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Chapter 01: Today's Business Environment: Law and Ethics

Multiple Choice

1. Which of the following is an accepted definition of law?
   a. a body of rules of action or conduct prescribed by controlling authority and having binding legal force
   b. a body of rules of action or conduct prescribed by society but lacking legal force
   c. a body of rules of action or conduct prescribed by courts and sanction by international society
   d. a body of rules of action or conduct prescribed by the Supreme Court and having binding legal force

ANSWER: a

FEEDBACK:
   a. Correct. Law, in its generic sense, is a body of rules of action or conduct prescribed by the controlling authority and having binding legal force.
   b. Incorrect. Law, in its generic sense, is a body of rules of action or conduct prescribed by the controlling authority and having binding legal force.
   c. Incorrect. Law, in its generic sense, is a body of rules of action or conduct prescribed by the controlling authority and having binding legal force.
   d. Incorrect. Law, in its generic sense, is a body of rules of action or conduct prescribed by the controlling authority and having binding legal force.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.1 - Define business law.
TOPICS: A-Head: Law and the Key Functions of the Legal System
KEYWORDS: Bloom's; Analyze
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2. Enforcement of law in a society is important because it:
   a. provides some predictability and uniformity to the boundaries of acceptable conduct.
   b. allows a government to maintain power over the people.
   c. leads to higher literacy rates.
   d. prevents large disparities in income across the various levels of a society.

ANSWER: a

FEEDBACK:
   a. Correct. Enforcement of the rules provides greater predictability and uniformity to the boundaries of acceptable conduct in a society.
   b. Incorrect. Enforcement of the rules provides greater predictability and uniformity to the boundaries of acceptable conduct in a society.
   c. Incorrect. Enforcement of the rules provides greater predictability and uniformity to the boundaries of acceptable conduct in a society.
   d. Incorrect. Enforcement of the rules provides greater predictability and uniformity to the boundaries of acceptable conduct in a society.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.1 - Define business law.
TOPICS: A-Head: Law and the Key Functions of the Legal System

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KEYWORDS: Bloom's: Remember
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3. Which of the following statements is true?
   a. Formal law is respected in all nations
   b. The sale of marijuana is illegal worldwide
   c. The sale of alcoholic beverages is legal worldwide
   d. Law imposes structure on society by limiting activities that hurt the "public interest"

ANSWER: d
FEEDBACK:
   a. Incorrect. The legal system helps to define acceptable social behavior. The law limits activities that damage the public interest.
   b. Incorrect. The legal system helps to define acceptable social behavior. The law limits activities that damage the public interest.
   c. Incorrect. The legal system helps to define acceptable social behavior. The law limits activities that damage the public interest.
   d. Correct. The legal system helps to define acceptable social behavior. The law limits activities that damage the public interest.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.1 - Define business law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Law and the Key Functions of the Legal System
KEYWORDS: Bloom's: Analyze
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4. Which of the following are reflected in some aspect of law?
   a. Honesty and integrity are reflected by the enforceability of contracts.
   b. Respect for other people and their property is reflected in tort and property law.
   c. Some measures of acceptable behavior are reflected in criminal laws.
   d. Honesty and integrity are reflected by the enforceability of contracts, respect for other people and their property is reflected in tort and property law, and some measures of acceptable behavior are reflected in criminal laws.

ANSWER: d
FEEDBACK:
   a. Incorrect. Integrity is reflected in the enforceability of contracts, respect for other people and their property is reflected in tort and property law, and some measures of acceptable behavior are reflected in criminal laws.
   b. Incorrect. Integrity is reflected in the enforceability of contracts, respect for other people and their property is reflected in tort and property law, and some measures of acceptable behavior are reflected in criminal laws.
   c. Incorrect. Integrity is reflected in the enforceability of contracts, respect for other people and their property is reflected in tort and property law, and some measures of acceptable behavior are reflected in criminal laws.
   d. Correct. Integrity is reflected in the enforceability of contracts, respect for other people and their property is reflected in tort and property law, and some

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measures of acceptable behavior are reflected in criminal laws.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.1 - Define business law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Law and the Key Functions of the Legal System
KEYWORDS: Bloom's: Analyze
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5. Changes in laws regarding the consumption of alcohol or use of marijuana indicate that:
   a. the legal system can bring about changes in "acceptable" behavior.
   b. the legal system does not change with time.
   c. the legal system is subject to the whims of Supreme Court Judges.
   d. the legal system is subject to the will of the general public.

ANSWER: a
FEEDBACK:
   a. Correct. The legal system provides a way to bring about changes in “acceptable” behavior.
   b. Incorrect. The legal system provides a way to bring about changes in “acceptable” behavior.
   c. Incorrect. The legal system provides a way to bring about changes in “acceptable” behavior.
   d. Incorrect. The legal system provides a way to bring about changes in “acceptable” behavior.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.6 - Identify how to remedy unethical behavior.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Law and the Key Functions of the Legal System
KEYWORDS: Bloom's: Analyze
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6. One example of the law working to effect social change in the U.S. is in the area of:
   a. commercial paper.
   b. negotiable instruments.
   c. easements.
   d. racial discrimination.

ANSWER: d
FEEDBACK:
   a. Incorrect. In the past, some states required businesses to discriminate against

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Black employees and customers. After a long struggle, those laws gradually disappeared.

b. Incorrect. In the past, some states required businesses to discriminate against Black employees and customers. After a long struggle, those laws gradually disappeared.

c. Incorrect. In the past, some states required businesses to discriminate against Black employees and customers. After a long struggle, those laws gradually disappeared.

d. Correct. In the past, some states required businesses to discriminate against Black employees and customers. After a long struggle, those laws gradually disappeared.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.6 - Identify how to remedy unethical behavior.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Law and the Key Functions of the Legal System
KEYWORDS: Bloom's: Analyze
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7. The United States Constitution:

a. is the oldest written constitution in force in a major nation.

b. created the four branches of government.

c. established the common law.

d. created the 50 states.

ANSWER: a
FEEDBACK:

a. Correct. The U.S. Constitution is the oldest written constitution in force in the world.

b. Incorrect. The U.S. Constitution is the oldest written constitution in force in the world.

c. Incorrect. The U.S. Constitution is the oldest written constitution in force in the world.

d. Incorrect. The U.S. Constitution is the oldest written constitution in force in the world.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Remember
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8. Which of the following is true of a constitution?
   a. It establishes and limits the powers of government.
   b. It is applicable to all situations.
   c. It is accepted by at least two-thirds of the citizens of a country.
   d. It is acknowledged by the international community.

ANSWER: a

FEEDBACK:
   a. Correct. A constitution is the fundamental law of a nation. It establishes and limits the powers of government.
   b. Incorrect. A constitution is the fundamental law of a nation. It establishes and limits the powers of government.
   c. Incorrect. A constitution is the fundamental law of a nation. It establishes and limits the powers of government.
   d. Incorrect. A constitution is the fundamental law of a nation. It establishes and limits the powers of government.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Remember
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9. Which of the following was created by the U.S. Constitution?
   a. all specific rights of citizens
   b. *stare decisis*
   c. the executive branch of government
   d. informal law

ANSWER: c

FEEDBACK:
   a. Incorrect. The Constitution creates the legislative, executive, and judicial branches as the primary framework of the U.S. government.
   b. Incorrect. The Constitution creates the legislative, executive, and judicial branches as the primary framework of the U.S. government.
   c. Correct. The Constitution creates the legislative, executive, and judicial branches as the primary framework of the U.S. government.
   d. Incorrect. The Constitution creates the legislative, executive, and judicial branches as the primary framework of the U.S. government.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that

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create law.

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STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
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10. Powers not granted to the federal government are retained by states or are left to the people according to:
    a. the Constitution.
    b. the Supreme Court.
    c. the common law.
    d. Executive Order 153.

ANSWER: a
FEEDBACK:
    a. Correct. The U.S. Constitution allocates the powers of government between the states and the federal government. Powers not granted to the federal government are retained by states or are left to the people
    b. Incorrect. The U.S. Constitution allocates the powers of government between the states and the federal government. Powers not granted to the federal government are retained by states or are left to the people
    c. Incorrect. The U.S. Constitution allocates the powers of government between the states and the federal government. Powers not granted to the federal government are retained by states or are left to the people
    d. Incorrect. The U.S. Constitution allocates the powers of government between the states and the federal government. Powers not granted to the federal government are retained by states or are left to the people

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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11. The United States Constitution:
    a. overrides only those state laws having to do with international treaties.
    b. overrides any state or federal laws that go beyond what the Constitution permits.
    c. overrides any state, but not any federal, laws that go beyond what the Constitution permits.
    d. overrides any federal, but not any state, laws that go beyond what the Constitution permits.

ANSWER: b
FEEDBACK:
    a. Incorrect. As the highest legal authority, the U.S. Constitution overrides any state or federal laws that go beyond what the Constitution permits.
    b. Correct. As the highest legal authority, the U.S. Constitution overrides any state

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or federal laws that go beyond what the Constitution permits.

c. Incorrect. As the highest legal authority, the U.S. Constitution overrides any state or federal laws that go beyond what the Constitution permits.

d. Incorrect. As the highest legal authority, the U.S. Constitution overrides any state or federal laws that go beyond what the Constitution permits.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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12. Statutory law:

a. is a rule declared by the Supreme Court.

b. is also known as the fundamental law of the nation.

c. is a form of common law.

d. makes up much of the law that affects business behavior.

ANSWER: d
FEEDBACK:

a. Incorrect. Statutes created by legislation make up much of the law that affects business behavior.

b. Incorrect. Statutes created by legislation make up much of the law that affects business behavior.

c. Incorrect. Statutes created by legislation make up much of the law that affects business behavior.

d. Correct. Statutes created by legislation make up much of the law that affects business behavior.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.6 - Explain the creation and development of statutory law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Remember
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13. Statutory law is:

a. the separation of powers at the federal level.

b. also known as the fundamental law of the nation.

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c. a form of common law.
d. a law enacted by a legislative body.

ANSWER: d

FEEDBACK:
a. Incorrect. Congress and state legislatures are the sources of statutory law.
b. Incorrect. Congress and state legislatures are the sources of statutory law.
c. Incorrect. Congress and state legislatures are the sources of statutory law.
d. Correct. Congress and state legislatures are the sources of statutory law.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.6 - Explain the creation and development of statutory law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
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14. The U.S. Constitution created these branches of the federal government: (1) executive, (2) judicial, and (3):
a. senatorial.
b. administrative.
c. constitutional.
d. legislative.

ANSWER: d

FEEDBACK:
a. Incorrect. The U.S. Constitution created the executive, legislative, and judicial branches of the federal government.
b. Incorrect. The U.S. Constitution created the executive, legislative, and judicial branches of the federal government.
c. Incorrect. The U.S. Constitution created the executive, legislative, and judicial branches of the federal government.
d. Correct. The U.S. Constitution created the executive, legislative, and judicial branches of the federal government.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
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15. The division in government power as established by the Constitution is referred to as the:

a. three branches.
b. executive privilege.
c. *stare decisis.*
d. separation of powers.

ANSWER: d

FEEDBACK:

a. Incorrect. This division of governmental power is referred to as the separation of powers.
b. Incorrect. This division of governmental power is referred to as the separation of powers.
c. Incorrect. This division of governmental power is referred to as the separation of powers.
d. Correct. This division of governmental power is referred to as the separation of powers.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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16. The separation of powers is:

a. the division in government powers as established by the Constitution.
b. the division of power within state legislatures.
c. the division of the power of the president and the power of the vice president.
d. the division of executive privileges.

ANSWER: a

FEEDBACK:

a. Correct. The separation of powers means each branch of government has functions to perform that can be checked by the other branches.
b. Incorrect. The separation of powers means each branch of government has functions to perform that can be checked by the other branches.
c. Incorrect. The separation of powers means each branch of government has functions to perform that can be checked by the other branches.
d. Incorrect. The separation of powers means each branch of government has functions to perform that can be checked by the other branches.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
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STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
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17. State constitutions:
    a. must be approved by a two-thirds vote of Congress.
    b. are the highest form of law within each state.
    c. tend to be much shorter than the U.S. Constitution.
    d. must be ratified by state supreme courts.

ANSWER: b
FEEDBACK:
    a. Incorrect. On matters of state law, each state's constitution is the highest form of law for that state.
    b. Correct. On matters of state law, each state's constitution is the highest form of law for that state.
    c. Incorrect. On matters of state law, each state's constitution is the highest form of law for that state.
    d. Incorrect. On matters of state law, each state's constitution is the highest form of law for that state.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
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18. One function of state constitutions is to specify how:
    a. state officials are chosen and removed.
    b. the federal government should enforce laws.
    c. the Supreme Court takes cases.
    d. the state will interact with the federal government.

ANSWER: a
FEEDBACK:
    a. Correct. State constitutions specify how state officials are chosen and removed, how laws are passed, how the court systems run, and, in general terms, how finances and revenues are paid and collected.
    b. Incorrect. State constitutions specify how state officials are chosen and removed, how laws are passed, how the court systems run, and, in general terms, how finances and revenues are paid and collected.
    c. Incorrect. State constitutions specify how state officials are chosen and removed, how laws are passed, how the court systems run, and, in general terms, how finances and revenues are paid and collected.

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d. Incorrect. State constitutions specify how state officials are chosen and removed, how laws are passed, how the court systems run, and, in general terms, how finances and revenues are paid and collected.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
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19. Some state constitutions are longer and more detailed than the U.S. Constitution in part because:
a. state constitutions are more important.
b. individual states have different moral codes that require frequent changes.
c. amending state constitutions is generally easier than changing the U.S. Constitution.
d. there is no separation of power at the state level.

ANSWER: c
FEEDBACK:
a. Incorrect. Some state constitutions, unlike the U.S. Constitution, are long and detailed because amending state constitutions is often easier than changing the U.S. Constitution.
b. Incorrect. Some state constitutions, unlike the U.S. Constitution, are long and detailed because amending state constitutions is often easier than changing the U.S. Constitution.
c. Correct. Some state constitutions, unlike the U.S. Constitution, are long and detailed because amending state constitutions is often easier than changing the U.S. Constitution.
d. Incorrect. Some state constitutions, unlike the U.S. Constitution, are long and detailed because amending state constitutions is often easier than changing the U.S. Constitution.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
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20. State courts can review statutes passed by their legislatures to ensure:

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a. that the statutes are fair.
b. that the statutes do not violate the state constitution or the U.S. Constitution.
c. that the statutes do not violate women's rights.
d. that the statutes do not violate previously passed statutes.

ANSWER: b

FEEDBACK:

a. Incorrect. State courts may review statutes passed by their legislatures to ensure they do not violate the constitution of the state or of the United States.
b. Correct. State courts may review statutes passed by their legislatures to ensure they do not violate the constitution of the state or of the United States.
c. Incorrect. State courts may review statutes passed by their legislatures to ensure they do not violate the constitution of the state or of the United States.
d. Incorrect. State courts may review statutes passed by their legislatures to ensure they do not violate the constitution of the state or of the United States.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
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21. Article I, Section 1 of the U.S. Constitution provides that:
a. all power to make laws for the federal government shall be held by Congress.
b. all power to make laws for the federal government shall be held by the Supreme Court.
c. all power to make laws for the federal and state governments shall be held by Congress.
d. all power to make laws for the federal and state governments shall be held by the Supreme Court.

ANSWER: a

FEEDBACK:

a. Correct. Article I, Section 1 of the U.S. Constitution provides that all power to make laws for the federal government is given to Congress, a legislature consisting of the Senate and the House of Representatives.
b. Incorrect. Article I, Section 1 of the U.S. Constitution provides that all power to make laws for the federal government is given to Congress, a legislature consisting of the Senate and the House of Representatives.
c. Incorrect. Article I, Section 1 of the U.S. Constitution provides that all power to make laws for the federal government is given to Congress, a legislature consisting of the Senate and the House of Representatives.
d. Incorrect. Article I, Section 1 of the U.S. Constitution provides that all power to make laws for the federal government is given to Congress, a legislature consisting of the Senate and the House of Representatives.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False

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LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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22. About 200 to 300 of the thousands of pieces of legislature proposed in each session of Congress:
    a. pass the Senate, but not the House.
    b. pass the House, but not the Senate.
    c. are voted on by the general public.
    d. go to the president for his signature.

ANSWER: d
FEEDBACK:
    a. Incorrect. Of the thousands of pieces of legislation proposed in each session of Congress, about 200 to 300 (many of which are minor) pass the House and Senate and go to the president for his signature.
    b. Incorrect. Of the thousands of pieces of legislation proposed in each session of Congress, about 200 to 300 (many of which are minor) pass the House and Senate and go to the president for his signature.
    c. Incorrect. Of the thousands of pieces of legislation proposed in each session of Congress, about 200 to 300 (many of which are minor) pass the House and Senate and go to the president for his signature.
    d. Correct. Of the thousands of pieces of legislation proposed in each session of Congress, about 200 to 300 (many of which are minor) pass the House and Senate and go to the president for his signature.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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23. Most states have a two-part legislature. Having two legislative house is meant to:
    a. make things more efficient.
    b. make things more fair.
    c. serve as an added check on government power.
    d. serve to enhance government power.

ANSWER: c
FEEDBACK:
    a. Incorrect. Dividing power between two houses is intended to serve as an added check on government power.

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b. Incorrect. Dividing power between two houses is intended to serve as an added check on government power.
c. Correct. Dividing power between two houses is intended to serve as an added check on government power.
d. Incorrect. Dividing power between two houses is intended to serve as an added check on government power.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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24. Unlike at the federal level, in some states:
a. voters must be over 21 to vote on legislation
b. voters make all the laws through the voting process
c. voters may not directly enact legislation through the voting process
d. voters may directly enact legislation through the voting process

ANSWER: d
FEEDBACK:
a. Incorrect. In some states voters may directly enact legislation through the voting process in referendums or initiatives.
b. Incorrect. In some states voters may directly enact legislation through the voting process in referendums or initiatives.
c. Incorrect. In some states voters may directly enact legislation through the voting process in referendums or initiatives.
d. Correct. In some states voters may directly enact legislation through the voting process in referendums or initiatives.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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25. The National Conference of Commissioners on Uniform State Laws:

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a. protects worker rights in all states.
b. makes sure all state laws affecting businesses are the same.
c. drafts proposed laws for consideration by state legislatures.
d. determines the constitutionality of laws drafted by state legislatures.

ANSWER: c

FEEDBACK:
a. Incorrect. The National Conference of Commissioners on Uniform State Laws works with lawyers, law professors, the business community, and judges. For over a century, it has drafted proposed laws for consideration by state legislatures.
b. Incorrect. The National Conference of Commissioners on Uniform State Laws works with lawyers, law professors, the business community, and judges. For over a century, it has drafted proposed laws for consideration by state legislatures.
c. Correct. The National Conference of Commissioners on Uniform State Laws works with lawyers, law professors, the business community, and judges. For over a century, it has drafted proposed laws for consideration by state legislatures.
d. Incorrect. The National Conference of Commissioners on Uniform State Laws works with lawyers, law professors, the business community, and judges. For over a century, it has drafted proposed laws for consideration by state legislatures.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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26. An administrative agency is created by a delegation of:
a. legislative power to the executive branch.
b. legislative power to the judicial branch.
c. judicial power to the executive branch.
d. judicial power to the legislative branch.

ANSWER: a

FEEDBACK:
a. Correct. An administrative agency is created by a delegation of legislative power to the executive branch.
b. Incorrect. An administrative agency is created by a delegation of legislative power to the executive branch.
c. Incorrect. An administrative agency is created by a delegation of legislative power to the executive branch.
d. Incorrect. An administrative agency is created by a delegation of legislative power to the executive branch.

POINTS: 1

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DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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27. Why does the judiciary branch review actions taken by the executive branch?
    a. to make sure federal and state laws are not in conflict.
    b. to make sure they comply with the Constitution.
    c. to make sure they follow the intent of the legislature.
    d. to make sure they create appropriate administrative agencies.

ANSWER: b
FEEDBACK:
    a. Incorrect. The judiciary reviews actions taken by the executive branch and administrative agencies to make sure they comply with the Constitution.
    b. Correct. The judiciary reviews actions taken by the executive branch and administrative agencies to make sure they comply with the Constitution.
    c. Incorrect. The judiciary reviews actions taken by the executive branch and administrative agencies to make sure they comply with the Constitution.
    d. Incorrect. The judiciary reviews actions taken by the executive branch and administrative agencies to make sure they comply with the Constitution.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.3.4 - Describe the roles of each branch of government.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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28. The judiciary:
    a. applies the common law.
    b. writes administrative laws.
    c. directs the structure of new legislation.
    d. is controlled by voters through referendums.

ANSWER: a
FEEDBACK:
    a. Correct. Common law is law made and applied by judges as they resolve disputes among private parties.
    b. Incorrect. Common law is law made and applied by judges as they resolve

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disputes among private parties.

c. Incorrect. Common law is law made and applied by judges as they resolve disputes among private parties.

d. Incorrect. Common law is law made and applied by judges as they resolve disputes among private parties.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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29. Common law is:

a. the original or oldest source of law in the United States.

b. the law generally applied worldwide.

c. the law that the legislature must follow.

d. the law that everyday citizens, but not government officials, must follow.

ANSWER: a
FEEDBACK:

a. Correct. The oldest source of law in the United States, the common law dates to colonial times when English common law governed most internal legal matters.

b. Incorrect. The oldest source of law in the United States, the common law dates to colonial times when English common law governed most internal legal matters.

c. Incorrect. The oldest source of law in the United States, the common law dates to colonial times when English common law governed most internal legal matters.

d. Incorrect. The oldest source of law in the United States, the common law dates to colonial times when English common law governed most internal legal matters.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Remember
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30. The term "common law" refers to:

a. law common to most countries.

b. laws passed by Congress.

c. law made and applied by judges.

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d. law passed by a state's legislature.

ANSWER: c

FEEDBACK:

a. Incorrect. Common law is law made and applied by judges as they resolve disputes among private parties.
b. Incorrect. Common law is law made and applied by judges as they resolve disputes among private parties.
c. Correct. Common law is law made and applied by judges as they resolve disputes among private parties.
d. Incorrect. Common law is law made and applied by judges as they resolve disputes among private parties.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Remember
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31. Under common law, disputes come to court:
a. when police make an arrest.
b. when counseling does not work.
c. in the form of a case.
d. in the form of a complaint.

ANSWER: c

FEEDBACK:

a. Incorrect. Under the common law, a dispute comes to court in the form of a case.
b. Incorrect. Under the common law, a dispute comes to court in the form of a case.
c. Correct. Under the common law, a dispute comes to court in the form of a case.
d. Incorrect. Under the common law, a dispute comes to court in the form of a case.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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32. A legal case is:
a. a dispute between two or more parties that is resolved through the legal process.

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b. the natural consequence of the breaking of a law.
c. the result of a prosecutor filing suit as a result of the breaking of a contract.
d. the forming of a contract through the legal process.

ANSWER: a

FEEDBACK:
a. Correct. A case is a dispute between two or more parties resolved through the legal process.
b. Incorrect. A case is a dispute between two or more parties resolved through the legal process.
c. Incorrect. A case is a dispute between two or more parties resolved through the legal process.
d. Incorrect. A case is a dispute between two or more parties resolved through the legal process.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
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33. When judges use decisions from earlier legal cases for guidance in legal principles to solve current cases it is referred to as:

a. substantive law.
b. precedent.
c. procedural law.
d. statutory procedure.

ANSWER: b

FEEDBACK:
a. Incorrect. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.
b. Correct. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.
c. Incorrect. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.
d. Incorrect. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States

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34. Precedent occurs when judges:
a. use ethical principles to solve current cases
b. ask the jury to solve current cases by following state codes.
c. use the U.S. Constitution to solve current cases.
d. use decisions from earlier cases for guidance in legal principles to solve cases.

ANSWER: d
FEEDBACK:
a. Incorrect. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.
b. Incorrect. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.
c. Incorrect. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.
d. Correct. To settle cases similar to past disputes, judges look for guidance by studying decisions from earlier recorded cases. This is referred to as precedent.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
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35. Why is common law different from one state to another?
a. The U.S. Constitution requires that they be different.
b. Common law is federal which is then applied individually by each state.
c. Common law is state law, established separately by each state.
d. Judges are not permitted to consider cases from other states when resolving disputes.

ANSWER: b
FEEDBACK:
a. Incorrect. Common law is state law, established separately by each state.
b. Correct. Common law is state law, established separately by each state.
c. Incorrect. Common law is state law, established separately by each state.
d. Incorrect. Common law is state law, established separately by each state.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic

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STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
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36. Case reporters are:
    a. unofficial publications of case decisions.
    b. reporters who publish court cases in newspapers.
    c. official publications of case decisions.
    d. secret case documents not available to the public.

ANSWER: c
FEEDBACK:
    a. Incorrect. The decisions written by judges, often in the courts of appeals, to explain the rulings in important cases, and many not-so-newsworthy cases, have been published in books called case reporters.
    b. Incorrect. The decisions written by judges, often in the courts of appeals, to explain the rulings in important cases, and many not-so-newsworthy cases, have been published in books called case reporters.
    c. Correct. The decisions written by judges, often in the courts of appeals, to explain the rulings in important cases, and many not-so-newsworthy cases, have been published in books called case reporters.
    d. Incorrect. The decisions written by judges, often in the courts of appeals, to explain the rulings in important cases, and many not-so-newsworthy cases, have been published in books called case reporters.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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37. The use of legal precedent, or the use of prior decisions as guidance in disputes that occur later, is called:
    a. procedural law.
    b. public law.
    c. *stare decisis.*
    d. remedy in equity.

ANSWER: c
FEEDBACK:
    a. Incorrect. The use of precedent in deciding current cases is a doctrine called stare decisis, meaning “to stand on decided cases.”
    b. Incorrect. The use of precedent in deciding current cases is a doctrine called stare decisis, meaning “to stand on decided cases.”
    c. Correct. The use of precedent in deciding current cases is a doctrine called stare decisis, meaning “to stand on decided cases.”

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d. Incorrect. The use of precedent in deciding current cases is a doctrine called stare decisis, meaning “to stand on decided cases.”

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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38. A major advantage of the use of precedent in law for businesses is that they will:
a. be able to get judges to resolve cases in favor of large businesses.
b. be able to avoid harsh punishments from the use of ineffective attorneys.
c. have a greater ability to influence a jury in their favor.
d. have reasonable expectations about the enforcement of agreements.

ANSWER: d
FEEDBACK:
a. Incorrect. A major advantage of the use of precedent in law for businesses is that they will have reasonable expectations about the enforcement of agreements.
b. Incorrect. A major advantage of the use of precedent in law for businesses is that they will have reasonable expectations about the enforcement of agreements.
c. Incorrect. A major advantage of the use of precedent in law for businesses is that they will have reasonable expectations about the enforcement of agreements.
d. Correct. A major advantage of the use of precedent in law for businesses is that they will have reasonable expectations about the enforcement of agreements.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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39. *Stare decisis* creates a more just legal system by:
a. neutralizing the prejudices of individual judges.
b. preventing judges from being appointed for life.
c. neutralizing the prejudices of individuals in a jury.
d. preventing plaintiffs from influencing the jury.

ANSWER: a

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FEEDBACK:

a. Correct. The doctrine creates a legal system that neutralizes the prejudices of individual judges
b. Incorrect. The doctrine creates a legal system that neutralizes the prejudices of individual judges
c. Incorrect. The doctrine creates a legal system that neutralizes the prejudices of individual judges
d. Incorrect. The doctrine creates a legal system that neutralizes the prejudices of individual judges

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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40. In *Davis v. Baugh Industrial Contractors*, the traditional common law rule prevented a party who accepted a completed construction project from later suing the contractor for flaws in construction that caused injury to others. In reviewing such a case, the Washington state high court held that:

a. state statute prevented the court from changing the rule.
b. common law rules cannot be changed, so it could not amend the rule.
c. the common law was outmoded and should be abandoned.
d. the rule had a good rationale behind it, so it would be maintained.

ANSWER: c
FEEDBACK:

a. Incorrect. In reviewing such a case, the Washington state high court held that the common law was outmoded and should be abandoned.
b. Incorrect. In reviewing such a case, the Washington state high court held that the common law was outmoded and should be abandoned.
c. Correct. In reviewing such a case, the Washington state high court held that the common law was outmoded and should be abandoned.
d. Incorrect. In reviewing such a case, the Washington state high court held that the common law was outmoded and should be abandoned.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
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41. In *Davis v. Baugh Industrial Contractors*, the traditional common law rule prevented a party who accepted a completed construction project from later suing the contractor for flaws in construction that caused injury to others. In reviewing such a case, the Washington state high court held that the rule was not sensible in modern times and would be dropped. This is an example of how:

a. modern day values are changing.

b. common law can adapt to changing circumstances.

c. common law never changes.

d. courts can never go against a precedent set in previous cases.

ANSWER: b

FEEDBACK:

a. Incorrect. The court rejected the old common law rule concerning completion and acceptance of a construction job that was in effect prior to this decision and ordered a new trial.

b. Correct. The court rejected the old common law rule concerning completion and acceptance of a construction job that was in effect prior to this decision and ordered a new trial.

c. Incorrect. The court rejected the old common law rule concerning completion and acceptance of a construction job that was in effect prior to this decision and ordered a new trial.

d. Incorrect. The court rejected the old common law rule concerning completion and acceptance of a construction job that was in effect prior to this decision and ordered a new trial.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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42. Executive orders are issued by:

a. Congress.

b. the Supreme Court.

c. the president.

d. the heads of administrative agencies.

ANSWER: c

FEEDBACK:

a. Incorrect. The president or governor can create law by issuing executive orders.

b. Incorrect. The president or governor can create law by issuing executive orders.

c. Correct. The president or governor can create law by issuing executive orders.

d. Incorrect. The president or governor can create law by issuing executive orders.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False

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LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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43. An order from the governor of a state to give preference to buying recycled products is an example of a(n):
    a. primary order.
    b. executive order.
    c. environmental order.
    d. health order.

ANSWER: b
FEEDBACK:
    a. Incorrect. An executive order requires agencies to do certain things within the executive's scope of authority.
    b. Correct. An executive order requires agencies to do certain things within the executive's scope of authority.
    c. Incorrect. An executive order requires agencies to do certain things within the executive's scope of authority.
    d. Incorrect. An executive order requires agencies to do certain things within the executive's scope of authority.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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44. When an American business operates in the international arena, which of the following is true?
    a. The business is subject to U.S. laws rather than the laws of the country in which it operates.
    b. The business is subject to the laws of the country in which it does business rather than U.S. laws.
    c. The business is subject to rules enacted by multinational regional or global entities.
    d. The business is subject to treaties enacted by the states with global entities.

ANSWER: c
FEEDBACK:
    a. Incorrect. The business is subject to rules enacted by multinational regional or global entities.
    b. Incorrect. The business is subject to rules enacted by multinational regional or global entities.
    c. Correct. The business is subject to rules enacted by multinational regional or

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global entities.

d. Incorrect. The business is subject to rules enacted by multinational regional or global entities.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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45. American firms doing business in other countries:

a. are not subject to any laws other than those of the United States.
b. are subject to the laws of the country in which it does business.
c. are only subject to the laws of the United States, unless the other country specifically says otherwise.
d. are subject to international laws, but not the laws of the country in which they operate.

ANSWER: b
FEEDBACK:

a. Incorrect. The firm is subject to the laws of its home country, the country in which it operates, trade agreements enacted by the federal government, and rules enacted by multinational entities
b. Correct. The firm is subject to the laws of its home country, the country in which it operates, trade agreements enacted by the federal government, and rules enacted by multinational entities
c. Incorrect. The firm is subject to the laws of its home country, the country in which it operates, trade agreements enacted by the federal government, and rules enacted by multinational entities
d. Incorrect. The firm is subject to the laws of its home country, the country in which it operates, trade agreements enacted by the federal government, and rules enacted by multinational entities

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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46. Ethics, in the context of business practitioners:

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a. has to do with rules or standards governing the conduct of members of a profession and how standards are put into action within an organization.
b. has to do with only rules governing interactions with other corporations.
c. has to do with federal regulations about racial discrimination.
d. has to do with conformity to rules of correct conduct within the context of a society and within the organization.

ANSWER: a

FEEDBACK:

a. Correct. Ethics, in the context of business practitioners, has to do with rules or standards governing the conduct of members of a profession and how standards are put into action within an organization.
b. Incorrect. Ethics, in the context of business practitioners, has to do with rules or standards governing the conduct of members of a profession and how standards are put into action within an organization.
c. Incorrect. Ethics, in the context of business practitioners, has to do with rules or standards governing the conduct of members of a profession and how standards are put into action within an organization.
d. Incorrect. Ethics, in the context of business practitioners, has to do with rules or standards governing the conduct of members of a profession and how standards are put into action within an organization.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.2 - Define ethics.
TOPICS: A-Head: Business Ethics and Social Responsibility
KEYWORDS: Bloom's: Analyze
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47. Article II, Section 2 of the U.S. Constitution:
a. requires unanimous approval by the House of Representatives for a treaty, or international agreement, agreed to by the president to become binding on the U.S.
b. requires approval by the entire Senate before a treaty, or international agreement, agreed to by the president to become binding on the U.S.
c. requires approval by two thirds of the Senate before a treaty, or international agreement, agreed to by the president to become binding on the U.S.
d. requires approval by one third of the Senate before a treaty, or international agreement, agreed to by the president to become binding on the U.S.

ANSWER: c

FEEDBACK:

a. Incorrect. Article II, Section 2 of the Constitution requires approval by two-thirds of the Senate before a treaty agreed to by the president becomes binding on the United States
b. Incorrect. Article II, Section 2 of the Constitution requires approval by two-thirds of the Senate before a treaty agreed to by the president becomes binding on the United States
c. Correct. Article II, Section 2 of the Constitution requires approval by two-thirds of the Senate before a treaty agreed to by the president becomes binding on the United States
d. Incorrect. Article II, Section 2 of the Constitution requires approval by two-thirds of the Senate before a treaty agreed to by the president becomes binding on the

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POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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48. As explained by the Supreme Court of Tennessee, the court may ignore precedent from earlier decisions when it:
    a. conflicts with a constitution provision.
    b. conflicts with law and a majority of other states.
    c. conflicts with the "direction of social change."
    d. conflicts with the "judicial conscience of a judge."

ANSWER: a
FEEDBACK:
    a. Correct. The court can ignore precedent when the prior precedent conflicts with a constitutional provision.
    b. Incorrect. The court can ignore precedent when the prior precedent conflicts with a constitutional provision.
    c. Incorrect. The court can ignore precedent when the prior precedent conflicts with a constitutional provision.
    d. Incorrect. The court can ignore precedent when the prior precedent conflicts with a constitutional provision.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Understand
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49. As explained by the Supreme Court of Tennessee, courts are required to uphold precedents:
    a. unless it "offends the conscience of the court."
    b. unless the precedent is obsolete or harms the community.
    c. Unless the legislature orders a change in precedent.
    d. unless a majority of the other states are in conflict with the precedent.

ANSWER: b
FEEDBACK:
    a. Incorrect. The court can ignore precedent when the precedent is obsolete, when adhering to the precedent would cause greater harm to the community than disregarding stare decisis

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b. Correct. The court can ignore precedent when the precedent is obsolete, when adhering to the precedent would cause greater harm to the community than disregarding stare decisis
c. Incorrect. The court can ignore precedent when the precedent is obsolete, when adhering to the precedent would cause greater harm to the community than disregarding stare decisis
d. Incorrect. The court can ignore precedent when the precedent is obsolete, when adhering to the precedent would cause greater harm to the community than disregarding stare decisis

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Understand
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50. Law may be classified on the basis of whether it is:
a. environmental or industrial.
b. civil or criminal.
c. written domestically or internationally.
d. public or procedural.

ANSWER: b
FEEDBACK:
a. Incorrect. It is common to classify law on the following three bases: (1) public or private, (2) civil or criminal, or (3) procedural or substantive
b. Correct. It is common to classify law on the following three bases: (1) public or private, (2) civil or criminal, or (3) procedural or substantive
c. Incorrect. It is common to classify law on the following three bases: (1) public or private, (2) civil or criminal, or (3) procedural or substantive
d. Incorrect. It is common to classify law on the following three bases: (1) public or private, (2) civil or criminal, or (3) procedural or substantive

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Remember
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51. Private law generally includes:
a. the common law.
b. the procedural process of courts.

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c. federal rules governing health and safety.
d. criminal statutes.

ANSWER: a

FEEDBACK:
a. Correct. Private law is primarily common law and is enforced mostly through the state court systems
b. Incorrect. Private law is primarily common law and is enforced mostly through the state court systems
c. Incorrect. Private law is primarily common law and is enforced mostly through the state court systems
d. Incorrect. Private law is primarily common law and is enforced mostly through the state court systems

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.2.5 - Explain the creation and development of the common law.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analyze
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52. Contrasted with public law, an example of private law is:
a. administrative law.
b. securities regulation.
c. contract law.
d. environmental law.

ANSWER: c

FEEDBACK:
a. Incorrect. Contract law is an example of private law, which sets forth rules governing the legal relationships among members of society.
b. Incorrect. Contract law is an example of private law, which sets forth rules governing the legal relationships among members of society.
c. Correct. Contract law is an example of private law, which sets forth rules governing the legal relationships among members of society.
d. Incorrect. Contract law is an example of private law, which sets forth rules governing the legal relationships among members of society.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analysis | Bloom's: Analyze
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53. Private law:

a. does not involve courts.
b. sets forth rules governing the legal relationships among members of society.
c. applies only to individual states.
d. concerns the legal relationship between private individuals and the government.

ANSWER: b

FEEDBACK:

a. Incorrect. Private law sets forth rules governing the legal relationships among members of society.
b. Correct. Private law sets forth rules governing the legal relationships among members of society.
c. Incorrect. Private law sets forth rules governing the legal relationships among members of society.
d. Incorrect. Private law sets forth rules governing the legal relationships among members of society.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Remember
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54. What type of law sets forth rules governing the legal relationships among members of society and is enforced mostly through the state court systems?

a. criminal law
b. bankruptcy law
c. private law
d. public law

ANSWER: c

FEEDBACK:

a. Incorrect. Private law sets forth rules governing the legal relationships among members of society.
b. Incorrect. Private law sets forth rules governing the legal relationships among members of society.
c. Correct. Private law sets forth rules governing the legal relationships among members of society.
d. Incorrect. Private law sets forth rules governing the legal relationships among members of society.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.

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NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analyze
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55. Which of the following concerns legal wrongs committed against the government?
    a. tort law
    b. procedural law
    c. criminal law
    d. private law

ANSWER: c
FEEDBACK:
    a. Incorrect. Criminal law concerns legal wrongs or crimes committed against the state.
    b. Incorrect. Criminal law concerns legal wrongs or crimes committed against the state.
    c. Correct. Criminal law concerns legal wrongs or crimes committed against the state.
    d. Incorrect. Criminal law concerns legal wrongs or crimes committed against the state.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analyze
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56. The objective of criminal law is to:
    a. provide restitution for the victim of the crime.
    b. punish the wrongdoer for wrongs against the government and society.
    c. require the wrongdoer to pay money damages to the injured party.
    d. establish legal rights and regulate behavior.

ANSWER: b
FEEDBACK:
    a. Incorrect. When Congress or a state legislature passes a statute that contains sanctions for violations, it will state what punishment may be imposed.
    b. Correct. When Congress or a state legislature passes a statute that contains sanctions for violations, it will state what punishment may be imposed.
    c. Incorrect. When Congress or a state legislature passes a statute that contains sanctions for violations, it will state what punishment may be imposed.
    d. Incorrect. When Congress or a state legislature passes a statute that contains sanctions for violations, it will state what punishment may be imposed.

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POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analyze
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57. Which of the following is true of a misdemeanor?
    a. It is a more serious offense than a felony.
    b. It is a less serious offense than a felony.
    c. It is the civil law equivalent to a felony.
    d. It is a violation of private law.

ANSWER: b
FEEDBACK:
    a. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.
    b. Correct. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.
    c. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.
    d. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.6.1.7 - Distinguish between punishments available for misdemeanor crimes and felonies.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Remember
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58. If a criminal offense is punishable by imprisonment for more than a year, it is probably a:
    a. tort.
    b. defamation.
    c. felony.

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d. misdemeanor.

ANSWER: c

FEEDBACK:

a. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.

b. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.

c. Correct. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.

d. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: BLAW.MEIN.23.6.1.7 - Distinguish between punishments available for misdemeanor crimes and felonies.

NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic

STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal

TOPICS: A-Head: Classifications of Law

KEYWORDS: Bloom's: Remember

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59. What is civil law?

a. Non-criminal law concerning the rights and duties that exist among individuals to each other, or to the state.

b. Criminal law concerning the rights and duties that exist among individuals to each other, or to the state.

c. Criminal law concerning felonies.

d. Criminal law concerning misdemeanors.

ANSWER: a

FEEDBACK:

a. Correct. Civil law is concerned with the rights and responsibilities that exist among members of society or between individuals and the government in noncriminal matters.

b. Incorrect. Civil law is concerned with the rights and responsibilities that exist among members of society or between individuals and the government in noncriminal matters.

c. Incorrect. Civil law is concerned with the rights and responsibilities that exist among members of society or between individuals and the government in noncriminal matters.

d. Incorrect. Civil law is concerned with the rights and responsibilities that exist among members of society or between individuals and the government in noncriminal matters.

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

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LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Remember
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60. Which of the following is an example of a criminal felony?
    a. homicide
    b. fiduciary duty
    c. invasion of privacy
    d. intentional breach of contract

ANSWER: a
FEEDBACK:
    a. Correct. Homicide is a felony offense in criminal law.
    b. Incorrect. Homicide is a felony offense in criminal law.
    c. Incorrect. Homicide is a felony offense in criminal law.
    d. Incorrect. Homicide is a felony offense in criminal law.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.6.1.7 - Distinguish between punishments available for misdemeanor crimes and felonies.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analyze
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61. Less serious crimes, punishable by fine or imprisonment for less than a year, are generally classified as:
    a. torts.
    b. fraud.
    c. misdemeanors.
    d. procedural violations.

ANSWER: c
FEEDBACK:
    a. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.
    b. Incorrect. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.
    c. Correct. Offenses punishable by imprisonment for more than a year are classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.
    d. Incorrect. Offenses punishable by imprisonment for more than a year are

classified as felonies. Misdemeanors are less serious crimes, punishable by a fine and/or imprisonment for less than a year.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.6.1.7 - Distinguish between punishments available for misdemeanor crimes and felonies.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analyze
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62. Procedural, as opposed to substantive, law generally includes all of the following except for:
    a. court orders.
    b. securities regulation.
    c. rules of evidence.
    d. administrative procedure.

ANSWER: b
FEEDBACK:
    a. Incorrect. Securities law is an example of substantive, rather than procedural, law
    b. Correct. Securities law is an example of substantive, rather than procedural, law
    c. Incorrect. Securities law is an example of substantive, rather than procedural, law
    d. Incorrect. Securities law is an example of substantive, rather than procedural, law

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Remember
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63. Substantive, as opposed to procedural, law:
    a. determines how a lawsuit begins.
    b. establishes legal rights.
    c. establishes which court can hear a case.
    d. determines what documents need to be filed.

ANSWER: b
FEEDBACK:
    a. Incorrect. Substantive law includes common law and statutory law that define and establish legal rights and regulate behavior.

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b. Correct. Substantive law includes common law and statutory law that define and establish legal rights and regulate behavior.
c. Incorrect. Substantive law includes common law and statutory law that define and establish legal rights and regulate behavior.
d. Incorrect. Substantive law includes common law and statutory law that define and establish legal rights and regulate behavior.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Remember
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64. Integrity means:
a. thinking things through before making decisions.
b. not living by a moral code but maintaining a certain standard of ethics.
c. living by a moral code and standards of ethics.
d. conforming to a society's rules of conduct.

ANSWER: c
FEEDBACK:
a. Incorrect. Integrity means living by a moral code and standards of ethics.
b. Incorrect. Integrity means living by a moral code and standards of ethics.
c. Correct. Integrity means living by a moral code and standards of ethics.
d. Incorrect. Integrity means living by a moral code and standards of ethics.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.2 - Define ethics.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Business Ethics and Social Responsibility
KEYWORDS: Bloom's: Remember
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65. Generally accepted rules of correct conduct within the standards of a society are:
a. etiquette.
b. ethics.
c. morals.
d. manners.

ANSWER: c

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FEEDBACK:

a. Incorrect. Morality concerns conformity to rules of correct conduct within the context of a society, religion, or other institution.
b. Incorrect. Morality concerns conformity to rules of correct conduct within the context of a society, religion, or other institution.
c. Correct. Morality concerns conformity to rules of correct conduct within the context of a society, religion, or other institution.
d. Incorrect. Morality concerns conformity to rules of correct conduct within the context of a society, religion, or other institution.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.2 - Define ethics.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Business Ethics and Social Responsibility
KEYWORDS: Bloom's: Remember
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66. In *Lamson v. Crater Lake Motors*, in which a car sales employee who felt that the sales tactics of the company were unethical and was fired after he refused to cooperate sued the company for wrongful discharge, the appeals court found that:

a. Lamson had no case because his actions were not an important public duty.
b. Lamson had no case because his actions were illegal.
c. Lamson had no case because Crater Lake Motors was participating in illegal transactions, but Lamson was not aware of them.
d. Lamson had no case because Crater Lake Motors had no history of racial discrimination.

ANSWER: a
FEEDBACK:

a. Correct. In part, the ruling stated that Plaintiff was not discharged for fulfilling what the law would recognize as an important public duty.
b. Incorrect. In part, the ruling stated that Plaintiff was not discharged for fulfilling what the law would recognize as an important public duty.
c. Incorrect. In part, the ruling stated that Plaintiff was not discharged for fulfilling what the law would recognize as an important public duty.
d. Incorrect. In part, the ruling stated that Plaintiff was not discharged for fulfilling what the law would recognize as an important public duty.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.5 - Define corporate social responsibility.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Business Ethics and Social Responsibility
KEYWORDS: Bloom's: Analyze
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67. In *Lamson v. Crater Lake Motors*, in which a car sales employee who felt that the sales tactics of the company were unethical and was fired after he refused to cooperate sued the company for wrongful discharge, the appeals court found that Lamson had no case because:

a. he publicized his complaints to the public, rather than seeking resolution with his employer.
b. he refused to follow the agreed-upon terms of his employment.
c. his actions reflected an important public policy and fulfilled a public duty.
d. the defendant took no action to prevent him from publicizing his report to the greater society.

ANSWER: d

FEEDBACK:

a. Incorrect. There was no evidence that defendant intended to “silence” him in a manner that would conceal illegal activities
b. Incorrect. There was no evidence that defendant intended to “silence” him in a manner that would conceal illegal activities
c. Incorrect. There was no evidence that defendant intended to “silence” him in a manner that would conceal illegal activities
d. Correct. There was no evidence that defendant intended to “silence” him in a manner that would conceal illegal activities

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.5 - Define corporate social responsibility.
NATIONAL STANDARDS: United States - BUSPROG: Analytic | Technology - BUSPROG: Analytic
STATE STANDARDS: United States - Universal - DISC: AICPA: BB-Legal
TOPICS: A-Head: Business Ethics and Social Responsibility
KEYWORDS: Bloom's: Analyze
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Multiple Response

68. Which of the following are part of the informal rules that govern behavior in most nations? Choose two answers.

a. philosophy
b. customs
c. laws
d. ethics

ANSWER: b, d

FEEDBACK:

a. Incorrect. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.
b. Correct. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.
c. Incorrect. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.
d. Correct. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Response

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HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.1 - Define business law.
TOPICS: A-Head: Law and the Key Functions of the Legal System.
KEYWORDS: Bloom's: Analyze
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69. Which of the following are part of the rules that govern behavior in most nations? Choose three answers.
    a. ethics
    b. statutory law
    c. social customs
    d. international law

ANSWER: a, b, c
FEEDBACK:
    a. Correct. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.
    b. Correct. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.
    c. Correct. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.
    d. Incorrect. Nations have both formal rules, which are commonly called laws, and informal rules that come from history, customs, commercial practices, and ethics.

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Response
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.1 - Define business law.
TOPICS: A-Head: Law and the Key Functions of the Legal System
KEYWORDS: Bloom's: Remember
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70. By using the laws and the legal system, the government can: Choose three answers.
    a. define and change acceptable behavior.
    b. instruct people on the proper belief system.
    c. encourage certain types of business activity.
    d. maintain the values of society.

ANSWER: a, c, d
FEEDBACK:
    a. Correct. Law helps to define and change acceptable behavior, encourage certain types of business activity, and maintain the important values of a society.
    b. Incorrect. Law helps to define and change acceptable behavior, encourage certain types of business activity, and maintain the important values of a society.
    c. Correct. Law helps to define and change acceptable behavior, encourage certain types of business activity, and maintain the important values of a society.
    d. Correct. Law helps to define and change acceptable behavior, encourage certain types of business activity, and maintain the important values of a society.

POINTS: 1
DIFFICULTY: Moderate

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QUESTION TYPE: Multiple Response
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.1 - Define business law.
TOPICS: A-Head: Law and the Key Functions of the Legal System
A-Head: Law an dthe Key Functions of the Legal System
KEYWORDS: Bloom's: Analyze
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71. Laws are important in societies made up of people with differing desire and values because disagreements are inevitable, and law: Choose three answers.

a. is an attempt to settle disputes in a peaceful manner.
b. is a force that constrains people within a society.
c. provides social rules to govern behavior.
d. enables disputes to be settled informally.

ANSWER: a, b, c
FEEDBACK:
a. Correct. Most disputes are settled informally; The court system is a formal mechanism for peaceful dispute resolution that invokes the rules of law that provide constraints and govern behavior.
b. Correct. Most disputes are settled informally; The court system is a formal mechanism for peaceful dispute resolution that invokes the rules of law that provide constraints and govern behavior.
c. Correct. Most disputes are settled informally; The court system is a formal mechanism for peaceful dispute resolution that invokes the rules of law that provide constraints and govern behavior.
d. Incorrect. Most disputes are settled informally; The court system is a formal mechanism for peaceful dispute resolution that invokes the rules of law that provide constraints and govern behavior.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Response
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.3.4 - Describe the roles of each branch of government.
TOPICS: A-Head: Law and the Key Functions of the Legal System
KEYWORDS: Bloom's: Analyze
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72. Administrative agencies can: Choose three answers.

a. enact regulations.
b. supervise compliance with regulations.
c. adjudicate violations of regulations.
d. establish case law.

ANSWER: a, b, c
FEEDBACK:
a. Correct. Within the boundaries set by the legislature, administrative agencies exercise their powers to enact regulations, supervise compliance with those regulations, and adjudicate violations of regulations.
b. Correct. Within the boundaries set by the legislature, administrative agencies

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exercise their powers to enact regulations, supervise compliance with those regulations, and adjudicate violations of regulations.

c. Correct. Within the boundaries set by the legislature, administrative agencies exercise their powers to enact regulations, supervise compliance with those regulations, and adjudicate violations of regulations.

d. Incorrect. Within the boundaries set by the legislature, administrative agencies exercise their powers to enact regulations, supervise compliance with those regulations, and adjudicate violations of regulations.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Response
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.2 - Identify the state, federal, and international governing bodies that create law.
TOPICS: A-Head: Sources of Law in the United States
KEYWORDS: Bloom's: Analyze
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73. Contrasted with private law, examples of public law include: Choose two answers.

a. agency law.
b. antitrust law.
c. criminal law.
d. tort law.

ANSWER: b, c
FEEDBACK:

a. Incorrect. Major areas of public law include antitrust law and criminal law
b. Correct. Major areas of public law include antitrust law and criminal law
c. Correct. Major areas of public law include antitrust law and criminal law
d. Incorrect. Major areas of public law include antitrust law and criminal law

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Response
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.4.1 - Differentiate between procedural and substantive laws.
TOPICS: A-Head: Classifications of Law
KEYWORDS: Bloom's: Analyze
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74. Which of the following is true regarding codes of ethics? Choose two answers.

a. They take a firm beyond its legal obligations.
b. They have been driven in part by U.S. Sentencing Guidelines.
c. Once adopted, they become binding on a company.
d. They can be enforced by both federal and state governments.

ANSWER: a, b
FEEDBACK:

a. Correct. A commitment to a code of ethics, which takes a firm beyond its legal obligations, is generally not binding on a company and can lead to reduced fines

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for various crimes.

b. Correct. A commitment to a code of ethics, which takes a firm beyond its legal obligations, is generally not binding on a company and can lead to reduced fines for various crimes.

c. Incorrect. A commitment to a code of ethics, which takes a firm beyond its legal obligations, is generally not binding on a company and can lead to reduced fines for various crimes.

d. Incorrect. A commitment to a code of ethics, which takes a firm beyond its legal obligations, is generally not binding on a company and can lead to reduced fines for various crimes.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Response
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.6 - Identify how to remedy unethical behavior.
TOPICS: A-Head: Business Ethics and Social Responsibility
KEYWORDS: Bloom's: Analyze
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75. In his writings about business ethics and "the ethics of social responsibility," Peter Drucker asserts that: Choose two answers

a. the company must uphold its ethical standards.

b. there is no racial discrimination.

c. everyone gets an equal share of the profits.

d. the corporate mission is fulfilled.

ANSWER: a, d
FEEDBACK:

a. Correct. According to Drucker, a company should put into practice what it believes and not compromise based on moral relativism and or business necessity, and that the first responsibility of a business leader is to ensure the corporate mission is fulfilled.

b. Incorrect. According to Drucker, a company should put into practice what it believes and not compromise based on moral relativism and or business necessity, and that the first responsibility of a business leader is to ensure the corporate mission is fulfilled.

c. Incorrect. According to Drucker, a company should put into practice what it believes and not compromise based on moral relativism and or business necessity, and that the first responsibility of a business leader is to ensure the corporate mission is fulfilled.

d. Correct. According to Drucker, a company should put into practice what it believes and not compromise based on moral relativism and or business necessity, and that the first responsibility of a business leader is to ensure the corporate mission is fulfilled.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Response
HAS VARIABLES: False
LEARNING OBJECTIVES: BLAW.MEIN.23.1.1.5 - Define corporate social responsibility.
TOPICS: A-Head: Business Ethics and Social Responsibility
KEYWORDS: Bloom's: Analyze

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