

Sec. 10—Powers Denied to the States

Cl. 1—Treaties, Coining Money, Etc.

law which supplies one party to a contract with a remedy if the other party does not live up to his agreement, as authoritatively interpreted, entered into the “obligation of contracts” in the constitutional sense of this term, and so might not be altered to the material weakening of existing contracts. In the Court’s own words: “Nothing can be more material to the obligation than the means of enforcement. Without the remedy the contract may, indeed, in the sense of the law, be said not to exist, and its obligation to fall within the class of those moral and social duties which depend for their fulfillment wholly upon the will of the individual. The ideas of validity and remedy are inseparable. . . .”²⁰⁶⁷

This rule was first definitely announced in 1843 in *Bronson v. Kinzie*.²⁰⁶⁸ Here, an Illinois mortgage giving the mortgagee an unrestricted power of sale in case of the mortgagor’s default was involved, along with a later act of the legislature that required mortgaged premises to be sold for not less than two-thirds of the appraised value and allowed the mortgagor a year after the sale to redeem them. It was held that the statute, in altering the pre-existing remedies to such an extent, violated the constitutional prohibition and hence was void. The year following a like ruling was made in *McCracken v. Hayward*,²⁰⁶⁹ as to a statutory provision that personal property should not be sold under execution for less than two-thirds of its appraised value.

But the rule illustrated by these cases does not signify that a state may make no changes in its remedial or procedural law that affect existing contracts. “Provided,” the Court has said, “a substantial or efficacious remedy remains or is given, by means of which a party can enforce his rights under the contract, the Legislature may modify or change existing remedies or prescribe new modes of procedure.”²⁰⁷⁰ Thus, states are constantly remodelling their judicial systems and modes of practice unembarrassed by the Contract Clause.²⁰⁷¹ The right of a state to abolish imprisonment for debt was early asserted.²⁰⁷² Again, the right of a state to shorten the time for the bringing of actions has been affirmed even as to existing causes of action, but with the proviso added that a reasonable time must be left for the bringing of such actions.²⁰⁷³ On the other

²⁰⁶⁷ United States ex rel. Von Hoffman v. Quincy, 71 U.S. (4 Wall.) 535, 552 (1867).

²⁰⁶⁸ 42 U.S. (1 How.) 311 (1843).

²⁰⁶⁹ 43 U.S. (2 How.) 608 (1844).

²⁰⁷⁰ Oshkosh Waterworks Co. v. Oshkosh, 187 U.S. 437, 439 (1903); City & Lake R.R. v. New Orleans, 157 U.S. 219 (1895).

²⁰⁷¹ Antoni v. Greenhow, 107 U.S. 769 (1883).

²⁰⁷² The right was upheld in *Mason v. Haile*, 25 U.S. (12 Wheat.) 370 (1827), and again in *Penniman’s Case*, 103 U.S. 714 (1881).

²⁰⁷³ *McGahey v. Virginia*, 135 U.S. 662 (1890).