

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON

CITY OF SHORELINE, WASHINGTON,

Plaintiff,

vs.

Case No. 2:26-cv-1311

UNITED STATES DEPARTMENT OF  
TRANSPORTATION, and SEAN DUFFY,  
in his official capacity as the Secretary of  
Transportation,

Defendants.

**COMPLAINT FOR  
DECLARATORY AND  
INJUNCTIVE RELIEF**

**I. INTRODUCTION**

1. For more than a century, Congress has used its constitutional authority to enact numerous statutes that direct federal funding to the States to promote the development, maintenance, and safety of our nation’s transportation infrastructure. State and local governments have relied on these federal funding programs—totaling more than \$100 billion annually—to support the roads, highways, railways, airways, ferries, and bridges that connect their communities and carry their residents to their workplaces and their homes.

2. Plaintiff City of Shoreline (“Shoreline” or “the City”) is one such recipient of federal funding from the Department of Transportation’s (“DOT”) Federal Highway Administration (“FHWA”). In 2023, Shoreline was awarded a \$20 million grant under the

1 FHWA’s Rebuilding American Infrastructure with Sustainability and Equity (“RAISE”) Program.  
2 Shoreline’s grant was intended to fund multimodal transportation infrastructure improvements  
3 around a regional transit station located in a rapidly growing area of the city. These improvements  
4 would vastly improve safety for the thousands of pedestrians, cyclists, and motorists that travel  
5 through the area daily, as well as Shoreline’s connection to the greater Seattle area, where the  
6 majority of its residents work. Based on its RAISE grant, Shoreline is in the midst of acquiring  
7 properties and planning construction for the multiple phase project.

8 3. In recent months, DOT has disrupted this critical work. Rather than faithfully  
9 carrying out the RAISE program Congress created, DOT is now forcing grantees like Shoreline to  
10 agree to various illegal and irrelevant conditions and to certify compliance with requirements  
11 unrelated to their ability to execute the grant. These new conditions have no grounding in the  
12 RAISE program’s implementing statute(s) and do not effectuate the program’s purposes. Instead,  
13 these conditions seek to advance the Administration’s wholly unrelated ideological goals—  
14 including to end “diversity, equity, inclusion, and accessibility” and deny transgender people’s  
15 identities. Worse yet, DOT has imposed these conditions in a manner expressly designed to create  
16 contradictions with state laws and requirements and expose Shoreline to civil and criminal liability  
17 under the False Claims Act (“FCA”).

18 4. Specifically, and as set out below, Shoreline challenges the following conditions:  
19 certifying that the grant recipient does not operate any diversity, equity, and inclusion initiatives  
20 that violate applicable federal anti-discrimination laws or promote “gender ideology”; and  
21 requiring Shoreline’s agreement that its compliance in all respects with federal nondiscrimination  
22 laws is material to the federal government’s payment decisions for purposes of the FCA.

23 5. These new conditions put Shoreline in an untenable catch-22: The City can either  
24 reject the newly and improperly imposed (and impossibly vague) funding conditions, thus risking  
25 losing its committed federal grants and contracts and halting the subsequent phases of this vital  
26 planned project entirely—resulting in the loss of millions of dollars, delaying crucial  
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1 improvements, and prolonging unsafe transportation conditions around what will no doubt become  
2 one of the busiest local transit hubs within City limits—or it can accept the conditions and face  
3 unjustified FCA investigations and lawsuits, as well as significant financial hardship and  
4 uncertainty.

5 6. Defendants cannot lawfully put Shoreline to that choice. In our constitutional  
6 system, Congress makes the laws. The executive branch cannot unilaterally leverage funding  
7 Congress appropriated for specific purposes to advance the executive’s own unrelated policy goals.  
8 Separation of powers does not allow such action.

9 7. Defendants’ attempts to impose the new grant conditions also violate the  
10 Administrative Procedure Act (“APA”). Defendants have exceeded their authority, acted in  
11 conflict with governing law, failed to follow required rulemaking procedures, and acted arbitrarily  
12 and capriciously. Congress did not authorize DOT to impose new grant funding conditions. The  
13 new grant conditions are unrelated to and will not assist in effectuating the purposes of the funding  
14 or the RAISE program. The new grant conditions also are void for vagueness and violate due  
15 process.

16 8. Courts across the country have consistently ruled that grant conditions similar (or  
17 even identical) to those imposed on Shoreline are unlawful and unconstitutional. Shoreline  
18 deserves nothing less than the same results.

19 **II. PARTIES**

20 9. Plaintiff City of Shoreline is a municipal corporation organized and existing under  
21 and by virtue of the laws of the State of Washington.

22 10. Defendant Sean Duffy is the Secretary of the United States Department of  
23 Transportation, the highest-ranking official in DOT, and is responsible for the decisions of DOT.  
24 He is sued in his official capacity.

25 11. Defendant Department of Transportation is an executive department of the United  
26 States federal government. 42 U.S.C. § 3532(a); 49 U.S.C. § 102(a). DOT has responsibility for  
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1 implementing the federal grant program at issue in this action, including through the Federal  
2 Highway Administration. DOT is an “agency” within the meaning of the APA. 5 U.S.C. § 551(1).

3 **III. JURISDICTION AND VENUE**

4 12. This Court has subject-matter jurisdiction to adjudicate these claims because this  
5 action arises under the Constitution and laws of the United States, 28 U.S.C. § 1331, and because  
6 Defendants are United States agencies and officials, 28 U.S.C. § 1346(a)(2).

7 13. This Court may grant declaratory, injunctive, and other relief pursuant to 28 U.S.C.  
8 §§ 2201–2202, 5 U.S.C. §§ 705, 706, and the Court’s inherent authority to enjoin federal officials  
9 from acting unlawfully.

10 14. Venue is appropriate under 28 U.S.C. § 1391(e) in the Western District of  
11 Washington because Plaintiff resides in this district and will use and distribute federal funding in  
12 this district.

13 **IV. FACTUAL AND LEGAL BACKGROUND**

14 **A. Congress Created DOT to Facilitate Speedy, Safe, and Efficient Transportation**  
15 **Nationwide.**

16 **1. FHWA’s RAISE Grant Program**

17 15. Congress established DOT in 1966 “to assure the coordinated, effective  
18 administration of the transportation programs of the Federal Government.” Department of  
19 Transportation Act, 1966, Pub. L. 89-670, 80 Stat. 931. DOT administers both competitive and  
20 formula grant programs. In administering grant programs, DOT often acts through its operating  
21 administrations, including FHWA. By law, the DOT Secretary is responsible for all acts taken by  
22 its operating administrations and the administrators of FHWA report directly to the DOT  
23 Secretary. 49 U.S.C. § 104(b)(1), (c)(1); *see also* 49 C.F.R. pt. 1 (organization and authority of  
24 DOT).

25 16. Congress has established by statute a variety of grant programs administered by  
26 DOT, acting through FHWA, that provide federal funds to state and local governments for road  
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1 and street infrastructure projects. These include, but are not limited to, programs codified in Title  
2 23 of the U.S. Code and the Infrastructure Investment and Jobs Act of 2021, Pub. L. 117-58, 135  
3 Stat. 429.

4 17. The Infrastructure Investment and Jobs Act included the Local and Regional Project  
5 Assistance Program, which authorized the DOT Secretary to award grants for “capital investments  
6 in surface transportation infrastructure.” 49 U.S.C. § 6702(b)(1). Congress instructed the DOT  
7 Secretary to consider, as the “primary selection criteria” for a grant, the extent to which a project:  
8 (a) improves safety; (b) improves environmental sustainability; (c) improves the quality of life of  
9 rural areas or urbanized areas; (d) increases economic competitiveness and opportunity, including  
10 increasing tourism opportunities; (e) contributes to a state of good repair; and (f) improves mobility  
11 and community connectivity. 49 U.S.C. § 6702(d)(3).

12 18. Congress further instructed the DOT Secretary to consider “additional selection  
13 criteria,” including the extent to which (a) the project sponsors collaborated with other public and  
14 private entities; (b) the project adopts innovative technologies or techniques (including (i)  
15 innovative technology; (ii) innovative project delivery techniques; and (iii) innovative project  
16 financing); (c) the project has demonstrated readiness; and (d) the project is cost effective. 49  
17 U.S.C. § 6702(d)(4).

18 19. Congress also required that DOT’s evaluation of whether each application meets  
19 the statutory selection criteria or criteria “otherwise established by the Secretary” must be “through  
20 a methodology that is discernible and transparent to the public.” 49 U.S.C. § 6702(d)(5)(A).

21 20. To implement the Local and Regional Project Assistance Program, DOT created  
22 the RAISE program.<sup>1</sup>

23 21. In fulfillment of the statutory authorization of FHWA grant programs, including  
24 the RAISE Program, Congress annually appropriates funding for FHWA grants. In appropriations

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26 <sup>1</sup> On or about January 27, 2025, the Trump Administration renamed the RAISE program to the Better Utilizing  
27 Investments to Leverage Development (“BUILD”) program. Fed. Highway Admin. Freight Mgmt. and Operations  
Office of Operations, *BUILD Discretionary Grants* (last updated July 1, 2025), <https://perma.cc/A22L-V5BA>  
(captured Apr. 10, 2026).

1 legislation, Congress sets forth priorities and directives to the DOT Secretary with respect to  
2 transportation funding, but Shoreline is not aware of Congress ever imposing or authorizing  
3 directives for or conditions on FHWA grants related to a prohibition on diversity, equity, and  
4 inclusion (“DEI”), diversity, equity, inclusion, and accessibility (“DEIA”), or gender identity. *See,*  
5 *e.g.*, Consolidated Appropriations Act, 2021, Pub. L. 116-260, 134 Stat. 1835–1842; Consolidated  
6 Appropriations Act, 2022, Pub. L. 117-103, 136 Stat. 697–705; Consolidated Appropriations Act,  
7 2023, Pub. L. 117-328, 136 Stat. 5109–5117; Consolidated Appropriations Act, 2024, Pub. L. 118-  
8 42, 138 Stat. 315–324; Full-Year Continuing Appropriations and Extensions Act, 2025, Pub. L.  
9 119-4, 139 Stat. 9–47; Continuing Appropriations, Agriculture, Legislative Branch, Military  
10 Construction and Veterans Affairs, and Extensions Act, 2026, Pub. L. 119-37, 139 Stat. 495–655;  
11 Consolidated Appropriations Act, 2026, Pub. L. 119-75.

12 22. On or about December 14, 2022, DOT issued a Notice of Funding Opportunity  
13 (“NOFO”) for Fiscal Year (“FY”) 2023 RAISE grants, authorized under the Infrastructure  
14 Investment and Jobs Act, Pub. L. 117-58, Nov. 15, 2021, 135 Stat. 429. The DOT amended the  
15 FY 2023 NOFO on January 3, 2023. U.S. Dep’t of Transp., *Notice of Funding Opportunity for the*  
16 *Department of Transportation’s National Infrastructure Investments (i.e., the Rebuilding*  
17 *American Infrastructure with Sustainability and Equity (RAISE) Grant Program) under the*  
18 *Infrastructure Investment and Jobs Act (“Bipartisan Infrastructure Law”), Amendment No. 2* (Jan.  
19 3, 2023), <https://perma.cc/8JHV-RE8G> (captured Apr. 10, 2026) (“Amended FY 2023 NOFO”).  
20 The Amended FY 2023 NOFO stated that RAISE funds “are for investments in surface  
21 transportation that will have a significant local or regional impact.” *Id.* at 3.

22 23. The Amended FY 2023 NOFO further specified that “[t]he Department seeks to  
23 fund projects under the RAISE Program that improve equity and environmental justice by  
24 addressing transportation-related disparities and climate change-related consequences consistent  
25 with Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities  
26 Through the Federal Government (86 Fed. Reg. 7009) and Executive Order 14008, Tackling the  
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1 Climate Crisis at Home and Abroad (86 Fed. Reg. 7619).” *Id.* at 4. Furthermore, “[t]he Department  
2 also seeks to fund projects that, to the extent possible, target at least 40 percent of resources and  
3 benefits towards low-income communities, disadvantaged communities, communities  
4 underserved by affordable transportation, or overburdened communities.” *Id.* at 4–5, n.4 (defining  
5 “overburdened community” as “Minority, low-income, tribal, or indigenous populations or  
6 geographic locations in the United States that potentially experience disproportionate  
7 environmental harms and risks” as the result of “both environmental and socio-economic  
8 stressors”).

9 24. The Amended FY 2023 NOFO outlines the criteria by which a project would be  
10 selected, specifically evaluating applications on a competitive basis for improvements to “safety;  
11 environmental sustainability; quality of life; mobility and community connectivity; economic  
12 competitiveness and opportunity including tourism; state of good repair; partnership and  
13 collaboration; and innovation.” *Id.* at 1; *see also id.* at 38–57. This selection criteria mirrors the  
14 language contained in the enacting statute. 49 U.S.C. § 6702(d)(3).

15 25. Shoreline submitted a RAISE grant application based on the requirements outlined  
16 in the Amended FY 2023 NOFO.

## 17 2. Shoreline’s RAISE Grant

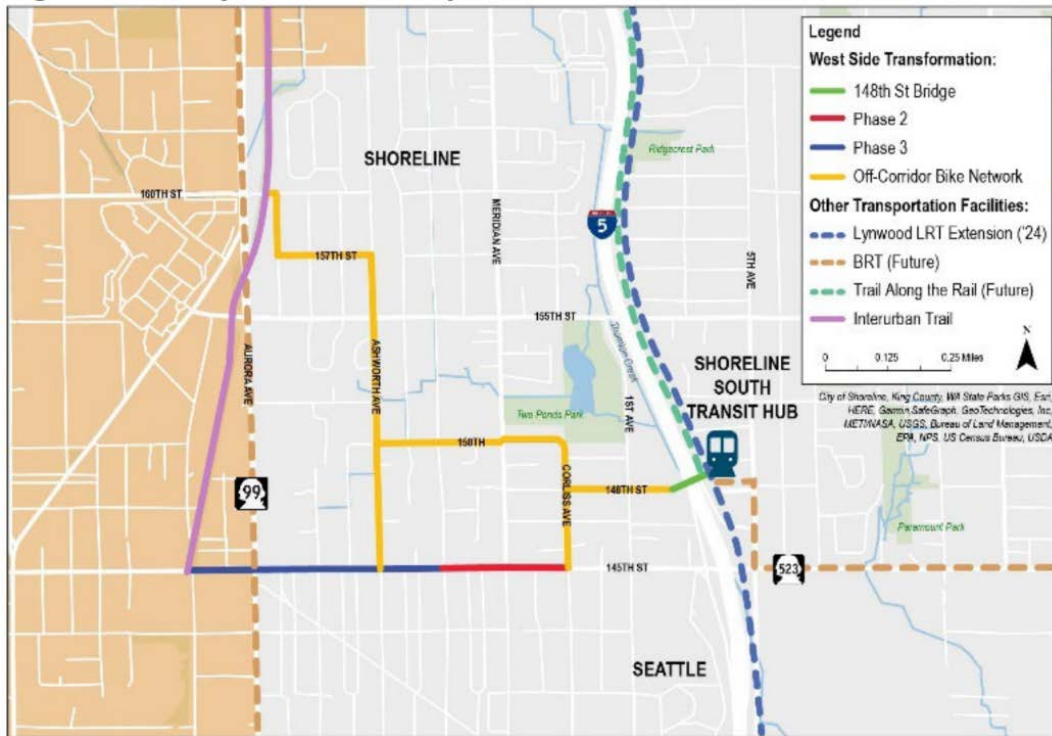
18 26. On or around February 27, 2023, Shoreline applied for a FY 2023 RAISE grant  
19 through the Washington Department of Transportation (“WSDOT”), submitting a proposal for a  
20 \$25 million award to improve transportation access to the Central Puget Sound Regional Transit  
21 Authority’s (“Sound Transit”) station on Shoreline’s southern border. Shoreline’s proposed project  
22 was entitled “West Side Transformation: Multimodal Connections to the Shoreline South Regional  
23 Transit Hub” (“West Side Transformation Project”). The West Side Transformation Project would  
24 complete multimodal connections from the west side of I-5 to the new Sound Transit light rail  
25 station on the east side.

26 27. The West Side Transformation Project represents the culmination of an  
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1 intergovernmental collaboration dating back to 2015 between Shoreline, the State of Washington,  
 2 King County, Sound Transit, and Shoreline’s neighboring cities of Seattle, Bothell, Kenmore, and  
 3 Lake Forest Park.

4 28. The West Side Transformation Project is the remaining part of a larger  
 5 multimillion-dollar project funded by Connecting Washington, State Legislative Funding, Sound  
 6 Transit System Access Funds, King County funds, and City of Shoreline General Funds. Shoreline  
 7 will provide the local match for this portion of the intergovernmental project.

8 29. The West Side Transformation Project consists of three parts: (1) the 145th  
 9 Street/State Route 523 Corridor Project (Phases 2 and 3), (2) the Off-Corridor Bike Network  
 10 Project, and (3) the 148th Street Non-Motorized Bridge Project.



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25 30. The 145th Street/State Route 523 Corridor Project (“Corridor Project”) involves  
 26 road improvements, including ADA accessibility sidewalk enhancements and curb ramps and  
 27 creating left turn lanes and medians to reduce collisions and improve flow. The RAISE-funded

1 portion of the Corridor Project consists of two phases<sup>2</sup>: Phase 2 (Corliss Avenue to Wallingford  
2 Avenue) and Phase 3 (Wallingford Avenue to Linden Avenue). Both phases are currently in design  
3 and entering property acquisition phase, with construction expected to be substantially complete  
4 by 2028.

5 31. The Off-Corridor Bike Network Project (“Bike Network Project”) creates an off-  
6 corridor bike network parallel to 145th Street complete with pavement markings, intersection  
7 improvements, flashing beacons, speed cushions, signage, and connections to the 145th  
8 Corridor/148th Street Station bridge. The Bike Network Project is designed in conjunction with  
9 the Corridor Project to provide bicycle facilities that re-direct bicyclists off this busy corridor and  
10 onto slower paced neighborhood streets.

11 32. Combined, these projects will alleviate traffic congestion, facilitate access to Sound  
12 Transit’s regional light rail system, and enhance transportation mobility, reliability, and safety for  
13 all users: vehicles, pedestrians, bicyclists, transit, and freight.

14 33. The Bridge Project creates a foot bridge over I-5, linking eastern and western  
15 portions of Shoreline by providing non-motorized (pedestrian and bicycle) connectivity to Sound  
16 Transit’s Shoreline South/148th Light Rail Station and a planned bus rapid transit system along  
17 with current and future bicycle networks. This bridge connection will allow residents to access  
18 businesses, parks, and other amenities along with furthering the development of housing within  
19 the area. The Bridge Project will provide a vital new pedestrian/bike connection and will improve  
20 safety, reduce travel times, and improve access to regional light rail and bus transit at the Shoreline  
21 South/148th Station. Like the Corridor Project, the Bridge Project is multi-phased, with Phase 1  
22 including land acquisitions and constructing the bridge landing and related connections on the east  
23 side of I-5; and Phase 2 constructing the bridge span, landing, and connections on the west side of  
24 I-5. Phase 1 will be completed in early 2026 and Phase 2 is anticipated to be completed in mid-

25 \_\_\_\_\_  
26 <sup>2</sup> Phase 1 (I-5 to Corliss Avenue) began construction in 2024 in coordination with the Interchange Project, which  
27 involves the installation of two roundabouts on either side of I-5. Neither Phase 1 nor the Interchange Project are  
part of Shoreline’s RAISE grant. Phase 2 and 3 of the Corridor Project, which are funded by Shoreline’s RAISE  
grant, is a continuation of the about to be completed Interchange Project.

1 2027.

2 34. The West Side Transformation Project will substantially improve overall traffic  
3 flow and safety on the 145th Corridor and improve access to the future light rail station. As of  
4 2023, 80% of Shoreline residents commute outside of the city limits for work, with the majority  
5 traveling into Seattle. The improvements that the West Side Transformation Project provides will  
6 become even more important, as this subarea, now known as the 148th Street Light Rail Station  
7 Subarea, will have nearly 4,000 housing units ready for occupancy in the next few years. This  
8 Subarea has the capacity to build 20,000 housing units (due to mandatory inclusionary zoning  
9 requirements enacted by the City, nearly 20% of these units are anticipated to be affordable) and  
10 opportunities for approximately 9,000 new employees.

11 35. The West Side Transformation Project's proposed improvements would improve  
12 safety for a corridor with a history of high accident rates, with Shoreline's application noting  
13 hundreds of accidents occurring over the past decade. The West Side Transformation Project  
14 would improve safety for non-motorized travelers by widening sidewalks, improve accessibility  
15 for the disabled, and create bicycle infrastructure. The improvements would also provide  
16 environmental benefits via modern stormwater control techniques, low-impact development  
17 principles, and the creation of green space amenity zones that will counter the urban heat island  
18 effect with the planting of street trees.

19 36. On or about June 23, 2023, Shoreline was awarded \$20 million as the designated  
20 subrecipient under the FY 2023 RAISE program, requiring Shoreline to find alternative funding  
21 for the remaining \$5 million requested but not awarded. As a RAISE grant subrecipient, Shoreline  
22 does not receive funding directly from FHWA. Instead, the funding is passed through WSDOT to  
23 Shoreline. Shoreline must submit the required documentation for disbursement of grant funds  
24 reimbursing the funded projects to WSDOT, who then submits the documentation to FHWA.

25 37. In September 2024, a term sheet was executed that stated these funds would be used  
26 as follows:

| Project Portion  | Funds        |
|--|--------------|
| Construction of the 148th Street Non-Motorized Bridge                                | \$6,729,789  |
| Right-of-Way Acquisition for 145th Street Corridor Phase 3                           | \$2,010,800  |
| Construction of 145th Street Corridor Phase 2 and Phase 3, including bicycle network | \$11,259,321 |

The term sheet incorporated by reference FHWA's General Terms and Conditions for the FY 2023 RAISE Program, dated June 23, 2023. The term sheet further stated:

The Recipient acknowledges that the General Terms and Conditions impose obligations on the Recipient and that the Recipient's non-compliance with the General Terms and Conditions may result in remedial action, terminating of the RAISE Grant, disallowing costs incurred for the Project, requiring the Recipient to refund to the USDOT the RAISE Grant, and reporting the non-compliance in the Federal-government-wide integrity and performance system.

There were no special conditions listed under Article 2 of the executed grant agreement.<sup>3</sup>

38. On or around October 3, 2024, a grant agreement for Shoreline's \$20 million RAISE grant was executed. This grant agreement incorporated by reference the FHWA General Terms and Conditions for the FY 2023 RAISE Program dated October 1, 2024. The grant agreement also included the same provision from the term sheet regarding consequences for non-compliance.

**B. Defendants are Improperly Leveraging Federal Funding to Advance President Trump's Unrelated Ideological Vision in Contravention of the Constitution and the Administrative Procedure Act.**

39. Upon taking office in January 2025, President Trump issued a series of Executive Orders that aimed to effect sweeping social changes, including by directing agency heads to impose illegal and unrelated conditions on federal funding. Bolstering that effort, the Administration has announced it will weaponize the FCA to threaten massive liability to federal

<sup>3</sup> Shortly after execution, the grant agreement was amended between WSDOT and FHWA to incorporate only the 2 C.F.R. 200 changes that went into effect in October 2024.

1 funding recipients who do not comply with the Administration’s conditions.

2 **1. The Administration attacks diversity, equity, inclusion, and accessibility**  
3 **programs**

4 40. President Trump issued multiple executive orders attacking DEI and DEIA  
5 initiatives. *See, e.g.*, Exec. Order No. 14151, 90 Fed. Reg. 8339 (Jan. 20, 2025) (entitled “Ending  
6 Radical and Wasteful Government DEI Programs and Preferencing”); Exec. Order No. 14173, 90  
7 Fed. Reg. 8663 (Jan. 21, 2025) (entitled “Ending Illegal Discrimination and Restoring Merit-Based  
8 Opportunity”) (“Anti-DEI Order”).

9 41. These orders reflect a far-ranging plan to eradicate legal diversity, equity, inclusion,  
10 and accessibility considerations and programs that further Congress’s express goals. For instance,  
11 one order directs agencies to terminate all DEI and DEI offices, all “equity” programs, and all  
12 “equity-related” grants or contracts. Exec. Order No. 14151, § 2(b).

13 42. Another order suggests steps to end what it deems “illegal” DEI and DEIA in the  
14 federal government and in the private sector. Anti-DEI Order §§ 3–4. The Anti-DEI Order revokes  
15 multiple diversity-related executive actions issued over the last half century; purports to  
16 “streamline[]” the federal contracting process by ordering a contracting compliance office to  
17 “immediately cease ... [p]romoting diversity”; and directs the Office of Management and Budget  
18 to “[e]xcise references to DEI and DEI principles, under whatever name they may appear,” from  
19 federal funding procedures and to “[t]erminate all ‘diversity,’ ‘equity,’” and similar programs and  
20 activities. *Id.* § 3.

21 43. The Anti-DEI Order does not define “DEI” or “DEIA,” and provides no guidance  
22 on what might make such programs “illegal.” Rather, it espouses a view unsupported by actual  
23 law or jurisprudence that “illegal” DEI is widespread: it laments that “critical and influential”  
24 institutions—including “the Federal Government, major corporations, financial institutions, the  
25 medical industry, large commercial airlines, law enforcement agencies, and institutions of higher  
26 education”—have adopted “dangerous, demanding, and immoral” DEI or DEIA programs “that  
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1 can violate the civil-rights laws.” *Id.* § 1.

2 44. Despite the lack of clarity on what criteria would turn a legal DEI program into an  
3 “illegal” one, the Anti-DEI Order requires federal agency heads to “include in every contract or  
4 grant award” a term requiring each counterparty or grant recipient to “certify that it does not  
5 operate any programs promoting DEI that violate any applicable Federal anti-discrimination laws.”  
6 *Id.* § 3(iv)(B). The requirement that recipients not operate “*any* programs promoting DEI” is not  
7 limited to recipients’ use of the federal funds that are the subject of the contract or grant, but  
8 extends to all recipient activities. *Id.* (emphasis added).

9 45. The Anti-DEI Order mandates that a grant recipient comply with all applicable  
10 Federal anti-discrimination laws and declares that this compliance is “material” for purposes of  
11 the government’s distribution of funds according to the FCA. The Order thus seeks to force grant  
12 recipients to concede, in advance, an essential element of an FCA claim—materiality—without  
13 regard to the facts and circumstances of the award, program, or performance at issue.

14 46. The Anti-DEI Order directs agencies to couple these contract and grant terms with  
15 liberal use of investigations and legal actions “to deter DEI programs or principles ... that  
16 constitute illegal discrimination or preferences.” Anti-DEI Order § 4. The Order is thus a brazen  
17 attempt to allow the government to use FCA investigations and legal actions to target organizations  
18 that have missions or perform work that the government disfavors.

19 47. On February 5, 2025, then-Attorney General Pamela Bondi sent a letter to all  
20 employees of the Department of Justice (“DOJ”). Mem. from Pamela Bondi, Att’y Gen., to All  
21 Dep’t of Just. Emps., *Ending Illegal DEI and DEIA Discrimination and Preferences* (Feb. 5,  
22 2025), <https://perma.cc/KH9Y-A2VQ> (captured June 12, 2025) (“Bondi Memo”). The memo  
23 stated that “the Department of Justice’s Civil Rights Division will investigate, eliminate, and  
24 penalize illegal DEI and DEIA preferences, mandates, policies, programs, and activities in the  
25 private sector and in educational institutions that receive federal funds.” *Id.* The Bondi Memo does  
26 not define “DEI” or “DEIA” or explain what makes a DEI or DEIA program illegal.

1           48.     The DOJ next announced its plans to use the FCA as a “weapon” in combating DEI  
2 and DEIA. Mem. from Todd Blanche, Deputy Att’y Gen., to Heads of Dep’t Components and U.S.  
3 Att’ys, *Civil Rights Fraud Initiative* (May 19, 2025), <https://perma.cc/3W6K-FGHA> (captured  
4 June 12, 2025) (“Blanche Memo”). The Blanche Memo describes the FCA as DOJ’s “primary  
5 weapon” in combatting government waste, fraud, and abuse, and it promises to “vigorous[ly]  
6 enforce[e]” the FCA “against those who defraud the United States by taking its money while  
7 knowingly violating civil rights laws.” The memo orders each of the 93 U.S. Attorneys’ offices  
8 around the country to assign an attorney to this initiative.

9           49.     The Blanche Memo states that the “FCA is implicated whenever a federal  
10 contractor or recipient of federal funds knowingly violates civil rights laws. . . and falsely certifies  
11 compliance with such laws.” *Id.* It also broadly characterizes as unlawful any “knowing []  
12 engag[ement] in racist preferences, mandates, policies, programs, and activities, including through  
13 diversity, equity, and inclusion (DEI) programs that assign benefits or burdens [based] on race,  
14 ethnicity, or national origin.” *Id.*

15           50.     The Blanche Memo seeks to mobilize an FCA strike force, “strongly  
16 encourag[ing]” private parties to file suits under the FCA’s *qui tam* provision, and encourages the  
17 public to report information about “discrimination by federal-funding recipients” to DOJ. *Id.* The  
18 Blanche Memo also states that the initiative will engage the DOJ’s Criminal Division, *id.*,  
19 suggesting that DOJ will invoke the FCA’s criminal penalty provisions, 18 U.S.C. § 287.

20           51.     The Blanche Memo does not explain when DEI would be considered “illegal,” but  
21 a press release announcing the Initiative broadly warns institutions not to “promote divisive DEI  
22 policies.” U.S. Dep’t of Just., *Press Release: Justice Department Establishes Civil Rights Fraud*  
23 *Initiative* (May 19, 2025), <https://perma.cc/ZS6R-B8E9> (captured June 24, 2025).

24           52.     A June 11, 2025, memo announcing the DOJ Civil Division’s enforcement  
25 priorities further confirms the Administration’s plans to aggressively use the FCA as a weapon in  
26 “advanc[ing] the Administration’s policy objectives.” Mem. from Brett A. Shumate, Asst. Att’y  
27

1 Gen., to Civil Division Employees, *Civil Division Enforcement Priorities* (June 11, 2025),  
2 <https://perma.cc/SV3A-NE9F> (captured June 26, 2025).

## 3 **2. The Administration attacks transgender rights**

4 53. The Administration has also launched a broadside attack on the rights of  
5 transgender people that, if effectuated by plaintiffs, would violate numerous municipal, state, and  
6 federal protections by preventing individuals who happen to share this marginalized characteristic  
7 from enjoying equal benefit of publicly funded programs.

8 54. On January 30, 2025, the President issued Executive Order No. 14168, titled  
9 “Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the  
10 Federal Government.” Exec. Order No. 14168, 90 Fed. Reg. 8615 (Jan. 30, 2025) (“Gender  
11 Ideology Order”). That Order announces that “the policy of the United States” is “to recognize two  
12 sexes, male and female,” that are “not changeable and are grounded in fundamental and  
13 incontrovertible reality.” *Id.* § 2. It decries “the erasure of sex” in both “policy” and “language,”  
14 and it commits to using what the Administration considers “accurate language and policy that  
15 recognize women are biologically female, and men are biologically male.” *Id.* § 1.

16 55. The Gender Ideology Order defines “gender ideology” as an ideology that “replaces  
17 the biological category of sex with an ever-shifting concept of self-assessed gender identity,  
18 permitting the *false claim* that males can identify as and thus become women and vice versa, and  
19 requiring all institutions of society to regard this *false claim* as true.” *Id.* § 2(f) (emphasis added).  
20 It states that “[g]ender ideology includes the idea that there is a vast spectrum of genders that are  
21 disconnected from one’s sex,” and that “[g]ender ideology is internally inconsistent, in that it  
22 diminishes sex as an identifiable or useful category but nevertheless maintains that it is possible  
23 for a person to be born in the wrong sexed body.” *Id.* § 2(f). And it states that “gender identity  
24 reflects a fully internal and subjective sense of self, disconnected from biological reality and sex  
25 and existing on an infinite continuum, that does not provide a meaningful basis for identification  
26 and cannot be recognized as a replacement for sex.” *Id.* § 2(g). The Order’s definition is not  
27

1 grounded in science and does not address the conflicts it creates with policies and procedures that  
2 respect the existence and rights of transgender people.

3 56. To accomplish its ideological vision, the Gender Ideology Order makes a host of  
4 directives, including requiring federal agency heads to “take all necessary steps, as permitted by  
5 law, to end the Federal funding of gender ideology.” *Id.* § 3(e). The Gender Ideology Order states  
6 that “[f]ederal funds shall not be used to promote gender ideology” and requires each agency to  
7 “assess grant conditions and grantee preferences and ensure grant funds do not promote gender  
8 ideology.” *Id.* § 3(g).

9 57. The Gender Ideology Order also claims that Title IX of the Educational  
10 Amendments Act does not require “gender-identity based access to single-sex spaces” and  
11 expresses a view that such access “has harmed women.” *Id.* § 3(f).

12 58. The Gender Ideology Order directs the Attorney General to “ensure ... the right to  
13 single-sex spaces in” federally funded entities covered by the Civil Rights Act of 1964 and directs  
14 a host of federal agencies to “prioritize” enforcement of that right. *Id.* § 5.

### 15 C. Defendants Add Unlawful Conditions to Grant Awards

16 59. DOT has applied the Executive Orders by imposing new and unlawful conditions  
17 on grant awards implemented by FHWA, and new agency-wide policy for all DOT awards  
18 (collectively, “DOT Conditions”).

#### 19 1. DOT-wide Conditions

20 60. Executive agency memoranda and letters make clear that the Trump  
21 Administration’s conception of an “illegal” DEI program is contrary to actual nondiscrimination  
22 statutes and is inconsistent judicial interpretation of those statutes. For instance, a February 5, 2025  
23 letter from Attorney General Pam Bondi to DOJ employees states that DOJ’s Civil Rights Division  
24 will “penalize” and “eliminate” “illegal DEI and DEIA” activities and asserts that such activities  
25 include any program that “divide[s] individuals based on race or sex”—potentially reaching  
26 affinity groups or teaching about racial history. Letter from Pam Bondi, Attorney General, to all  
27

1 DOJ Employees (Feb. 5, 2025), <https://perma.cc/24HF-SY4T> (captured Apr. 10, 2026).

2 61. That broad conception is confirmed in a letter from DOT Secretary Sean Duffy to  
3 all recipients of DOT funding stating that “[w]hether or not described in neutral terms, any policy,  
4 program, or activity that is premised on a prohibited classification, including discriminatory  
5 policies or practices designed to achieve so-called [DEI] goals, presumptively violates Federal  
6 Law.” Letter from Sean P. Duffy, Sec’y of Transp., to All Recipients of U.S. Dep’t of Transp.  
7 Funding (Apr. 24, 2025), <https://perma.cc/3KAT-FDJK> (captured Apr. 10, 2026) (“Duffy Letter”).

8 62. The Duffy Letter issued to “all recipients” of DOT funding announced DOT’s  
9 “policy” of imposing immigration enforcement and anti-DEI conditions on all DOT-funded grants  
10 as a requirement of receiving funding. The Duffy Letter makes clear that DOT interprets federal  
11 nondiscrimination law to presumptively prohibit “any policy, program, or activity that is premised  
12 on a prohibited classification, including discriminatory policies or practices designed to achieve  
13 so-called [DEI] goals.” It further asserts that recipients’ “legal obligations require cooperation  
14 generally with Federal authorities in the enforcement of Federal law, including cooperating with  
15 and not impeding U.S. Immigration and Customs Enforcement (ICE) and other Federal offices and  
16 components of the Department of Homeland Security in the enforcement of Federal immigration  
17 law.”

18 63. The Duffy Letter to all recipients of DOT grants (including the FHWA grants)  
19 further addresses the broad scope of the Administration’s anti-DEI agenda and how it expands and  
20 conflicts with established interpretations of federal nondiscrimination law, taking the position that  
21 any policy, program, or activity “designed to achieve so-called [DEI] goals”—even if “described  
22 in neutral terms”—“presumptively” violates federal nondiscrimination laws. The Duffy Letter also  
23 threatens “vigorous[] enforcement,” ranging from comprehensive audits, claw-back of grant funds,  
24 and termination of grant awards to enforcement actions and loss of any future federal funding from  
25 DOT.

26 64. Pursuant to the new policy set forth in the Duffy Letter, DOT and its operating  
27

1 administrations have attached substantially similar conditions relating to discrimination,  
2 immigration enforcement, and executive orders to all grant agreements.

3 65. Additionally, DOT has sought to terminate grants it believes are contrary to  
4 Executive Orders, including the Anti-DEI Order.

5 66. On or about March 11, 2025, Secretary Duffy issued an internal directive to the  
6 Heads of Secretarial Offices and Operating Administrations (“Duffy Memo”). The Duffy Memo  
7 instructed offices to review “competitive award selections made after January 20, 2021, that do  
8 NOT have fully obligated grant agreements or cooperative agreements in place.” Duffy Memo at  
9 1 (emphasis in original).

10 67. The Duffy Memo stated that the focus of the review was to “identify project scope  
11 and activities that are allocating funding to advance climate, equity, and other priorities counter to  
12 the Administration’s Executive Orders.” Id.

13 68. Specifically, the Duffy Memo sought to “identify programs for which award  
14 selections may have included any of the following elements: equity activities, Diversity, Equity,  
15 and Inclusion (DEI) activities, climate change activities, environmental justice (EJ) activities,  
16 gender-specific activities, when the primary purpose is bicycle infrastructure (i.e., recreational  
17 trails and shared-use paths, etc.), electric vehicles (EV), and EV charging infrastructure.” Id. at 2.

18 69. It further required “project-by-project” review of any “project scope elements for  
19 potential removal” if the project met the following criteria: “[s]tatutory language includes equity  
20 requirements, climate considerations, or bicycle infrastructure; NOFO mandatory evaluation  
21 criteria includes equity and/or climate requirements; [or] [e]ligible activities included bicycle  
22 infrastructure, EV and/or EV charging infrastructure.” Id.

23 70. Following this project-by-project review, the Duffy Memo instructs DOT and  
24 FHWA leadership to decide if projects could continue in their current form, be revised with a  
25 reduced or modified scope, or be canceled entirely. Id. at 2–3.

1           **2. New FHWA Conditions**

2           71. On April 23, 2025, the FHWA issued Competitive Grant Program General Terms  
3 and Conditions purportedly applicable to all FHWA competitive grants.<sup>4</sup> These terms and  
4 conditions were modified on November 4, 2025 (“2025 FHWA General Terms and Conditions”)  
5 to remove references to immigration enforcement conditions.<sup>5</sup> The November 4, 2025, version is  
6 the current operative version.

7           72. The 2025 FHWA General Terms and Conditions imposed a new condition on all  
8 FHWA competitive grants (including the RAISE program) implementing President Trump’s  
9 directive, as set out in the DEI Order and further explained in the Duffy Letter, to condition federal  
10 grant funds on recipients’ agreement not to promote DEI and to concede this requirement is  
11 material for purposes of the FCA (“FHWA Discrimination Condition”). While FHWA grants have  
12 long required compliance with nondiscrimination laws and have been subject to the FCA, the 2025  
13 FHWA General Terms and Conditions provide:

14           (b) Pursuant to Section (3)(b)(iv)(A), Executive Order 14173, Ending Illegal  
15 Discrimination and Restoring Merit-Based Opportunity, the Recipient agrees that  
16 its compliance in all respects with all applicable Federal anti-discrimination laws is  
material to the government’s payment decisions for purposes of [the FCA].

17           (c) Pursuant to Section (3)(b)(iv)(B), Executive Order 14173, Ending Illegal  
18 Discrimination and Restoring Merit-Based Opportunity, by entering into this  
19 agreement, the Recipient certifies that it does not operate any programs promoting  
20 diversity, equity, and inclusion (DEI) initiatives that violate any applicable Federal  
21 anti-discrimination laws.

22           73. The Exhibits to the 2025 FHWA General Terms and Conditions—dated November  
23 4, 2025 and applicable to FHWA competitive grants—further require the recipient to assure and  
24 certify that it will “comply with all applicable Federal laws, regulations, executive orders, policies,

25 \_\_\_\_\_  
<sup>4</sup> U.S. Dep’t of Transp., *BUILD FY 2025 FHWA General Terms and Conditions (April 23, 2025)*, last updated May  
5, 2025, <https://www.perma.cc/PT95-GRC5> (captured Apr. 10, 2026).

26 <sup>5</sup> U.S. Dep’t of Transp., *BUILD FY 2025 FHWA General Terms and Conditions (November 4, 2025)*, last updated  
27 Nov. 20, 2025, <https://www.perma.cc/E87V-TYAZ> (captured Apr. 10, 2026).

1 guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds  
 2 for this Project” (the “FHWA EO Condition”).<sup>6</sup> The Exhibits list President Trump’s Anti-DEI  
 3 Order and Gender Ideology Order (among other recent Trump Administration executive orders)  
 4 as “provisions” purportedly “applicable” to FHWA competitive grant agreements, with no  
 5 explanation of how those Orders or statutes relate to highway grants or even apply to local  
 6 governments.

7 74. The Duffy Letter to all recipients of DOT grants (including the FHWA grants)  
 8 further addresses the broad scope of the Administration’s anti-DEI agenda and how it expands and  
 9 conflicts with established interpretations of federal nondiscrimination law, taking the position that  
 10 any policy, program, or activity “designed to achieve so-called [DEI] goals”—even if “described  
 11 in neutral terms”—“presumptively” violates federal nondiscrimination laws. The Duffy Letter also  
 12 threatens “vigorous[] enforcement,” ranging from comprehensive audits, claw-back of grant funds,  
 13 and termination of grant awards to enforcement actions and loss of any future federal funding from  
 14 DOT.

### 15 3. New RAISE Program Conditions

16 75. On November 1, 2024, the DOT issued a FY 2025 NOFO for RAISE grants. DOT,  
 17 *FY 2025 Notice of Funding Opportunity, Better Utilizing Investments to Leverage Development*  
 18 *(BUILD) Grant Program* (Nov. 1, 2024), <https://perma.cc/R8XV-N4XK> (captured Apr. 10, 2026)  
 19 (“FY 2025 NOFO”). On January 24, 2025, DOT issued an amended NOFO with several key  
 20 changes. DOT, *FY 2025 Notice of Funding Opportunity, Better Utilizing Investments to Leverage*  
 21 *Development (BUILD) Grant Program, Amendment No. 1* (Jan. 24, 2025), [https://perma.cc/9V49-](https://perma.cc/9V49-249C)  
 22 [249C](https://perma.cc/9V49-249C) (captured Apr. 10, 2026) (“Amended FY 2025 NOFO”). First, DOT renamed the RAISE  
 23 Program to the Better Utilizing Investments to Leverage Development (“BUILD”) Program. *Id.* at  
 24 5, 6. The amendment also “[a]lign[ed] the NOFO with new Executive Orders,” including the Anti-  
 25 DEI Order. *Id.* at 5, 6–7, 47–48. In particular, the Amended FY 2025 NOFO “[c]larifies all grant

26 \_\_\_\_\_  
 27 <sup>6</sup> U.S. Dep’t of Transp., *Exhibits to FHWA Grant Agreements under the Fiscal Year 2025 BUILD Program*,  
 November 4, 2025, <https://www.perma.cc/9USM-P9DJ> (captured Apr. 10, 2026).

1 agreements or contracts *must* include terms that are in compliance with Section 3(C)(iv) of the  
2 [Anti-DEI Order.]” *Id.* at 7 (emphasis added). The Amended FY 2025 NOFO imposes a new  
3 condition requiring recipients to agree that their “compliance in all respects with all applicable  
4 Federal anti-discrimination laws is material to the government’s payment decisions for purposes  
5 of section 3729(b)(4) of title 31, United States Code” and that they “[do] not operate any programs  
6 promoting DEI that violate any applicable Federal anti-discrimination laws.” *Id.* at 48.

7 76. The Amended FY 2025 NOFO also altered the selection criteria for RAISE grants,  
8 deleting considerations of climate change, environmental justice, equity, and  
9 disadvantaged/underserved communities, among other things. *Compare* FY 2025 NOFO at 31–48  
10 *with* Amended FY 2025 NOFO at 30–43. The DOT similarly removed “equity analysis” from the  
11 listed examples of eligible planning projects, as well as references to “equity,” “climate and  
12 sustainability,” “environmental justice,” and considerations of disadvantaged communities  
13 impacted by climate change, pollution, and environmental hazards through the Amended FY 2025  
14 NOFO. *Compare* FY 2025 NOFO at 12, 14–15, 21, 23, 53–55 *with* Amended FY 2025 NOFO at  
15 13, 15–16, 21, 23, 47–48.

16 77. Additionally, the Amended FY 2025 NOFO changed the definition of “Historically  
17 Disadvantaged Communities.” *Id.* at 7. Previously, Historically Disadvantaged Communities were  
18 defined as (a) those identified as disadvantaged in the White House Council on Environmental  
19 Quality’s Climate & Economic Justice Screening Tool, which identifies such communities that  
20 have been marginalized by underinvestment and overburdened by pollution, and (b) any Federally  
21 Recognized Tribe or Tribal entity, whether or not they have land. FY 2025 NOFO at 10. The  
22 Amended FY 2025 NOFO redefined Historically Disadvantaged Communities to have the same  
23 definition as “Area of Persistent Poverty.” Amended FY 2025 NOFO at 11.

24 78. On or around December 15, 2025, DOT issued a NOFO for Fiscal Year 2026. DOT,  
25 *FY 2026 Notice of Funding Opportunity, Better Utilizing Investments to Leverage Development*  
26 *(BUILD) Grant Program* (Dec. 15, 2025), <https://perma.cc/V7EC-EXYR> (captured Apr. 10, 2026)

1 (“FY 2026 NOFO”).

2 79. The FY 2026 NOFO retains the Amended FY 2025 NOFO’s deletion of  
3 considerations of and references to climate change, environmental justice, equity, and  
4 disadvantaged/underserved communities. The FY 2026 also includes some of the same grant  
5 conditions and requirements as the Amended FY 2025 NOFO—in particular, requiring a recipient  
6 to “agree that its compliance in all respects with applicable Federal anti-discrimination laws is  
7 material to the government’s payment decisions for purposes of [the FCA, 31 U.S.C. 3729(b)(4)]”  
8 and to “certify that it does not operate any programs promoting diversity, equity, and inclusion  
9 (DEI) initiatives that violate any applicable Federal anti-discrimination laws” pursuant to the Anti-  
10 DEI Order, “[e]xcept where prohibited by court order . . . .” *Id.* at 48–49. The FY 2026 NOFO  
11 goes on to state: “To the extent a court order bars the implementation or enforcement of one or  
12 more of the provisions with respect to a particular applicant or recipient, [DOT] will not implement  
13 or enforce the relevant provision(s) against that applicant or recipient for as long as the order  
14 remains in place.” The FY 2026 NOFO makes clear that Defendants intend to continue applying  
15 extra-statutory conditions to RAISE grantees in the absence of a court order preventing them from  
16 doing so.

17 80. On or around September 1, 2025—approximately one year after the execution of  
18 the term sheet, and eleven months after the execution of Shoreline’s RAISE grant agreement—  
19 Shoreline received an e-mail from WSDOT Local Programs, explaining that FHWA had updated  
20 the RAISE grant agreement template and particularly noting changes to special terms and  
21 conditions in Article 2 of the agreement. The amended Article 2 stated that DOT would not enforce  
22 or impose the added immigration enforcement special conditions included in the 2025 FHWA  
23 General Terms and Conditions pursuant to an injunction entered in *State of California v. Duffy*,  
24 No. 1:25-cv-00208-JJM-PAS (D.R.I.) (June 19, 2025).

25 81. The September 1, 2025 WSDOT e-mail also attached a draft grant agreement for  
26 Shoreline’s RAISE grant. This draft agreement incorporated by reference the 2025 FHWA General  
27

1 Terms and Conditions described above. The grant agreement also included the same provision  
2 from the term sheet and prior agreement regarding consequences for non-compliance.

3 82. After receiving the September 1, 2025 e-mail from WSDOT, Shoreline sought  
4 clarification regarding the amended 2025 FHWA General Terms and Conditions in conversations  
5 with WSDOT. In response to subsequent written questions regarding the proposed updates to the  
6 RAISE fund agreement, WSDOT responded that changes to the FHWA agreement language were  
7 “not allowed,” and Shoreline had to sign the amendment in order to receive the RAISE funds. On  
8 December 18, 2025, WSDOT again informed Shoreline that the FHWA conditions language could  
9 not be amended.

10 83. Neither the statutory provisions creating the FHWA grants, the relevant  
11 appropriations acts, nor any other legislation authorizes the FHWA or DOT to condition these  
12 funds on the recipient’s certification that it does not “promote DEI”; its compliance with Executive  
13 Orders, including the Anti-DEI and Gender Ideology Orders; or its admission that its compliance  
14 with this prohibition is material for purposes of the FCA. Federal grant recipients must comply  
15 with nondiscrimination and other federal laws. But executive orders and letters from agency heads  
16 cannot change what these laws require under existing court decisions.

#### 17 **4. Court Injunctions Against Unlawful Grant Conditions**

18 84. This Court has already preliminarily enjoined the DOT Conditions that FHWA  
19 recipients cannot use grants: (1) to promote “gender ideology”; (2) to fund and promote abortion;  
20 (3) to facilitate “illegal immigration”; and (4) to promote DEI policies, mandates, and programs,  
21 as reflected in Executive Orders. *City of Seattle v. Trump*, No. 2:25-cv-01435-BJR, --- F. Supp. 3d  
22 ---, 2025 WL 3041905 (W.D. Wash. Oct. 31, 2025) (enjoining HUD, DOT, and Department of  
23 Homeland Security from enforcing anti-DEI and gender ideology conditions); *Martin Luther King,*  
24 *Jr. Cnty. v. Turner*, No. 2:25-cv-00814-BJR, --- F. Supp. 3d ---, 2025 WL 2322763 (W.D. Wash.  
25 Aug. 12, 2025) (enjoining HUD, DOT, and HHS from enforcing anti-DEI, gender ideology, anti-  
26 abortion, and immigration-related conditions).

1           85. Other courts across the country have enjoined federal agencies—including DOT—  
2 from enforcing unlawful conditions similar to the DOT Conditions described above. *See, e.g., State*  
3 *of California v. Duffy*, No. 1:25-cv-00208-JJM-PAS, --- F. Supp. 3d ---, 2025 WL 3072541 (D.R.I.  
4 Nov. 4, 2025) (granting plaintiffs summary judgment and enjoining DOT from enforcing  
5 immigration-related conditions); *New York v. U.S. Dep’t of Justice*, No. 1:25-cv-00345-MSM-  
6 PAS, --- F. Supp. 3d ---, 2025 WL 2618023 (D.R.I. Sept. 10, 2025) (D.R.I. Sept. 10, 2025)  
7 (enjoining Departments of Justice, Labor, Education, and Health and Human Services from  
8 enforcing immigration-related conditions); *Illinois v. FEMA*, No. 25-cv-00206, --- F. Supp. 3d ---  
9 , 2025 WL 2716277 (D.R.I. Sept. 24, 2025) (enjoining DHS from enforcing immigration-related  
10 conditions); *R.I. Coal. Against Domestic Violence, et al. v. Kennedy, Jr.*, No. 25-cv-342-MRD-  
11 PAS, 2025 WL 2988705 (D.R.I. Oct. 23, 2025) (enjoining HUD from enforcing anti-DEI, gender  
12 ideology, and anti-abortion conditions).

13           86. Despite these court orders, on December 15, 2025, DOT posted the RAISE NOFO  
14 for Fiscal Year 2026 (“FY 2026 NOFO”). *See DOT, FY 2026 Notice of Funding Opportunity,*  
15 *Better Utilizing Investments to Leverage Development (BUILD) Grant Program* (Dec. 15, 2025),  
16 <https://perma.cc/DCV6-ZR3S> (captured Apr. 10, 2026). This NOFO continues to include post-  
17 award requirements substantively identical to the FHWA Discrimination Condition, including  
18 compliance with the Anti-DEI Order.

19           **D. Shoreline Faces an Impossible Choice of Certifying Compliance with Illegal**  
20           **Conditions or Forgoing Critical Federal Funding.**

21           87. Defendants’ imposition of the DOT Conditions places Shoreline in an impossible  
22 position. Shoreline must choose between foregoing funding that it has detrimentally relied upon  
23 for years in executing the West Side Transformation Project and accepting and certifying  
24 compliance with conditions that are unlawfully vague, in violation of other constitutional and  
25 statutory requirements, and at odds with its values.

26           88. Shoreline has invested millions of dollars into designing and constructing the  
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1 infrastructure improvements involved in various components of the 148th Street Station access  
2 improvements, including the West Side Transformation Project. These efforts are the culmination  
3 of over a decade's worth of local intergovernmental cooperation and hard work. Shoreline has  
4 already committed substantial resources to seeing these improvements—of which the RAISE-  
5 funded West Side Transformation Project is only a part—through. Work is well under way, with  
6 Shoreline already moving through the design phases into beginning construction, signing  
7 contracts, and acquiring properties (which resulted in displacement of households).

8 89. Combined, these projects are estimated to cost almost \$128 million. Phase 1 of the  
9 Corridor Project and the Interchange Project account for approximately \$90 million, Phase 2 of  
10 the Corridor Project approximately \$20 million, Phase 3 of the Corridor Project approximately \$13  
11 million, and related improvements to Shoreline's bicycle network that will be incorporated in the  
12 Corridor Project is approximately \$1.24 million. RAISE grant funds comprise a significant portion  
13 of the costs for the West Side Transformation Project, contributing an estimated 28-67% of funding  
14 for the various phases of the Corridor Project, the Bike Network Project, and the Bridge Project.

15 90. FHWA's actions have left Shoreline in a position of extreme uncertainty and risk.  
16 If Shoreline lost the RAISE funds, Phases 2 and 3 of the Corridor Project, and Phase 2 of the  
17 Bridge Project relating to the Bike Network Project would be unable to proceed unless alternative  
18 funding were secured—threatening the success of this long-standing regional intergovernmental  
19 endeavor. If Shoreline could not piecemeal together grant funding from other sources, it would  
20 need to provide the funds itself, resulting in other important city programs, services, and projects  
21 being compromised, delayed, or even terminated.

22 91. Because Shoreline is already under contract for the entirety of the Bridge Project,  
23 without the RAISE funds and alternative funding, Shoreline could find itself in breach of contract  
24 for ongoing construction of the Bridge Project, resulting in further legal costs and litigation risk.

25 92. The Corridor Project, the Bridge Project, and the Bike Network Project were  
26 anticipated to provide approximately 275 construction and professional service jobs during the  
27

1 construction of these projects. Loss of these jobs would affect not only the individual workers and  
2 their participation in the local economy, but also Shoreline businesses that rely on these workers.

3 93. Loss of the previously awarded federal funds and future potential funding will harm  
4 Shoreline, its residents, and the neighboring municipalities by delaying or preventing completion  
5 of projects that not only enhance mobility and safety but provide environmental benefits with  
6 improved stormwater treatments, the addition of green spaces, and reduction in emissions and fuel  
7 consumption from decreased traffic congestion and transportation mode shift. The loss of  
8 previously awarded federal funding will also cause budgetary uncertainty that disrupts the long-  
9 term planning required for the design and construction of transportation projects and require  
10 Shoreline to divert its own resources from other planned capital improvements or seek funding  
11 from other sources.

12 94. If Shoreline does not agree to the DOT Conditions, the City would likely be forced  
13 to repay any expended federal funds to FHWA, as well as other federal and state funds. These  
14 funds were originally provided based on Shoreline's commitment to completing the Corridor  
15 Project, the Bridge Project, and the Bike Network Project. Unless Shoreline could piecemeal  
16 together other grant funds or redirect its own funds, these projects could remain incomplete for an  
17 indeterminable time period resulting in long-term mobility and safety impacts to both vehicle,  
18 transit, pedestrian, and bicycle traffic that utilize the 145th Street corridor on a daily basis, along  
19 with vacant properties being susceptible to vagrancy and having little to no resale value.

20 95. Shoreline took on substantial risk in moving forward a suite of projects to provide  
21 a safe multimodal transportation system that, given the recently completed light rail station on this  
22 street and its freight network connectivity, benefits the entire region. Most funding sources for  
23 safety and multimodal corridor improvements are limited and alone cannot provide the funding  
24 needed to construct a large capital project. The RAISE grant made these projects possible, and  
25 without the RAISE funding, there is no clear path for completing these projects. Without the  
26 RAISE grant, Shoreline would be required to expend further resources to re-strategize and  
27

1 determine what, how, and whether the improvements could be accomplished. If Shoreline loses  
 2 RAISE funding and no longer has complete project funding for the projects, Shoreline may need  
 3 to return other awarded funding secured through difficult competitive processes, which would  
 4 negatively affect Shoreline’s ability to be awarded funds in the future.

5 96. The Corridor Project encompasses 145th Street/State Route 523, which has been  
 6 identified as a high-injury corridor due to its high concentration of traffic-related serious injuries  
 7 and fatalities over the past decade. During this time frame, there were 12 serious injuries and  
 8 fatalities, which resulted in a concentration of 8.5 serious injuries and fatalities per mile. Without  
 9 the Corridor Project, the Bridge Project, and the Bike Network Project, Shoreline anticipates the  
 10 continuation of—and potential increase—in serious and fatal collisions. As more people utilize the  
 11 148th Street light rail station, more people will be at risk for traffic accidents.

## 12 V. CLAIMS FOR RELIEF

### 13 COUNT I

#### 14 Violation of the Spending Clause and Separation of Powers

15 97. The paragraphs above are incorporated and reasserted as if fully set forth here.

16 98. This Court has inherent equitable power to enjoin executive conduct that violates  
 17 the Constitution. *See Free Enter. Fund v. Pub. Co. Acct. Oversight Bd.*, 561 U.S. 477, 491 n.2  
 18 (2010).

19 99. The Spending Clause of the Constitution provides: “The Congress shall have Power  
 20 To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the  
 21 common Defence and general Welfare of the United States; but all Duties, Imposts and Excises  
 22 shall be uniform throughout the United States.” U.S. Const. art. I, § 8, cl. 1. The Spending Clause  
 23 vests the power of the purse, including the power to attach conditions to the expenditure of federal  
 24 funds, exclusively with Congress. *City & Cnty. of San Francisco v. Trump*, 897 F.3d 1225, 1231  
 25 (9th Cir. 2018)); *see* U.S. Const., art. I, § 8, cl. 1; *id.*, § 9, cl. 7.

26 100. Duly enacted statutes establish grant programs for specified purposes, and  
 27 Congress has consistently appropriated funding for those programs. Nothing in those laws

1 authorizes the Executive Branch to impose the DOT Conditions. Defendants may not lawfully  
2 condition funding on the DOT Conditions, which are nowhere to be found in statute, and which  
3 Congress did not authorize Defendants to impose.

4 101. Defendants’ imposition of each challenged condition violates the Spending Clause  
5 and separation of powers by infringing on Congress’s legislative authority and power of the purse,  
6 failing to faithfully execute Congress’s laws, and attempting to amend, modify, or partially veto  
7 duly enacted legislation.

8 **COUNT II**  
**Ultra Vires**

9 102. The paragraphs above are incorporated and reasserted as if fully set forth here.

10 103. This Court has inherent equitable power to enjoin and declare unlawful executive  
11 ultra vires conduct. *R.I. Dep’t of Env’t Mgmt. v. United States*, 304 F.3d 31, 42 (1st Cir. 2002); *see*  
12 *also Armstrong v. Exceptional Child Center, Inc.*, 575 U.S. 320, 327 (2015); *Pinnacle Armor, Inc.*  
13 *v. United States*, 648 F.3d 708, 718–19 (9th Cir. 2011). An agency acts ultra vires when it “plainly  
14 acts in excess of its delegated powers.” *Fresno Cmty. Hosp. & Med. Ctr. v. Cochran*, 987 F.3d  
15 158, 162 (D.C. Cir. 2021) (cleaned up).

16 104. No statute, constitutional provision, or other source of law authorizes Defendants  
17 to impose the DOT Conditions.

18 105. The DOT Conditions are ultra vires, and Defendants must be enjoined from  
19 implementing or enforcing them.

20 **COUNT III**  
**Violation of the Fifth Amendment Due Process Clause**

21 106. The paragraphs above are incorporated and reasserted as if fully set forth here.

22 107. The Due Process Clause of the Fifth Amendment provides that “[n]o person shall .  
23 . . . be deprived of life, liberty, or property, without due process of law.” U.S. Const. amend. V.

24 108. Due process requires that parties “know what is required of them so they may act  
25 accordingly.” *F.C.C. v. Fox Television Stations, Inc.*, 567 U.S. 239, 253 (2012) (citing *United*  
26

1 *States v. Williams*, 553 U.S. 285, 304 (2008)).

2 109. The DOT Conditions are unconstitutionally vague. They fail to provide grantees  
3 notice of what conduct is prohibited and fail to specify clear standards for enforcement,  
4 encouraging arbitrary and discriminatory application of the law.

5 110. The FHWA Discrimination Condition is unconstitutionally vague because it fails  
6 to provide fair notice of what constitutes a violation of federal antidiscrimination laws in view of  
7 the DOT Policy forbidding “promot[ion of] diversity, equity, and inclusion (DEI) mandates,  
8 policies, programs, or activities that violate any applicable Federal antidiscrimination laws.” No  
9 DOT policy or other guidance, nor the Anti-DEI Order, provides any detail on the Administration’s  
10 view of what might make any given purported DEI or DEIA program violate antidiscrimination  
11 laws.

12 111. The FHWA EO Condition is unconstitutionally vague because, among other  
13 reasons, Executive Orders are issued by the President to direct the Executive Branch—they are not  
14 laws and do not impose legal requirements or obligations on private parties like federal grantees,  
15 leaving grantees to guess as to what it means to violate an Executive Order. In addition, it is unclear  
16 how Shoreline could comply with Executive Orders while also complying with its own local law.  
17 The FHWA EO Condition also purports to incorporate all executive orders, leaving grantees  
18 uncertain how to treat Executive Orders entirely irrelevant to their programs, including those that  
19 predate this administration.

20 112. The vagueness of these conditions threatens Shoreline’s property interest in its  
21 grant funds and in its own non-federal funds that could be subject to FCA damages and penalties.

22 113. The DOT Conditions are unconstitutionally vague in violation of Fifth Amendment  
23 Due Process guarantee, and Defendants must be enjoined from enforcing or implementing them.

24 **COUNT IV**

25 **Violation of the Tenth Amendment (Anti-Commandeering/Coercion)**

26 114. The paragraphs above are incorporated and reasserted as if fully set forth here.

27 115. The Tenth Amendment provides that “[t]he powers not delegated to the United

1 States by the Constitution, nor prohibited to it by the States, are reserved to the States respectively,  
2 or to the people.” U.S. CONST. amend X.

3 116. Under the Tenth Amendment, the federal government may not “coerce[ ] a State to  
4 adopt a federal regulatory system as its own.” *Nat’l Fed’n of Indep. Bus. v. Sebelius*, 567 U.S. 519,  
5 578 (2012). Coercion occurs when “pressure turns into compulsion.” *Id.* at 580.

6 117. Courts in the Ninth Circuit have found coercion under the Tenth Amendment where  
7 the application of executive orders “would have significant effects on [localities’] ability to provide  
8 services to their residents and ... they may have no legitimate choice regarding whether to accept  
9 the government’s conditions in exchange for those funds.” *Cnty. of Santa Clara v. Trump*, 250 F.  
10 Supp. 3d 497, 533 (N.D. Cal. 2017).

11 118. The potential loss of all federal funding placed at risk by the DOT Conditions  
12 applying Executive Orders—specifically, the Anti-DEI and Gender Ideology Orders—here is  
13 coercive under the Tenth Amendment. The Orders thus violate the anti-commandeering principle  
14 of the Tenth Amendment.

15 119. Shoreline is entitled to a declaration that the Anti-DEI and Gender Ideology Orders  
16 violate the anti-commandeering principle of the Tenth Amendment.

17 120. Shoreline is further entitled to a preliminary and permanent injunction preventing  
18 all federal departments and agencies from enforcing or implementing the Orders by taking any  
19 action to withhold, freeze, or condition federal funds from Shoreline.

## 20 **COUNT V**

### 21 **Violation of the Administrative Procedure Act: In Excess of Statutory Authority**

22 121. The paragraphs above are incorporated and reasserted as if fully set forth here.

23 122. The APA provides that a court “shall” “hold unlawful and set aside agency action”  
24 found to be “in excess of statutory jurisdiction, authority, or limitations, or short of statutory right.”  
25 5 U.S.C. § 706(2)(C).

26 123. The inclusion of the new funding conditions in Shoreline’s award is final agency  
27 action reviewable under 5 U.S.C. § 704. The DOT’s decision to incorporate the DOT Conditions

1 in awards, as reflected in Shoreline’s award agreement, is final. The inclusion of those conditions  
2 determines Shoreline’s rights and obligations and produces legal consequences because it imposes  
3 requirements and restrictions on awardees as a condition of accepting the funding.

4 124. Congress has not authorized Defendants to impose any of the DOT Conditions.  
5 Defendants therefore acted in excess of their statutory authority in imposing them. *See Washington*  
6 *v. U.S. Dep’t of Homeland Sec.*, 614 F. Supp. 3d 863, 868 (W.D. Wash. 2020) (“[A]dministrative  
7 agencies may not act outside the scope of the authority delegated to them by Congress.”).

8 125. Defendants’ imposition of the DOT Conditions in Shoreline’s award must be  
9 declared unlawful and set aside as “in excess of statutory jurisdiction, authority, or limitations.”

10 **COUNT VI**

11 **Violation of the Administrative Procedure Act: Contrary to Law**

12 126. The paragraphs above are incorporated and reasserted as if fully set forth here.

13 127. The APA provides that a court “shall” “hold unlawful and set aside agency action”  
14 found to be “not in accordance with law.” 5 U.S.C. § 706(2)(A).

15 128. DOT’s decision to impose the DOT Conditions on Shoreline’s grant is a final  
16 agency action under 5 U.S.C. § 704, as it determines Shoreline’s rights and obligations and  
17 produces legal consequences by requiring Shoreline to certify its adherence to these conditions to  
18 receive funding.

19 129. Through the 2025 FHWA General Terms and Conditions, DOT has sought to  
20 impose the Anti-DEI Order on Shoreline and to eliminate grant funding for recipients such as  
21 Shoreline that have DEIA programs and activities without defining what types of programs and  
22 activities are banned as “DEI” or “DEIA” and without any prior determinations of their illegality  
23 by the federal courts.

24 130. Through the 2025 FHWA General Terms and Conditions, DOT has also sought to  
25 impose the Gender Ideology Order on Shoreline and conditioned federal funds on a requirement  
26 that recipients refrain from engaging in “gender ideology,” a vague term used by the federal  
27 government making it unclear how Shoreline is to comply.

1 131. DOT’s actions are contrary to constitutional right, power, privilege, or immunity in  
2 violation of 5 U.S.C. § 706(2)(B), as more particularly described in Counts I and III above.

3 132. The DOT Conditions conflict with various existing statutes and regulations. For  
4 example, the DOT Conditions (including the requirement of compliance with the Anti-DEI and  
5 Gender Ideology Orders) conflict with DOT regulations requiring a recipient of grant funds “take  
6 affirmative action to remove or overcome the effects of . . . prior discriminatory practice or usage”  
7 where that “prior discriminatory practice or usage tends, on the grounds of race, color, or national  
8 origin to exclude individuals from participation in, to deny them the benefits of, or to subject them  
9 to discrimination . . . .” 49 C.F.R. § 21.5(b)(7).

10 133. The DOT Conditions also conflict with Shoreline’s own local resolutions, training,  
11 and programs.

12 134. On September 10, 2001, the Shoreline City Council adopted Resolution 176  
13 declaring the City’s commitment to embracing the increasing diversity and multiculturalism of its  
14 community; its values of mutual respect, collaboration, tolerance, and inclusiveness; and its  
15 support for a safe, fair, and equitable environment for all. *See* City of Shoreline, Wash., Res. No.  
16 176 (Sept. 10, 2001).

17 135. On January 23, 2017, the Shoreline City Council unanimously adopted Resolution  
18 401 declaring and reiterating the City of Shoreline to be an inviting, equitable, and safe community  
19 for all. The resolution states, “As leaders in the community, we have a special responsibility not  
20 to stay silent in the face of discrimination, harassment or hate against any of our residents, and we  
21 choose to be a leader in protecting human rights, equity, public safety and social well-being.” City  
22 of Shoreline, Wash., Res. No. 401 (Jan. 23, 2017).

23 136. On November 30, 2020, the Shoreline City Council adopted Resolution 467  
24 committing to becoming an anti-racist community by, among other things, “advocat[ing] locally  
25 for relevant policies that improve the condition of communities of color” and “support[ing] local,  
26 state, regional, and federal initiatives that advance efforts to dismantle systemic racism.” City of  
27

1 Shoreline, Wash., Res. No. 467 (Nov. 30, 2020).

2 137. On February 24, 2025, the Shoreline City Council adopted Resolution 542,  
3 committing to protect the rights of and uplift the voices and contributions of all individuals,  
4 including LGBTQIA2S+ individuals. *See* City of Shoreline, Wash., Res. No. 542 (Feb. 24, 2025).

5 138. As part of Shoreline’s efforts to promote equity and social justice, in 2016, the City  
6 Council passed Ordinance 728, creating and funding the Diversity and Inclusion Coordinator  
7 position. This position supports the City’s work of fostering an anti-racist, equitable, and  
8 multicultural organization. The coordinator has three main areas of focus: (1) increasing the  
9 capacity of City staff to promote service equity and inclusion, which includes mandatory staff  
10 training on institutionalized racism, working with diverse populations, and evaluating City policies  
11 and procedures through an equity lens; (2) increasing access of City information and services to  
12 diverse communities through focused outreach and community engagement using language  
13 specific resources and intentional and directed outreach to diverse populations; and (3) increasing  
14 community-based support for diverse communities by providing technical assistance and support  
15 to community groups and organizations serving diverse populations to promote multicultural and  
16 anti-racist efforts. *See* City of Shoreline, Wash., Ordinance No. 728 (Nov. 23, 2015).

17 139. DOT’s policy adopting the DOT Conditions, requiring certification of compliance  
18 with DOT Conditions for all DOT grants, and Defendants’ imposition of those conditions on  
19 Shoreline’s award, must be declared unlawful and set aside as “contrary to law” and “contrary to  
20 constitutional right, power, privilege, or immunity.” 5 U.S.C. § 706(2)(B).

## 21 **COUNT VII**

### 22 **Violation of the Administrative Procedure Act: Arbitrary and Capricious**

23 140. The paragraphs above are incorporated and reasserted as if fully set forth here.

24 141. The APA provides that a court “shall” “hold unlawful and set aside agency action”  
25 found to be “arbitrary, capricious, [or] an abuse of discretion.” 5 U.S.C. § 706(2)(A).

26 142. Defendants have made a final decision to impose the DOT Conditions on grants.  
27 That final agency action is reviewable under 5 U.S.C. § 704, as it determines an awardee’s rights

1 and obligations and produces legal consequences by requiring awardees to accept the requirements  
2 and restrictions to receive funding.

3 143. Defendants provided no reasoned explanation for their decision to adopt the DOT  
4 Conditions, nor did they offer any reasonable explanation for including the DOT Conditions in  
5 Shoreline’s award.

6 144. Defendants ignored the factors that Congress required the agencies to consider and  
7 considered factors that Congress did not permit them to consider.

8 145. Defendants failed to consider the serious reliance interests of Shoreline and the  
9 members of the public whom the City serves that are jeopardized by the imposition of the DOT  
10 Conditions.

11 146. In imposing the DOT Conditions, Defendants have failed to consider multiple  
12 important aspects of the problem. There is no indication that Defendants considered the  
13 detrimental impact of the DOT Conditions on the communities served by Shoreline, any alternative  
14 more limited policy change, or Shoreline’s reasonable reliance on the funds or the reliance interests  
15 of communities served by grantees.

16 147. The funding conditions are also arbitrary and capricious because they are so vague  
17 that they do not give grantees adequate notice of what they must do to comply.

18 148. The DOT Conditions are also arbitrary and capricious because they conflict with  
19 binding agency regulations and local law and fail to acknowledge or address those conflicts.

20 **COUNT VIII**  
21 **Violation of the Administrative Procedure Act:**  
22 **Not in Observance of Procedure Required by Law**

23 149. The paragraphs above are incorporated and reasserted as if fully set forth here.

24 150. The APA provides that a court “shall” “hold unlawful and set aside agency action”  
25 found to be “without observance of procedure required by law.” 5 U.S.C. § 706(2)(D).

26 151. As part of this requirement, an agency “must abide by its own regulations.” *Fort*  
27 *Stewart Schs. v. Fed. Labor Rels. Auth.*, 495 U.S. 641, 654 (1990).



- B. Declare unlawful, vacate, and set aside Defendants’ decision to include the DOT Conditions in individual award programs and in individual awards;
- C. Stay the DOT Conditions in Defendants’ policies, in any individual notices of funding opportunity, and in any awarded grants, pursuant to 5 U.S.C. § 705, and issue all other necessary and appropriate process to preserve status or rights pending conclusion of the review proceedings;
- D. Preliminarily and permanently enjoin Defendants, their agents, and all persons acting in concert or participation with Defendants from including any of the DOT Conditions or any substantively similar condition in any NOFOs or awards, from requiring or permitting any funding recipient to impose any of the DOT Conditions or any substantively similar condition on subrecipients, and from otherwise imposing the DOT Conditions or any substantively similar condition on any funding recipient;
- E. Award Plaintiff reasonable costs and attorneys’ fees; and
- F. Grant any other relief that the Court deems fit and proper.

Dated: April 16, 2026

Respectfully submitted,

/s/ Margaret King

Margaret King WA #34886

Julie Ainsworth-Taylor WA #36777

**CITY OF SHORELINE**

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ATTORNEYS FOR PLAINTIFF

*\*pro hac vice motion forthcoming*

JS 44 (Rev. 03/24)

**CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

|  |  |
|--|--|
| <p><b>I. (a) PLAINTIFFS</b></p> <p>City of Shoreline, Washington</p> <p><b>(b) County of Residence of First Listed Plaintiff</b> <u>King County, WA</u><br/><i>(EXCEPT IN U.S. PLAINTIFF CASES)</i></p> <p><b>(c) Attorneys (Firm Name, Address, and Telephone Number)</b></p> <p>(See attachment)</p> | <p><b>DEFENDANTS</b></p> <p>United States Department of Transportation; Sean Duffy, in his official capacity as Secretary of Transportation</p> <p>County of Residence of First Listed Defendant <u>n/a</u><br/><i>(IN U.S. PLAINTIFF CASES ONLY)</i></p> <p>NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.</p> <p>Attorneys (If Known)</p> |
|--|--|

|   |  |                            |   |                            |                            |            |            |                       |                            |                            |   |                            |                            |                          |                            |                            |   |                            |                            |   |                            |                            |                |                            |                            |
|---|--|----------------------------|---|----------------------------|----------------------------|------------|------------|-----------------------|----------------------------|----------------------------|---|----------------------------|----------------------------|--------------------------|----------------------------|----------------------------|---|----------------------------|----------------------------|---|----------------------------|----------------------------|----------------|----------------------------|----------------------------|
| <p><b>II. BASIS OF JURISDICTION</b> <i>(Place an "X" in One Box Only)</i></p> <p><input type="checkbox"/> 1 U.S. Government Plaintiff</p> <p><input checked="" type="checkbox"/> 2 U.S. Government Defendant</p> <p><input type="checkbox"/> 3 Federal Question <i>(U.S. Government Not a Party)</i></p> <p><input type="checkbox"/> 4 Diversity <i>(Indicate Citizenship of Parties in Item III)</i></p> | <p><b>III. CITIZENSHIP OF PRINCIPAL PARTIES</b> <i>(Place an "X" in One Box for Plaintiff and One Box for Defendant)</i></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;"></td> <td style="width:33%; text-align: center;"><b>PTF</b></td> <td style="width:33%; text-align: center;"><b>DEF</b></td> <td style="width:33%;"></td> <td style="width:33%; text-align: center;"><b>PTF</b></td> <td style="width:33%; text-align: center;"><b>DEF</b></td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business In This State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business In Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table> |                            | <b>PTF</b>  | <b>DEF</b>                 |                            | <b>PTF</b> | <b>DEF</b> | Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 | Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 | Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |
|   | <b>PTF</b>   | <b>DEF</b>                 |   | <b>PTF</b>                 | <b>DEF</b>                 |            |            |                       |                            |                            |   |                            |                            |                          |                            |                            |   |                            |                            |   |                            |                            |                |                            |                            |
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**IV. NATURE OF SUIT** *(Place an "X" in One Box Only)* Click here for: Nature of Suit Code Descriptions.

| CONTRACT   | TORTS  | FORFEITURE/PENALTY   | BANKRUPTCY   | OTHER STATUTES   |
|--|--|--|--|--|
| <input type="checkbox"/> 110 Insurance   | <input type="checkbox"/> 310 Airplane                              | <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 | <input type="checkbox"/> 422 Appeal 28 USC 158                         | <input type="checkbox"/> 375 False Claims Act  |
| <input type="checkbox"/> 120 Marine  | <input type="checkbox"/> 315 Airplane Product Liability            | <input type="checkbox"/> 690 Other                                       | <input type="checkbox"/> 423 Withdrawal 28 USC 157                     | <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a))  |
| <input type="checkbox"/> 130 Miller Act  | <input type="checkbox"/> 320 Assault, Libel & Slander              |  | <b>INTELLECTUAL PROPERTY RIGHTS</b>                                    |  |
| <input type="checkbox"/> 140 Negotiable Instrument                                   | <input type="checkbox"/> 330 Federal Employers' Liability          |  | <input type="checkbox"/> 820 Copyrights                                | <input type="checkbox"/> 400 State Reapportionment   |
| <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment       | <input type="checkbox"/> 340 Marine                                |  | <input type="checkbox"/> 830 Patent                                    | <input type="checkbox"/> 410 Antitrust   |
| <input type="checkbox"/> 151 Medicare Act  | <input type="checkbox"/> 345 Marine Product Liability              |  | <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application | <input type="checkbox"/> 430 Banks and Banking   |
| <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) | <input type="checkbox"/> 350 Motor Vehicle                         |  | <input type="checkbox"/> 840 Trademark                                 | <input type="checkbox"/> 450 Commerce  |
| <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits           | <input type="checkbox"/> 355 Motor Vehicle Product Liability       |  | <input type="checkbox"/> 880 Defend Trade Secrets Act of 2016          | <input type="checkbox"/> 460 Deportation   |
| <input type="checkbox"/> 160 Stockholders' Suits                                     | <input type="checkbox"/> 360 Other Personal Injury                 |  | <b>SOCIAL SECURITY</b>   |  |
| <input type="checkbox"/> 190 Other Contract  | <input type="checkbox"/> 362 Personal Injury - Medical Malpractice |  | <input type="checkbox"/> 861 HIA (1395ff)                              | <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations                              |
| <input type="checkbox"/> 195 Contract Product Liability                              |  |  | <input type="checkbox"/> 862 Black Lung (923)                          | <input type="checkbox"/> 480 Consumer Credit (15 USC 1681 or 1692)                                       |
| <input type="checkbox"/> 196 Franchise   |  |  | <input type="checkbox"/> 863 DIWC/DIWW (405(g))                        | <input type="checkbox"/> 485 Telephone Consumer Protection Act   |
|  |  |  | <input type="checkbox"/> 864 SSID Title XVI                            | <input type="checkbox"/> 490 Cable/Sat TV  |
|  |  |  | <input type="checkbox"/> 865 RSI (405(g))                              | <input type="checkbox"/> 495 Securities/Commodities/Exchange   |
|  |  |  |  | <input type="checkbox"/> 890 Other Statutory Actions   |
|  |  |  |  | <input type="checkbox"/> 891 Agricultural Acts   |
|  |  |  |  | <input type="checkbox"/> 893 Environmental Matters   |
|  |  |  |  | <input type="checkbox"/> 895 Freedom of Information Act  |
|  |  |  |  | <input type="checkbox"/> 896 Arbitration   |
|  |  |  |  | <input checked="" type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision |
|  |  |  |  | <input type="checkbox"/> 950 Constitutionality of State Statutes   |

**V. ORIGIN** *(Place an "X" in One Box Only)*

1 Original Proceeding     2 Removed from State Court     3 Remanded from Appellate Court     4 Reinstated or Reopened     5 Transferred from Another District *(specify)*     6 Multidistrict Litigation - Transfer     8 Multidistrict Litigation - Direct File

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*:  
 28 U.S.C. §§ 1331, 2201-2202, 5 U.S.C. §§ 705, 706

Brief description of cause:  
 Challenge to Department of Transportation grant conditions under the Administrative Procedure Act and the Constitution

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.    DEMAND \$ \_\_\_\_\_    CHECK YES only if demanded in complaint: JURY DEMAND:  Yes  No

**VIII. RELATED CASE(S) IF ANY** *(See instructions):*

JUDGE Barbara J. Rothstein    DOCKET NUMBER 2:25-cv-01435; 2:25-cv-00814

DATE April 16, 2026    SIGNATURE OF ATTORNEY OF RECORD /s/ Margaret King

**FOR OFFICE USE ONLY**

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_

**ATTACHMENT TO CIVIL COVER SHEET JS 44**

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Julie Ainsworth-Taylor  
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*\*pro hac vice motion forthcoming*

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT
for the
Western District of Washington

CITY OF SHORELINE, WASHINGTON

Plaintiff(s)

v.

UNITED STATES DEPARTMENT OF
TRANSPORTATION, and SEAN DUFFY, in his
official capacity as the Secretary of Transportation

Defendant(s)

Civil Action No. 2:26-cv-1311

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) United States of America
c/o Civil Process Clerk
United States Attorney's Office for the Western District of Washington
700 Stewart St, Suite 5220
Seattle, WA 98101

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you
are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ.
P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of
the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney,
whose name and address are:

Margaret King
Julie Ainsworth-Taylor
City of Shoreline
17500 Midvale Avenue North
Shoreline, WA 98133
Phone: (206) 801-2221

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint.
You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_.

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_, who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the summons unexecuted because \_\_\_\_\_; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0 \_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

Print

Save As...

Reset

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT
for the
Western District of Washington

CITY OF SHORELINE, WASHINGTON

Plaintiff(s)

v.

UNITED STATES DEPARTMENT OF
TRANSPORTATION, and SEAN DUFFY, in his
official capacity as the Secretary of Transportation

Defendant(s)

Civil Action No. 2:26-cv-1311

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) United States of America
c/o Todd Blanche, Acting United States Attorney General
United States Department of Justice
950 Pennsylvania Ave NW
Washington, DC 20530

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you
are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ.
P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of
the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney,
whose name and address are: Margaret King
Julie Ainsworth-Taylor
City of Shoreline
17500 Midvale Avenue North
Shoreline, WA 98133
Phone: (206) 801-2221

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint.
You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

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was received by me on *(date)* \_\_\_\_\_.

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_, who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*: \_\_\_\_\_

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0 \_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

**Print**

**Save As...**

**Reset**

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Western District of Washington

CITY OF SHORELINE, WASHINGTON

Plaintiff(s)

v.

UNITED STATES DEPARTMENT OF TRANSPORTATION, and SEAN DUFFY, in his official capacity as the Secretary of Transportation

Defendant(s)

Civil Action No. 2:26-cv-1311

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Sean Duffy
United States Department of Transportation
Office of the General Counsel
1200 New Jersey Ave., SE
Washington, DC 20590

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Margaret King
Julie Ainsworth-Taylor
City of Shoreline
17500 Midvale Avenue North
Shoreline, WA 98133
Phone: (206) 801-2221

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

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\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_, who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_; or

I returned the summons unexecuted because \_\_\_\_\_; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0 \_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

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AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT
for the
Western District of Washington

CITY OF SHORELINE, WASHINGTON

Plaintiff(s)

v.

UNITED STATES DEPARTMENT OF
TRANSPORTATION, and SEAN DUFFY, in his
official capacity as the Secretary of Transportation

Defendant(s)

Civil Action No. 2:26-cv-1311

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) United States Department of Transportation
Office of the General Counsel
1200 New Jersey Ave., SE
Washington, DC 20590

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you
are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ.
P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of
the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney,
whose name and address are:

Margaret King
Julie Ainsworth-Taylor
City of Shoreline
17500 Midvale Avenue North
Shoreline, WA 98133
Phone: (206) 801-2221

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint.
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CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 06/12) Summons in a Civil Action (Page 2)

Civil Action No. \_\_\_\_\_

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I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_, who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0 \_\_\_\_\_.

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

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