

Overview of Court Systems

- A. Trial Courts & Appellate Courts:
Characteristics & Interrelationship**
- B. State & Federal Ct Structure &
Characteristics**
- C. Subject Matter Jurisdiction of State &
Federal Courts**
- D. Personal Jurisdiction**
- E. Federalism Complications in the
Judicial System**

A. Trial Courts & Appellate Courts: Characteristics & Interrelationship

Trial Courts:

1. Just 1 judge
2. Conduct trials—with or without jury
3. Hear pre-trial motions.
4. Pre-trial conferences.
5. Research & draft judicial opinions.

Appellate Courts: Intermediate ct of appeals & S.Ct.

Intermediate court of appeals

- a. Panel of 3 Js hears case.
- b. “Appeal as of right”
- c. Main goal: correct trial court errors.

Intermediate cts of appeal (cont'd):

Various methods to resolve disagreement by “panels” on point of law?

1. First panel's holding is mandatory precedent. Only SCt can overrule.
2. First panel's holding is mandatory precedent. But if second panel disagrees, enlarged panel can reverse first.
3. First panel ruling is merely persuasive precedent. If conflict arises, ct can settle “en banc.”

Supreme court:

- a. 5, 7, or 9 “Justices” all hear case *en banc*.
- b. Ct hears appeals as a matter of discretion by granting selected petitions for “writ of certiorari” (latin for “to be informed of”). The “writ” is the decision agreeing to hear the case.
- c. Main goal: oversee development of the caselaw

What Do Appeals Cts Do?

1. Review only the “record.”
2. No new evidence received. No new trial.
3. Just look for errors that are not “harmless.”

Standard of Appellate Review

Standard of appellate review = how much deference the appeals ct should give to the decision below.

Issue of law:

- Standard: “de novo” review = independently, no deference.
- Rationale: Purpose of appellate review is uniform interpretation of law.

Issue of fact—Judge decision of fact:

- a. Standard: finding of fact reversed only for “clear error” = definite & firm belief that a mistake has been committed; lower ct’s finding is not plausible.
- b. Rationale: Trial ct in best position to make credibility determinations based on nonverbal cues; appeals ct just has “cold record”

Issue of fact—Jury determination of fact:

- Standard: finding of fact reversed only if “no substantial credible evidence” to support it = no reasonable mind could reach this decision.
- Rationale: Same as above; plus constitutional right to trial by jury would be taken away by higher standard.

Appellate Court Procedure

1. Notice of appeal
2. Written “briefs” by parties.
3. Short oral argument (15-30 minutes per side), mostly spent answering Js’ questions.
4. Judges confer.
5. Judges issue a decision. Possibility of separate opinions (dissent, concurrence).

Appellate ct procedure (cont'd)

Most common appellate court judgments:

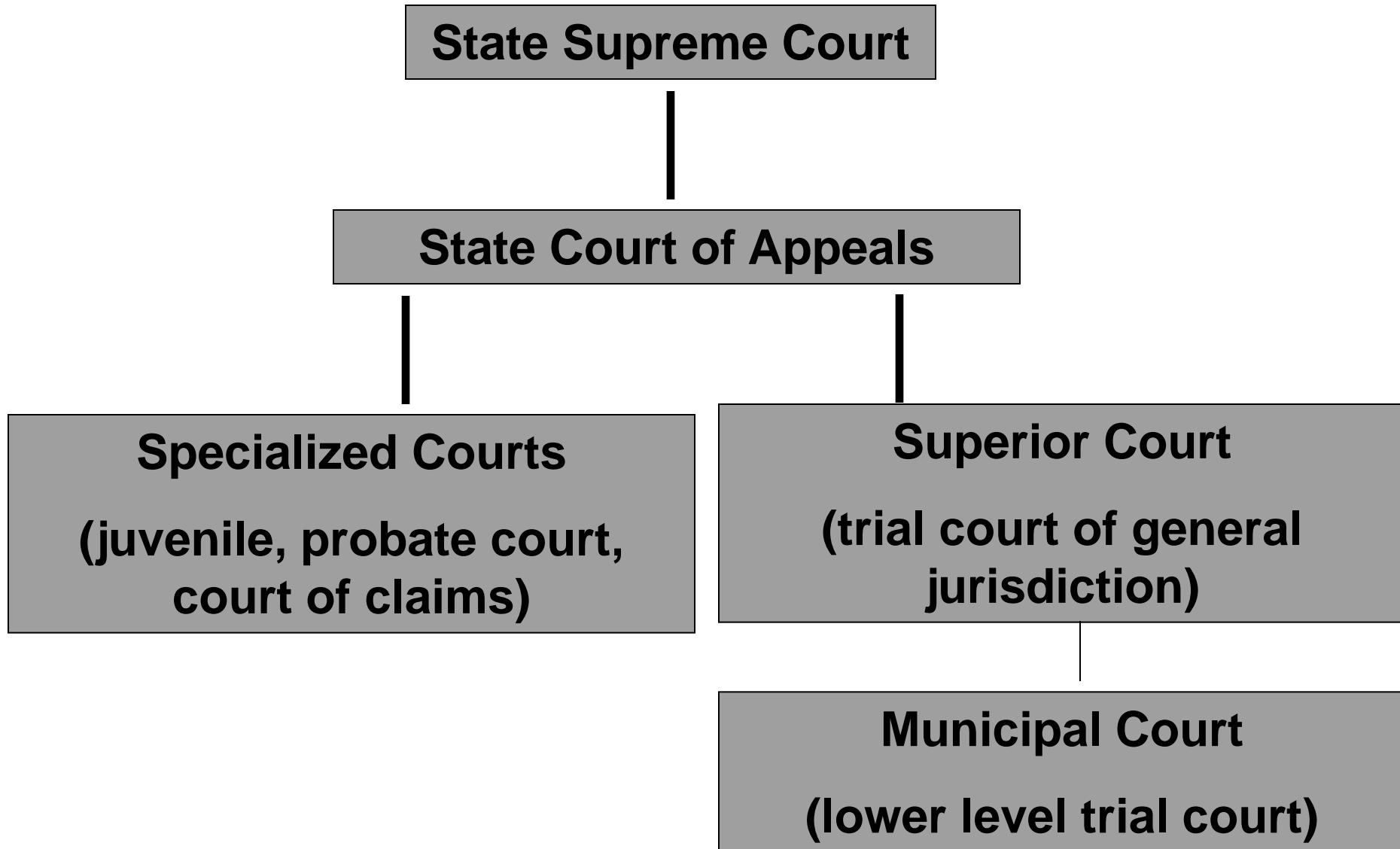
- Affirm = ?
- Vacate = ?
- Reverse = ?.
- Remand = ?

Trial Court Actions That Are Reviewable

1. Final judgment rule: Generally, only one appeal can be made—at end of case.
2. “Interlocutory” appeals:
 - a. Usually require trial ct & appellate ct to agree that issue is close & that efficient to allow interlocutory appeal.

B. State & Federal Ct Structure & Characteristics

State Court Structure



Superior Cts

- General jurisdiction over major civil disputes & “felonies” (maximum possible imprisonment under statute > 1 yr.)

Municipal Cts

- Jurisdiction over civil cases up to a certain amount of money (e.g., \$25,000) and “misdemeanors.”
- Appeal is to single-judge superior ct

Federal Court Structure

U.S. Supreme Court

U.S. Courts of Appeals:

11 Numbered Circuits, District of Columbia Circuit,
Federal Circuit

U.S. District Courts:

94 Divided by Geographic Area

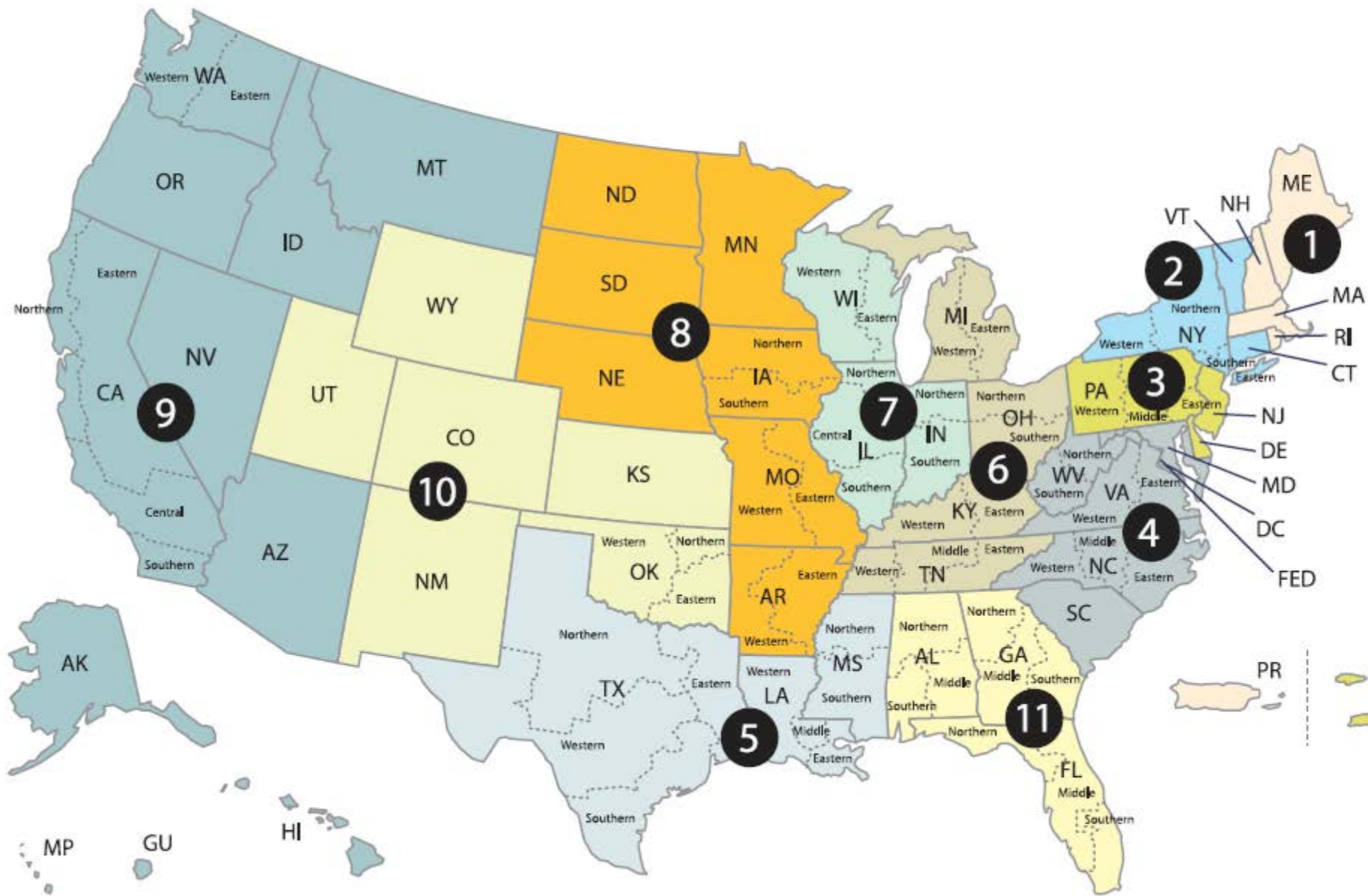
**Courts of Special
Jurisdiction**

(tax, international trade, claims,
foreign intelligence surveillance
court, military appeals, veterans
appeals)

**U.S. Magistrate Judges &
Bankruptcy Court**

Geographic Boundaries

of United States Courts of Appeals and United States District Courts



C. Subject Matter Jurisdiction of State & Federal Courts

State Ct Subject Matter Jurisdiction

State cts have general & unlimited subject-matter jurisdiction over disputes except those prohibited to them by federal law: admiralty, bankruptcy, patent & copyright, securities exchange laws, federal criminal law, antitrust actions.

Federal Courts' Limited Subject Matter Jurisdiction (U.S. Const. art. III)

“The judicial Power shall extend to all Cases ... arising under this Constitution, the Laws of the United States ... [and] to Controversies between ... Citizens of different States.”

Federal Question Jurisdiction

1. “Well-pleaded complaint” rule: Federal question jurisdiction exists only if a federal question is necessarily part of the pl’s claim.
2. Thus, there is no jurisdiction where the federal issue is presented as part of the defense.

Diversity Jurisdiction

1. Complete diversity required.
2. Amount in controversy must be at least \$75,000.
3. What does state citizenship mean?
 - Natural person citizen of state of “domicile.”
 - Corporation citizen of state of incorporation and principal place of business.

Removal

1. If pl files in state ct, def may “remove” to federal court if jurisdiction would have existed to file suit there.

D. Personal Jurisdiction

1. Personal jurisdiction = power of ct to force out-of-state party to respond to lawsuit.
2. Service of process is required to establish personal jurisdiction.
3. Minimum contacts: Constitutional due process requires that for ct to exercise personal jurisdiction party must have sufficient contacts with the state to make it reasonable (“fair play”) to require def to defend a lawsuit brought there. *Int’l Shoe Co. v. Washington* (U.S. 1945).

E. Federalism Complications in the Judicial System

A. Law Applied in Federal & State Cts

1. State-Law Claims in Federal Ct
2. Federal-Law Claims in State Ct
3. Appeals of “Mixed” Cases

B. Simultaneous Litigation in State & Federal Courts.

Summary: State-Law Claims in Federal Ct

Erie Railroad Co. v. Tompkins (U.S. 1938): In diversity cases, the requirement that federal courts must apply state law includes state *common law* because there is no federal common law.

Guaranty Trust Co. v. York (U.S. 1945): The requirement that diversity cases apply state law refers only to *substantive law* not *procedural law*.

Erie Railroad Co. v. Tompkins (U.S. 1938)

- **Parties:** railroad v. injured pedestrian.
- **Procedural history:**
 - Cause of action: negligence
 - Procedure in which error alleged: Denial of def's motion for directed verdict.
 - Judgment below: jury verdict for pl
- **Facts:**
 - Pl on path next to tracks.
 - Struck something sticking out from passing train.

- **Issue/Holding:** Under Art. III, does a federal court hearing a diversity case have the power to apply “federal common law” (rather than state common law) to determine the duty of care a railroad owes a pedestrian on a path next to the tracks?
No.

- Reasoning:

- *Swift v. Tyson* (U.S. 1842) held that in diversity cases courts may apply “federal common law”.
- This encouraged “forum shopping” and prevented “equal protection of the law”: out-of-state parties could avoid get into federal court where federal not state common law would apply.

- Reasoning (cont'd):

- E.g., *Black and White Taxicab Co.* (U.S. 1928): Kentucky cab co. wanted exclusive contract to pick up at local train station but that was prohibited by state common law. The co. reincorporated in Tennessee and then obtained injunction against competition in federal court, which applied “federal common law.”
- There is no such thing as “federal common law” because Art. III doesn’t give courts the power to create it. Our system of federalism gives federal gov’t limited powers and retains state sovereignty.

- Reasoning (cont'd):
 - So *Swift* overruled as unconstitutional power grab by Court.
 - And just like federal courts in diversity cases apply state statutes, so must they apply state common law.

Guaranty Trust Co. v. York (U.S. 1945)

- **Procedural history:** Suit by creditors against corp. heard by federal court with diversity jurisdiction.
- **Issue:** Must a federal court with diversity jurisdiction apply a state statute of limitations if the result is that the claim is time-barred?

- Reasoning (cont'd):
 - Art III balances federal & state power:
 - It limits federal court powers to protect state sovereignty (i.e., state not federal common law applies in diversity cases): That prevents “forum shopping” and promotes “equal protection of the law”.
 - But Art. III power of federal cts to decide cases implies a power to follow own “procedures”.
 - To protect that balance, federal courts in diversity courts must apply state “substantive” law but federal “procedural” law.

- Reasoning (cont'd):
 - “Substantive” law refers to the elements of a claim or defense.
 - “Procedural” law refers to the manner and mode of filing and prosecuting lawsuits, e.g. paper size or service of process.

- Reasoning (cont'd):
 - Here, ambiguous whether statute of limitations is “substantive” or “procedural”
 - Perhaps substantive in that it could be listed as an element of the cause of action, i.e., must file within X years.
 - Perhaps procedural in that court routinely imposes deadlines.

- Reasoning (cont'd):

- Test to distinguish “procedural” from “substantive” rules: a state rule is “substantive” (so must be applied by federal court) if failure to apply it would be “outcome determinative,” i.e. lead to a different result.
- This test is consistent with *Erie* because it prevents forum shopping and promotes equal protection of the law.
- Here, if the federal court were to apply the state statute of limitations to the creditor’s suit, this would be outcome determinative. So the statute of limitations is “substantive” and must be applied by the federal court.

Summary: Federal-Law Claims in State Ct

Brown v. Western Railway (U.S. 1949): In adjudicating a federal claim, a state court must apply a federal procedural rule if the state rule would “unduly interfere” with the federal claim.

Brown v. Western Railway (U.S. 1949)

- **Parties:** injured employee v. railroad
- **Procedural history:**
 - Cause of action: Federal Employer Liability Act, a federal statute authorizing employee claims against railroads for negligence
 - Procedure in which error alleged: Court granted motion to dismiss for failure to state a claim.
- **Facts:** Employee injured when tripped on equipment in the rail yard.

- Issue:

- Does the supremacy clause require that when a state court adjudicates a federal claim (under FEOLA) it must apply a federal procedural rule (on motions to dismiss) where applying the state rule would unduly interfere with the federal claim (i.e., require dismissal)?

- Reasoning:

- Federalism balances federal and state powers:
 - Supremacy clause requires state courts to follow applicable federal substantive laws. (This is necessary to prevent forum shopping and promote equal protection of the law).
 - As a matter of state sovereignty, state courts should be allowed to follow their own procedural rules.
 - To balance these powers, a state court must follow federal a federal procedural rule where necessary to prevent undue interference with the federal claim.

- Reasoning (cont'd):

- Here, different state and federal rules on motions to dismiss:
- Federal rule would draw inferences in favor of the pl: Injury *caused by* company's negligence in allowing dangerous equipment to be left in the yard, so deny motion.
- State rule would draw inferences in favor of the def: Injury *caused by* pl's failure to watch where he stepped, so approve motion.
- Since state rule would “unduly interfere” with the federal claim, the state court must apply the federal rule.

Appeals of “Mixed” Cases

1. U.S. Supreme Ct may hear appeal from state supreme ct on federal law issue.
2. There is no way for an issue of state law decided by a federal ct to be appealed to a state supreme ct. (But some states allow federal cts to “certify” questions of state law to the state supreme ct for an advisory opinion).

B. Simultaneous Litigation in State & Federal Cts

- Resolution by 1st Entry of Judgment.
- Injunctions against Litigation in Another Ct.
- Abstention.

Resolution by 1st Entry of Judgment

1. Under the requirement of “full faith & credit,” state & federal cts must respect each other’s judgments, so there’s a race.

Injunction Against Litigation in Another Ct

1. Anti-Injunction Act: Federal ct may enjoin state ct proceedings only if:
 - a. Expressly authorized by Congress
 - b. Where in necessary in aid of its jurisdiction
 - c. To protect & effectuate its judgments.

Abstention

1. Generally: Abstention is federal ct's discretionary decision to decline to decide case over which it has jurisdiction, where a state ct is capable of rendering a definitive ruling in the matter.

2. “*Younger*” Abstention: Def in state ct who believes that state prosecution violates his federal civil rights cannot get a federal court injunction against the state proceedings.

“*Pullman*” Abstention

1. Federal ct prefers not to hold that state law violates U.S. constitution where (a) it is unclear & (b) state cts could resolve matter (eg, interpreting law in constitutional manner or holding it violates state constitution).
2. Thus, federal ct will abstain until issue has been resolved in state ct, but keep jurisdiction in case state ct doesn't resolve the issue.

“Colorado River” Abstention

1. If there is parallel litigation in state and federal cts, federal ct may abstain to prevent duplicative litigation, considering:
 - the relative progress of the two actions.
 - the desire to avoid piecemeal litigation.
 - whether federal law provides the rule of decision.