



McCulloch v. Maryland (1819)

Background

- Bank of the US operated in Maryland
- Maryland did not want BoUS to operate in state, competition unwanted, unfair
- Maryland taxed the bank to put it out of business
- McCulloch, BoUS employee, refused to pay the state tax



McCulloch v. Maryland (1819)

- Is a Bank of the US Constitutional?
- YES. The national gov't has certain implied powers that go beyond delegated powers. US needs a national bank for borrowing, lending, holding minted money, etc. All of which are delegated powers.



McCulloch v. Maryland (1819)

Can a state tax the federal gov't?

-NO. The federal gov't is supreme. Since the BoUS is constitutional, only the feds may tax it.

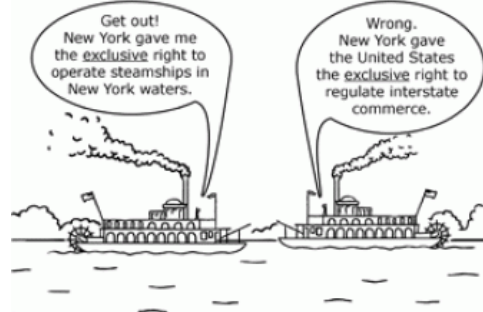
-John Marshall reaffirmed Supremacy Clause and Elastic Clause

-National (Federal) Gov gets STRONGER



Gibbons v. Ogden (1824)

- 1824 – aka “The Steamboat Case”
- Ogden received a state licensed monopoly to run a ferry across the Hudson River
- Gibbons also saw the potential of the traffic between NJ and NY and obtained a federal license.
- Ogden sued saying he had the valid state license, even though Gibbons had US license



Gibbons v. Ogden (1824)

Result – Gibbons wins

- Expanded national power in all areas of commerce law because nation overruled state in interstate trade issues
- Fed Gov't gets STRONGER
- All trade today is primarily controlled by national law



Commerce Clause

- Who cares? Why is it important?
- Gibbons v. Ogden ruling makes a loop hole giving Congress power to take control over any issue involving the movement of people, or things
- Fed gov't power increased