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 7 *Attorneys for Defendant Mary Watanabe, in her*
official capacity as Director of the California
 8 *Department of Managed Health Care*

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 10 IN THE UNITED STATES DISTRICT COURT
 11 FOR THE EASTERN DISTRICT OF CALIFORNIA
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 14 **FOOTHILL CHURCH, CALVARY**
CHAPEL OF CHINO HILLS and
 15 **SHEPHERD OF THE HILLS CHURCH,**
 16 Plaintiffs,
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 18 v.
 19 **MARY WATANABE, in her official**
capacity as Director of the California
Department of Managed Health Care,
 20 Defendant.
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2:15-CV-02165-KJM-EFB

**STIPULATION AND JOINT REQUEST
 FOR COURT ORDER RE: THE
 PARTIES' SETTLEMENT OF
 PLAINTIFFS' CLAIM FOR
 ATTORNEY'S FEES AND COSTS;
 ORDER**

Judge: The Honorable Kimberly J. Mueller
 Action Filed: Oct. 23, 2017

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 23 Plaintiffs Foothill Church, Calvary Chapel of Chino Hills, and Shepherd of the Hills
 24 Church and Defendant Mary Watanabe, in her official capacity as Director of the California
 25 Department of Managed Health Care, agree and stipulate as follows:

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BACKGROUND

- 1 1. On February 2, 2023, this Court issued an order, granting Plaintiffs’ request for a
2 permanent injunction on their Free Exercise Clause claim. ECF No. 138.
- 3 2. On February 3, 2023, this Court entered judgment in accordance with its February 2,
4 2023 injunction order. ECF No. 139.
- 5 3. Because this case is an action under 42 U.S.C. § 1983, Plaintiffs intend to pursue an
6 award of attorneys’ fees under 42 U.S.C. § 1988.
- 7 4. Local Rule 293 requires a motion for an award of attorneys’ fees to be filed within 28
8 days after entry of final judgment.
- 9 5. The Parties stipulated and agreed to extensions for Plaintiffs to file a motion for an
10 award of attorneys’ fees, allowing the Parties to continue good faith negotiations. ECF Nos. 140,
11 142; *see also* ECF No. 141.
- 12 6. On April 6, 2023, the Court endorsed the Parties’ Stipulation Extending Deadline to
13 File a Motion for Attorneys’ Fees, ordering a new deadline of June 1, 2023 for the attorneys’ fees
14 motion. ECF No. 143.

THE PARTIES’ REQUEST

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17 Plaintiffs and Defendant Watanabe have reached an agreement regarding attorneys’ fees
18 and costs and jointly request that the Court enter the following order:
- 19 1. Defendant Watanabe will pay to Plaintiffs a total of \$500,000 in attorneys’ fees and
20 costs (including \$10,000 for local counsel and \$490,000 for counsel Alliance Defending
21 Freedom).
 - 22 2. This payment will completely satisfy Defendant Watanabe’s obligation to pay
23 attorneys’ fees and costs in this matter; Plaintiffs will not be entitled to any interest.
 - 24 3. This payment is contingent upon certification of availability of funds and the approval
25 of the Director of the California Department of Finance.
 - 26 4. Plaintiffs understand that the submission of the claims bill cannot be made without an
27 order of this Court regarding the Parties’ agreement for the payment of attorneys’ fees and costs.
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5. If Defendant Watanabe fails to pay the agreed-upon sum of \$500,000 by June 30, 2023, Plaintiffs retain the right to pursue an award of attorneys' fees under 42 U.S.C. § 1988.

Dated: May 8, 2023

Respectfully submitted,
ROB BONTA
Attorney General of California

/s/ Hayley Penan
HAYLEY PENAN
Deputy Attorney General
KARLI EISENBERG
Supervising Deputy Attorney General
*Attorneys for Defendants California
Department of Managed Health Care, Mary
Watanabe in her official capacity as
Director of the California Department of
Managed Health Care*

Dated: May 8, 2023

ALLIANCE DEFENDING FREEDOM

By: /s/ Jeremiah Galus (as authorized on May 8, 2023)
JEREMIAH GALUS
Attorneys for Plaintiff Churches

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ORDER

1. Defendant Watanabe will pay to Plaintiffs a total of \$500,000 in attorneys' fees and costs (including \$10,000 for local counsel and \$490,000 for counsel Alliance Defending Freedom).

2. This payment will completely satisfy Defendant Watanabe's obligation to pay attorneys' fees and costs in this matter; Plaintiffs will not be entitled to any interest.

3. This payment is contingent upon certification of availability of funds and the approval of the Director of the California Department of Finance.

4. Plaintiffs understand that the submission of the claims bill cannot be made without an order of this Court regarding the Parties' agreement for the payment of attorney's fees and costs.

5. If Defendant Watanabe fails to pay the agreed-upon sum of \$500,000 by June 30, 2023, Plaintiffs retain the right to pursue an award of attorneys' fees under 42 U.S.C. § 1988.

IT IS SO ORDERED.

Dated: May 9, 2023.



CHIEF UNITED STATES DISTRICT JUDGE