

Chapter 01: Introduction to Law

True / False

1. Violations of civil laws often result in imprisonment.

- a. True
- b. False

ANSWER: False

2. If Susan hits Debra, and Debra sues Susan for that act, Susan cannot also be prosecuted for that same act.

- a. True
- b. False

ANSWER: False

3. There are no criminal laws at the federal level.

- a. True
- b. False

ANSWER: False

4. Enforcing the terms of a consulting contract is an example of private law.

- a. True
- b. False

ANSWER: True

5. Substantive laws provide the means and mechanisms for the enforcement of laws.

- a. True
- b. False

ANSWER: False

6. Stare decisis is Latin for "let the decision stand."

- a. True
- b. False

ANSWER: True

7. The common law in each state is the same.

- a. True
- b. False

ANSWER: False

8. The power theory is part of jurisprudence, but the justice theory is not.

- a. True
- b. False

ANSWER: False

9. Constitutional law is developed by the executive branch.

- a. True
- b. False

ANSWER: False

10. Substantive laws are, in essence, the same thing as procedural laws.

- a. True
- b. False

ANSWER: False

11. Supporters of slavery relied heavily on natural law as a defense for it.

- a. True
- b. False

ANSWER: False

12. Those who believe in order theory would allow laws that control behavior or provide guidelines.

- a. True
- b. False

ANSWER: True

13. The scholars of jurisprudence generally agree on the theory of law.

- a. True
- b. False

ANSWER: False

14. Statutory law exists at all levels of government.

- a. True
- b. False

ANSWER: True

15. The United States Code includes laws on anticompetitive activities as well as laws regulating the sale of securities.

- a. True
- b. False

ANSWER: True

16. Ordinances are generally found in state legislative codes.

- a. True
- b. False

ANSWER: False

17. The Code of Federal Regulations includes the enactments of federal administrative agencies.

- a. True
- b. False

ANSWER: True

18. States do not have administrative laws.

- a. True
- b. False

ANSWER: False

19. City ordinances generally cover the legal aspects of incorporation and securities registration.

- a. True
- b. False

ANSWER: False

20. Constitutions exist at both state and federal levels.

- a. True
- b. False

ANSWER: True

21. Equitable remedies are not available in courts of law in the United States.

- a. True
- b. False

ANSWER: False

22. Laws' flexibility allow adjustments for technology changes.

- a. True
- b. False

ANSWER: True

23. A personnel manual is an example of private law.

- a. True
- b. False

ANSWER: True

24. Pervasiveness, consistency, and rigidity are characteristics of law.

- a. True
- b. False

ANSWER: False

25. Criminal laws are generally enforced by individuals.

- a. True
- b. False

ANSWER: False

26. A multilateral treaty is a treaty among several nations.

- a. True
- b. False

ANSWER: True

27. The act of state doctrine permits other countries to intervene in a nation's government when human rights are violated.

- a. True
- b. False

ANSWER: False

28. The Uniform Commercial Code and the Uniform Partnership Act are both enactments of Congress.

- a. True
- b. False

ANSWER: False

29. Treaties are a source of international law.

- a. True
- b. False

ANSWER: True

30. A curfew is an example of the type of law that would be found in city or town ordinances.

- a. True
- b. False

ANSWER: True

31. The uniform laws on partnerships and corporations are found codified in the United States Code.

- a. True
- b. False

ANSWER: False

32. Courts create and apply the common law.

- a. True
- b. False

ANSWER: True

33. If you run a red light and hit and injure a pedestrian, both civil and criminal laws will apply.

- a. True
- b. False

ANSWER: True

34. Most countries follow a philosophy of caveat emptor.

- a. True
- b. False

ANSWER: True

35. Curfews are an example of state laws.

- a. True
- b. False

ANSWER: False

36. Courts interpret all levels of statutes and regulations.

- a. True
- b. False

ANSWER: True

37. Zoning is an example of private law.

- a. True
- b. False

ANSWER: False

38. A question about a licensing exam for a real estate agent is best answered by going to federal laws.

- a. True
- b. False

ANSWER: False

39. The U.S. Constitution does not apply to the states.

- a. True
- b. False

ANSWER: False

40. The Grokster and YouTube cases held that someone who makes downloading possible

could be liable for copyright infringement.

a. True

b. False

ANSWER: True

41. Judicial review is one means for clarifying the meaning of laws.

a. True

b. False

ANSWER: True

42. In the YouTube case, YouTube was held liable for vicarious infringement.

a. True

b. False

ANSWER: True

43. Material posted on the Internet is not protected by copyright law.

a. True

b. False

ANSWER: False

44. Black's Law Dictionary defines law as "reason unaffected by desire."

a. True

b. False

ANSWER: False

45. Injunctions are one type of equitable remedy available for a plaintiff.

a. True

b. False

ANSWER: True

46. Laws make society more confusing and chaotic, but are necessary for government.

a. True

b. False

ANSWER: False

47. Because laws must be applied consistently, they may not be changed, even if society has changed.

a. True

b. False

ANSWER: False

48. The power theory of jurisprudence promotes the idea that the law is whatever the

people in charge say it is.

- a. True
- b. False

ANSWER: True

49. Universal treaties reflect widely accepted standards of behavior and are recognized by almost all nations.

- a. True
- b. False

ANSWER: True

Multiple Choice

50. Which of the following is not a purpose of law?

- a. Keeping order
- b. Influencing conduct
- c. Promoting equality
- d. Providing compromises
- e. Ensuring comparable wealth

ANSWER: e

Several states have recently enacted legislation to permit casino gambling on river boats docked in their states. Gambling is permitted only while the boats are traveling in the rivers surrounding or inside the states. One governor issued the following statement: "It wouldn't matter how many gaming statutes are passed or how many legislatures passed them, the fact of the matter is that commercial gambling is wrong." This governor's views:

51. Several states have recently enacted legislation to permit casino gambling on river boats docked in ...

- a. indicate that he follows the power law theory.
- b. indicate that he follows the natural law theory.
- c. indicate that he follows the justice law theory.
- d. indicate that he follows the probability law theory.

ANSWER: b

Bill Blackburn is the new mayor of Oceanside, Washington. He discovered that the city-run utility requires a deposit of \$50 from new customers in homes. However, new customers who reside in apartments, condominiums, or townhouses must pay a \$500 deposit. Mayor Blackburn proposed that the utility deposit be \$100 for all new customers. Blackburn's change fits best under which theory of law?

52. Bill Blackburn is the new mayor of Oceanside, Washington. He discovered that the city-run utility re...

- a. Positive law theory
- b. Natural law theory

- c. Theory of justice
- d. Theory of custom

ANSWER: c

53. Which is the proper cite for the Code of Federal Regulations?

- a. CFR
- b. USC
- c. USCFR
- d. CFedReg

ANSWER: a

54. Which of the following is not part of the United States Code?

- a. 1933 Securities Act
- b. Sherman Act
- c. Equal Employment Opportunity Act
- d. Uniform Commercial Code
- e. Dodd-Frank Act

ANSWER: d

55. Which is the proper cite for Executive Orders?

- a. CFR
- b. USC
- c. E.O.O.C.
- d. None of the above

ANSWER: d

56. Which of the following is not an example of private law?

- a. Contracts
- b. Restrictions on insider trading of stocks
- c. Leases
- d. An employer's regulation about dating co-workers

ANSWER: b

57. Enactments of federal administrative agencies are found in:

- a. the United States Code.
- b. the Code of Federal Regulations.
- c. U.S.C.
- d. the UCC.

ANSWER: b

58. In the cite "15 U.S.C. § 77," the 15 represents:

- a. page number.
- b. volume number.
- c. the session of Congress when enactment occurred.

d. the docket number of the case.

ANSWER: b

59. Uniform laws are:

- a. required to be adopted by states.
- b. written to make interstate business less complicated.
- c. found in USC.
- d. only used when the plaintiff and defendant are from different states.

ANSWER: b

60. Legal and equitable remedies:

- a. are available in all courts in the United States.
- b. are awarded by separate courts of equity and law.
- c. are the same remedies.
- d. exist only in the United States.

ANSWER: a

61. Which is not an example of private law?

- a. Lease on a residential home
- b. Lease on a commercial building
- c. Zoning ordinances
- d. Contract for the sale of a car
- e. Employer regulations

ANSWER: c

62. Which of the following is not true regarding constitutional law?

- a. Exists at the state and federal levels
- b. Establishes government structure
- c. Establishes individual rights
- d. Can be changed by Congress

ANSWER: d

Phil's Corner Mart is a convenience store and gasoline station. A representative from the Environmental Protection Agency (EPA) has just notified Phil that there is some leakage from his underground gasoline storage tanks. The EPA representative explains to Phil that he will be issuing a citation for violation of federal environmental laws and that Phil could be liable for clean-up costs and penalties. Which of the following statements is true?

63. Phil's Corner Mart is a convenience store and gasoline station. A representative from the Environmen...

- a. Phil has been charged with a crime.
- b. Phil has been charged with violation of a state statute.
- c. Phil is facing civil penalties for the violation.
- d. The EPA promulgates USC provisions.

ANSWER: c

64. Administrative regulations are promulgated by:

- a. Congress.
- b. constitutional conventions.
- c. administrative agencies.
- d. state legislatures.

ANSWER: c

65. Criminal laws:

- a. carry fines and/or imprisonment penalties.
- b. are enforced by individuals.
- c. are generally not enforced by government agencies.
- d. are the same as private laws.

ANSWER: a

66. Which of the following is not an example of a law that promotes order?

- a. Disclosure statutes for securities sales
- b. Curfew
- c. Speed limits
- d. Trespassing laws

ANSWER: a

67. Changes in laws that are made because of changes in technology illustrate which characteristic of law?

- a. Consistency
- b. Pervasiveness
- c. Flexibility
- d. Fairness

ANSWER: c

68. Law is:

- a. constant throughout time.
- b. defined consistently across cultures.
- c. a set of rules governing people and their relationships.
- d. derived from the Latin meaning a chaotic state punctuated by sporadic short-lived order.

ANSWER: c

69. The federal statute that carries imprisonment as a penalty for trading securities on inside information is an example of a:

- a. private law.
- b. civil law.
- c. procedural law.
- d. criminal law.

ANSWER: d

70. This means “to let the decision stand” and is used by courts to make consistent judgments.

- a. Stare decisis
- b. Statutory decisis
- c. Substantive decisis
- d. Scierter decisis

ANSWER: a

71. Common law:

- a. no longer exists today.
- b. began in England.
- c. exists only in the United States.
- d. was eliminated with the courts of equity.

ANSWER: b

72. Which of the following is not a source of international law?

- a. Custom
- b. Treaties
- c. Private law
- d. Code of Federal Regulations

ANSWER: d

Ellen Benson has been operating a small catering business out of her home. Business growth is now requiring an office and kitchen facilities. Before expanding facilities, Ellen wishes to incorporate her business. Where would Ellen find the laws of incorporation?

73. Ellen Benson has been operating a small catering business out of her home. Business growth is now re...

- a. State statutes
- b. Zoning ordinances
- c. Code of Federal Regulations
- d. County ordinances

ANSWER: a

74. Which of the following is not a source of private law?

- a. Lease
- b. Employment agreement
- c. Ordinance
- d. Marriage prenuptial agreement

ANSWER: c

75. When is precedent not followed?

- a. When circumstances have changed
- b. When technology has changed
- c. When there are changes in the factual circumstances from those in which the precedent was established
- d. It is possible that precedent would not be followed in all of the above circumstances.

ANSWER: d

Anna Elleson has just opened her plumbing business in a small industrial park located within the boundaries of the city of Tempe, Arizona. Upon opening her plumbing business, Anna receives a notice from the landlord that her largest pieces of equipment (backhoes) may not be parked in the parking lot of the industrial park overnight. Anna asks why and the landlord explains that there is a restriction in her lease. The restriction against parking equipment in the complex is:

76. Anna Elleson has just opened her plumbing business in a small industrial park located within the bou...

- a. enforceable as a private law.
- b. unenforceable unless a city zoning ordinance prohibits such parking.
- c. an unconstitutional regulation of private property.
- d. unenforceable unless signs are posted.

ANSWER: a

77. What type of law protects general rights, such as religion, property, and free speech?

- a. Statutory
- b. Executive order
- c. Constitutional
- d. Private

ANSWER: c

Anna feels, after negotiating her first few plumbing contracts, that there is a pricing conspiracy involving other plumbing contractors that keeps her from really breaking into the market. Her business is located in Tempe, Arizona. Where would Anna find the law on anticompetitive behavior?

78. Anna feels, after negotiating her first few plumbing contracts, that there is a pricing conspiracy i...

- a. Arizona Revised Statutes
- b. United States Code
- c. Tempe city ordinances
- d. Uniform Commercial Code

ANSWER: b

79. Local ordinances govern issues such as which of these?

- a. Curfews
- b. Loitering

- c. Dog licensing
- d. All of these

ANSWER: d

Wexler Corporation has established a new policy on employee e-mails. The policy reads: "All e-mail sent using the company server is the property of the company and is not private. Supervisors and managers shall have the right to review such e-mails. Inasmuch as the company is liable for e-mail content, it reserves the right to review it." The policy:

80. Wexler Corporation has established a new policy on employee e-mails. The policy reads: "All e-mail s...

- a. is an example of private law.
- b. is an example of statutory law.
- c. is an example of constitutional law.
- d. is never enforceable.

ANSWER: a

81. Which of the following is an example of law not enacted by an elected body?

- a. Municipal law
- b. Administrative regulations
- c. State codes
- d. United States Code
- e. All of the above are enacted by an elected body.

ANSWER: b

Southwestern states' marital property rights were influenced by laws in ____, while many Louisiana laws were influenced by laws from ____.

82. Southwestern states' marital property rights were influenced by laws in , while many Louisiana laws ...

- a. Mexico; Spain
- b. Spain; Mexico
- c. Mexico; France
- d. Spain; France

ANSWER: c

Frank Zelco is a manufacturer's rep who represents the product lines of several manufacturers. Frank has worked with his brother, Dion, in their two person firm for almost five years. They have no written contract, but they split the profits. Frank would like to create a business organization and put their arrangement in a written contract. Which sources of law will Frank need to help him do this?

83. Frank Zelco is a manufacturer's rep who represents the product lines of several manufacturers. Frank...

- a. Ordinances

- b. The UCC
- c. State laws on business organizations
- d. Both b and c

ANSWER: c

During 2003, the White House asked its legal counsel for an interpretation of what constitutes torture of prisoners of war and who is considered a prisoner of war. What sources of law will the legal counsel need to consult?

84. During 2003, the White House asked its legal counsel for an interpretation of what constitutes tortu...

- a. Federal statutes
- b. International treaties
- c. Ordinances
- d. Both a and b

ANSWER: d

If a court is faced with an issue of infringement involving the downloading of movies from Internet through peer-to-peer file sharing, which case offers the best precedent for the film producers?

85. If a court is faced with an issue of infringement involving the downloading of movies from Internet ...

- a. Sony Corp. v. Universal City Studios
- b. Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd.
- c. Viacom International, Inc. v. YouTube, Inc.
- d. Tiffany, Inc. v. eBay, Inc.

ANSWER: b

When the music companies filed suit against the peer-to-peer file sharers on copyrighted music, they wanted legal and equitable remedies. Which of the following is an equitable remedy?

86. When the music companies filed suit against the peer-to-peer file sharers on copyrighted music, they...

- a. Money damages for the loss of royalties on the downloaded copyrighted songs
- b. Injunction against the facilitating software provider for the downloading
- c. Civil penalties for the infringement
- d. Both a and c

ANSWER: b

87. What is true of statutory law?

- a. It may be interpreted by the judicial system.
- b. It only occurs at the federal level of government.
- c. It must be ratified by the states.

d. It can provide equitable remedies in certain cases.

ANSWER: a

88. Which of the following is not an equitable remedy?

- a. Court order for enforcement of a contract
- b. Specific performance
- c. Injunction
- d. Monetary damages

ANSWER: d

89. What factor distinguishes criminal law from civil law?

- a. Criminal law deals with physical injuries; civil law deals only with economic loss.
- b. Criminal law addresses a wrong against society; civil law addresses conflicts between two or more parties.
- c. Criminal law is uniform across all 50 states; civil law varies.
- d. Criminal law deals with the worst crimes; civil law deals only with minor crimes.

ANSWER: b

90. Who is credited with the beginnings of common law?

- a. William the Conqueror
- b. Ivan the Terrible
- c. Alexander the Great
- d. Norman the Plunderer

ANSWER: a

91. Which theory of law gives most credence to a higher power, such as God?

- a. Natural Law theory
- b. Power theory
- c. Justice theory
- d. Order theory

ANSWER: a

92. Which theory of law gives most authority to elected officials?

- a. Natural Law theory
- b. Power theory
- c. Justice theory
- d. Order theory

ANSWER: b

Essay

93. Discuss the four basic groups of legal philosophies focusing on the issue of slavery.

ANSWER: Students should discuss the following: Natural - is it morally right to own and use others? Is the freedom of an individual a higher right that cannot be given or taken

away by a law? Justice - is it fair and equitable to enslave? Power - the slave owners can do what they want to do Order theory - does slavery help to control behavior and set guidelines for society?

94. Why is constitutional law the foundation of all other types of laws?

ANSWER: Students should discuss the following: Constitutions protect general, fundamental rights that cannot be changed by other laws. Constitutional law is the framework for all other forms of law. Other laws are judged by whether or not they are violative of the Constitution. Example: free speech is protected in the 1st Amendment of the United States Constitution; then other laws and court decisions have built upon that rights to expand, narrow, or attempt to clarify the right.

95. Give a sample citation for each of the following statutes/regulations: a. United States Code b. Code of Federal Regulations

ANSWER: 15 U.S.C. sec. 7712 C.F.R. sec. 226

96. Discuss the rationale of stare decisis.

ANSWER: Stare decisis means to "let the decision stand." Stare decisis is a judicial doctrine used for consistency in the litigation and prosecution processes. It helps to ensure that the laws are applied to all cases in an equivalent way. It helps the legal system to be more predictable.

97. Discuss the differences between public and private law.

ANSWER: Criminal versus civil penalties Private enforcement versus public enforcement Governmental enactment versus individual enactment

98. Give an example of the type of law found at each level of government noted: a. U.S. Constitution b. congressional enactments c. state legislation d. federal administrative regulations

ANSWER: U.S. Constitution: Bill of rights protections like First Amendment; structure of government Congressional: Antitrust statutes Securities laws Internal Revenue Code State laws: Uniform Commercial Code Uniform Partnership Act Corporations laws Federal regs: IRS regs Truth-in-lending regs Securities regs

99. Name three types of business arrangements governed, at least in part, by private law.

ANSWER: Leases; employment contracts; consulting contracts; sales contracts; workplace rules (student answers may vary)

100. Draw the pyramid of laws and label each level of the pyramid with the appropriate source of law.

ANSWER: The students should reproduce the pyramid figure from chapter one with the sources of law from bottom to top being: constitution; federal legislative enactments; federal agency regulations; state constitutions; state legislative enactments; state agency

regulations; county, city and borough laws; private laws; and the pyramid is surrounded by case law; all statutes are subject to interpretation.

101. Give the source of statutory law for each of the following topics:
a. Uniform Revised Limited Partnership Act
b. 1933 Securities Act
c. law requiring bikes on public streets to be licensed
d. no taking of property without just compensation
e. establishment of the House of Representatives

ANSWER: a. state law
b. federal law
c. ordinance
d. constitution
e. constitution

102. For each of the following actions, describe the sources of law the individuals should consult:
a. obtaining a bicycle license
b. incorporating a company
c. determining how many feet of set back are required for residential construction
d. selling securities on a national exchange

ANSWER: a. ordinance
b. state law
c. ordinance
d. federal statutory law - U.S.C. and SEC regulations, C.F.R.

103. Following the 1999 tragedy at Columbine High School in Littleton, Colorado, when 13 students were killed by two of their armed classmates there was discussion of Second Amendment rights and gun control regulations were passed by Congress. What sources of law were part of the discussions and legislation?

ANSWER: Second Amendment is part of U.S. Constitution and Congress passed laws that became part of U.S.C.

104. Discuss the issues of interpretation in the Grokster and YouTube cases.

ANSWER: The issues of interpretation are whether the copyright protection extends to different technological uses of copyrighted material and whether individual use of copyrighted materials constituted fair use when that individual use was so wide spread. The cases are both ones that involve questions that would never have arisen had there not been new forms of technology.

105. Give an example of an executive order.

ANSWER: The book gives several examples such as executive branch agencies being required to first try alternative dispute resolution, the "gag rule" on abortion counseling, ban on federal funds for abortion, the classification of executive branch documents and the use of minority workers in federal contracting. Others that are topical and in the news include the use of federal funds for stem-cell research and the declaration of national preserves.

106. Why are legal remedies not always adequate? What advantages do equitable remedies provide?

ANSWER: Legal remedies are typically monetary damages only. While money is valuable to everyone, sometimes a breach of contract causes damage that can only be undone by specific performance. For example, when a contract for the sale of a piece of land is breached, money may not replace the lost opportunities. Also, there are situations where

an equitable remedy of a court ordered injunction is the only way to prevent harm. For example, if someone is illegally using another's trademark symbol, monetary damages are not adequate to correct this damage. The courts will typically issue an order for the infringer to stop the illegal activity.

107. List the four basic theories of law (jurisprudence) in the order that you think they apply to the federal system of government in the United States (from greatest impact to least). Justify your order.

ANSWER: Student answers may vary. As long as the justification is reasonable, consider accepting any order. One suggested order with justification is as follows: 1. Greatest impact: Positive Law (Power Theory), because most of our law is either passed by the elected officials as statutory law or common law that comes out of the judicial system. In either case, it is determined by people in authority. 2. Justice Theory: Many individuals in the United States value freedom and equal opportunity above almost everything else. This idea is bedrock to the American identity. 3. Order Theory: many laws are justified based on the outcome. For example, we have speed limit laws primarily to keep motorists moving safely and in an orderly fashion. 4. Natural Law: While most Americans recognize certain universal values such as bravery, truth, and justice, the government is more impacted by ensuring equality and tolerance than in abiding by the standards of a higher power. Many individuals in the United States adhere to these standards personally, but the government itself strives to be neutral in these beliefs.

108. Discuss uniform laws such as the Uniform Commercial Code, how they are developed and what impact they have on the law of the United States.

ANSWER: Some of the laws passed by the states are uniform laws, which are drafted by groups of businesspeople, scholars, and lawyers in an effort to make interstate business less complicated. For example, the Uniform Commercial Code (UCC), which has been adopted in 49 states, governs contracts for the sale of goods, commercial paper, security interests, and other types of commercial transactions. Having this uniform law in the various states gives businesses the opportunity to deal across state lines with some certainty. Other uniform acts passed by many state legislatures include the Uniform Partnership Act (Revised), the Uniform Residential Landlord Tenant Act, the Model Business Corporation Act, and the Uniform Probate Code.

True / False

109. Executive orders are issued by Congress.

- a. True
- b. False

ANSWER: False

Multiple Choice

110. Which of the following is required before an administrative agency in Texas can act?

- a. Constitutional authority
- b. An executive order

- c. Authority from Congress
- d. Authority from the Texas legislature

ANSWER: d

111. Who issues executive orders?

- a. The president of the United States
- b. The president of the U.S. Senate
- c. The speaker of the House of Representatives
- d. All of the above

ANSWER: a

112. What do common law and judicial precedent share?

- a. Nothing, they are distinct sources of law
- b. They are both issued by courts
- c. They are both ratified by legislatures
- d. They do not involve constitutional issues

ANSWER: b

Which of the following is YouTube required to do under the YouTube judicial decision on films and videos?

113. Which of the following is YouTube required to do under....

- a. Review each posting before it goes up or immediately after it is posted
- b. Nothing, there is no copyright protection on the Internet, so YouTube has no liability
- c. Take down posted videos and films once it is aware of a copyright issue
- d. Require the holder of the copyright to notify YouTube of any infringement

ANSWER: c