its previous agreement, Miller noted, the company initially claimed it was an isolated mistake and blamed it on one “rogue” telemarketer, which Miller alleges was blatantly false.

A subsequent investigation determined that all four of the telemarketing companies with which Trilegiant had contracted to pitch its memberships repeatedly engaged in the same subterfuge and deception, unlawfully and fraudulently enrolling and charging hundreds of Iowans while making it appear that they lived in other states.

Past State and Federal Enforcement Actions

Trilegiant and its parent company, Affinion, have been the targets of repeated civil law enforcement actions involving nearly all states, and federal authorities, at least since 2005.

In 2013, a consent judgment with 47 states, including Iowa, required Trilegiant to end its abusive practice of sending consumers checks which, if cashed or deposited, automatically enrolled them in a buying club that charged their credit cards indefinitely.

Last year, Affinion was ordered to provide $6.8 million in consumer refunds and pay the Consumer Financial Protection Bureau a $1.9 million penalty, for unfairly charging consumers for credit card add-on benefits they did not receive.

“Because of Trilegiant’s track record of violating consumer laws here and elsewhere, this time our office sought a stringent court order that a judge can enforce through contempt of court sanctions,” Miller said. “In addition, this judgment requires an additional $500,000 payment if the company violates the latest consent judgment over the next three years.”

Company: Refunds Issued to Iowa Consumers

The consent judgment requires Trilegiant to identify and provide refunds to all Iowans drawn into the illegal memberships. The company indicates that it has met that requirement by providing approximately $171,000 in refunds to about 2,500 Iowa consumers.

Membership Buying Club and “Free Trial Offer” Tips

Be wary of membership buying club trial and “free trial” offers.

Get the details and ask questions. Will you be billed automatically if you don’t cancel? By when must you cancel? How do you cancel? Will you receive a mail notice? Remember, they already may have your bank or credit card number to charge you.

Examine your credit card bills every month, your checking account and debit card statements, other financial accounts, and phone bills. Watch for unauthorized charges, and dispute them at once, in writing.

Watch your mail and email for notices that you will be billed unless you cancel. These mailings may look like junk mail or spam.

Beware of cashing a check that comes in the mail with a “free trial offer.” The fine print may obligate you to future payments.

Attorney General Kamala D. Harris, 8 Other State Attorneys General Intervene to Support New Nationwide Standards to Curb Greenhouse Gas Emissions from Oil and Natural Gas Operations

LOS ANGELES - Attorney General Kamala D. Harris, 8 other states and the city of Chicago today filed a motion to intervene in support of the U.S. Environmental Protection Agency's (EPA) New Source Performance Standards to limit greenhouse gas emissions, specifically methane, from oil and natural gas operations. The new EPA standards mark the first time the EPA has directly limited greenhouse gases from the oil and natural gas sector and tightens existing limits on emissions of volatile organic compounds (VOCs) from oil and natural gas operations.

Since the Environmental Protection Agency (EPA) published the emissions standards, Alabama, Arizona, Kansas, Louisiana, Montana, North Dakota Ohio, Oklahoma, Texas, South Carolina, West Virginia, and Wisconsin, as well as the American Petroleum Institute, oil and gas industry associations, and others have filed lawsuits challenging the rules. California and 8 other states are intervening to defend the greenhouse gas emissions standards.

"Climate change is a real and direct threat to the health and well being of our communities. We must do everything in our power to limit greenhouse gas emissions and preserve our planet for future generations," said Attorney General Harris. "These new federal standards are based on scientific evidence, and will curb the emission of harmful greenhouse gas pollutants into our environment and help mitigate the devastating effects of climate change."

The California Air Resources Board (CARB) and the Attorney General are jointly filing the motion to intervene on behalf of the state of California and are joined by Connecticut, Illinois, New Mexico, New York, Oregon, Rhode Island, Vermont, the Commonwealth of Massachusetts and the City of Chicago.

The EPA expects that the new standards will prevent the emission of 300,000 tons of methane by 2020 and 510,000 tons by 2025. The standards also serve to fulfill the commitments President Obama laid out with his June 2013 Climate Action Plan and the Paris Accord, as well as specific goals around reducing methane emissions that the White House announced in January 2015.

In November 2015, Attorney General Harris and 17 other state Attorneys General filed a motion to intervene in support of President Obama's Clean Power Plan, the EPA's first-ever national standards to reduce greenhouse gas emissions from power plants.

Earlier this year, Attorney General Harris, the California Air Resources Board, and the EPA successfully reached a $14.7 billion settlement with Volkswagen over emissions "defeat devices" it had installed in its 2.0 liter diesel cars to manipulate emissions testing software to make its cars appear to be emitting significantly fewer pollutants than they were in actual driving conditions. As part of the $14.7 billion settlement, which is subject to approval by the court, VW must pay $2.7 billion into a trust fund for environmental mitigation projects and spend $2 billion over 10 years on zero-emission technology. $1.18 billion will come to California: $800 million in zero-emissions technology investments and $380 million for environmental mitigation projects in the state. Attorney General Harris also secured, subject to court approval, an additional $86 million in civil penalties and significant injunctive terms to deter future misconduct by the company.

Attorney General Harris has vigorously defended AB 32, California's Global Warming Solutions Act of 2006, which has received global recognition as a leading example of legislation that

promotes reductions in greenhouse gas emissions. The Attorney General's office has also defended challenges to California's cap and trade auctions and its precedent-setting Low Carbon Fuels Standard.

Oregon lawfully rejected Morrow coal export terminal, judge rules

An Oregon administrative law judge ruled that Oregon Department of State Lands acted lawfully when it rejected a developer's proposed coal export terminal at the Port of Morrow in 2014.

Judge Alison Greene Webster found the state agency was well within its legal authority when it said no to the project's developers, who would've sent 8 million tons of coal abroad each year.

The judge didn't accept arguments by Wyoming and Montana, both coal-rich states looking for markets, that the decision impeded interstate commerce.

Jan Hasselman, an Earthjustice attorney who litigated the case, applauded the decision.

"Interference with commerce is an empty talking point for pro-coal politicians, not a legitimate limit on states' abilities to enforce their own laws," Hasselman said.

Though the decision can be appealed, it serves as a coda for efforts to export coal through Oregon to Asian power plants.

When Chinese demand sent coal prices skyrocketing in 2010, nine export terminals were proposed in Oregon and Washington. Industry analysts said the relatively small project in Morrow had the best chance of being built. They said it could fill a niche for Asian countries like South Korea willing to pay more to diversify against interruptions from more volatile suppliers such as Indonesia.

Since then, coal prices have collapsed, sending major producers into bankruptcy. Today, in addition to the Morrow project, just one export proposal remains alive, in Longview, where a major backer, Arch Coal, recently sold its 38 percent stake.

"Only an unlikely, unforeseeable event could save these projects," said Clark Williams-Derry, a researcher with the progressive Sightline Institute think tank in Seattle. "At the moment, they're entirely speculative, and the chances for economic success are extremely slim."

Williams-Derry said it is difficult to ever tell when one of the coal export projects was officially dead, even as their odds of success grow longer. "Lots of them live on as zombies, shambling forward unaware that their heart has stopped beating," he said.

The Oregon lands agency in August 2014 vetoed the $242 million Morrow project. Officials said despite a two-year review, Australia-based Ambre Energy hadn't done enough to analyze alternatives that would avoid harming tribal fisheries at the Port of Morrow in Boardman, where the company had proposed to build a dock to load coal onto barges. Another developer later bought the project, now controlled by Lighthouse Resources.

"This is a ruling on the motion for summary determination, not a ruling on the merits," said Michael Klein, Lighthouse's general counsel. "We look forward to addressing the merits of our appeal at the hearing scheduled for November."

The company has previously called the state's initial denial politically motivated.

Months after the rejection, it was revealed that a firm trying to persuade then-Gov. John Kitzhaber to block the project had hired then-First Lady Cylvia Hayes as a consultant.

Resource Media Inc., a Seattle-based environmental PR firm, helped coordinate a media campaign aimed at convincing Kitzhaber that the terminal was a bad idea.

That was a year after the company hired Hayes as a paid consultant through her Bend-based company, 3E Strategies. In February 2013, Resource Media inked Hayes' 3E Strategies to a 10-week, $20,611 contract.

— Rob Davis

rdavis@oregonian.com

AG FERGUSON ARGUES STATE MARIJUANA REGULATION SHOULD BE FREE FROM FEDERAL INTERVENTION

Attorney General Bob Ferguson urged the U.S. Court of Appeals for the 10th Circuit to reject two cases challenging Colorado's recreational marijuana laws.

A lower federal court rejected both cases, and Ferguson argues in an amicus — or "friend of the court" — brief filed today that the appeals court should affirm those decisions and dismiss the challenges to state law.

The two lawsuits — Safe Streets Alliance v. Hickenlooper and Smith et al. v. Hickenlooper — argue that the federal Controlled Substances Act preempts Colorado state law, which provides for a regulated and licensed market in marijuana.

Initiative 502 created similar recreational marijuana laws in the State of Washington.

"Cases like this threaten the core of I-502," Ferguson said. "The people of Colorado and Washington have voted to allow recreational marijuana, and my job is to make sure the will of the people is upheld."

In his brief, which the State of Oregon also joined, Ferguson argues that the Controlled Substances Act "expressly preserves state legislative authority regarding controlled substances," allowing states to be the "primary enforcers of drug laws."

More than 20 states have adopted medical marijuana laws, and more than a dozen states require no jail time for the possession of marijuana intended for personal use.

Further, the federal Department of Justice's own guidance — issued in 2013 — sets forth a framework for state recreational marijuana laws. In its guidance, the Justice Department stated it would not intervene in or challenge the voter initiatives in states that legalized recreational marijuana, as long as those states maintained a "strict system of regulation" that followed several federal enforcement guidelines.

Those guidelines include keeping marijuana out of the hands of minors, impaired driving prevention programs and preventing revenues from the sale of marijuana from benefiting criminal enterprises, among others.

Ferguson argues that Colorado's and Washington's regulatory structures for recreational marijuana meet and exceed the federal guidelines.

Ferguson's brief further argues that the plaintiffs in both cases lack legal standing to call for the federal government's intervention, as the power to enforce the Controlled Substances Act rests solely with the Attorney General of the United States.

The Attorney General's amicus brief was prepared by Deputy Solicitor General Jeff Even and Assistant Attorney General Bruce Turcott.

What makes marijuana users different from everyone else

By Christopher Ingraham

A massive study published this month in the Journal of Drug Issues found that the proportion of marijuana users who smoke daily has rapidly grown, and that many of those frequent users are poor and lack a high-school diploma.

Examining a decade of federal surveys of drug use conducted between 2002 and 2013, study authors Steven Davenport and Jonathan Caulkins paint one of the clearest pictures yet of the demographics of current marijuana use in the U.S. They found that the profile of marijuana users is much closer to cigarette smokers than alcohol drinkers, and that a handful of users consume much of the marijuana used in the U.S.

"In the early 1990s only one in nine past-month [marijuana] users reported using daily or near-daily," Davenport and Caulkins write. "Now it is fully one in three. Daily or near-daily users now account for over two-thirds of self-reported days of use (68%)."

These usage patterns are similar to what's seen among tobacco users. "What's going on here is that over the last 20 years marijuana went from being used like alcohol to being used more like tobacco, in the sense of lots of people using it every day," Caulkins said in an email.

Adults with less than a high school education accounted for 19 percent of all marijuana use in 2012 and 2013 (compared to 13 percent of the total adult population), according to the survey. This is similar to their 20 percent share of all cigarette use, but considerably higher than their 8 percent share of all alcohol use.

Similarly, Americans of all ages with a household income of less than $20,000 accounted for 29 percent of all marijuana use and 27 percent of all cigarette use, compared to only 13 percent of all alcohol use and 19 percent of the total adult population.

The concentration of use among poorer households means that many marijuana users are spending a high proportion of their income on their marijuana habit. Users who spend fully one quarter of their income on weed account for 15 percent of all marijuana use.

One interesting finding is that over the past 10 years as many states have liberalized their marijuana policies, marijuana arrests are down while marijuana purchases are up. This means that the risk of

getting arrested for marijuana use has fallen sharply since 2002. That year, there was one marijuana arrest for every 550 marijuana purchases, according to Davenport and Caulkins. By 2013, there was one marijuana arrest for every 1,090 purchases.

"The criminal risk per marijuana transaction has fallen by half," they conclude. Much of that risk is still born by non-white marijuana users.

Davenport and Caulkins stress that since the study was conducted over a period preceding the opening of recreational marijuana markets in Colorado and Washington, it doesn't offer any evidence on the merits or lack thereof of legalization.

"Our results can in no way be interpreted as evidence toward the successes or failures of marijuana legalization or even medical marijuana laws," they write.