

ORIGINAL

OFFICIAL TRANSCRIPT
PROCEEDINGS BEFORE
THE SUPREME COURT
OF THE
UNITED STATES

CAPTION: UNITED STATES, Petitioner v. CHRIS W. BEGGERLY,
ET AL.

CASE NO: 97-731 c. |

PLACE: Washington, D.C.

DATE: Monday, April 27, 1998

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IN THE SUPREME COURT OF THE UNITED STATES

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UNITED STATES, :

Petitioner :

v. : No. 97-731

CHRIS W. BEGGERLY, ET AL. :

- - - - -X

Washington, D.C.

Monday, April 27, 1998

The above-entitled matter came on for oral
argument before the Supreme Court of the United States at
11:05 a.m.

APPEARANCES:

PAUL R. Q. WOLFSON, ESQ., Assistant to the Solicitor
General, Department of Justice, Washington, D.C.; on
behalf of the Petitioner.

ERNEST G. TAYLOR, JR., ESQ., Jackson, Mississippi; on
behalf of the Respondents.

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1 P R O C E E D I N G S

2 (11:05 a.m.)

3 CHIEF JUSTICE REHNQUIST: We'll hear argument
4 next in Number 97-731, United States v. Beggerly.

5 Mr. Wolfson.

6 ORAL ARGUMENT OF PAUL R. Q. WOLFSON

7 ON BEHALF OF THE PETITIONER

8 MR. WOLFSON: Mr. Chief Justice, and may it
9 please the Court:

10 In 1982, the United States and about 200 other
11 parties settled complex land litigation by agreeing that
12 the title to the disputed lands would be quieted in the
13 United States and that the defendants would receive
14 substantial sums which they stipulated in the consent
15 judgment were fair and just compensation for their claims.

16 Over a decade later, the respondents sought to
17 nullify that settlement agreement. They contended that
18 public documents in the National Archives showed that the
19 disputed lands on Horn Island had been granted to a
20 private claimant by the Spanish colonial authorities in
21 1781.

22 The district court dismissed their challenge to
23 the consent judgment as untimely, and also stated that
24 there was little evidence of fraud or mistake to support
25 their challenge on the merits, but the court of appeals

1 agreed with the respondent that the consent judgment
2 should be set aside, and it also held that the Spanish
3 grant was valid, and it awarded title in the disputed
4 lands to the respondents.

5 The court of appeals decision contravenes
6 important values of finality, repose, and stability in the
7 law which are at their apex in litigation over titles to
8 land, and the lower court's errors also have broad
9 significance for the stability of title to both public and
10 private lands.

11 First, the court of appeals disregarded basic
12 principles of finality of judgments and sovereign immunity
13 when it allowed this case to go forward.

14 QUESTION: Incidentally -- and I want you to
15 keep on this vein so far as I'm concerned, but do you have
16 to -- in order to prevail, do you have to convince us both
17 of the sovereign immunity point and of the statute of
18 limitations point under the Quiet Title Act?

19 MR. WOLFSON: Well, they both -- there are
20 two -- I have to turn to the statute of -- the QTA, the
21 Quiet Title Act for a minute. If we win on the sovereign
22 immunity ground, then I think that the quiet title action
23 can't really go anywhere because we would indisputedly
24 have title to the lands. That is, there may be a separate
25 question --

1 QUESTION: Well, what if they want to set aside
2 the settlement, or something.

3 MR. WOLFSON: I don't -- my -- our position is
4 that the Quiet Title Act would not allow a -- would not
5 allow the settlement to be set aside.

6 I mean, if the -- let's assume that they could
7 get into district court under the Quiet Title Act because
8 the court of appeals said yes, the statute of limitations
9 was tolled.

10 Immediately, we would move for summary judgment
11 or to move to dismiss their claim because it's -- the
12 judgment held -- as a matter of res judicata definitively
13 gave us title, and in the Quiet Title Act, in fact,
14 there's a provision that says that the plaintiff has to
15 set out with particularity the nature of his right title
16 or interest in the disputed lands, as well as the United
17 States, and it would be, I think, a complete defense to
18 any action under the Quiet Title Act that the judgment in
19 the prior action had conclusively found -- determined that
20 title were in the United States.

21 Now, that is -- it may be a separate question
22 from the statute of limitations question under the Quiet
23 Title Act as to --

24 QUESTION: -- made the claim preclusion argument
25 was the one as I was reading your brief, and I said, what

1 is this about equitable tolling, statute of limitations?
2 Why didn't the Government just say claim preclusion? We
3 already had a quiet title action.

4 MR. WOLFSON: Well, I mean, we of course -- it
5 has to be understood in the district court the respondents
6 relied on the quiet title action -- on the Quiet Title Act
7 not really -- they didn't really want title to the land
8 back. They didn't really want their land back. They
9 wanted money, and there's various pleadings in the
10 district court in which they say that.

11 What they said, Your Honor, was that the Quiet
12 Title Act allowed the district court to award them damages
13 because there is a provision that says if it's found that
14 it's their land but -- under the Quiet Title Act, but we
15 elect to keep it anyway, then we can elect to award them
16 compensation.

17 Our argument in the district court was that the
18 district court could not use the Quiet Title Act on that
19 basis because it was essentially a taking claim which had
20 to be brought in the Court of Federal Claims.

21 Now, we went up to the --

22 QUESTION: Even apart from that, why don't you,
23 as to damages, also have res judicata to plead? You say,
24 they acquired it, there was a judgment, it was so many
25 dollars, and that dollar judgment is it. It has been

1 satisfied, end of issue. Preclusion for that reason.

2 MR. WOLFSON: I have to emphasize that the
3 reason -- the Quiet Title Act is in the case only because,
4 essentially, of a surprise that the court of appeals --

5 QUESTION: No, but what's the answer to my
6 question?

7 MR. WOLFSON: I think that -- well, I think that
8 if we win on the first question presented, then we have
9 those defenses to plead, but if we lose on the first
10 question presented --

11 QUESTION: But do you say you have that defense
12 to plead not only with respect to the party in whom title
13 has been adjudicated, but that you also have that defense
14 to plead with respect to the amount of money that could
15 possibly be a liability from the Government to the
16 respondents?

17 MR. WOLFSON: Well, again, I think that I -- you
18 know, we are here on our petition sort of taking the case
19 as the court of appeals --

20 QUESTION: Yes, but yes or no? What's the
21 answer?

22 MR. WOLFSON: I may not be understanding your
23 question exactly, but if we --

24 QUESTION: Look, Justice Ginsburg asked you why
25 preclusion isn't your answer if you get to quiet title. I

1 understood you to say, well, the issue really under the
2 Quiet Title Act is not title. The issue is damages. And
3 my question is, why isn't that also a matter of
4 preclusion, because the damages were the subject of a
5 prior settlement that was reduced to judgment?

6 MR. WOLFSON: Right, and my -- I guess what I
7 have to say is, it's an answer that we can give only if
8 that judgment remains closed.

9 QUESTION: Well, but the judgment remains
10 closed, I presume, because you have won on the first
11 issue.

12 MR. WOLFSON: Right. If we win on the first
13 issue, then I think we have a substantive defense, but on
14 the --

15 QUESTION: Not any more. You waived it below.
16 I mean --

17 MR. WOLFSON: Well, no.

18 QUESTION: Res judicata can be waived.

19 MR. WOLFSON: I don't -- I have to say I don't
20 think we waived it. I mean, it wasn't really presented in
21 a way in which we were called upon to address it in the
22 district court.

23 The respondents did not even amend their cause
24 of -- amend their complaint in order to raise a claim
25 under the Quiet Title Act until after they filed for

1 summary judgment, and the district court dismissed it as
2 untimely, which should be reviewed in the court of
3 appeals, I would think, under an abuse of discretion
4 standard, so we strongly feel that we had no call to even
5 address these matters.

6 It was only when the court of appeals, even
7 while excusing the respondents for their 12-year delay in
8 bringing their suit, rushed to the, you know, ultimate
9 merits of the case, reopened the judgment, concluded that
10 everything -- that the land claim was valid, and awarded
11 title to the respondents, that we had to face the issue
12 about whether the Quiet Title Act could be a basis for
13 awarding the title into the respondents' land.

14 I think that that does focus -- return me to my
15 point about why the court of appeals' decisions -- why its
16 rulings are so important. First, I mean, in terms of
17 finality of judgments and sovereign immunity, the court of
18 appeals essentially redetermined land title issues in a
19 litigation against the United States that was a collateral
20 attack on a final judgment where there was no waiver of
21 sovereign immunity that would permit such a case to go
22 forward.

23 Second, when the court of appeals, on the issue
24 of whether there is tolling of the statute of limitations
25 under the Quiet Title Act, when the court held that it

1 should be tolled, I think it disregarded two very
2 important policies about statute of limitations, both
3 generally in the law and especially with regard to land
4 title litigation: first, protecting parties against being
5 forced to come into court to defend against stale, very
6 stale land claims, and also to encourage plaintiffs who
7 claim an interest in land to conduct prompt and thorough
8 research on their claims.

9 I've spoken third about the court of appeals
10 kind of prematurely judging the merits of the case. That,
11 we submit, was error because it was -- first of all
12 because it was outside of the scope of the court of
13 appeals.

14 QUESTION: Is it your position the court of
15 appeals was wrong in saying that the independent action
16 was just really a continuation of the earlier action?

17 MR. WOLFSON: Yes, it is. I think that's --
18 that is essentially our primary submission.

19 QUESTION: Yes. Certainly an independent action
20 is possible under the rules, isn't it, because it says
21 that --

22 MR. WOLFSON: Right. I mean, I would say this.
23 The rules leave any independent action where they found
24 it. That is, they do not -- the rules, of course, do not
25 abridge or modify or enlarge any substantive right, and

1 all that -- when Rule 60(b) says there may be an
2 independent action, it doesn't purport to create one, or
3 establish what the substantive law would be for proceeding
4 under one.

5 All it says is, if, under some other body of
6 substantive law there is available to a party an
7 independent action that would allow that party relief from
8 a final judgment, the rules leave that where -- you know,
9 leave that there.

10 What the rules themselves do, however, is they
11 eliminated a kind of a borderland of ancillary forms of
12 action that were neither really inside nor exactly outside
13 the original litigation, that were available in the 19th
14 Century, before law and equity were united in the Federal
15 Rules in 1938 and, as we've explained, there was
16 considerable confusion between 1938 and 1946 as to whether
17 still one could go outside the mechanism that the rules
18 had set up, which was to say, to file a motion for relief
19 from judgment.

20 The reason why I think there was confusion was
21 that as it was originally enacted, Rule 60(b) did not
22 specifically say that a party could get relief from a
23 final judgment because of fraud, and I think there was
24 some speculation that it couldn't have been that the rules
25 had intended to cut off that avenue from relief. What

1 the --

2 QUESTION: Right on that point, supposing -- I
3 know it's not this case, but supposing there had been
4 allegations of fraud here, would there need to be an
5 independent jurisdictional basis for attacking the
6 judgment on fraud grounds?

7 MR. WOLFSON: Yes, because they're outside the
8 time limit of Rule 60(b), which is 1 year for seeking
9 relief from a final judgment based on fraud, whether
10 intrinsic or extrinsic, as the rule specifically says,
11 so --

12 QUESTION: But the sentence describing
13 independent actions includes fraud as a ground of relief.

14 MR. WOLFSON: Well, there may be -- there may be
15 some substantive law -- for example, between private
16 parties is one that would come to mind, where one party
17 could seek to -- could bring a lawsuit in Federal district
18 court against another and get relief from a final judgment
19 based on fraud, but when such an independent action is
20 filed in Federal district court, it is just like any new
21 lawsuit. You need substantive law. You need subject
22 matter jurisdiction. You need -- and -- when the lawsuit
23 is against the United States.

24 QUESTION: What is your authority for that?

25 MR. WOLFSON: What is our authority for that?

1 Well, I think -- I mean, we're drawing our reasoning from
2 the Court's recent decision in Kokkonen.

3 QUESTION: Yes, but there's no pre-Kokkonen law
4 that establishes that?

5 MR. WOLFSON: Well, I mean, we recognize --

6 QUESTION: I mean, Kokkonen, of course, wasn't
7 really directed at this problem.

8 MR. WOLFSON: I acknowledge that. I mean, we --
9 I guess our -- we recognize that this has been an
10 unsettled issue for a while. I mean --

11 QUESTION: How about that it would undercut
12 60(b) entirely if you could just --

13 MR. WOLFSON: I think that's right.

14 QUESTION: -- avoid 60(b) and say, here, we --
15 because 60(b), you don't have to establish any independent
16 jurisdictional basis.

17 MR. WOLFSON: Right. It is truly ancillary
18 jurisdiction --

19 QUESTION: So --

20 MR. WOLFSON: -- and I think it would be hard to
21 understand why the drafters of the Federal Rules would
22 have put in a 1-year time limit for relief from judgment,
23 motions for relief from judgment based on fraud, among
24 other things, and mistake, if it had -- were also possible
25 just to file a new or an independent action without

1 invoking the --

2 QUESTION: But then it's also puzzling why did
3 they use the word fraud in subparagraph (3), or clause
4 (3), and also put it in with regard to independent actions
5 if that's just meant to duplicate? That's what's puzzling
6 to me.

7 MR. WOLFSON: I think that -- well, there is --
8 I mean, I do have to -- I do want to say, there is a
9 separate concept of fraud upon the court.

10 QUESTION: Right.

11 MR. WOLFSON: Right, and that -- that is really,
12 really bad fraud.

13 QUESTION: All right, let's --

14 MR. WOLFSON: I mean, there's no other way to --

15 QUESTION: That's what I wanted to do. I want
16 to distinguish this case --

17 MR. WOLFSON: Right.

18 QUESTION: -- which doesn't involve that kind of
19 fraud, with a case that does involve really, really bad
20 fraud upon the court.

21 MR. WOLFSON: Right.

22 QUESTION: And in that case --

23 MR. WOLFSON: Right. What --

24 QUESTION: -- does there have to be an
25 independent Federal basis for jurisdiction?

1 MR. WOLFSON: I don't think that case -- that
2 case does not really involve an independent action at all.
3 What that case --

4 QUESTION: Oh, but it's in the sentence about
5 independent action.

6 MR. WOLFSON: No, it says -- but you see, it
7 says, it does not relieve a -- it does not prevent a party
8 from bringing an independent action or to set aside a
9 judgment for fraud upon the court.

10 Now, that -- the ability of a court to sort of
11 purge itself of the effects of fraud perpetrated upon
12 it -- the classic example was this Court's opinion in
13 Hazel-Atlas.

14 QUESTION: Right.

15 MR. WOLFSON: That is an inherent authority of
16 the court. It doesn't even require an independent action.
17 In fact, there are cases from this Court where a party
18 brought allegations of fraud to the Court as amicus
19 curiae.

20 QUESTION: You know, there's been debate within
21 the Court as to the extent of our inherent power. Some of
22 us are --

23 MR. WOLFSON: But I think that this is a -- it
24 doesn't even -- as I understand the cases under this, to
25 be -- for a court to purge itself of a fraud upon the

1 court, it doesn't even really require a new lawsuit. It
2 is ability of one branch of Government to protect itself
3 from fraud perpetrated upon it, but it is a unique and
4 very, very narrow situation that involves egregious
5 misconduct like bribing a juror.

6 QUESTION: Why do you think that? That is, I
7 don't understand the relation of the first parts of the
8 rules to the word independent action.

9 My understanding is there was a classical action
10 in equity called an independent action in equity, and that
11 classical action which existed in the Nineteenth Century
12 was a way of going to a court of equity and asking for
13 relief from a judgment, and you could get it.

14 MR. WOLFSON: Well --

15 QUESTION: And if there was a jurisdictional
16 problem, there was no problem, because you went to the
17 same court and they let you in in the same court that you
18 had the original action in. That seemed fairly clear from
19 the commentators.

20 MR. WOLFSON: I think that --

21 QUESTION: So I grant you, I agree with you, I
22 don't understand the relation to that. On the one hand
23 you have to say, bring it within a year. That's what they
24 say in the first part of the rules. And then they say,
25 oh, but we're not interfering with an independent action

1 in equity and, of course, that would gut the year
2 requirement.

3 MR. WOLFSON: Well -- all right.

4 QUESTION: But maybe it does -- it does gut it.

5 MR. WOLFSON: I mean, first -- right.

6 QUESTION: So what are we supposed to do?

7 MR. WOLFSON: First of all let me say, although
8 there were these independent actions in equity, they were
9 not allowed to proceed against the sovereign under cases
10 that we've cited in our brief. They're all --

11 QUESTION: I thought they could proceed against
12 whatever party was involved in the first action. I
13 thought the --

14 MR. WOLFSON: Well, all --

15 QUESTION: Didn't Missouri -- what is it,
16 Pacific Railroad --

17 MR. WOLFSON: Missouri Pacific Rail --

18 QUESTION: Yes. Doesn't --

19 MR. WOLFSON: Well, that is -- I would
20 acknowledge that that is the strongest case for the other
21 side, but that's not --

22 QUESTION: That -- to be sure, that speaks of
23 citizenship.

24 MR. WOLFSON: Right. That's not a case against
25 the sovereign, and the cases that we've cited on page 20,

1 footnote 13 of our brief, Hill v. United States, United
2 States v. McLemore, they all say, well, these bills of --
3 these things like bills of review, they are really -- they
4 are really new -- as far as sovereign immunity is
5 concerned, they are new actions.

6 QUESTION: Well, suppose I thought --

7 MR. WOLFSON: I want to emphasize that before
8 I --

9 QUESTION: I understand that.

10 MR. WOLFSON: Right. Right.

11 QUESTION: But suppose I didn't want to be
12 technical about it --

13 MR. WOLFSON: Right.

14 QUESTION: -- and said that the whole point of
15 these independent actions in equity was to set aside an
16 initial judgment obtained through fraud, so if the
17 sovereign waived immunity as to the first, they waived it
18 as to the second, and moreover, since an action in equity,
19 forget the statute of limitations in the statutes.
20 There's a question of laches or something.

21 MR. WOLFSON: Right.

22 QUESTION: It's equitable. All right. Now, I
23 grant you --

24 MR. WOLFSON: Right.

25 QUESTION: -- that totally guts the first part.

1 MR. WOLFSON: Right.

2 QUESTION: But --

3 MR. WOLFSON: Well, there is --

4 QUESTION: And it says it in the second
5 sentence --

6 MR. WOLFSON: But there is --

7 QUESTION: -- in the rules. It says it. So
8 what am I supposed to do?

9 MR. WOLFSON: Well, I think that if -- looking
10 at those cases, they really -- although they are referred
11 to as independent actions in equity they really are
12 devices that courts of equity were trying to fashion in
13 order to get around the problem that a court of law could
14 not reopen its judgments after a few months, and --

15 QUESTION: Well, in Missouri Pacific the second
16 action was brought as a matter -- in a matter of months,
17 after the original decision came down from this Court,
18 wasn't it?

19 MR. WOLFSON: Right, and that's -- and in
20 Missouri Pacific there had been a problem because there
21 was no longer complete diversity among the parties, and
22 the Court said -- now -- said yes, you know, the parties
23 can go forward.

24 We think that Missouri Pacific is really best
25 understood as a fraud upon the court case, but if not,

1 then it probably is best understood as a bill of review
2 case, where it was a -- sort of a supplemental bill. It
3 wasn't really -- it wasn't an independent action in equity
4 like somebody --

5 QUESTION: Am I supposed to do this? What it
6 says is, this rule does not limit the power of a court to
7 entertain an independent action in equity --

8 MR. WOLFSON: Right. All right.

9 QUESTION: -- let's say, to relieve a party, so
10 I'm supposed to imagine I'm back in the days of
11 yesteryear, I'm back in the 19th Century.

12 MR. WOLFSON: Right.

13 QUESTION: I'm supposed to imagine that, and I'm
14 supposed to imagine what would a court have done then in
15 an independent action in equity.

16 MR. WOLFSON: But the bill -- all right, but the
17 rule --

18 QUESTION: That's what it seems to tell me to
19 do.

20 MR. WOLFSON: But the rule also says, and I
21 think this is very important, writs of coram nobis, coram
22 vobis, ad ide corella, bills of review and bills in the
23 nature of bills of review, are abolished, so I think first
24 of all you have to make sure that it isn't anything like
25 those, and in the advisory committee notes it says, you

1 know, we have endeavored to list every single form of
2 ancillary form of --

3 QUESTION: All right, but then you're agreeing
4 with me about how to read it. Now tell me -- I'm now
5 back, imagining I am in the 19th Century, bringing an
6 independent action in equity without coram nobis, coram
7 vobis, whatever it is, and now tell me --

8 MR. WOLFSON: I'm not sure -- I'm not sure --
9 I'm not sure I agree with --

10 QUESTION: -- what the court would then have
11 held in respect to this independent action and why.

12 MR. WOLFSON: I'm not sure I agree with you that
13 we are back in the 19th Century. I think that in -- when
14 the Court is using the term, independent action, it means
15 a new lawsuit, but even if we're back in the 19th Century,
16 I mean, what I think we were talking about is, if there is
17 subject matter jurisdiction and all of the rest of it and
18 you can go and bring a new lawsuit -- for example, parties
19 with diversity of citizenship who go into Federal court to
20 enjoin the effect of a State court judgment, that is a
21 classic independent action in equity, but it would need
22 all of the requisites of what anybody would need when they
23 were filing a new case in Federal court.

24 QUESTION: Yes, but Mr. Wolfson, if under all
25 those rules, coram nobis or the various common law writs

1 that were available then, if they could have been brought
2 without a new basis of Federal jurisdiction you can't
3 argue, I don't believe, that substituting a category of
4 independent action for all of those limited the court's
5 jurisdiction, because the rules are not intended to change
6 jurisdiction.

7 In other words, if there were juris -- you
8 didn't need new jurisdiction under one of those writs, you
9 don't need it today if this is the substitute for that.

10 MR. WOLFSON: And I think it's not. I mean, I
11 think the point is that -- I mean, maybe I misunderstood
12 your question, but all of those are abolished, and so --

13 QUESTION: But they're replaced by --

14 MR. WOLFSON: They're not -- I don't think they
15 are replaced by an independent action. What they are
16 replaced by --

17 QUESTION: They were replaced by Rule 60.

18 MR. WOLFSON: -- was rule 60(b) -- right, and so
19 I would say that the only way -- what Rule 60(b) is
20 intended to make clear is that the only way you can get
21 relief from final judgment without filing a new lawsuit is
22 to make a motion under the rules, and the advisory
23 committee notes say the rules, the practice of the rules
24 are intended to be complete in this regard.

25 I'd like to turn, if I may, to the --

1 QUESTION: Mr. Wolfson, before you do, I'd just
2 like to fasten on something extraordinary about this case.
3 You prevailed in the district court. The Fifth Circuit
4 was obviously very disturbed by this case, very angry
5 almost, one might say, because you got cut off entirely at
6 the end. You end up, from being a total winner, being a
7 total loser, so what is it that -- is it that the -- this
8 Spanish grant should have been -- did the court of appeals
9 think that it was terribly negligent, or maybe even
10 deceptive of the United States not to have come forward
11 earlier with this --

12 MR. WOLFSON: Well, I -- obviously it's
13 difficult to -- I mean, I agree with you that the court of
14 appeals was -- you know, there was something that really
15 concerned it about the case, but I have to say, to the
16 extent that the court of appeals might have thought there
17 was some problem that led it to toll -- thought -- think
18 that equitable tolling, for example, was proper, I have to
19 say I disagree with it.

20 I mean, as we pointed out in our brief, we did
21 bring the fact of the Boudreau grant to the parties'
22 attention in the original litigation and said, presuming
23 this to be for -- a grant for Horn Island, we -- you know,
24 we believe that it was not valid because it was never
25 recognized by Commissioner Crawford and so it shouldn't be

1 given effect.

2 On the point about Power's Heirs, which I want
3 to get to, the Court -- the respondents did not mention
4 Power's Heirs either in the lower court, and Professor
5 Baade's affidavit, which purports to be a comprehensive
6 examination of this Court's 19th Century decisions on the
7 issue, does not address -- you know, does not discuss
8 Power's Heirs at all, even though it is a -- it is a
9 controlling decision of Federal law that goes to the
10 ultimate issue on the merits in this case, which is
11 whether the United States obtained title to the lands in
12 the Louisiana Purchase or whether they were -- had already
13 been alienated out of the public domain at that time.

14 Now, two points on how the court of appeals
15 disposed on the case. First, as I mentioned earlier, we
16 think that the court of appeals acted outside the scope of
17 appellate jurisdiction under section 1291 when it reached
18 the ultimate issue in the case.

19 Even if we're wrong on the first two questions
20 presented, or even the first one, and even if the judgment
21 of dismissal was incorrect in the case -- you know, that
22 dismissal should have been reversed -- it seems to me that
23 what the court of appeals should have done was simply
24 remand the case to the district court for further
25 proceedings.

1 The district court did not really look at any of
2 the merits issues in this case. I mean, it thought that
3 that had already been decided already, and all the
4 district court really said about the case was, well, I
5 don't believe that the respondents have brought forth
6 evidence of fraud or mistake that would justify setting
7 aside the judgment even in the alternative, and on that
8 basis it denied the respondents' motion for summary
9 judgment.

10 Now, that denial of the motion for summary
11 judgment was not a final decision. It certainly wouldn't
12 have been appealable by itself, and it didn't merge -- the
13 courts often talk about an interlocutory decision merging
14 into the final judgment, and I would submit that it did
15 not merge into the final judgment because it did not in
16 any way affect the ultimate way in which the district
17 court disposed of the case, which was to dismiss for lack
18 of jurisdiction.

19 So when the court of appeals reversed the
20 dismissal and said the case can go forward, the case was
21 essentially just where it had been in the district court,
22 which was a tentative conclusion that the case should
23 not -- should go to trial.

24 QUESTION: You've mentioned the word tentative.
25 There were -- there's a 54(b) judgment entered here, and

1 yet there was a third claim that seemed to me just another
2 reason for the relief that was wanted. It seemed to me
3 that this was an unfinished case.

4 MR. WOLFSON: The -- well, the district court
5 dismissed the --

6 QUESTION: 1 and 2, but the -- I understand --

7 MR. WOLFSON: The third -- there was a third
8 that was dismissed for lack of jurisdiction. That's the
9 Tucker -- that's the -- they raised sort of an inverse
10 condemnation claim, and the district court said on that,
11 no --

12 QUESTION: But there were three -- two left
13 standing, 3 and 4, right?

14 MR. WOLFSON: There's only three -- I believe
15 there's only three causes of action in the complaint. One
16 is fraud, one is mutual mistake, and the third is inverse
17 condemnation.

18 QUESTION: You said the -- in the -- the first
19 count was dismissed?

20 MR. WOLFSON: Was dismissed for -- because of --
21 yes. It's in the district court's order in the petition
22 appendix at --

23 QUESTION: Well, I'm probably wrong. I thought
24 you --

25 MR. WOLFSON: Yes, it's at page 42a and 43a of

1 the petition appendix, because the court said, well, even
2 if there is a -- some claim of taking here, it has to be
3 presented to the Court of Federal Claims.

4 QUESTION: So you're telling me there was only
5 one count left over, only one thing that wasn't dismissed.

6 MR. WOLFSON: No, everything was decided by the
7 district court. I would -- I mean, the district court
8 dismissed all three causes of action, two for
9 untimeliness, and the third because it belonged in the
10 Court of Federal Claims, so it's a whole -- it's not a
11 54(b) judgment. It's a -- it was a final judgment of
12 dismissal.

13 QUESTION: Okay.

14 MR. WOLFSON: Turning last to the court of
15 appeals decision on the merits, the respondents have
16 argued that this Court decided Power's Heirs on the basis
17 of an incorrect and incomplete understanding of the
18 history of West Florida, and we disagree with their
19 reading of that history, but we would say that even if the
20 question is doubtful, that the Court should nonetheless
21 adhere to its decision in Power's Heirs, which was a
22 controlling decision of Federal law about the interests of
23 the United States obtained under the Louisiana Purchase.

24 That decision governs both private and -- both
25 public and possibly private land claims in the area, and

1 it would be -- the policy of stare decisis has its
2 strongest force, this Court has recognized several times,
3 in the area of litigation over titles to land. It would
4 be extraordinary for the Court to overrule a 150-year-old
5 precedent governing land titles without a truly compelling
6 reason, and for that reason we think the Court should
7 adhere to that decision.

8 If there are no further questions, I would like
9 to reserve my time for rebuttal.

10 QUESTION: Very well, Mr. Wolfson.

11 Mr. Taylor, we'll hear from you.

12 ORAL ARGUMENT OF ERNEST G. TAYLOR

13 ON BEHALF OF THE RESPONDENTS

14 MR. TAYLOR: Mr. Chief Justice, and may it
15 please the Court:

16 I would like to begin immediately by stating
17 that counsel opposite's comment that the finality of
18 judgments is important to protect litigants from stale
19 claims and to also encourage litigants to do their
20 research before presenting their cases, or during the
21 cases, is a critical point that is in my favor, because
22 the Federal Government in this instance did not do their
23 research, and they misrepresented a critical fact.

24 They misrepresented that the key document that
25 the Beggerlys needed to defend their claim in 1979 did not

1 exist, and I don't think there's really any question on
2 this record but that that misrepresentation is the cause
3 of the entry of this judgment. It also was the cause of
4 delay, which I'll get into in a little bit --

5 QUESTION: But Mr. Taylor, the district judge
6 said this was in good faith. Everybody realized that
7 there was this document, and that it wasn't found, and the
8 district judge said, I understand that, but he is not
9 using the kind of language that you are. He said there
10 was good faith on the part of the Government.

11 MR. TAYLOR: Your Honor, I did not --

12 QUESTION: They just couldn't find it.

13 MR. TAYLOR: Excuse me. Pardon me, Your Honor.

14 I did not intend to insinuate that the
15 Government did not act in good faith. You can act in good
16 faith and not get your homework done. You can act in good
17 faith and not do a thorough job.

18 I'm not saying that the Government intended to
19 not find this document, but the fact of the matter is,
20 they did not find it, and they represented that it did not
21 exist, and our people relied upon that representation.

22 QUESTION: Well, maybe you shouldn't in
23 adversary litigation. I mean, every time your opponent
24 cites a case incorrectly, or states a fact incorrectly and
25 you don't take them up on it, this is a basis for setting

1 aside the judgment?

2 MR. TAYLOR: Certainly not, Your Honor.

3 QUESTION: Well, why is it here, if there is no
4 knowledgeable fraud on the part of the Government?

5 MR. TAYLOR: What happened here, in my mind, is
6 similar to what happens in discovery in all cases. After
7 doing an initial investigation of their own in various
8 archives, including the National Archives, the Beggerlys
9 ultimately deposed Mr. Dorasavage, who was the ultimate
10 authority on these records and these grants.

11 Mr. Dorasavage said that the document did not
12 exist. There was still time to look further -- not much,
13 but still some time, when he gave that testimony in 1982.
14 The Beggerlys, just like any litigant does when they take
15 a 30(b)(6) deposition, or take a deposition of a managing
16 agent, they're entitled to assume that the testimony that
17 is given on behalf of the other litigant is truthful, and
18 until some time -- until such time that they acquire
19 evidence to -- that indicates that it's not true, then
20 they don't look in that area any more. They accept --

21 QUESTION: Let's not say it's not truthful. It
22 was truthful. It was simply not correct.

23 MR. TAYLOR: Well, I apologize, Your Honor.

24 QUESTION: He wasn't -- he wasn't
25 misrepresent -- wasn't intentionally misrepresenting.

1 MR. TAYLOR: Right.

2 QUESTION: I don't know, I'm rather troubled by
3 that. I'm not sure, in an adversary system, you are
4 entitled to assume that what your opponent or your
5 opponent's expert witness says is true, and if it turns
6 out to be false, you somehow have a 60(b) claim, or some
7 claim to set it aside for fraud. I don't find your case
8 as sympathetic as you do.

9 MR. TAYLOR: Well, Your Honor, the independent
10 action, according to the basis for that action, identified
11 in Banker's Mortgage Company case, Fifth Circuit case,
12 1970, specified that mistake or fraud is a sufficient
13 basis for setting aside a judgment, and that has been the
14 generally accepted rule, that you do not have to prove
15 fraud, that mistake is sufficient, and --

16 QUESTION: Well, is the record that supports you
17 on this, pages 222 to 224 of the appendix -- I mean, you
18 said the Government said, at your first -- you know, at
19 the trial, before you settled -- you know, you settled the
20 case. There were no disposals, no private land claim
21 disposals for Petit Bois Island. Is that what you're
22 relying on?

23 MR. TAYLOR: Well, you've got the wrong island,
24 Your Honor.

25 QUESTION: And it says or Ship Island, or for

1 Horn Island.

2 MR. TAYLOR: Right. They -- there were a
3 combination of representations, those made during the
4 summary judgment proceedings and the sworn testimony of
5 Mr. Dorasavage.

6 QUESTION: But in the record are they cited
7 somewhere, because I want to look and see what it is that
8 the Government said that you said was a misrepresentation.

9 MR. TAYLOR: Your Honor, we have cited in our
10 brief Mr. Dorasavage's testimony. I don't have that --

11 QUESTION: That's what I quoted here. That's
12 222-24 of the record.

13 MR. TAYLOR: All right, sir. If that's
14 Dorasavage's testimony --

15 QUESTION: Yes, it is.

16 MR. TAYLOR: -- it's that representation that
17 they did rely upon.

18 QUESTION: Fine. What that seems to do is, the
19 pages before that, what Dorasavage says is, he describes
20 his search, so a person reading that would think, well,
21 he's reached the conclusion on the basis of the search
22 he's just described, so where's the misrepresentation?

23 MR. TAYLOR: Well, the misrepresentation is that
24 there and in the briefs the Government indicated the grant
25 didn't exist when in fact it did exist.

1 QUESTION: Yes, but a person who says, I've
2 looked here, there, and the other place, what's your
3 conclusion, well, my conclusion is, there are no needles
4 there in that haystack --

5 MR. TAYLOR: If I --

6 QUESTION: -- and then it later turns out -- I
7 mean, I'm representing on the basis of that search I
8 didn't find the needle. I didn't lie, didn't tell the
9 truth. I told the truth. I didn't find it.

10 MR. TAYLOR: Again, Your Honor, in the discovery
11 process, and I don't -- am certainly not arguing with the
12 Court in any way, but I --

13 QUESTION: No, but I want you to point me to
14 something that --

15 MR. TAYLOR: Well, the 30(b)(6) depositions that
16 we take every day in litigation, if I take a company
17 representative and he says, we don't have any documents of
18 this description, and I have done the research I'm
19 supposed to do, then I am entitled to go and conduct my
20 search in other places and in other ways and to rely on
21 that statement and --

22 QUESTION: Yes, but would you be entitled, many
23 years after a judgment in that case, to bring an
24 independent --

25 QUESTION: That's what -- that's the --

1 QUESTION: -- action setting it aside on the
2 basis of that sort of testimony?

3 MR. TAYLOR: It would depend upon the gravity of
4 the representation I think, Your Honor, and also the -- in
5 this case I might add that you have individuals against
6 the United States Government, and you have the --

7 QUESTION: What does that amount -- how does
8 that differentiate from other cases?

9 MR. TAYLOR: We get to sophistication, Your
10 Honor, not just of the parties -- I know that a litigant
11 has the responsibility to do what's necessary to present
12 his claim, but when you're dealing with specialized
13 documents that are kept in special places that even only a
14 handful of experts, probably, in the country know how to
15 thoroughly research, I do think that makes a difference.

16 QUESTION: Well then, maybe you have to hire
17 your own expert.

18 MR. TAYLOR: Your Honor, and we did, and they
19 came to the archives and did a search, as the Government
20 did, without finding it.

21 QUESTION: Yes, but what is the source of
22 authority to file your independent action in the district
23 court?

24 MR. TAYLOR: The -- two sources of authority,
25 Your Honor. One is ancillary jurisdiction to reopen their

1 initial action, as was discussed previously. The Pacific
2 Railroad -- Railway --

3 QUESTION: You say you can come in and reopen
4 the original quiet title action?

5 MR. TAYLOR: Yes, Your Honor.

6 QUESTION: Without any time limit on doing that?

7 MR. TAYLOR: The limitation that's applicable to
8 an independent action in equity is laches. Laches says
9 that as long as a party is diligent in pursuing his rights
10 and there's no prejudice to the other party in later
11 litigating the issue because of the delay, then they will
12 not be stopped by laches.

13 QUESTION: Well, what does that do to Rule
14 60(b), which sets time limits, 1 year, setting aside a
15 judgment for fraud? Do you think that just falls by the
16 wayside because of your version of an independent action?

17 MR. TAYLOR: I think that there is -- the very
18 rule itself having listed those items in the first part of
19 60(b) that must be brought within a year and then saying,
20 but this does not prevent someone from bringing an
21 independent action, adopts the independent action as it
22 existed so far as --

23 QUESTION: But don't you agree that you have to
24 read those provisions together so that each one of them
25 make sense?

1 MR. TAYLOR: Of course, Your Honor, they do have
2 to make sense.

3 QUESTION: And if the second part simply
4 swallows the first part, do you think that lets the first
5 part make sense?

6 MR. TAYLOR: I disagree with your premise, Your
7 Honor, that it swallows the first part. I believe in
8 order to bring an independent action you've got to show
9 the five elements to bring an independent action that are
10 listed in the Banker's Mortgage case, and that there are
11 more stringent requirements for bringing an independent
12 action after the year has run than are required for
13 bringing the other 60(b) motion within a year.

14 QUESTION: I think you could reconcile them if
15 you reserve the independent action for particularly
16 egregious frauds, of which my reading of the Dorasavage
17 testimony would say yours is not one. You would respond
18 to my statement by telling me that there are cases that
19 show that isn't so, so which case?

20 MR. TAYLOR: Your Honor, I can't specify a
21 particular case that provides for that, but I do think
22 that --

23 QUESTION: Mr. Taylor, can an independent action
24 be brought in a court other than the one that rendered the
25 judgment --

1 MR. TAYLOR: I -- may I conclude my answer
2 here --

3 QUESTION: -- and if so, isn't that one big
4 difference?

5 MR. TAYLOR: I believe I have concluded that,
6 Justice Breyer is -- yes.

7 QUESTION: If you're trying to find a difference
8 between the two, 60(b) is what you use to reopen a
9 judgment in the court that rendered it. The independent
10 action, unless I'm wrong about this, but as I recall, you
11 could bring that any place, not the -- you're not limited
12 to the court that rendered the judgment.

13 MR. TAYLOR: That is correct, Your Honor.

14 QUESTION: So wouldn't that make sense, the
15 difference between the two? 60(b) you go to the court
16 that entered the judgment, and if you have 60(b), then you
17 can't end-run it, and 60(b) has a time limit for mistake,
18 inadvertent surprise, excusable neglect -- but the
19 independent action is reserved for, you go to another
20 court, and that court is not going to be any more giving,
21 I assume, than 60(b) would be for the court that rendered
22 the judgment.

23 MR. TAYLOR: Your Honor, it's curious to me that
24 you can go either to a separate court or into the court
25 that rendered the action, and I frankly do not understand

1 why you may go into a circuit court as well as an original
2 court.

3 Presumably the original court is available, and
4 I understand what you're saying, and that is that there is
5 a distinction, because you can go into a separate court
6 there, rather than filing -- and filing a motion, you
7 cannot.

8 But I suggest to the Court that the provisions
9 for an independent action here preserve those equitable
10 grounds that existed in the 19th Century, which was to
11 give the court discretion to have some flexibility in
12 setting aside a judgment when a wrong has been done, the
13 party has been diligent that presented it, and that to
14 weigh those equities and to make an adjustment, as all of
15 the Federal Rules of Civil Procedure preserved, as I
16 understand it, those 19th Century and prior rights that
17 litigants had.

18 QUESTION: I may not -- I may have confused you
19 in the way I put my question, but when you were doing
20 research on this, you probably looked up a lot of cases
21 that involved an independent action in equity --

22 MR. TAYLOR: Yes, Your Honor.

23 QUESTION: -- and involved fraud --

24 MR. TAYLOR: That's true.

25 QUESTION: -- or misrepresentation.

1 MR. TAYLOR: Right.

2 QUESTION: Now, did you find a case where an
3 independent action was permitted that involved a fraud or
4 a misrepresentation, let us say as -- I want to say as
5 little or trivial -- I don't mean to be pejorative, but as
6 small as the one that seems to be at issue here, but
7 nonetheless the court said, I know it was an inadvertent
8 misrepresentation, I know it was somebody who was looking
9 for a needle in a haystack, I know it isn't much of a
10 fraud, but still you can bring your independent action?
11 Did you find a case that you would like me to look at that
12 would help you in that way?

13 MR. TAYLOR: Yes, Your Honor.

14 QUESTION: What was it?

15 MR. TAYLOR: West Virginia Oil & Gas v. Breece
16 Lumber Company, cited in our brief. It's a Fifth Circuit
17 1954 decision. It's also cited by the Fifth Circuit in
18 its opinion.

19 That case is one in which there was a mistake in
20 regards to a description of land, and it became apparent
21 that there was a mistake, but oil and gas had been
22 discovered on the land in the meantime. The party that
23 was a beneficiary didn't want to agree to it and fought it
24 on jurisdictional grounds. As I recall, that action was
25 brought 7 years after the original judgment was entered,

1 and it was pure mistake, and the court reversed it and
2 corrected that mistake.

3 QUESTION: Mr. Taylor, on the question of
4 finding the mistake, you said that your client was kind of
5 lulled into a sense that there was nothing to be done
6 because the United States had made a representation that
7 there was nothing there, and yet there came a point in
8 time when you were vigorously pursuing Freedom of
9 Information Act, everything that you could. You hired
10 your own researcher.

11 So why did you shift from trusting the
12 Government and saying, well, I'll accept their
13 representation, and then you took their money -- you were
14 paid, what, \$200,000-some-odd -- and then there was a
15 great flurry of activity, much investigation on your part.

16 So why -- well, what made you suddenly get into
17 this highly investigative mode when earlier you said, we
18 relied on the United States?

19 MR. TAYLOR: Your Honor, the intensity of the
20 investigation slowed down some after the judgment was
21 entered but did increase again, or did recontinue
22 afterwards.

23 The critical point, I believe, so far as the
24 inability to bring this action within 1 year, is that the
25 Beggerlys had looked at archives all around, had hired an

1 archivist to look, had looked in the National Archives, as
2 a matter of fact, had not discovered the grant.

3 As they got to the very end, after they'd done
4 this basic research, and they took the deposition of the
5 Government representative, a man who supposedly knows how
6 to find documents in the National Archives and other
7 repositories. He said there is no grant in the National
8 Archives, and they had already done an initial look, and
9 so they accepted him.

10 They pursued Freedom of Information Act requests
11 after the judgment was entered. They pursued other means
12 to try to find this, but they didn't go back to the
13 National Archives for some time, and the reason they did
14 not go back there is because -- based on this
15 representation that it would be fruitless.

16 Finally, as a last-ditch effort, they said okay,
17 let's take one more look, and they hired this genealogist
18 who went in and did intensive research over a period of
19 several weeks and found the document.

20 But they were directed away from the National
21 Archives as it got to the close of the litigation because
22 of the Government's representation, because they had
23 already deposed the Deputy of that office, who said there
24 may be grants there.

25 They went in and did their own research and they

1 deposed the ultimate authority, and he said you won't find
2 them there, and so they ceased looking there until they
3 had looked in all the other places possible.

4 And then they went back and said, okay, let's
5 take one last look here and see if we can find it, and
6 they did.

7 QUESTION: Why was that deed, or -- that grant,
8 why was that dispositive?

9 I mean, the Third Circuit said not only was it
10 relevant, but it's so dispositive that we're going to give
11 your client summary judgment? The United States didn't
12 have any chance to say, now, wait a minute, that deed
13 doesn't do it, or that grant doesn't do it.

14 MR. TAYLOR: Well, the point is the Government
15 had tried to buy the Beggerly property for several years,
16 and negotiated with them and made offers to buy it, fully
17 recognized their title, with the exception of their
18 ultimate determination that there was not a valid disposal
19 out of the Federal Government.

20 There wasn't a valid patent or grant. That was
21 the only question, and once they found the Boudreau grant
22 and it was apparent that it was a valid and binding grant
23 on the record before the court --

24 QUESTION: But why was it apparent? I know that
25 Professor Baade provided this affidavit, but the

1 Government didn't have a chance to question that.

2 MR. TAYLOR: The Government did have an
3 opportunity to question that, Your Honor. They had
4 opportunity in response to our summary judgment affidavit
5 to challenge it. They elected not to challenge it. They
6 elected to attack it purely on legal grounds, saying
7 that --

8 QUESTION: That was in the district court you're
9 talking about?

10 MR. TAYLOR: Yes, Your Honor, and of course the
11 same thing in the Fifth Circuit, and I might add, the
12 attack that's brought concerning Galvez' authority was
13 brought for the first time in this Court, something we
14 objected to. The citation of the Power's Heirs case in
15 that regard was brought for the first time in this Court,
16 and let me deal with that, if I may, right here.

17 QUESTION: But the district court denied you
18 summary judgment, and that's what the court of appeals
19 granted you, and that's what I don't understand.

20 If you say -- the district court said, if it
21 came to the merits, which it didn't because the district
22 judge dismissed it on other grounds, but if it came to the
23 merits, we don't give you summary judgment, faced with
24 that same document, and the Fifth Circuit said, yes you do
25 get summary judgment. That I don't understand.

1 MR. TAYLOR: Your Honor, it's because the issues
2 that were presented to the district court and to the Fifth
3 Circuit were purely legal issues. The Government defended
4 on the ground of jurisdiction. It defended on the grounds
5 of res judicata. It attacked the judgment on legal
6 grounds, whether or not it was valid because it had not
7 been confirmed, and for that reason the record that was
8 before the court did not indicate that the Government has
9 any interest or any intention to pursue any factual attack
10 here, and --

11 QUESTION: Why on the factual attack --
12 suppose -- this is a question that's bothering me on the
13 merits, which you probably want to get to, but I take it
14 someone in the chain of title here, maybe your client,
15 bought an interest for about \$35, and it turns out to be
16 worth, so far, \$223,000 to your clients, so they've now
17 gotten that money, I take it, as a result of the decree.

18 Now, the thing I might be missing is, suppose I
19 say you win. Suppose you win, and you win, but you don't
20 necessarily get -- I mean, I don't know whether this
21 Governor had authority to grant the land to Mrs. Boudreau
22 or not. He might have just been an occupying force.

23 So suppose you go back to the district court and
24 we now hear that out, and it turns out that the Governor
25 was just an occupying Governor, just what they say. He's

1 an occupying force. They didn't change the civil law. He
2 can't give any land grants under French law or whatever,
3 and so you lose.

4 Well, wouldn't your clients have to give back
5 the \$223,000? Are they all now prepared to put that at
6 risk?

7 MR. TAYLOR: I think --

8 QUESTION: How does this work?

9 MR. TAYLOR: That's an issue that could -- would
10 have to be dealt with in the district court, as to the
11 nature of that payment and why it was paid and what --

12 QUESTION: Why wouldn't you have to give it
13 back? If it turns out -- if it turns out that the
14 Governor in fact did not have the authority to give
15 Mrs. Boudreau the land, because he was just an occupying
16 military force and didn't have civil authority over land
17 grants, why don't you have to give back the \$223,000 you
18 already got for this because your client has no interest
19 in this land?

20 MR. TAYLOR: The Government paid that money --
21 and this is documented by the letter of Steve Herman,
22 which is in the Joint Appendix, in order to settle the
23 litigation.

24 QUESTION: So if they had to settle the
25 litigation, why didn't you have to settle the litigation?

1 MR. TAYLOR: And they made the choice not to --
2 they made the representation that they were doing this for
3 the purpose of resolving the litigation and not -- I'm
4 avoiding your question. I don't mean to. I'm going
5 around the world to get there, Your Honor.

6 The point is, certainly the Government would
7 have the right to present their claim in the litigation.
8 For whatever reason, they chose not to do so up to this
9 point.

10 QUESTION: But if we send it back and you win,
11 wouldn't we have to say, you asked to reopen this, very
12 well, it's reopened?

13 MR. TAYLOR: If we -- I think that would be an
14 issue the district court could take up, is whether or not
15 they had the right to pursue repayment of that money, yes,
16 sir.

17 If I may, I would like to address Power's Heirs.
18 That's the case the Government says controls the validity
19 of the Boudreau grant, and there's a point that is raised
20 in the brief that I think is controlling that says that in
21 1783 -- the Government, Dr. Baade, all of us agreed in
22 1783 a peace treaty was made between Britain and Spain.
23 That resolved all the issues between those two warring
24 nations at that time as to this land.

25 That treaty, by principles of international law,

1 and this is not disputed by counsel opposite, validated
2 all prior actions that had been done by the Spanish
3 Government during the time period of occupation.

4 Because of that, whatever, whoever may be right
5 about the historic facts and when Galvez was given
6 authority, clearly under principles of international law
7 the validation that occurred by virtue of that treaty
8 resolved any issues there. The grant was valid.

9 QUESTION: Well now, you -- is the proposition
10 that you're now stating, is that consistent with the
11 Power's Heirs decision?

12 MR. TAYLOR: The Power's Heirs decision did not
13 reach that issue of law, Your Honor. It said first that
14 we've got questionable evidence that's been presented to
15 us, and that it's not --

16 QUESTION: But I don't think you've answered the
17 question I asked you.

18 MR. TAYLOR: I'm sorry.

19 QUESTION: Which was, is the proposition that
20 you're now maintaining consistent with the Power's Heirs
21 decision?

22 MR. TAYLOR: Yes, Your Honor, I think it is
23 consistent with the Power's Heirs decision. This -- if I
24 may --

25 QUESTION: Yes.

1 MR. TAYLOR: The other point is, it's a point
2 that was not presented in the Power's Heirs case. This
3 legal issue was not presented as to the effect of the
4 treaty. The controlling point, as I read Power's Heirs,
5 Your Honor, is that the documentation that was presented
6 to the court was incomplete. It was from a secondary and
7 questionable source, and the court questioned whether or
8 not it had authentic, genuine evidence before it.

9 QUESTION: And therefore your alleged
10 predecessor in title did not have title.

11 MR. TAYLOR: Well, but this was Power's Heirs,
12 and that's a different document from the document we're
13 dealing with, Your Honor. That document was a separate
14 notarial record of a different grant that had been made as
15 to different islands.

16 QUESTION: No, but isn't the crucial point that
17 the issue is the authority of the Governor to make the
18 grant, and the grant in Power's and the grant in this case
19 were made on the same day? Isn't that the point on which
20 Power's is controlling?

21 MR. TAYLOR: They -- the grants were made on the
22 same day, Your Honor, but I believe a reading of the
23 Power's Heirs case indicates that the court had
24 questionable evidence before it as to whether or not there
25 even was a grant --

1 QUESTION: Maybe it did have questionable
2 evidence --

3 QUESTION: But that --

4 QUESTION: -- but it's -- I'm sorry.

5 QUESTION: Go ahead.

6 QUESTION: I was going to -- regardless of what
7 its evidence was, its conclusion was that the Governor
8 could not make a grant on that day, and that is exactly
9 the fact in -- and the day is the same in your case, so I
10 assume that Power's decided the issue upon which your
11 claim rests.

12 MR. TAYLOR: Well, the court did say that Galvez
13 did not have authority to make that grant on that day. We
14 say that the court on the record very clearly says that we
15 suppose and we presume, and used speculative language
16 about what the history was to reach that conclusion.

17 I believe, though, that the court was driven by
18 the fact that it had questionable documentation before it.

19 QUESTION: But that -- but the decision
20 turned -- or, at least, it concluded that Galvez didn't
21 have the authority to make that grant, did it not?

22 MR. TAYLOR: It stated that in the opinion, Your
23 Honor, no question about that. That was stated.

24 QUESTION: Then it seems to me that the position
25 you're maintaining isn't consistent with the decision in

1 Power's Heirs.

2 MR. TAYLOR: Arguably not, Your Honor, but I
3 think you can distinguish it in this manner, that there
4 were other -- I don't think that --

5 QUESTION: Is this something we want to do in a
6 case involving real property title, where I think the
7 Solicitor General is right, that there stare decisis is
8 regarded as the most -- at its greatest peak?

9 MR. TAYLOR: I do not believe that this -- the
10 Court's affirmance of the Fifth Circuit ruling and
11 therefore finding the validity of the Boudreau grant would
12 do violence to titles, and the reason is, Your Honor, that
13 this -- we're talking about a period in the late 18th
14 Century and the Government raises a specter that we'll
15 have competing titles out there and that the Government
16 may have titles based upon the Louisiana Purchase and
17 authority it gained, which is in conflict with the Spanish
18 titles.

19 That's not so, Your Honor, because adverse
20 possession will have long since taken care of any issues.

21 QUESTION: But it still undermines the principle
22 to say that this -- it will just have a limited effect
23 because other factors historically soon came into play.

24 I don't think that really counsels in favor of
25 being more lenient with stare decisis here, because the

1 general proposition is that when you're dealing with real
2 property titles you adhere most closely to it.

3 MR. TAYLOR: I understand that rule of law, Your
4 Honor, and I understand the reason behind it, but I -- my
5 statement is, it is a matter of fact there will not be any
6 conflict with any titles caused by ruling that the
7 Boudreau grant was a valid grant, because adverse
8 possession, whether it's the Government's title, and
9 you've got a national forest, or museum, or whatever it
10 may have on the land, adverse possession will clear up any
11 problems with that, and if there's conflicting,
12 theoretically conflicting private titles, adverse
13 possession again would clean those up.

14 Clearly, the Beggerlys' title itself, they paid
15 taxes for 32 years on this land, and in fact paid quite a
16 bit more money than that initial tax payment, because the
17 tax bills were going up over time.

18 Nobody was claiming against them. The
19 Government recognized their title itself and negotiated
20 with them for several years and made offers to them to buy
21 it. Even in the Raleigh Beggerly affidavit, the
22 Government presented him with title opinions. It said
23 that the title was in the Beggerlys.

24 So I do not see any disruption of title, and I
25 might add, Your Honor, that this Court has on more than

1 one occasion reconsidered its interpretation of laws of
2 foreign Governments as well as State Governments based on
3 newly discovered evidence or the fact that the law in that
4 sovereign area, country, has changed by a ruling of its
5 ultimate authorities.

6 I might add that Chief Justice Marshall, writing
7 for the Court in the Percheman case in 1833, I believe it
8 was, reversed his prior ruling -- may I continue, Your
9 Honor?

10 QUESTION: I think not. Your time has
11 expired --

12 MR. TAYLOR: All right. Thank you, Your Honor.

13 QUESTION: -- Mr. Taylor.

14 Mr. Wolfson, you have 3 minutes remaining.

15 REBUTTAL ARGUMENT OF PAUL R. Q. WOLFSON

16 ON BEHALF OF THE PETITIONER

17 MR. WOLFSON: Thank you, Mr. Chief Justice. A
18 few points.

19 First, on the question of mistake on the West
20 Virginia Oil & Gas decision that my colleague mentioned,
21 first of all let me say we think that case was incorrectly
22 decided. It's an old Fifth Circuit case.

23 QUESTION: Well, and it also requires negligence
24 on the part --

25 MR. WOLFSON: Right.

1 QUESTION: -- the absence of negligence on the
2 part of the moving party.

3 MR. WOLFSON: Yes. I --

4 QUESTION: Do you think we have the authority in
5 this -- based on the issues that are before us, to rule in
6 your favor based on the fact that the misrepresentation is
7 not sufficient to set aside the judgment?

8 MR. WOLFSON: On the facts --

9 QUESTION: Your brief asks that we remand.

10 MR. WOLFSON: Right. On the -- well -- on the
11 facts of this -- I think that if -- assume we're wrong on
12 the first two questions presented and there is
13 jurisdiction in the district court, I think that the case
14 has to go back to the district court for a determination
15 about the facts of this case, because the -- once the
16 dismissal based on lack of jurisdiction would be wiped
17 out, then the case is no longer really in the court of
18 appeals and the case should go back to the district court
19 for further proceedings. There --

20 QUESTION: Was there a ruling on laches on --

21 MR. WOLFSON: Yes.

22 QUESTION: -- the independent action?

23 MR. WOLFSON: Yes, there was, Your Honor. The
24 district court concluded that the respondents'
25 independent -- it recognized that there was a bar of --

1 there could be a bar of laches, and it ruled that
2 respondents' independent action was barred by laches.

3 Now, the court of appeals just didn't really
4 address that at all, and nonetheless, you know, held for
5 the respondents.

6 QUESTION: Can you go back to Justice Kennedy's
7 question?

8 MR. WOLFSON: Yes.

9 QUESTION: I was thinking, maybe if we're trying
10 to reconcile independent action with the first part of the
11 rule, you would do it by saying, independent action of
12 those unusual egregious frauds, et cetera, but you say, if
13 I thought that I couldn't say that here. We'd have to
14 send it back.

15 MR. WOLFSON: On the facts of this case, yes.

16 QUESTION: As to whether it is egregious?

17 MR. WOLFSON: As to whether it is egregious, and
18 because the -- it's the district court that is supposed
19 to -- it's the district court that's supposed to make an
20 evaluation, and then when it looked at the case it said,
21 you know, I don't find any evidence here of fraud or
22 mistake that would warrant setting aside the judgment.

23 QUESTION: But I mean, is -- can we take certain
24 facts -- I mean, they have the record here. Suppose we
25 look at their facts, which was testimony that was referred

1 to, and said that doesn't rise to the level, or it does?

2 MR. WOLFSON: Well, of course, we -- I mean, I
3 think if it went back to the district court, we would move
4 for summary judgment, probably, on the grounds that there
5 was no evidence of fraud or mistake on -- and so on the
6 merits the independent action should not go forward. I
7 think the court -- once -- all that the court of appeals
8 could have done was decide whether there was jurisdiction.

9 A couple of points about the National Archives.
10 I can't agree with the statement that the Government
11 directed the respondents away from the National Archives.

12 I understand that my colleague has relied on
13 Dr. Dorasavage's deposition, but I think it is important
14 that the whole of that deposition and also Mr. Knipfing's
15 deposition did say that the Crawford Commission report is
16 one standard source that we look to and it is in the
17 National Archives, and we did bring the Boudreau grant
18 specifically to the attention of the court.

19 Thank you.

20 CHIEF JUSTICE REHNQUIST: Thank you,
21 Mr. Wolfson.

22 The case is submitted.

23 (Whereupon, at 12:05 p.m., the case in the
24 above-entitled matter was submitted.)

CERTIFICATION

Alderson Reporting Company, Inc., hereby certifies that the attached pages represents an accurate transcription of electronic sound recording of the oral argument before the Supreme Court of The United States in the Matter of:

UNITED STATES, Petitioner v. CHRIS W. BEGGERLY, ET AL.
CASE NO: 97-731

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BY Don Mari Fedele-----

(REPORTER)