Privileges and Immunities

1) P and I: state cannot withhold from non-residents something important (something bearing on the vitality of the nation as a single entity), unless there is a substantial reason for discrimination and the means chosen (namely, state citizenship) bears a substantial relation to achieving that end.

E.g. Piper case: N.H. says that only N.H. domiciliaries can be members of its bar. Being a member of the bar is “something important,” and while there was arguably a substantial reason for limiting bar membership to N.H. citizens (encouraging pro bono work and ensuring attorneys having a working knowledge of state rules), the means did not bear a substantial relation to achieving that end.

2) There has been concern among many that interests analysis gives certain benefits to in-state domiciliaries and residents in violation of the P & I Clause.

a) CT has guest statute, New York does not. NY guest and host get into accident in CT. Guest sues host in CT court, which – using interest analysis – does not apply guest statute. Is the P&I Clause violated, because CT provides a protection to CT defendants that it does not provide to NY defendants?

1) Green: No, because CT is not really discriminating against New Yorkers; rather, it is simply deferring to NY and allowing NY to define the benefits afforded its own citizens. Such a move is actually in the spirit of the P&I Clause, b/c it fosters friendly relations between states (i.e., it allows NY to fulfill its own regulatory purposes). There is a substantial reason for the discrimination (deferring to NY’s regulatory interests), and the means chosen are the only ones that would allow this.

2) what if NY guest sues CT host in CT state ct for accident in CT? CT resolves true conflict by applying NY law. Any P&I violation? No: even though CT has an interest, it is allowing NY to fulfill its own regulatory purposes.

- Ct resolves true conflict by applying CT guest statute. Any P&I violation? No – because treating new Yorkers and CT’ers the same in this case.

Full Faith and Credit for Judgments

1. start out with law on the preclusive effect of judgments in state where judgment is rendered
   1. assume P sues D concerning property damages in an accident
      1. D wins
      2. P can attack directly on appeal
      3. or through motion to rendering court to set aside j
   2. BUT assume these are not done
      1. What will effect of j be?
   3. Assume P sues again
      1. Barred
   4. Assume instead the j was for P
      1. No direct attack again…
   5. P brings a suit on the j
      1. D makes collateral attack
      2. D may not challenge on the merits
      3. Indeed cannot challenge on grounds of lack of jur, except if defaulted
   6. This is the effect of claim preclusion
   7. Assume that P tries to sue again for personal inj in accident
      1. P is claim precluded from suing again
      2. J is merged in claim
      3. Like a joinder rule
         1. varies
            1. in fed ct law is any cause of action concerning the same transaction
            2. sometimes more limited
      4. goal is finality and efficiency
   8. assume that P2 now sues D for negl in connection with same accident
      1. not claim precluded bc different P
      2. no one not a party or in privity with a party can be bound
      3. but D was a party
      4. some states still have a mutuality requirement
         1. but others have given it up
         2. Parklane Hosiery
2. What does **FF&C** require wrt judgments of other states?
   1. State courts must give FF&C to js by other states
   2. Basically same rule applies (by statute or jud doctrine) to js of territories and federal js
   3. Generally – must be given same precl effect they have in the state in which they were rendered
      1. With a few exceptions
3. Fauntleroy v Lum
   1. K for gambling in cotton futures
   2. Made in Miss betw Miss domiciliaries
      1. Such Ks are illegal in Miss
      2. Submitted to arbitration in Miss
      3. P then sued in Miss to enforce arbitr award
      4. Found out illegal
      5. So sued in MO
         1. got j
         2. in effect MO ct made wrong choice of law decision
         3. or made wrong decision about what Miss law requires
         4. If wrong choice of law decision, then MO decision was itself a violation of FF&C, bc MO has no Pac Empl interest
      6. P then brought suit on J in Miss
      7. Miss SCt held not required under FF&C to enforce
         1. viol of laws embodying public policy in that state
   3. one issue is whether the Miss dismissal was simply for lack of jur
   4. The main argument urged by the defendant to sustain the judgment below is addressed to the jurisdiction of the Mississippi courts. The laws of Mississippi make dealing in futures a misdemeanor, and provide that contracts of that sort, made without intent to deliver the commodity or to pay the price, "shall not be enforced by any court." The defendant contends that this language deprives the Mississippi courts of jurisdiction, and that the case is like Anglo-American Provision Co. v. Davis Provision Co., 191 U. S. 373. There, the New York statutes refused to provide a court into which a foreign corporation could come, except upon causes of action arising within the state, etc., and it was held that the State of New York was under no constitutional obligation to give jurisdiction to its supreme court against its will. One question is whether that decision is in point.
      1. the Miss statute prohibiting such Ks might be understood as simply prohibiting jurisd for suits concerning such Ks
         1. Ct rejects idea that it was about jur
            1. Miss statute says the contracts “shall not be enforced by any court”
            2. The case quoted concerned a statute plainly dealing with the authority and jurisdiction of the New York court. The statute now before us seems to us only to lay down a rule of decision. The Mississippi court in which this action was brought is a court of general jurisdiction, and would have to decide upon the validity of the bar if the suit upon the award or upon the original cause of action had been brought there. The words "shall not be enforced by any court" are simply another, possibly less emphatic, way of saying that an action shall not be brought to enforce such contracts.
         2. plus even if it was a rule of jurisd
            1. the suit was to enforce a j
            2. simply a suit to collect a debt
            3. NOT a suit to enforce such a K anymore
      2. But consider the issue of limiting jurisd for suits on js
         1. Anglo-Am Provision v Davis
            1. Holding: NY could refuse jurisd to out of state corporate Ps for suits on judgments rendered out of state between out of state corporationss where the original cause of action arose out of state
            2. we shall return to this case later

to what extent can a state limit jurisdiction for enforcing js

esp can a state do it for reasons tied to public policy

* 1. simple conclusion in Fauntleroy
     1. j of a state court has same effect in another state that it would have in rendering state
        1. true even if choice of law decision was wrong
     2. if its choice of law decision was in violation of FF&C should have done challenged the decision in MO
        1. appeal to US SCt

1. Conclusion
   1. No PPE to enforcement of a j
   2. Recognition is required under FF&C
2. Does it make sense to have broad allowance for public policy in const’l restrictions on choice of law (think of Allstate) and narrow restrictions for recogn of js
   1. But extra interest when j is involved
      1. Finality interest