

A bicyclist from State A collided with a hiker from State B on a trail in State A. The hiker sued the bicyclist for negligence in a federal district court to recover \$75,000 in medical expenses. The case was tried to the court. After the close of evidence, the judge announced findings of fact and conclusions of law from the bench and entered a judgment in favor of the hiker. The bicyclist appealed.

Is the appellate court likely to reverse the judgment?

- A. No, because the judge properly issued findings and conclusions on the record.
- B. No, because the judge's findings and conclusions are the law of the case.
- C. Yes, because federal appellate courts do not have jurisdiction to decide issues of state law.
- D. Yes, because the judge had no authority to hear the case.

### Explanation:

A federal court has authority to hear a case that falls within the court's **subject-matter jurisdiction**. This jurisdictional requirement, unlike personal jurisdiction, cannot be waived or established by the parties' consent. As a result, a challenge to subject-matter jurisdiction can be **raised** by a party or **on the court's own initiative** (ie, sua sponte) **at any time**—including **on appeal**\* (as seen here).

Subject-matter jurisdiction can be established through either:

- federal-question jurisdiction – when a claim arises under the U.S. Constitution, a treaty, or federal law (not seen here) *or*
- diversity jurisdiction – when the opposing parties are **citizens** of different states and the amount in controversy *exceeds* \$75,000 (not seen here).

Since the hiker's claim does not satisfy federal-question or diversity jurisdiction, the district court judge had no authority to hear the case. Therefore, the appellate court will likely reverse the judgment and remand with instructions to dismiss the case for lack of subject-matter jurisdiction.

\*If a party had an opportunity to challenge the court's subject-matter jurisdiction at some point during the proceedings, that party cannot collaterally attack the court's jurisdiction in subsequent litigation (eg, in a proceeding to enforce the court's judgment).

**(Choice A)** In a bench trial, the judge acts as the finder of fact and interpreter of the law. This dual role requires the judge to issue (orally or in writing) findings of fact and conclusions of law on the record. Although the judge did so here, she lacked authority to hear the case and so the judgment should be reversed.

**(Choice B)** The **law-of-the-case doctrine** prohibits the relitigation of legal (not factual) issues decided by a higher court in the same case. This means that a district court must apply an appellate court's legal determinations on remand, but an appellate court is not bound by a district court's conclusions.

**(Choice C)** Federal appellate courts do have jurisdiction to decide issues of state law appealed from a federal district court. However, federal courts (except the U.S. Supreme Court) lack jurisdiction over an appeal from a state's highest court pursuant to the Rooker-Feldman doctrine.

### Educational objective:

A challenge to subject-matter jurisdiction cannot be waived. It can be raised by the parties or by the court on its own initiative at any time, including on appeal.

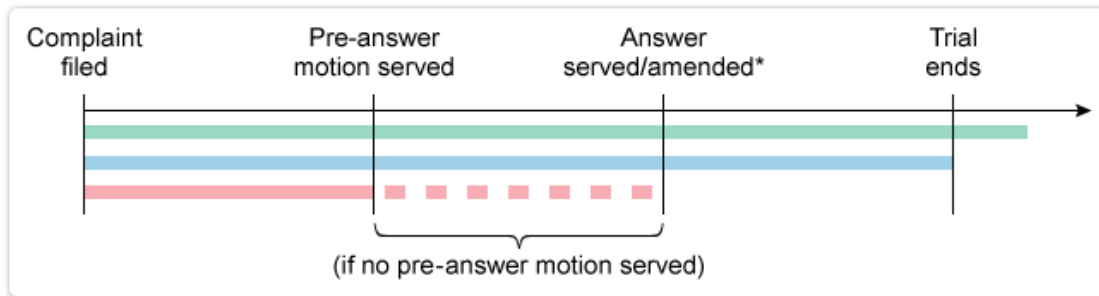
### References

- Fed. R. Civ. P. 12(h)(3) (stating that a court must dismiss an action once it determines, at any time, that it lacks subject-matter jurisdiction).

- *Ins. Corp. of Ir., Ltd., et al. v. Compagnie des Bauxites de Guinee*, 456 U.S. 694, 702 (1982) (explaining that an appellate court has the power to raise lack of subject-matter jurisdiction on its own initiative).

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### Waiver of defenses timeline



— = no subject-matter jurisdiction

— = failure to state a claim / failure to join required party

— = no personal jurisdiction/improper venue/insufficient process or service of process

\* All other legal defenses must be asserted in answer or amended answer

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