Gibbons v. Ogden – Case Brief Summary (1824)

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**Facts**

New York granted Robert R. Livingston and Robert Fulton the exclusive right of steam boat navigation on New York state waters. Livingston assigned to Ogden the right to navigate the waters between New York City and certain ports in New Jersey.

Ogden (P) brought this lawsuit seeking an injunction to restrain Gibbons (D) from operating steam ships on New York waters in violation of his exclusive privilege. Ogden was granted the injunction and Gibbons appealed, asserting that his steamships were licensed under the Act of Congress entitled “An act for enrolling and licensing ships and vessels to be employed in the coasting trade and fisheries, and for regulating the same.” Gibbons asserted that the Act of Congress superseded the exclusive privilege granted by the state of New York.

The Chancellor affirmed the injunction, holding that the New York law granting the exclusive privilege was not repugnant to the Constitution and laws of the United States, and that the grants were valid. Gibbons appealed and the decision was affirmed by the Court for the Trial of Impeachments and Correction of Errors, the highest Court of law and equity in the state of New York. The Supreme Court granted certiorari.

**Issues**

1. May a state enact legislation that regulates a purely internal affair regarding trade or the police power, or is pursuant to a power to regulate interstate commerce concurrent with that of Congress, which confers a privilege inconsistent with federal law?
2. Do states have the power to regulate those phases of interstate commerce which, because of the need of national uniformity, demand that their regulation, be prescribed by a single authority?
3. Does a state have the power to grant an exclusive right to the use of state waterways inconsistent with federal law?

**Holding and Rule (Marshall)**

1. No. A state may not legislation inconsistent with federal law which regulates a purely internal affair regarding trade or the police power, or is pursuant to a power to regulate interstate commerce concurrent with that of Congress.
2. No. States do not have the power to regulate those phases of interstate commerce which, because of the need of national uniformity, demand that their regulation, be prescribed by a single authority.
3. No. A state does not have the power to grant an exclusive right to the use of state navigable waters inconsistent with federal law.

The laws of New York granting to Robert R. Livingston and Robert Fulton the exclusive right of navigating state waters with steamboats are in collision with the acts of Congress. The acts of Congress under the Constitution regulating the coasting trade are supreme. State laws must yield to that supremacy, even though enacted in pursuance of powers acknowledged to remain in the States. A license, such as that granted to Gibbons, pursuant to acts of Congress for regulating the coasting trade under the [**Commerce Clause**](http://www.lawnix.com/cases/commerce-clause.html) of Article I confers a permission to carry on that trade.

The power to regulate commerce extends to every type of commercial intercourse between the United States and foreign nations and among the States. The commerce power includes the regulation of navigation, including navigation exclusively for the transportation of passengers. It extends to vessels propelled by steam or fire as well as to wind and sails.

The power to regulate commerce is general, and has no limitations other than those prescribed in the Constitution itself. It is exclusively vested in Congress and no part of it can be exercised by a State.

While the commerce power does not stop at the external boundary of a State, it does not extend to commerce which is completely internal. State inspection laws, health laws, and laws for regulating transportation and the internal commerce of a State fall within the state police power and are not within the power granted to Congress.