

A man bought an antique car from a car dealer in State A. Under State A law, a person who buys from such a dealer acquires good title, even if the property was stolen from a previous owner. The man showed the car at an antique car show in State B. A woman recognized the car as having been stolen from her. Under State B law, a person whose property is stolen may reclaim it, even if the current possessor is an innocent purchaser.

The woman sued the man in a State B court to reclaim the car. In his defense, the man claimed that he had good title under the law of State A. Nevertheless, the State B court applied State B law, and the woman prevailed. The man did not appeal. The sheriff had the car returned to State B and gave the woman possession of the car.

Several months later, the woman moved to State A, bringing the car with her. The man brought a new suit against the woman in a State A court, claiming that the State B court in the prior suit should have applied the State A law, which protects innocent purchasers. The woman appeared and moved to dismiss the suit.

What should the State A court do?

- A. Apply State A law, because the car is currently located in State A.
- B. Apply the federal law on sale of goods, because the car has moved in interstate commerce.
- C. Dismiss the suit, because the State A court must give full faith and credit to the State B judgment.
- D. Remove the case to federal court, because the car has moved in interstate commerce, and therefore the case raises a federal question.

Explanation:

Under the Article IV **full faith and credit clause**, states have a duty to respect the public acts, records, and judicial proceedings of other states. This requires **state courts** to **recognize and enforce decisions** rendered by a **court in another state** when:

- that court had **personal jurisdiction** and **subject-matter jurisdiction**
- the case was decided **on its merits**—ie, the substantive elements or grounds of the claim or defense—*and*
- a **final judgment** was entered.

Here, the woman sued the man in a State B court to reclaim her car. And the State A court must give full faith and credit to the State B judgment since:

- the man waived any right to challenge *personal jurisdiction* by appearing in the State B court and presenting a defense
- state courts, including the State B court, have *subject matter jurisdiction* over virtually any case arising under federal or state law
- the case was decided *on its merits* when the State B court applied State B's substantive law and ruled in the woman's favor *and*
- the judgment became *final* when the man failed to appeal.

Therefore, the State A court should dismiss the man's suit.

(Choices A & B) The fact that the car is currently located in State A and has moved in **interstate commerce** is irrelevant in determining whether the State A court must give full faith and credit to the State B judgment.

(Choice D) Even if the car's movement in interstate commerce created a federal question, the state court cannot **remove** the case to federal court on its own initiative. Removal is only proper when the defendant requests it (not seen here).

Educational objective:

The full faith and credit clause requires a state court to recognize and enforce a decision by a court in another state when (1) that court had personal and subject matter jurisdiction, (2) the case was decided on its merits, and (3) a final judgment was entered.

References

- Baker v. Gen. Motors Corp., 522 U.S. 222, 231–33 (1998) (explaining when the full faith and credit clause applies to state court judgments).
- V.L. v. E.L., 136 S. Ct. 1017, 1020–22 (2016) (holding that a state court cannot relitigate a case that has already been decided on its merits in a court of another state).

**Full faith and credit clause
(duty to respect/enforce judgment by court in another state)**

