

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

State of California v. Phillip Del Rosa, et al.

No. 2:23-cv-0743-KJM-SCR (E.D. Cal. Sept. 5, 2025) · No. No. 2:23-cv-0743-KJM-SCR · Decided September 8, 2025

SUMMARY

The United States District Court for the Eastern District of California denies defendants’ motion for reconsideration of an order finding Darren Rose in contempt of a preliminary injunction concerning cigarette deliveries under the PACT Act. The court concludes that defendants did not establish clear error, an intervening change in controlling law, newly discovered evidence, or manifest injustice, and explains that Bracker balancing had already been addressed in the preliminary-injunction proceedings.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	September 8, 2025
DOCKET	No. 2:23-cv-0743-KJM-SCR
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved for reconsideration of an order finding Darren Rose in contempt for violating a preliminary injunction. The district court denied the motion without a hearing.
STANDARD OF REVIEW	Reconsideration of a district court's pretrial decision is generally appropriate only upon newly discovered evidence, clear error or manifest injustice, or an intervening change in controlling law. A motion for reconsideration may not be used to raise arguments or evidence that could reasonably have been presented earlier or to rehash previously presented arguments.
PRECEDENTIAL VALUE	unpublished

TOPICS

- motion for reconsideration
- contempt
- tribal sovereignty
- injunctions
- statutory interpretation

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether defendants established a basis for reconsideration of the contempt order under the standards governing newly discovered evidence, clear error or manifest injustice, or an intervening change in controlling law.
2. Whether the district court was required to reengage in Bracker balancing when determining whether Rose violated an already-issued and affirmed preliminary injunction.

HOLDINGS

1. Reconsideration was unwarranted because defendants did not identify newly discovered evidence, clear error, manifest injustice, or an intervening change in controlling law.
2. The court was not required to reengage in Bracker balancing when finding Rose in contempt because the court had already considered Bracker in issuing the preliminary injunction, and the affirmed injunction clearly prohibited the conduct at issue.

KEY QUOTATIONS

“Having considered Bracker in issuing the preliminary injunction order, the court did not need to reengage in Bracker balancing to find Mr. Rose in contempt of the injunction.” (at 7-14)

“The motion does not identify any legal or factual error in the court’s contempt order. Considered in the context of the procedural history of this case, it appears defendants instead are, once again, attempting to obtain reconsideration of the court’s preliminary injunction order, which has now been affirmed by the Ninth Circuit.” (at 19-25)

FACTUAL BACKGROUND

Azuma Corporation, a tribal corporation owned by the Alturas Indian Rancheria, allegedly distributed cigarettes to retailers owned by other tribes in violation of the PACT Act. The court entered a preliminary injunction prohibiting Darren Rose from completing or causing cigarette deliveries in California on Azuma's behalf in violation of 15 U.S.C. § 376a(e)(2)(A), and the Ninth Circuit affirmed the injunction. Rose later implemented a delivery method involving third-party pickups on the Tribe's reservation; the district court found that method violated the injunction, held Rose in contempt, and imposed \$68,000 in sanctions. Defendants sought reconsideration based on the court's alleged failure to conduct Bracker balancing in the contempt proceeding.

PROCEDURAL HISTORY

California brought claims alleging that Azuma Corporation distributed cigarettes in violation of the PACT Act. The court entered a preliminary injunction against Darren Rose, and the defendants unsuccessfully appealed that injunction to the Ninth Circuit. After finding Rose in contempt and imposing \$68,000 in sanctions, the court considered defendants' motion for reconsideration and denied it because the motion identified no clear legal or factual error, newly discovered evidence, intervening change in controlling law, or manifest injustice.

DISPOSITION

other

CASES CITED

- White Mountain Apache Tribe v. Bracker, 448 U.S. 136 (1980)
- California v. Azuma Corp., No. 23-16200, 2024 WL 4131831, at *2 (9th Cir. Sept. 10, 2024)
- City of Los Angeles, Harbor Division v. Santa Monica Baykeeper, 254 F.3d 882, 885 (9th Cir. 2001)
- Sch. Dist. No. 1J, Multnomah Cnty., Or. v. ACandS, Inc., 5 F.3d 1255, 1263 (9th Cir. 1993)
- Kona Enters., Inc. v. Est. of Bishop, 229 F.3d 877, 890 (9th Cir. 2000)
- Carroll v. Nakatani, 342 F.3d 934, 945 (9th Cir. 2003)
- United States v. Navarro, 972 F. Supp. 1296, 1299 (E.D. Cal. 1997), rev'd on other grounds, 160 F.3d 1254 (9th Cir. 1998)

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