

**PEPPERDINE UNIVERSITY**  
**THE GEORGE L. GRAZIADIO**  
**SCHOOL OF BUSINESS AND MANAGEMENT**

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**PROF. GIA HONNEN WEISDORN, J.D., LL.M., M.B.A.**

**MBAM 616.18**

**LEGAL, POLITICAL, ETHICAL AND REGULATORY ISSUES OF  
MANAGEMENT**

**FALL 2008**

**WEDNESDAYS (Begins 8/27/08)**

**1:00PM – 5:00PM**

**MALIBU CAMPUS**

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**SYLLABUS**

**\*\*PLEASE SEE: READING ASSIGNMENTS DUE ON FIRST CLASS\*\***  
**BRING A COPY OF THE CONSTITUTION WITH YOU TO CLASS ON THE FIRST**  
**NIGHT.**

**Note: Attendance at the first class meeting is mandatory – no exceptions.**

**MBAM 616**  
**Weisdorn**

**SYLLABUS/CLASS “RULES”**

**PROFESSOR:**

Gia Honnen Weisdorn, Attorney at Law  
Professor of Business Law, Department of Accounting,  
Law & Finance (*Professor’s Biography attached below*)

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**CLASS:**

Wednesday: 1:00 P.M. – 5:00 P.M.  
Malibu Campus.

**TEXTS:**

**REQUIRED:** *Business Law: The Ethical, Global & E-Commerce Environment*, Mallor, Barnes, Bowers, Phillips, Langvardt, 13<sup>th</sup> ed., Irwin-McGraw Hill, ISBN-13: 978-0-07-293399-4.

**(OPTIONAL):** (1\*) *Student Study Guide and Workbook for use with Business Law: The Ethical, Global & E-Commerce Environment*, Mallor et al., 13<sup>th</sup> ed., Irwin-McGraw Hill, ISBN-13: 978-0-07-319835-4. (2) “*The U.S. Constitution And Fascination Facts About It*”, 6<sup>th</sup> ed., Oak Hill Publishing Co., ISBN: 189174300-7; (3) *Black’s Law Dictionary* (Pocket), Garner, 2<sup>nd</sup> ed., West Publishing Co., ISBN: 0-314-25791-8; & (4) *Dictionary of Finance and Investment Terms*, 6<sup>th</sup> ed., Downes et al., Barron’s, ISBN: 0-7541-2209-6.

**\*CAVEAT:** ANSWER KEY IS ONLY AVAILABLE THROUGH THE PUBLISHER’S WEBSITE FOR INSTRUCTORS AND I CAN FORWARD THESE TO THE CLASS; ANSWERS COME WITHOUT ACCOMPANYING EXPLANATIONS OR RATIONALE.

*You are strongly encouraged to read (or, at least, skim) the Wall Street Journal on a daily basis!* Aside from being highly relevant to your business school studies, this is a prime source (usually my favorite) for our current events discussion. Please go to [www.wsjstudent.com](http://www.wsjstudent.com) for special

15-week student rates and begin your subscription ASAP (it takes a couple of weeks to arrive after signing up).

## **COURSE**

### **DESCRIPTION:**

This course develops and uses critical thinking skills to examine the environment of legal, political, ethical and regulatory processes as they pertain to profit and nonprofit organizations, and their impact on management decisions in relation to the general public, employees, customers, competitors, suppliers, and the wider national and international communities. Broad emphasis is placed on the 3-part model of: issue spotting, risk assessment and risk management. Emphasis also is given to specifics of: formulating, negotiating and enforcing contracts; anticipating, neutralizing and defending against liabilities; evaluating the various forms of business ownership and investment modes; incorporating government regulations and decisions; and working with attorneys and the legal/regulatory system.

## **COURSE**

### **OBJECTIVES:**

1. Demonstrate a fundamental understanding of the legal, political, ethical and regulatory issues that impact business.
2. Develop critical thinking and analytical skills.
3. Improve oral and written communication skills.
4. Develop an ability to spot business trends.
5. Learn “how to learn” (synthesizing large amounts of information/outlining) - an essential skill for 21<sup>st</sup> century knowledge workers whose skills may have a shelf-life of only 18 months. Outlining is a skill that can be used in any class; students using outlining generally significantly improve their grades in all classes.
6. Understand the importance of ethical business practices and the legal consequences of failing to behave ethically.
7. *This class requires one to pay close attention to detail (not merely to “grasp the big picture”).*

## **CLASS PREPARATION & PARTICIPATION:**

**\*\*ASSIGNED READING MUST BE COMPLETED BEFORE THE CLASS FOR WHICH IT IS ASSIGNED.**

*Please bring articles and materials regarding relevant current events to class whenever possible.* We will have a current event discussion each week prior to lecture. This is a great chance to boost your class participation grade. I

especially appreciate articles culled from the Wall Street Journal.

**This class is a discussion class.** Students are expected to come to class prepared so that they can fully participate in class discussions. This course requires extensive reading, (with briefing and outlining highly recommended) to be completed in advance of the class covering the topic. Students must stay current in all assignments. This class requires that a student have both knowledge and skill, which can only be achieved over time. Students planning to “cram” at the last minute will be unpleasantly surprised.

**CONDUCT:**

*The University expects from all of its students and employees the highest standard of moral and ethical behavior in harmony with its Christian philosophy and purposes. Engaging in or promoting conduct or lifestyles inconsistent with traditional Christian values is not acceptable.*

The following regulations apply to any person, graduate or undergraduate, who is enrolled as a Pepperdine University student. These rules are not to be interpreted as all-inclusive as to situations in which discipline will be invoked. They are illustrative, and the University reserves the right to take disciplinary action in appropriate circumstances not set out in this catalog. It is understood that each student who enrolls at Pepperdine University will assume the responsibilities involved by adhering to the regulations of the University. Students are expected to respect order, morality, personal honor, and the rights and property of others at all times.

***Examples of improper conduct for which students are subject to discipline are as follows:***

*\*Dishonesty in any form, including plagiarism, illegal copying of software, and knowingly furnishing false information to the University.*

*\*Forgery, alteration, or misuse of University documents, records, or identification.*

*\*Failure to comply with written or verbal directives of duly authorized University officials who are acting in the performance of assigned duties.*

*\*Interference with the academic or administrative process of the University or any of the approved activities.*

*\*Otherwise unprotected behavior that disrupts the classroom environment.*

*\*Theft or damage to property.*

*\*Violation of civil or criminal codes of local, state, or federal governments.*

*\*Unauthorized use of or entry into University facilities.*

*\*Violation of any stated policies or regulations governing student relationships to the University.*

***Disciplinary action may involve, but is not limited to, one or a combination of the alternatives listed below:***

*\*Dismissal – separation of the student from the University on a permanent basis.*

*\*Suspension – separation of the student from the University for a specific length of time.*

*\*Probation – status of the student indicating that the relationship with the University is tenuous and that the student’s records will be reviewed periodically to determine suitability to remain enrolled. Specific limitations to and restrictions of the student’s privileges may accompany probation. See current catalog.*

Students are expected at all times to conduct themselves in class as business professionals; that is, conduct yourself using the same tone and manner you would use addressing the CEO and/or Board of Directors of a company. Students are expected to leave the room if a business or personal matter requires their immediate attention, just as would be expected in a professional setting. *Accordingly, class interruption with ringing cell phones/pagers is strictly prohibited. Taping or recording of lectures is not permitted for any reason. \*\*\*All cell phones must be turned off and all internet cards must be disabled throughout each class. Any pagers must be turned to the “vibrate” setting or turned off during class.\*\*\* Failure to comply with these rules may result in a student’s grade being lowered a full letter grade. For a discussion of this topic, students should review the 2004 Catalogue.*

**POLICY ON  
DISABILITIES:**

Assistance for Students with Disabilities:

*“Students with disabilities, whether mental or physical, are encouraged to contact the Equal Opportunity Office before the academic year begins or soon after classes are in session. This office will assist each student by providing general information about campus facilities and available resources. The office will assist in providing reasonable accommodation to students with disabilities pursuant to applicable laws. Inquiries should be directed to equal opportunity officer, at (310) 506-6500. (Students who wish to file a formal grievance should refer to the “Nondiscrimination Policy,” which is listed in the “Legal Notices” section of this catalog.)”* GSBM Catalog, pg. 31.

**ABSENCES:**

If you are absent from a class, you are responsible for obtaining the notes/instructions for that class from one of your classmates and for being prepared for the next class meeting you attend. **Students may not “drop-in” to attend other sections of the same class I may be teaching. Such attendance is only allowed on a prior written authorization basis.** If a student nevertheless does drop in without prior permission, and takes a quiz, that quiz will not be counted.

**\*\*EXAMINATIONS:**

There are 13 graded weekly quizzes of approximately 30 questions each (beginning week 2) covering the topics covered in the prior week’s class. ***Beginning week 2, weekly quizzes are given promptly at the beginning of class unless otherwise stated (except for the final class meeting); no time extensions for traffic snafus so leave for class early!*** We will take an ungraded practice quiz at the first class meeting in order to familiarize you with the format (and avoid unpleasant surprises). Each student may drop his/her 2 lowest quiz scores (or skip 2 quizzes); *thus, only 11 of the 13 graded quiz scores are counted towards one’s final grade.* ***There are no make-up quizzes absent a proven serious medical or similar emergency*** - a student may use of the 2 drops for a schedule conflict or any other problem making it to class. Any student missing a quiz will receive a grade of “0” for that quiz.

On the quiz, students are responsible for material delivered in class by the professor, assigned chapters in the text and any other selected readings as assigned.

## OUTLINING AND CASE BRIEFS:

**See sample outline at end of syllabus.** These are optional, but *strongly recommended*. To do these right takes a substantial amount of time. Review the instructions for outlining & the sample outline attached at the end of this syllabus, and the case briefing instructions on p. 17-18 in the textbook for writing a case brief carefully. After grasping the skill of case-briefing, a student may begin book-briefing instead. "Book-briefing" means to brief your case in the book itself (e.g., in the margins, etc.) so that, if called upon, you can immediately recite the issue, facts and the like.

## GRADING:

- a. Grades will be assigned on a plus(+)/minus(-) basis.
- b. There is no extra credit assignment. You will have enough to do with the assigned material.
- c. ***Grades are not arrived at through negotiation.***  
The only reason a grade will be changed is if there is a mathematical error in the calculation.
- d. Failure to be prepared for class and excessive absences may lead to a grade being lowered. This is a discussion class; students are expected to come to class and be prepared.
- e. Final grades will be assigned as follows:  
  
80% = Average score of 11 Quizzes  
20% = Individual & Team Participation/Attendance  
= ***100%***
- f. Any instance of cheating will result in a grade of "F" for the course and the student will be reported to the Ethics Committee for further disciplinary action, as appropriate.
- g. Once a quiz begins, no one may leave the room until such person's quiz is completed and has been turned in to the professor. *Be sure to double-check both sides of the quiz page(s) for completion. **Once a quiz is handed in, it will not be returned to the student for any reason until it has been graded.***

**GSBM students are expected to respect personal honor and the rights and property of others at all times. The University rules on conduct can be found in the GSBM Catalog. Additionally, students with disabilities are encouraged to familiarize themselves with the University's Policies on Disabilities in the GSBM Catalog and/or to contact the University's equal opportunity officer at (310) 506-4208.**

## Schedule of Classes

<u>WEEK</u>	<u>DATE (W)</u>	<u>ASSIGNMENT</u>
1	Aug. 27	<i>Foundations of American Law.</i> Read: <b><i>This syllabus</i></b> ; The U.S. Constitution (incl. Amendments); & (Mallor) Chapters 1 thru 4. <b>Practice quiz</b> (on week 1 material).
2	Sept. 3	<i>Crimes.</i> <b>Quiz</b> (on week 1 material). Read: Chapter 5.
3	Sept. 10	<i>Intentional Torts.</i> <b>Quiz</b> (on week 2 material). Read: Chapter 6.
4	Sept. 17	<i>Negligence &amp; Strict Liability.</i> <b>Quiz</b> (on week 3 material). Read: Chapter 7; (skim) Chapter 20; <u>Palsgraf &amp; Ryan</u> handout cases. Team “Supreme Court” case exercises.
5	Sept. 24	<i>Contracts: Nature, Agreement &amp; Acceptance.</i> <b>Quiz</b> (on week 4 material). Read: Chapters 9 thru 11.
6	Oct. 1	<i>Contracts: Consideration, Reality of Consent, Capacity &amp; Illegality.</i> <b>Quiz</b> (on week 5 material). Read: Chapters 12 thru 15.
7	Oct. 8	<i>Contracts: Writing, Rights of Third Parties, &amp; Performance and Remedies.</i> <b>Quiz</b> (on week 6 material). Read: Chapters 16 thru 18.
8	Oct. 15	<i>Agency Law.</i> <b>Quiz</b> (on week 7 material). Read: Chapters 35-36.
9	Oct. 22	<i>Partnership Law.</i> <b>Quiz</b> (on week 8 material). Read: Chapters 37-40.

- 10      Oct. 29                      *Corporations.*  
**Quiz** (on week 9 material).  
 Read: Chapters 41 thru 44.
- 11      Nov. 5                              *Securities Law.*  
**Quiz** (on week 10 material).  
 Read: Chapter 45; Reg. FD handouts &  
Dirks & Chiarella handout cases.  
 Team “Supreme Court” case exercises.
- 12      Nov. 12                             *Administrative & Employment Law.*  
**Quiz** (on week 11 material).  
 Read: Chapters 47 (skim) & 51.
- 13      Nov. 19                             *Property Law (Real & Personal).*  
**Quiz** (on week 12 material).  
 Read: Chapters 23 thru 25; & Shelby Cobra  
 handout.  
 Cobra team exercise.
- 14      Nov. 26                             NO CLASS
- 15      Dec. 3                                 *Intellectual Property & Unfair  
 Competition Law.*  
 Read: Chapter 8; & eLaw case handouts.  
**\*\*Quiz at end of lecture instead of  
 beginning of class** (on BOTH week 13 & 15  
 material).  
 eLaw team case exercise.

## PROFESSOR'S BIOGRAPHY

**Gia Honnen Weisdorn, J.D., LL.M., M.B.A.** Gia Honnen Weisdorn is a practicing attorney with the Law Offices of Gia Honnen Weisdorn, engaging in client representation for transactional matters in the areas of entertainment, employment, intellectual property and the like. Clients include entertainment, internet, biotechnology and technology companies, among others. For several years Prof. Weisdorn has taught business law, international business law, negotiations, and eLaw as Lecturer in Business Law for Pepperdine University's Graziadio School of Business and Management, and teaches as both an adjunct professor of Securities Regulation at Pepperdine Law School and as an adjunct professor at Loyola Law School in the area of Business Planning/start-up venture finance (a/k/a "deals"). Prof. Weisdorn has served as General Counsel to LitFunding Corp., where she was responsible for supervising all legal matters pertaining to the company, including: structuring business development and financing transactions, negotiating and drafting legal agreements, providing legal and business affairs advice to executive management, and directing the activities of outside counsel. Prof. Weisdorn previously served as Vice President, General Counsel, to the formerly American Stock Exchange-listed company 3Dshopping.com a/k/a O2 Essential Marketing Technologies. For several years Prof. Weisdorn was a staff attorney with the Theatrical Production Division of Twentieth Century Fox, where she was engaged in all legal aspects of theatrical motion picture production, including the negotiating and drafting of talent and intellectual property rights agreements. Prof. Weisdorn was an Associate with law firm of Sheppard, Mullin, Richter & Hampton (Labor Department, San Diego office), where she was predominantly involved in employment and labor-related matters such as wrongful termination litigation, wage and hour lawsuits, and union disputes. Prof. Weisdorn is a Harlan Fiske Stone Scholar honors graduate of Columbia Law School (LL.M.), graduated Magna Cum Laude from the University of San Diego School of Law (J.D.), and holds a Master's Degree in Business Administration (M.B.A.) with a Finance concentration from Pepperdine University. *Prof. Weisdorn is admitted to practice in and before: the State of California; the U.S. Supreme Court; the U.S. District Court, Southern District of California; and the U.S. Tax Court.*

For more information re professor, please go to:

<http://bschool.pepperdine.edu/programs/faculty/index.html?faculty=Weisdorn,+G>.

## **WEISDORN'S SUGGESTED READINGS AND REFERENCES**

These suggested readings are not intended to provide additional coursework nor are they an extra-credit option for my classes, but merely a guide for relevant extracurricular areas of interest.

### I. A good glossary of private-equity jargon:

PRIVATE EQUITY GLOSSARY, Dartmouth's Tuck School of Management Foster Center for Private Equity. See, [mba.tuck.dartmouth.edu/pecenter/resources/glossary.html](http://mba.tuck.dartmouth.edu/pecenter/resources/glossary.html)

### II. Good sources on the importance of the rule of law in the globalization context:

THE LEXUS AND THE OLIVE TREE, Thomas L. Friedman (1999).

THE MYSTERY OF CAPITAL: WHY CAPITALISM TRIUMPHS IN THE WEST AND FAILS EVERYWHERE ELSE, Hernando De Soto (2000).

### III. Good cycle-forecasting source:

THE FOURTH TURNING, AN AMERICAN PROPHECY: WHAT THE CYCLES OF HISTORY TELL US ABOUT AMERICA'S NEXT RENDEZVOUS WITH DESTINY, William Strauss and Neil Howe (1998).

### IV. Handy legal writing sources:

PLAIN ENGLISH FOR LAWYERS, Richard Wydick (1985).

LEGAL WRITING IN A NUTSHELL, Lynn Squires and Marjorie Rombauer (1982).

### V. Good source for American legal history:

A HISTORY OF AMERICAN LAW, Lawrence M. Friedman (1985).

### VI. Entertainment industry-related sources:

LAW AND BUSINESS OF THE ENTERTAINMENT INDUSTRIES, Donald Biederman et al. (1992).

ALL YOU NEED TO KNOW ABOUT THE MUSIC BUSINESS, Donald S. Passman (1994).

THE MUSIC BUSINESS: A LEGAL PERSPECTIVE, Peter Muller (1994).

THE MOVIE BUSINESS BOOK, Jason E. Squire (1992).

**CHAPTER 1: THE NATURE OF LAW (11<sup>TH</sup> ED.).**

**I. TYPES AND CLASSIFICATIONS OF LAW.**

**a. Types of Law.**

**1. Constitutions.**

A. Exists at both state and federal levels.

(i) Separation of powers: US Constitution:

(I) establishes a *Congress* and gives it power to *legislate* (make law) in certain areas;

(II) provides a *chief executive* to *execute/enforce* the laws; and

(III) helps create a *judiciary* to *interpret* the laws.

(ii) Federalism Principle: US Constitution structures the relationship between federal govt. v. the states, respecting states' power to legislate in certain areas.

B. 2 functions:

(i) Sets up structure of government for political unit it controls.

(ii) Prevents other governmental units from taking certain actions by passing laws.

\* Example: prohibit government action restricting certain individual rights (e.g., Bill of Rights).

**2. Statutes.**

A. Federal: Laws created by Congress.

B. State: Laws created by a state legislature.

\**Cf.*, Uniform acts: Merely model provisions drafted by private bodies. *Not law* until enacted by a legislature.

Goal: Promote uniformity among states on various subjects.

**3. Common law. Judge-made/case law.**

- A. Made and applied by judges as they decide cases not governed by statutes, etc.
  - B. Theoretically, only applies at state level.
  - C. Originated in medieval England.
  - D. *Stare decisis* doctrine (let the decision stand).
  - E. Pervades rules of torts, contracts and agency.
    - \*The Restatements of Law: Collection of common law (and occasionally statutory) on a given subject that is actually followed by a majority of jurisdictions. Not law, but merely persuasive authority. May be adopted as common law by states.
4. **Equity.** Provides discretionary justice in situations where common law rules would produce unfair results.
- A. History. Began as a separate equity court, which heard cases for which no adequate remedy at law was available. Courts of law and equity now merged in most states, and available remedies now may combine both law and equity. Also, now many equitable principles have blended together with common law/statutory rules.
  - B. Remedies provided were unavailable in rigid common law courts.
    - (i) Most important remedy: Injunction.
    - (ii) Other equitable remedies include:
      - (I) Specific performance. Require performance under the contract.
      - (II) Rescission. Rescind contract.
      - (III) Reformation. Rewrite contract to reflect parties' intentions.
5. **Administrative regulations & decisions.**
- A. Federal/State agencies are delegated power from the legislature.
  - B. Agencies usually created via statute specifying areas in which agency can make law and scope of power.

C. 2 kinds of law made by administrative agencies:

(i) Administrative regulations. Appear in precise form in single authoritative source.

(ii) Agency decisions. Internal court structure hears cases arising under statutes and regulations the agency enforces.

6. **Treaties.**

A. Made by president with foreign governments.

B. Approved by 2/3 of US Senate.

7. **Ordinances**. Enactments of municipalities (which exercise limited functions of state government).

8. **Executive orders.**

A. Issued by President or state's governor.

B. This power usually results from a legislative delegation.

b. **Priority Rules**. (see, chart p. 5)

1. **Federal supremacy** (i.e., US Constitution, federal laws and treaties trump state laws.).

2. **Constitutions** (i.e., trump all other laws within their domain).

3. **Treaty v. federal statute** re *purely domestic* matter: Last in time usually prevails.

4. **State/Federal statutes** (i.e., state/federal statutes defeat conflicting laws (such as agency regulations) depending on legislative delegation for validity).

5. **State statutes** (and laws derived thereunder) trump inconsistent common law rules.

c. **Classifications of Law**.

1. **Criminal v. civil law.**

A. Criminal Law:

(i) Government prosecutes someone for committing a crime.

- (ii) Creates duties owed to the public.
- (ii) **Penalties:** Includes *imprisonment* & fines, among other things.

B. Civil Law:

- (i) Mainly governs obligation between private parties.
- (ii) Government may be treated as a private party to a civil suit.
- (iii) Penalties: \$ Damages and equitable relief.

2. **Substantive v. procedural law.**

- A. Substantive Law: Sets rights & duties of people as they act in society.
- B. Procedural Law: Controls behavior of government bodies in establishing and enforcing substantive law.

3. **Public v. private law.**

- A. Public law: Regards powers of government, and relations between government and private parties (e.g., Con Law, Admin Law and criminal Law).
- B. Private Law: Established framework of legal rules enabling private parties to set rights/duties vis-à-vis each other.

II. **JURISPRUDENCE/PHILOSOPHY OF LAW.** (see, chart p. 7)

a. **Legal Positivism.**

- 1. Law = The command of a recognized political authority.
- 2. Positive laws are valid regardless of morality.
- 3. Positivist judges tend to enforce laws as written.

b. **Natural Law.**

- 1. Merges law and morality. Some higher law binds all people.
- 2. Unjust positive laws are not law (i.e., should not be obeyed).
- 3. Natural law judges more likely to let morality influence decisions.

c. **American Legal Realism.**

1. Key: *Law in action* (i.e., the behavior of those enforcing and interpreting positive law).
  2. Law = Behavior of public officials (e.g., judges) as they deal with matters before the legal system.
  3. Positive law and morality are not most important in determining what the law is.
- d. **Sociological Jurisprudence.**
1. Generic label to describe several different approaches whose common aim is to examine law within its social context.
  2. No distinctive sociological definition of law.
  3. Practical implication: Tends to urge that law must change in accord with social values.  
\* *Rochin* case is example of liberalizing movement re criminal procedure in 1960's.

### III. **THE FUNCTIONS OF LAW.**

- a. **Instrumentalist view:** As instrument for accomplishing chosen purposes.
  1. Pro: Adaptable to further social good.
  2. Con: Unpredictable and unstable because of adaptations' outcome.
- b. **Social functions** (always a tradeoff between conflicting ends):
  1. Peacekeeping.
  2. Check government power/promote personal freedom.
  3. Facilitate planning and realization of reasonable expectations.
  4. Promote economic growth via free competition.
  5. Promote social justice.
  6. Protect the environment.

#### IV. LEGAL REASONING.

a. Basically deductive/syllogistic.

1. Legal rule: Major premise.
2. Facts: Minor premise.
3. Result: Product of combining the two.

b. Case Law. In cases governed by common law, courts look to prior cases for legal rules.

1. *Stare decisis* doctrine: Like cases should be decided alike. Standard for choosing/applying prior cases. Prior case control decision.  
\*Note: Courts can overrule prior decisions.
2. Distinguish cases with disparate facts. Prior case will not control decision.
3. Determining whether a case is sufficiently similar to be controlled by prior decisions is a source of uncertainty re common law. Also gives common law adaptability to social conditions.  
\*McPherson case: Illustrates the common law's adaptability over time.

c. Statutory Interpretation.

1. Statutes often are ambiguously written or fail to anticipate certain situations.
  2. Various techniques exist to interpret statutes, which may yield different results:
    - A. Plain meaning rule. If statute's words have a clear common meaning, the court should apply the statute according thereto, period.
    - B. Legislative history. Used in 2 overlapping ways:
      - (i) Determine what legislature thought re specific meaning of statutory language; and
      - (ii) Determine what legislature thought re overall goal of the statute.
- \*Weber case.

- C. General public purpose. The widely accepted general notions of public policy.
- D. Prior interpretations. Follow prior cases/admin decisions.
- E. Maxims. General rules of thumb.

d. **Limits on Courts' Powers.**

1. Written decisions are subject to scrutiny.
2. Lower courts may fear being overruled on appeal.
3. Judges tend to respect established precedents and legislatures' will.
4. Political factors.
5. Courts can only decide genuine cases presented to it with real opposing parties.