

A federal statute appropriated \$7 million for a nationwide essay contest on "How the United States Can Best Stop Drug Abuse." The statute indicates that its purpose is to generate new, practical ideas for eliminating drug abuse in the United States. Contest rules set forth in the statute provide that winning essays are to be selected based on the "originality, aptness, and feasibility of their ideas."

The statute expressly authorizes a first prize of \$1 million, 50 second prizes of \$100,000 each, and 100 third prizes of \$10,000 each. It also states that judges for the contest are to be appointed by the President of the United States with the advice and consent of the Senate and that all residents of the United States who are not employees of the federal government are eligible to enter and win the contest.

A provision of the statute authorizes any taxpayer of the United States to challenge its constitutionality.

In a suit by a federal taxpayer to challenge the constitutionality of the statute, how should the court rule?

- A. Hold the statute constitutional, because it is reasonably related to the general welfare, it states concrete objectives, and it provides adequate criteria for conducting the essay contest and awarding the prize money.
- B. Hold the statute unconstitutional, because it does not provide sufficient guidelines for awarding the prize money appropriated by Congress and, therefore, unconstitutionally delegates legislative power to the contest judges.
- C. Hold the statute unconstitutional, because its relationship to legitimate purposes of the spending power of Congress is too tenuous and conjectural to satisfy the necessary and proper clause of Article I.
- D. Refuse to decide its merits, because the suit involves policy questions that are inherently political and, therefore, nonjusticiable.

Explanation:

Congress's taxing & spending powers

(U.S. Const. art. I, sec. 8, cl. 1)

Taxing

- Direct taxes – must be:
 - apportioned evenly among states *and*
 - reasonably related to revenue raising
- Indirect taxes – must be:
 - uniformly applied in every state *and*
 - reasonably related to revenue raising
- Export taxes – always unconstitutional

Spending

- Funds must be spent for general welfare
- Conditions on receipt of funds must:
 - be clearly stated & unambiguous
 - be reasonably related to federal interest in funded program
 - not require states to engage in unconstitutional activity *and*
 - not unduly coerce states into accepting

The **spending clause** gives Congress the broad power to **appropriate** (ie, spend) money **for the general welfare**—ie, any purpose reasonably related to a concrete public objective. But any **conditions** placed on the receipt of appropriated funds must:

- be **clearly stated**
- be **reasonably related** to the purpose of the expenditure
- **not induce** the recipient to do anything unconstitutional *and*
- **not unduly coerce** the recipient to accept the funds.

Here, a federal statute conditioned the appropriation of \$7 million on a nationwide essay contest that is reasonably related to a concrete public objective of generating ideas to eliminate drug abuse. The selection criteria are clearly set forth in the contest rules, and there is no evidence that these conditions are unduly coercive or would induce the recipient to engage in unconstitutional conduct. Therefore, the statute should be ruled constitutional.

(Choice B) Under the **nondelegation doctrine**, Congress may only delegate its legislative authority to others if it provides an intelligible principle to guide them. Since the statute here *does* provide sufficient guidelines for awarding the prize money, it does not unconstitutionally delegate legislative power to the contest judges.

(Choice C) This statute *is* related to a legitimate purpose of the spending clause since it seeks to eliminate drug abuse for the general welfare. But since the spending clause is an

express source of congressional power, Congress need not use its implied powers under the necessary and proper clause to enact this statute.

(Choice D) A suit is nonjusticiable if it presents a political question—ie, requires courts to decide a matter that (1) the Constitution has reserved to the legislative or executive branch or (2) lacks judicially manageable standards for resolution. Since courts have the constitutional authority and ability to determine if Congress has properly exercised its powers, this suit presents a justiciable issue.

Educational objective:

The spending clause allows Congress to place conditions on the receipt of federal funds if those conditions (1) are clearly stated, (2) are reasonably related to the purpose of the expenditure, (3) do not induce unconstitutional behavior, and (4) are not unduly coercive.

References

- U.S. Const. art. I, § 8, cl. 1 (taxing and spending clause).
- *South Dakota v. Dole*, 483 U.S. 203, 207–08 (1987) (holding that conditions on a federal expenditure must be unambiguous and reasonably related to the purpose of the expenditure).

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