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Preliminary Issues:

11th Amendment:

The 11th Amendment protects states against actions by private citizens.

1. What constitutional claims can Peter make and how should the court rule?

Standing:

Peter must have standing to sue in federal court. Standing requires an injury in fact, causation, and redressability.

a) Injury in Fact:

An injury in fact is an existing harm suffered by a plaintiff, or immediate or imminent harm that is about to occur. Here, Peter will argue that he has suffered an injury in fact, since the Act has deprived him of his ability to do business in and out of State X.

b) Causation

To have standing, the harm suffered must have been a direct consequence of State X's actions. Here, State X's law caused Peter to lose nearly all of his customers in State X over the last 5 years because he cannot guarantee any timely delivery of ripe melons with the conditions of RR. Because he was able to do so before State X enacted this law, Peter will likely succeed in showing a direct cause.

c) Redressability

To have standing, Peter must also have a claim that will be sufficiently corrected with a verdict in his favor. Here, if the State X law is invalidated, Peter will argue that he would likely be able to acquire his customers again. While this is speculative, it is unlikely to defeat the basis for standing entirely.

Mootness & Ripeness:

Peter's claims must also not be moot or ripe. This refers to the fact that there must be a valid and live controversy throughout the course of the action. If the claim is terminated during the action, a federal court is unlikely to hear the case unless it is capable of repeating.

Here, Peter's claims may very well cease during the course of the action. However, because there are likely other parties and businesses that have suffered similar wrongs, Peter's claim will likely still be heard.

Accordingly, Peter has standing to bring his claim.

Commerce Clause:

Under the Commerce Clause, Congress has exclusive power over the channels, instrumentalities and substantial effects of interstate commerce. Peter will likely bring an action in federal court on grounds that the state has exceeded the scope of its power and is preempted by the Commerce Clause.

a) Channels of Interstate Commerce

Congress has exclusive control over the channels of interstate commerce. Channels include highways, freeways, and other means of travel from state to state.

Here, Peter will argue that RR is a railroad that travels from state to state. In doing so, RR utilizes the channels of interstate commerce and is therefore subject to Congress' control.

b) Instrumentalities of Interstate Commerce:

Instrumentalities are all items which are able to travel from state to state, such as cars, trains, buses, etc. Here, RR is a bus that is one of the largest carriers through state X. Thus, it is an instrumentality.

c) Substantial Effects of Interstate Commerce:

Substantial effects are those that have, by means of their economic impact, an effect on interstate commerce. Since Railroad has always been the largest carrier

in State X and is currently carrying 70% of its rail freight, there is likely sufficient basis to conclude that RR utilizes the resources of interstate commerce. Under the aggregate theory, when a state regulates some aspect of interstate commerce, though only in their state, the state action will be deemed to affect interstate commerce if the item that is regulated has an impact on interstate commerce in the aggregate. Here, the railroad is undoubtedly large. Furthermore, by traveling to and from different states, the railroad likely engages through various interstate activities that derive economic benefit on a large scale. Thus, there is likely sufficient basis to conclude that the railroad has some substantial effect on interstate commerce.

Congress will therefore be entitled to regulate the railroad under the Commerce Clause.

Dormant Commerce Clause:

The negative implications of the Commerce Clause are implicated when a state enacts a law that incidentally burdens interstate commerce. To prevail, the state must show a compelling government interest, and the law must be substantially related to that interest. Furthermore, the burden to interstate commerce must be weighed against the state's interests.

A) Government Interest:

The Act was enacted as a means to save RR from bankruptcy and liquidation. The burden is on the state to prove that this action was necessary to further the state's interest.

Here, State will argue that it had a compelling interest in purchasing RR, since RR has always been the largest carrier in State X by carrying 70% of its rail freight. Furthermore, State will argue an economic interest existed, since State could not replace RR without incurring a substantial cost, since RR historically offered the lowest transport rates.

B) Necessary Means to Achieve that Interest:

The government must also show that the means are necessary to achieve the interest, and no other alternates existed. Here, it is unlikely that the government

would prevail in establishing this element, since depriving other states of space on RR to save State X was not a compelling government interest. An economic interest of a state is generally not sufficient to deprive individuals of equal access without a compelling need. Though RR provided the cheapest transport, there are other means of transporting goods outside of RR. Furthermore, providing state X citizens with first choice on RR is not sufficiently related to any government interest aside from favoring its own citizens.

Thus, this was likely not a necessary means to achieve State X's interests, since State X could have done so without depriving out of state citizens of access.

C) Burden on Interstate Commerce

The burden to interstate commerce must be justified, and the burden must not be substantial. Here, by depriving other state citizens of access to RR, it is likely that the act would be invalidated. While a state undoubtedly has an interest to preserve and prioritize its economic interests, this interest is not important enough to deprive and discriminate against individuals who are not citizens of State x.

Thus, Peter will likely prevail on a claim under the Commerce Clause.

Preemption:

Peter may also argue that under 10th amendment Supremacy Clause, the law exceeded the scope of state powers. Generally, state powers are limited to health, safety, and welfare of its citizens. However, since the Act passed by State X served the economic interests of its citizens, the state must show that the law was consistent with existing federal powers.

Field preemption: Where commerce has intended to regulate the entire field of that which the state regulates, the state law will be invalidated. Here, Congress has, under the commerce clause, intended to occupy the entirety of interstate commerce. Furthermore, the Commerce Clause gives Congress vast discretion and power with economic activities. So long as an activity has some basis or relation to interstate commerce, Congress is likely to succeed in regulating it. Here, while the state law is not inconsistent with commerce clause or any federal action, it nevertheless burdens it. While state laws may be more narrow, the act at issue

impedes congress' power.

Thus, the Act will likely be preempted by existing federal powrs.

Privileges and Immunities Clause:

The privileges and immunities clause is applied to states through the 14th Amendment. Under this clause, a state may not discriminate against other individuals based on citizenship, or deprive them of certain liberties on the basis of citizenship alone. An exception to this is provided for government functions, such as juries, police officers, teachers of secondary schools, and others similarly situated.

Here, Peter will argue that there was a violation under the P/I clause under the 14th Amendment, since he was discriminated against solely because he was not a citizen of State X. Since Railroads do not serve a government function, he is likely to prevail.

Thus, Peter will likely prevail on a cause of action under the P/I clause.

Equal Protection Clause:

The EPC, also applied to citizens under the 14th amendment, is violated when there is a classification based on a certain group of people. Here, Peter will argue that he was discriminated against on the basis of state citizenship.

He will likely prevail on this basis since he was classified because of his state citizenship.

Substantive Due Process:

Substantive due process occurs when there has been a violation of a fundamental right. The right to travel and earn an economic living are fundamental rights. Since Peter has been forced to repeatedly give up this right because of State X's preference for its own citizens, Peter may argue that his due process rights have been violated. The state will have the burden to show that the action is necessary to a compelling government interest, which is unlikely to be met. Accordingly, Peter may argue and will likely prevail on a due process claim.

2. What claims can Corp. make under the Const. and how should the court rule?

Corporation will likely prevail on the same claims as Peter, except for Privileges and Immunities.

Standing: Corp must have standing to bring a claim.

a) Injury in Fact:

Here, the Act incidentally caused Corp. to lose customers, since it can no longer guarantee dates of delivery. Corp. will argue that State X has discriminated against Corp. because it is an out of state citizen.

b) Causation:

Similarly, Corp. will argue that the Act's preference towards State X citizens caused Corp. to lose customers, since it no longer has an equal opportunity to use RR as it previously did.

c) Redressability.

See above.

Accordingly, Corp. likely has standing to bring an action.

Commerce Clause:

Corp. will also likely argue that there was a violation of the commerce clause. Corp. may piggy back Peter's claims.

Privileges and Immunities:

Unlike Peter, Corp. would not be able to assert the privileges and immunities clause. The privileges and immunities clause only applies to individuals; aliens and corporations may not sue under this basis.

Substantive Due Process:

See above.

Like Peter, Corp can argue this. Corporation's are deemed individuals for purposes of constitutoinal protections. Thus, to deprive corp of its econmic right to earn a lviing would therefore be a violation of its due process. However, Corp's claims are more specualitve than Peter's, since Corp.'s basis for the claim is that it has lost customer's because it can no longer guarantee dates of delivery. Thus, it is uncertain as to whether this basis is sufficient to constitute a substantive due process claim.

Equal Protection:

See above.

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