

Sec. 8—Powers of Congress

Cl. 3—Power to Regulate Commerce

long as Congress remained silent in the matter, a state lacked the power to prevent the importation of liquor from a sister state, even as part and parcel of a statewide prohibition.¹⁰³⁴ This holding was soon clarified by another to the effect that, so long as Congress remained silent, a state had no power to prevent the sale in the “original package” of liquors introduced from another state.¹⁰³⁵ Congress soon attempted to overcome the effect of the latter decision by enacting the Wilson Act,¹⁰³⁶ which empowered states to regulate imported liquor on the same terms as domestically produced liquor, but the Court interpreted the law narrowly as subjecting imported liquor to local authority only after its resale.¹⁰³⁷ Congress did not fully nullify the *Bowman* case until 1913, when enactment of the Webb-Kenyon Act¹⁰³⁸ clearly authorized states to regulate direct shipments for personal use.

National Prohibition, imposed by the Eighteenth Amendment, temporarily mooted these conflicts, but they reemerged with repeal of Prohibition by the Twenty-first Amendment. Section 2 of the Twenty-first Amendment prohibits “the importation into any State . . . for delivery or use therein of intoxicating liquors, in violation of the laws thereof.” Initially the Court interpreted this language to authorize states to discriminate against imported liquor in favor of that produced in-state, but the modern Court has rejected this interpretation, holding instead that “state regulation of alcohol is limited by the nondiscrimination principle of the Commerce Clause.”¹⁰³⁹

Less than a year after the ruling in *United States v. South-Eastern Underwriters Ass’n*¹⁰⁴⁰ that insurance transactions across state lines constituted interstate commerce, thereby establishing their immunity from discriminatory state taxation, Congress passed the

¹⁰³⁴ *Bowman v. Chicago & Northwestern Ry. Co.* 125 U.S. 465 (1888).

¹⁰³⁵ *Leisy v. Hardin*, 135 U.S. 100 (1890). The Court had developed the “original package” doctrine to restrict application of a state tax on imports from a foreign country in *Brown v. Maryland*, 25 U.S. (12 Wheat.) 419, 449 (1827). Although Chief Justice Marshall had indicated in dictum in *Brown* that the same rule would apply to imports from sister states, the Court had refused to follow that dictum in *Woodruff v. Parham*, 75 U.S. (8 Wall.) 123 (1869).

¹⁰³⁶ Ch. 728, 26 Stat. 313 (1890), upheld in *In re Rahrer*, 140 U.S. 545 (1891).

¹⁰³⁷ *Rhodes v. Iowa*, 170 U.S. 412 (1898).

¹⁰³⁸ Ch. 90, 37 Stat. 699 (1913), sustained in *Clark-Distilling Co. v. Western Md. Ry.*, 242 U.S. 311 (1917). See also *Department of Revenue v. Beam Distillers*, 377 U.S. 341 (1964).

¹⁰³⁹ *Granholm v. Heald*, 544 U.S. 460, 487 (2005). See also *Bacchus Imports Ltd. v. Dias*, 468 U.S. 263 (1984); *Brown-Forman Distillers Corp. v. New York State Liquor Auth.*, 476 U.S. 573 (1986); *Healy v. The Beer Institute*, 491 U.S. 324 (1989), and the analysis of section 2 under Discrimination Between Domestic and Imported Products.

¹⁰⁴⁰ 322 U.S. 533 (1944).