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Governor's Office

DEPARTMENT OF JUSTICE

004153

Justice Building
Salem, Oregon 97310
Telephone: (503) 378-4400

August 16, 1985

The Honorable Victor Atiyeh
254 State Capitol
Salem, OR 97310

Re: State of Oregon et al. v. City of Rajneshpuram et al.
Federal District Court of Oregon #84-359-FR

Dear Govenor Atiyeh:

As you may know, the State of Oregon filed a suit last year asking the court to declare that the incorporation of the City of Rajneeshpuram was and is in violation of the Establishment Clause of the First Amendment to the U.S. Constitution. The State has recently filed a Motion for Summary Judgment in that case. This motion has been set for oral argument on October 15, 1985. In preparation for their response to the summary judgment, the defendants have asked for complete discovery of the State of Oregon. The court has granted this request and ordered, August 9, 1985, that this office undertake a search of nineteen named state agencies for additional documents that may meet the needs of the defendants. Your office or agency is one of those named.

Therefore would you please ask your personnel to search in agency files and records for information that is either relevant to outlined subject areas or could lead to information relevant to the subject areas. Please look for documents and information both in support of and in contravention of the allegations of our complaint from which paragraphs B through D of this outline are taken.

A. THE NAMED DEFENDANTS:

1. The City of Rajneeshpuram
2. Rajneesh Foundation International (RFI)
3. Rajneesh Investment Corporation (RIC)
4. Rajneesh Neo-Sannyas International Commune (RNSIC or the Commune)
5. Ma Anand Sheela

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6. Swami Prem Jayananada
7. Ma Yoga Vidya
8. Swami Krishna Deva
9. Ma Prem Archan
10. Swami Deva Sandesh
11. Ma Prem Patipada
12. Ma Deva Jayamala
13. Ma Sat Prabodhi
14. Ma Deva Ritka

B. RELIGIOUS CONTROL OF GOVERNMENTAL FUNCTIONS IN THE CITY
OF RAJNEESHPURAM

1. Corporate Interrelationships. Interrelationship of the religious and nonreligious corporations which own and control all of the real property in and around the City of Rajneeshpuram, described as follows:

a. RFI is the sole owner of RIC, which, in turn, owns all of the real property known as Rancho Rajneesh, including all of the real property, except the county road, within the City of Rajneeshpuram. The Secretary of Bhagwan Shree Rajneesh and President of RFI and her husband constitute a controlling majority of the Board of Directors of RIC.

b. The Commune, which leases all of the real property in and surrounding the City of Rajneeshpuram, is dedicated to creating and maintaining a religious community guided by the teachings of Bhagwan Shree Rajneesh.

c. The Secretary of Bhagwan Shree Rajneesh is the recognized spokesperson for the Commune's religious leader and a power of attorney authorizes her to speak and act for him on all religious matters. The bylaws of the Commune give the Secretary of Bhagwan Shree Rajneesh actual control over admission to and expulsion from membership in the Commune.

d. The bylaws of the Commune designate the Secretary of Bhagwan Shree Rajneesh as an ex officio member of the Commune's governing body. By virtue of the Commune's dedication to Bhagwan Shree Rajneesh and the powers which he has delegated to his Secretary, the Secretary has the power to exercise actual control over the affairs of the Commune.

e. (Residence in the City.) Because the Commune leases and controls all real property within and around the City of Rajneeshpuram, except the county road, no person may reside in the City without the consent of the Commune and the consent of the Secretary of Bhagwan Shree Rajneesh, Ma Anand Sheela. All residents of the City are either members or invitees of the Commune.

2. Visitor Access to the City. The Commune possesses and has exercised substantial direct control over visitor access to the City and visitors' activities within the City.

a. Only a small portion of the City is accessible by means of Wasco County Road 305. Most of the City is accessible only by means of roads owned and operated by the Commune for its members and invitees. City Hall is accessible only by means of a road owned by the Commune and open to the public only during City business hours.

b. All visitors to the City are asked to "check in" at a visitors' center. Visitors have been required to obtain a "visitor's pass" as a condition to frequenting or patronizing any facilities (other than City Hall) which are not located directly on the county road right of way. Visitors have been required to submit to searches as a condition of access to the City.

3. Leaseback to RFI. RFI has the power at any time to require that all or any part of the real property in and surrounding the City of Rajneeshpuram be leased to it for religious purposes.

a. The lease is currently held by the Commune on all the real property in and surrounding the City conveyed to the Commune by RFI in December 1981, prior to the conveyance of the subject real property to RIC from RFI.

b. By the terms of the lease, RFI was granted an option to lease back from the Commune all or any part of the subject property for RFI's use for religious purposes.

c. When RFI subsequently conveyed the subject real property to RIC, it assigned its rights under the lease agreement to RIC. However, in transferring the subject real property to RIC, RFI expressly reserved all leaseback rights under the lease. Thus, RFI retains the power to compel a leaseback for religious purposes.

4. Religious Community. Rajneeshees assert that the development of a religious community at Rancho Rajneesh is the fulfillment of a "religious vision" by the followers of Bhagwan Shree Rajneesh. Work of every kind on the Ranch is purportedly a form of worship according to the tenets of the Rajneesh religion. Work stations conducted by the Commune are called "temples." Each temple is supervised by a "coordinator." Coordinators meet frequently to discuss the work of the Commune. Various City functions, including the provision of police services, are designated by the Commune as temples and are supervised by coordinators.

C. RELIGIOUS PURPOSE OF THE CITY

1. The primary purpose for establishing the City of Rajneeshpuram was to advance the religion of Rajneeshism.

a. The City was founded to fulfill a "religious vision" according to Rajneeshes.

b. Rajneeshes claim that incorporation as a city is necessary to provide essential services to members of their religion in order that they may practice the tenets of that religion.

2. The City is designed to and does function as the "spiritual mecca" for Rajneeshes world-wide. The City is being constructed as a monument to and a residence for Bhagwan Shree Rajneesh. It is designed to serve as the gathering place for Rajneeshes at institutions of religious training and three annual religious festivals.

D. EXCESSIVE ENTANGLEMENT OF GOVERNMENT AND RELIGION
IN THE CITY OF RAJNEESHPURAM

1. The structure of ownership and control of property within the City; the religious affiliations of the residents and government officials of the City; the religious character of the social and economic structure within the City; and the concerted actions by City officials and religious leaders in the planning for religious functions in and around the City, secular and religious effects of governmental action are inextricably intertwined.

E. SOURCES

1. Please list all agency or office personnel, agents, officers, contractors, or informants who have:

a. Visited Rajneeshpuram; indicate whether personal or official visit.

b. Investigated any of the above topics.

c. Provided you or your agency with any information or reports in the above topics.

2. Please list any information received from confidential sources or constituents, and provide us the information and source. Indicate which portions you have received in confidence and the reason for the confidentiality claim.

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This material is due, pursuant to the court order, on September 3, 1985. However, this office will need to organize the material prior to our production to the defendants, so we would appreciate your response as soon as possible. If you have already produced the information to the Department of Justice please indicate. You will not need to produce this material again. If you have produced the material to defendants pursuant to public records requests, please forward material with that notation. Due to our short response time, it would be greatly appreciated if you could forward an extra copy of any documents in your files.

This office understands the time constraint problems that this court order places on you and your personnel. If it is not possible to comply with the order by September 3, 1985, please advise this office immediately, in writing, when you anticipate that you will be able to complete your search. Please call if you have any questions, or if this office can be of any assistance. Thank you in advance for your patience and cooperation.

Very truly yours,

Scott McAlister (373-7044)
Assistant Attorney General

Linda R. Rodgers

Linda R. Rodgers (378-4402)
Assistant Attorney General

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