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Humble Pipe Line Vs. Waggonner

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Court : US Supreme Court

Decided On : Mar-23-1964

Appeal No. : 376 U.S. 369

Appellant : Humble Pipe Line

Respondent : Waggonner

Judgement :

Humble Pipe Line v. Waggonner - 376 U.S. 369 (1964)
U.S. Supreme Court Humble Pipe Line v. Waggonner, 376 U.S. 369 (1964)

Humble Pipe Line v. Waggonner

No. 329

Argued March 4, 1964

Decided March 23, 1964 *

376 U.S. 369

CERTIORARI TO THE COURT OF APPEAL OF LOUISIANA,

SECOND CIRCUIT

SYLLABUS

The United States, by donation from the State of Louisiana and other state sources, acquired fee simple title to a tract of land for a military base, state law providing that, except for civil and criminal process, the United States should have the "right of exclusive jurisdiction" over any land it "purchased or condemned, or otherwise acquired." The Government granted petitioners oil and gas leases on parts of the land, and the State levied an *ad valorem* tax on their pipelines and equipment.

Held: the United States has exclusive jurisdiction over the land, and the State has no jurisdiction to levy the tax. Pp. 376 U. S. 370 -374.

(a) The United States acquires exclusive jurisdiction over land which a State donates for a purpose enumerated in Article I, 8, cl. 17, of the Constitution, even though it did not "purchase" the land in a narrow trading sense. *Fort Leavenworth R. Co. v. Lowe,* 114 U. S. 525 , followed. Pp. 376 U. S. 370 -372.

(b) The United States did not lose its exclusive jurisdiction by leasing portions of the property. *S.R.A., Inc. v. Minnesota,* 327 U. S. 558 , distinguished. Pp. 376 U. S. 372 -373.

(c) Payments by the Government to state agencies for public utility services for the base and for educating children of servicemen living on the base wholly fail to show a rejection by the Government of exclusive jurisdiction over the base. P. 376 U. S. 373 .

(d) Abandonment of exclusive federal jurisdiction cannot be inferred from a standard provision in the oil and gas leases for payment by the lessees of state and federal taxes, even if the federal agency making the leases had power to waive the Government's exclusive jurisdiction, which is by no means sure. P. 376 U. S. 374 .

151 So.2d 575, reversed and remanded.

MR. JUSTICE BLACK delivered the opinion of the Court.

The common question these cases present is whether the United States has such exclusive jurisdiction over a 22,000-acre tract of land in Louisiana on which the Barksdale Air Force Base is located that Louisiana is without jurisdiction to levy an *ad valorem* tax on privately owned property situated on the tract. The District Court and Court of Appeal of Louisiana upheld such a tax laid on certain oil drilling equipment and pipelines owned, used and kept by the petitioners on this federal enclave. La.App., 151 So.2d 575. The Supreme Court of Louisiana denied review. 244 La. 463, 467, 152 So.2d 561, 562. We granted certiorari to consider this federal question important to the United States. 375 U.S. 878. [Footnote 1]

The United States acquired a fee simple title to the entire tract in 1930 by donations from the State of Louisiana, [Footnote 2] the City of Shreveport, and the Bossier Levee District, a state agency, for the purpose of using the land as

a military base. The Government has spent huge amounts of money in creating and operating at Barksdale Field one of its most important military posts. When the State and its agencies gave the land to the United States, Louisiana law provided that the United States should have "the right of exclusive jurisdiction" over any land it

"purchased or condemned, or otherwise acquired . . . for all purposes, except the administration of the criminal laws . . . and the service of civil process of said State therein. . . . [Footnote 3]"

All of the pipelines or equipment in question upon which the State's *ad valorem* tax has been imposed are, as the Louisiana District Court stated, "situated on the United States Military Reservation known as *Barksdale Air Force Base.' . . ."*

Article I, 8, cl. 17, of the United States Constitution permits the United States to obtain exclusive jurisdiction over lands within a State. It provides:

"The Congress shall have Power . . . To exercise exclusive Legislation in all Cases whatsoever . . . over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings. . . ."

Louisiana contends that the United States cannot "exercise exclusive Legislation" here because the land for the military base was donated, not "purchased," within the meaning of the constitutional provision. We cannot agree to such a constricted reading of that provision. Louisiana concedes that, as we pointed out in our recent

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holding in *Paul v. United States,* 371 U. S. 245 , 371 U. S. 264 , the Government could, with the State's consent, have acquired exclusive jurisdiction by condemning the land. *See also James v. Dravo Contracting Co.,* 302 U. S. 134 , 302 U. S. 141 -142. This common sense reading of the constitutional provision simply follows the interpretation given it long ago in *Fort Leavenworth R. Co. v. Lowe,* 114 U. S. 525 , 114 U. S. 538 :

"The essence of that provision is that the state shall freely cede the particular place to the United States for one of the specific and enumerated objects."

In accordance with this construction, the Court in that case went on to emphasize that, although the United States had not "purchased" Fort Leavenworth in the narrow trading sense of the term, the crucial question was whether Kansas had ceded exclusive jurisdiction over the fort. Likewise, we hold here that, under Art. I, 8, cl. 17, the United States acquired exclusive jurisdiction when the land was ceded to it with consent of the State (except for the State's express reservation as to civil and criminal process), just as if the United States had acquired its title by negotiation and payment of a money consideration.

Relying on the fact that the United States has leased the right to exploit parts of the reservation for oil and gas and for an oil pipeline, Louisiana contends that the Federal Government has thereby lost its power to exercise exclusive jurisdiction over those parts of the area. We cannot agree. We did hold in *S.R.A., Inc. v. Minnesota,* 327 U. S. 558 , that where the United States, while retaining what was in substance a mortgage, had sold land and buildings formerly used for governmental purposes, it thereby, in effect, surrendered its former exclusive jurisdiction, leaving that property taxable by the State. But that case does not control the present situation, for here, the Government continues to hold all the land subject to

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its primary jurisdiction and control. [Footnote 4] This Court has previously held that exclusive federal jurisdiction was not lost either by lease of property for commercial purposes within an enclave, *Arlington Hotel Co. v. Fant,* 278 U. S. 439 , or by conveying a right of way to a railroad across a reservation, *United States v. Unzeuta,* 281 U. S. 138 . And, in holding that exclusive jurisdiction was not lost over a part of a reservation used for farming, this Court recognized the responsibility of the Executive Department of the Government to determine what land it will acquire and hold for military purposes. *Benson v. United States,* 146 U. S. 325 , 146 U. S. 331 . There is no evidence here which would justify a court in deciding that the Government does not need to keep all of this tract intact, ready for use when needed for the highly important military purposes to which it has been dedicated.

Louisiana further contends that this record shows that the Government did not intend to accept exclusive jurisdiction here. It is the established rule that a grant of jurisdiction by a State to the Federal Government need not be accepted, and that a refusal to accept may be proved by evidence. *Atkinson v. State Tax Comm'n,* 303 U. S. 20 , 303 U. S. 23 ; *Silas Mason Co. v. Tax Comm'n,* 302 U. S. 186 , 302 U. S. 207 -209. The State's contention is based chiefly on a statement that Barksdale Air Force Base buys public utility services from the State or a state instrumentality at its gate, and pays to the State's school system a per capita

charge for each child of a serviceman attending the State's schools. We think these circumstances wholly fail to show a rejection by the Government of the State's cession of exclusive jurisdiction over the base. [Footnote 5]

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Nor do we think it possible to find a refusal or an abandonment of exclusive federal jurisdiction from the fact that the oil and gas leases provided that the companies should

"pay when due, all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, oil and gas produced from the lands hereunder, or other rights, property, or assets of the lessee. . . ."

It is by no means sure that a federal agency making an oil and gas lease could waive the Government's exclusive jurisdiction over a federal reservation, but, even if it could, we see nothing more in this standard contractual provision than a precaution on the Government's part to guard itself against liability for payment of any state taxes "lawfully assessed" against its lessee. *Cf. United States v. County of Allegheny,* 322 U. S. 174 , 322 U. S. 189 . A contractual requirement to pay taxes lawfully owing, standing alone, cannot be read as manifesting a purpose of the Government to abandon exclusive jurisdiction over one of its important military enclaves. When Congress has wished to allow a State to exercise jurisdiction to levy certain taxes within a federal enclave, it has specifically so stated, as in the Buck Act, 4 U.S.C. 104-110.

The judgments are reversed, and the cases remanded for further proceedings not inconsistent with this opinion.

It is so ordered.

* Together with No. 354, *Natural Gas & Oil Corp. et al. v. Waggonner, Sheriff,* also on certiorari to the same court.

[Footnote 1]

No issue concerning immunity of federal instrumentalities from state taxation, apart from the question of lack of state jurisdiction to tax within a federal enclave, has been raised here.

[Footnote 2]

Act No. 4, Louisiana Legislature 1930.

[Footnote 3]

Act No. 12, Louisiana Legislature, 1892, subsequently amended by Act No. 31, Louisiana Legislature, 1942, La.Rev.Stat.1950, Tit. 52, c. 1, 1. The deed to the United States was for a fee simple, and, unlike that in *Palmer v. Barrett,* 162 U. S. 399 , the authorizing statute contained no conditions, and reserved only "the administration of the criminal laws . . . and the service of civil process."

[Footnote 4]

The fact that the oil and gas leases were issued by the Department of the Interior, rather than the Department of the Air Force, does not affect the exclusive jurisdiction of the United States.

[Footnote 5]

But cf. International Business Machines Corp. v. Ott, 230 La. 666, 701-702, 89 So.2d 193, 205-206.

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