

Opinion No. 219**Interstate Commerce—Federal Regulation—Intrastate Commerce.**

HELD: That when an article is delivered to a carrier in one state for delivery at a point in another state such article retains its character as an article of interstate commerce, subject to the regulation of the "Act to Regulate Commerce" of the Federal Government until it reaches and is delivered at its ultimate destination and this is true even though it may be handled by various carriers and under numerous contracts in transit.

May 23, 1933.

You have requested an opinion from this office as to when goods trucked into this state from another state lose their status as an article of interstate commerce and take on the character of an article of intrastate commerce.

When an article is delivered to a carrier in one state for transportation into another state such article becomes an article of interstate commerce and it retains that character until it reaches its ultimate point of delivery, regardless of "rests," change of carriers, or numerous contracts between the shipper and carrier or carriers.

"It cannot be that the mere method of accomplishing the object in view when freight is delivered to an initial carrier, whether by a through routing contract, the transit to be by way of an initial and successive lines, including a terminal switching company service, or by successive connecting contracts, each in order from the first being authorized to make the one succeeding, determines the character of the commerce as to whether inter or

intra state as regards the last movement required to reach the unloading point. The character of the initial contract is doubtless, evidentiary of the purpose of the shipper; but it does not control to make a subject of interstate intrastate commerce. The purpose, in starting the freight, not the particular method of executing it, controls. In other words, the service sought at the start, all of it, the initial and successive elements connected to form the whole, settles the matter."

"Service that is performed wholly in one state is still subject to the Federal Act to Regulate Commerce if it is a part of interstate commerce. * * * The character of the service rendered in regard to carriage of interstate freight and not the manner in which goods are billed determines whether the commerce is interstate or not." (Duluth-Superior Milling Co., v. N. P. Ry. Co., 140 N. W. 1105.)

"It is the essential character of the commerce, not the accident of local or through bills of lading, which determines Federal or state control thereover. * * * Commerce takes its character as interstate * * * when it is actually started in the course of transportation to another state, * * * Railroad Commission v. Texas Pacific, 229 U. S. 336, and retains its character as an article of interstate commerce to its destination." (U. S. v. Union Stock Yards, etc., 226 U. S. 286.)

These are only two of numerous decisions to the same effect. The rule is established beyond question that when an article is delivered to a carrier in one state for delivery at a point in another state such article retains its character as an article of interstate commerce, subject to the regulation of the "Act to Regulate Commerce" of the Federal Government until it reaches and is delivered at its ultimate destination and this is true even though it may be handled by various carriers and under numerous contracts in transit.