

**Mr. Thompson**

**Civics Snow Packets 11-16 Overview**

Use the scanned book pages 296 to 303 to help answer questions for SnowPackets 11-16

**Day 11 – Answer the questions and either scan the document and send back or write answers and send back. You may need either an online or actual dictionary to complete this assignment.**

**Day 12 – Answer the questions (2-5) on page 303. Type them down and send back**

**Day 13 - Answer the questions on the 4 pages. Scan and send back.**

**Day 14 – Answer the questions on the page, scan and send back**

**Day 15 – Answer the questions on the page, scan and send back**

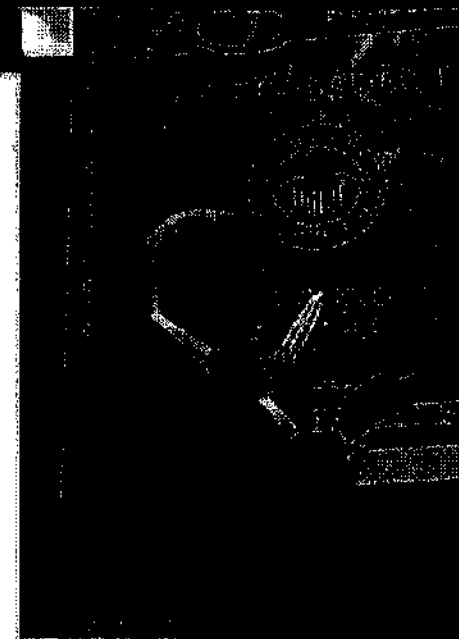
**Day 16 – Use each vocabulary word from the section once in a sentence. Can be typed on word or typed within livegrades and sent back. Vocab words can be found on page 296**

**Please do not hesitate to ask if you have any questions or if I can help.**

**-Mr. Thompson**

## SECTION 1

# The Expressed Powers of Money and Commerce



### Guiding Question

What powers over money and commerce does the Constitution give to Congress and what limits does it put on these powers? Use a table to keep track of the powers of Congress and their limits.

Money and Commerce	
Expressed Power	Limit on Power
•	•
•	•
•	•

### Political Dictionary

- expressed powers
- implied powers
- inherent powers
- commerce power
- tax
- public debt
- deficit financing
- bankruptcy
- legal tender

### Objectives

1. Describe the three types of powers delegated to Congress.
2. Analyze the importance of the commerce power.
3. Summarize key points relating to the taxing power.
4. Explain how the bankruptcy and borrowing powers work.
5. Explain why the Framers gave Congress the power to issue currency.

**Image Above:** Congress has the expressed power to coin money and regulate its value.

A typical day in either chamber of Congress might suggest that there is no limit to what Congress can do. On any given day, the House might consider bills dealing with such varying matters as the interstate highway system, an increase in the minimum wage, and grazing on public lands. Meanwhile, the Senate might be considering aid to a famine-stricken country in Africa, the President's nomination of someone to fill a vacancy on the Supreme Court, or any number of other matters.

Still, remember, there are very real limits on what Congress can do. Recall that (1) government in the United States is limited government, and (2) the American system of government is federal in form. These two fundamental facts work to shape and also to limit the powers of Congress.

## The Delegated Powers

Remember, Congress has only those powers delegated (granted, given) to it by the Constitution. Large areas of power are denied to Congress (1) in so many words in the Constitution, (2) by the Constitution's silence on many matters, and (3) because the Constitution creates a federal system.

There is much that Congress cannot do. It cannot create a national public school system, require people to vote or attend church, or set a minimum age for marriage or drivers' licenses. It cannot abolish jury trials, confiscate all handguns, or authorize the censorship of newspapers or radio or television broadcasts. Congress cannot do these and a great many other things because the Constitution does not delegate to it any power to do so.

Still, Congress does have the power to do many things. The Constitution grants it a number of specific powers—and, recall, it delegates those powers in three different ways: (1) explicitly, in its specific wording—the **expressed powers**; (2) by reasonable deduction from the expressed powers—the **implied powers**; and (3) by creating a national government for the United States—the **inherent powers**.

The Framers very purposefully created a limited government. Given that fact, it is understandable that the existence and the scope of both the implied and the inherent powers have been the subject of dispute ever since the adoption

of the Constitution. Later in the chapter, we shall examine the conflict between the strict constructionists, who interpret congressional power narrowly, and the liberal constructionists, who favor a broader interpretation.

## The Expressed Powers

Most, but not all, of the expressed powers of Congress are found in Article I, Section 8 of the Constitution. There, in 18 separate clauses, 27 different powers are explicitly given to Congress.<sup>1</sup>

These grants of power are brief. What they do and do not allow Congress to do often cannot be discovered by merely reading the few words involved. Rather, their meaning is found in the ways in which Congress has exercised its powers since 1789, and in scores of Supreme Court cases arising out of the measures Congress has passed.

As a case in point, take the Commerce Clause, in Article I, Section 8, Clause 3. It gives Congress the power "to regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes." What do these words mean? Over the past two centuries, Congress and the Court have had to answer hundreds of questions about the scope of the Commerce Clause. Here are but a few examples: Does "commerce" include people crossing State lines or entering or leaving the country? What about business practices? Working conditions? Radio and television broadcasts? The Internet? Does Congress have the power to ban the shipment of certain goods from one State to another? To prohibit discrimination? What trade is "foreign" and what is "interstate"? And what trade is neither?

In answering these and dozens of other questions arising out of this one provision, Congress and the Court have defined—and are still defining—the meaning of the

Commerce Clause. So it is with most of the other constitutional grants of power to Congress.

The commerce power and, with it, the expressed power to tax have provided much of the basis upon which Congress and the courts have built nearly all of the implied powers. Most of what the Federal Government does, day to day and year to year, it does as the result of legislation enacted by Congress in the exercise of those two powers.

## The Commerce Power

Commerce, generally, is the buying and selling of goods and services. The commerce power—the power of Congress to regulate interstate and foreign trade—is vital to the welfare of the nation. Its few words have prompted the growth of the greatest open market in the world. The Commerce Clause proved to be more responsible for the building of a strong and United States out of a weak confederation than any other provision in the Constitution.

**Gibbons v. Ogden, 1824** The first case involving the Commerce Clause to reach the Supreme Court, *Gibbons v. Ogden*, was decided in 1824. The case arose out of a clash over the regulation of steamboats by the State of New York, on the one hand, and the Federal Government, on the other. In 1807, Robert Fulton's steamboat, the *Clermont*, had made its first successful run up the Hudson River from New York City to Albany. The State legislature then gave Fulton an exclusive long-term grant to navigate the waters of the State by steamboat. Fulton's monopoly then gave Aaron Ogden a permit for steamboat navigation between New York City and New Jersey.

Thomas Gibbons, operating with a coasting license from the

**Checkpoint**  
Who defines the meaning of the Commerce Clause?

**Inherent powers** are those that belong to all sovereign nations—for example, the power to control a nation's borders.

**Expressed powers** are those stated in the Constitution—for example, the power to regulate both foreign and interstate commerce.

**Implied powers** are not stated in the Constitution, but drawn from the expressed powers. Based on the expressed power to regulate commerce, Congress has set a minimum wage for hourly workers.

► This chart gives an example of each type of congressional power. From which type of power does Congress derive most of its current authority?

<sup>1</sup> Several of the expressed powers of Congress are set out elsewhere in the Constitution. Thus, Article IV, Section 3, grants Congress the power to admit new States to the Union (Clause 1) and to manage and dispose of federal territory and other property (Clause 2). The 16th Amendment gives Congress the power to levy an income tax. The 13th, 14th, 15th, 19th, 24th, and 28th amendments grant Congress the "power to enforce" the provisions of the amendments "by appropriate legislation."

**Checkpoint**  
What was the Court's decision in *Gibbons v. Ogden*?

sweeping  
act; wide-ranging

Federal Government, began to carry passengers on a competing line. Ogden sued, and the New York courts ruled in his favor, holding that Gibbons could not sail by steam in New York waters.

Gibbons appealed that ruling to the Supreme Court. He claimed that the New York grant conflicted with the congressional power to regulate interstate commerce. The Court agreed. It rejected Ogden's argument that "commerce" should be defined narrowly, as simply "traffic" or the mere buying and selling of goods. Instead, the Court read the Commerce Clause in very broad terms:

#### PRIMARY SOURCE

Commerce, undoubtedly, is traffic, but it is something more; it is intercourse. It describes the commercial intercourse between nations, and parts of nations, in all its branches, and is regulated by prescribing rules for carrying on that intercourse.

—Chief Justice John Marshall

The Court's ruling was widely popular at the time because it dealt a death blow to steamboat monopolies. Freed from restrictive State regulation, many new steamboat companies came into existence. As a result, steam navigation developed rapidly. Within a few years, the railroads were similarly freed, which revolutionized transportation within the United States.

Over the decades, the Court's sweeping definition of commerce has brought an extension of federal authority into many areas of American life—a reach of federal power beyond anything the Framers could have imagined. As another of the many examples of the point, note this: It is on the basis of the commerce power that the Civil Rights Act of 1964 prohibits discrimination in access to or service in hotels, motels, theaters, restaurants, and in other public accommodations on grounds of race, color, religion, or national origin.<sup>2</sup>

<sup>2</sup> The Supreme Court upheld this use of the commerce power in *Heart of Atlanta Motel v. United States* in 1964. The unanimous Court noted that there was "overwhelming evidence of the disruptive effect that racial discrimination has had on commercial intercourse." You will look at this case again in Chapter 21.

## The Commerce Clause

The Congress shall have Power . . . To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes.

—Article I, Section 8, Clause 3

## FROM THE CONSTITUTION



**Enabling Commerce** The commerce power played a major role in the formation of the Union. The weak Congress created under the Articles of Confederation had no power to regulate interstate trade and little authority over foreign commerce. The 1780s were marked by intense commercial rivalries and bickering among the States. High trade barriers and spiteful State laws created chaos and confusion in much of the country. That circumstance led the Framers to write the Commerce Clause into the Constitution.

**Constitutional Principles** How does the Commerce Clause reflect the principle of federalism?

▲ Acting under its commerce power, Congress created the interstate highway system.



## The Americans with Disabilities Act



**Limits on the Commerce Power** The congressional power to regulate commerce is not unlimited. It, too, must be exercised in accord with all other provisions in the Constitution. As but one example, the Supreme Court struck down the Gun-Free School Zone Act of 1990 in *United States v. Lopez*, 1995. That act had made it a federal crime for anyone other than a police officer to possess a firearm in or around a school. The Court could find no useful connection between interstate commerce and guns at school. It held that Congress had in this case invaded the reserved powers of the States.

In more specific terms, the Constitution places four explicit limits on the use of the commerce power. The Constitution declares that Congress

1. cannot tax exports (Article I, Section 9, Clause 5);
2. cannot favor the ports of one State over those of any other in the regulation of trade (Article I, Section 9, Clause 6);
3. cannot require that "Vessels bound to, or from, one State, be obliged to enter, clear, or pay Duties in another" (Article I, Section 9, Clause 6); and, finally,
4. could not interfere with the slave trade, at least not until the year 1808 (Article I, Section 9, Clause 1). This last limitation, part of the curious Slave-Trade Compromise the Framers struck at Philadelphia, has been a dead letter for more than two centuries.

## The Power to Tax

The Constitution gives Congress the power

### FROM THE CONSTITUTION

To lay and collect Taxes, Duties, Imports and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States . . .

—Article I, Section 8, Clause 1

Remember, the Articles of Confederation had not given Congress the power to tax. Congress did have the power to requisition funds from the States; that is, Congress could ask (in reality beg) each of the 13 States for money. But, through the 1780s, not a single State came even remotely close to meeting the few requests that Congress made, and a number of them paid nothing at all. The government was **impotent**, and the lack of a power to tax was a leading cause for the creation of the Constitution.

**impotent**  
adj. powerless

**The Purpose of Taxes** We shall take another and longer look at the taxing power in Chapter 16. But, here, a number of important points: The Federal Government will take in some \$2.1 trillion in fiscal year 2013, and almost certainly an even larger sum in 2014. Most of that money—well over 95 percent of it—will come from the various taxes levied by Congress.





**Interpreting Cartoons** Congress levies taxes and created the Internal Revenue Service to collect them. This cartoon shows a taxpayer and an IRS agent. In what ways does this cartoon show a negative attitude toward taxes?

**Checkpoint**  
Name three purposes for which the government collects taxes.

A **tax** is a charge levied by government on persons or property to raise money to meet public needs. But notice, Congress does sometimes impose taxes for other purposes as well. The protective tariff is perhaps the oldest example of this point. Although it does bring in some revenue every year, its real goal is to "protect" domestic industry against foreign competition by increasing the cost of imported goods.

Taxes are also sometimes levied to protect the public health and safety. The Federal Government's regulation of narcotics is a case in point. Only those who have a proper federal license can legally manufacture, sell, or deal in those drugs—and licensing is a form of taxation.

**Limits on the Taxing Power** Congress does not have an unlimited power to tax. As with all other powers, the taxing power must be used in accord with all other provisions of the Constitution. Thus, Congress cannot lay a

tax on church services, for example—because such a tax would violate the 1st Amendment. Nor could it lay a poll tax as a condition for voting in federal elections, for that would violate the 24th Amendment.

More specifically, the Constitution places four explicit limitations on the congressional power to tax:

1. Congress may tax only for public purposes, not for private benefit. Article I, Section 8, Clause 1 says that taxes may be levied only "to pay the Debts and provide for the common Defence and general Welfare of the United States. . . ."
2. Congress may not tax exports. Article I, Section 9, Clause 5 declares "[n]o Tax or Duty shall be laid on Articles exported from any State." Thus, customs duties (tariffs), which are taxes, can be levied only on goods brought into the country (imports), not on those sent abroad (exports).
3. Direct taxes must be apportioned among the States, according to their populations:

#### FROM THE CONSTITUTION

**No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census of enumeration herein before directed to be taken.**

—Article I, Section 9, Clause 4

A direct tax is one that must be paid directly to the government by the person on whom it is imposed—for example, a tax on the ownership of land or buildings, or a capitation (head or poll) tax.

An income tax is a direct tax, but it may be laid without regard to population:

#### FROM THE CONSTITUTION

**The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.**

—16th Amendment

Wealth (which translates to the ability to pay taxes) is not evenly distributed among the States. So, a direct tax levied in proportion to population would fall more heavily on the residents of some States than it would on others—and would, therefore, be grossly unfair. Consequently, Congress has not levied any direct tax—except for the income tax—outside the District of Columbia since 1861.

4. Article I, Section 8, Clause 1 provides that "all Duties, Imposts and Excises shall be uniform throughout the United States." That is, all indirect taxes levied by the Federal Government must be levied at the same rate in every part of the country. Those indirect taxes include the federal levies on gasoline, alcoholic beverages, and tobacco products.

As a general rule, an indirect tax is one first paid by one person but then passed on to another. It is indirectly paid by that second person. Take, for example, the federal tax on cigarettes. It is paid to the Treasury by the tobacco company but is then passed on through the wholesaler and retailer to the person who finally buys the cigarettes.

### The Borrowing Power

Article I, Section 8, Clause 2 gives Congress the power "[t]o borrow Money on the credit of the United States." There are no constitutional limits on the amount of money Congress may borrow and no restrictions on the purposes for borrowing.

The Treasury does the actual borrowing. Usually, it issues Treasury Notes (T-bills) for short-term borrowing and bonds for long-term purposes. Those securities are, in effect, promissory notes—IOWs—for which the government agrees to pay investors a certain sum plus interest on a certain date.

Congress has put a statutory ceiling on the public debt, however. The public debt is all of the money borrowed by the Federal Government over the years and not yet repaid, plus the accumulated interest on that money. That legal ceiling has never amounted to much more than a political gesture, however. Congress regularly raises the limit whenever the debt threatens to overtake it. The public debt is approximately \$16 trillion.

For decades, the Federal Government has practiced **deficit financing**. That is, it regularly spends more than it takes in each year and then borrows to make up the difference. Thus, the government has relied on deficit financing—on borrowing—to deal with the economic Depression of the 1930s, to meet

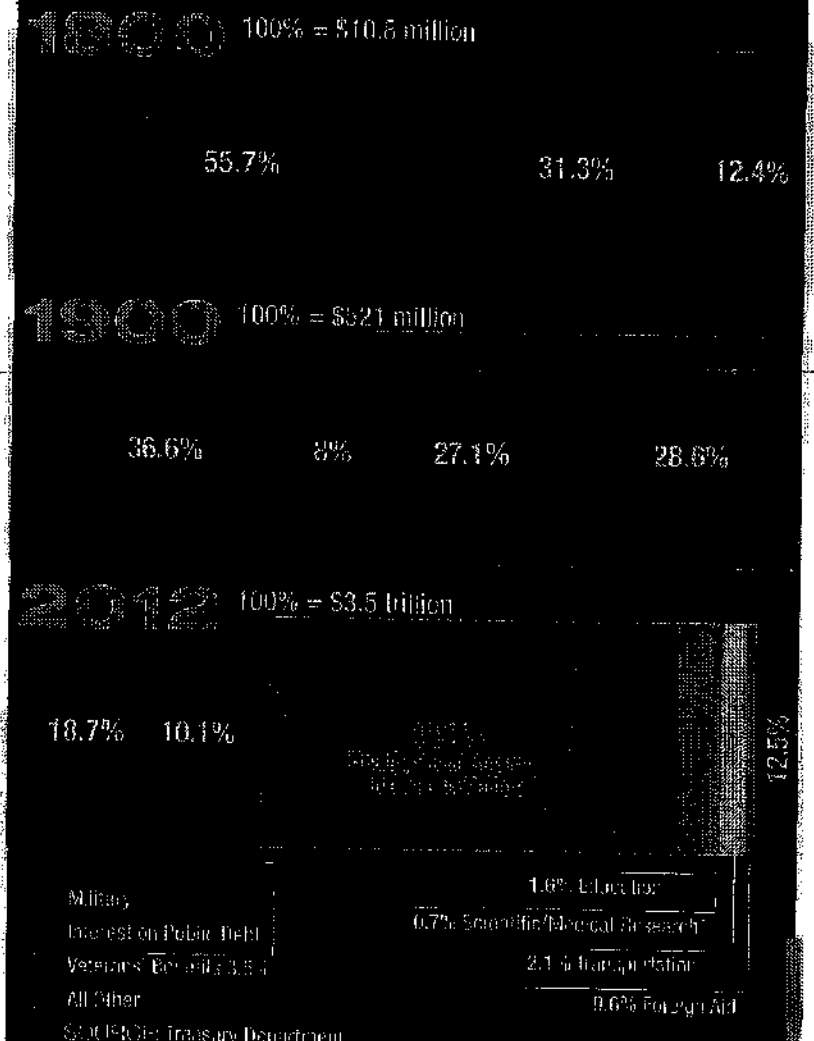
GOVERNMENT ONLINE

Listen to a guided tour on federal spending at [PearsonSchool.com/phgovt](http://PearsonSchool.com/phgovt)

### Federal Spending

## Where do our taxes go?

Look carefully at the chart below, which shows you the categories of spending in the federal budget in 1800, 1900, and 2012. Notice that the yellow categories did not exist in 1800 or 1900. How do the categories in the range of yellow tones differ from the other categories?



# What Is Personal Bankruptcy?

GOVERNMENT ONLINE

Listen to a guided audio tour about bankruptcy at [PearsonSchool.com/phgovt](http://PearsonSchool.com/phgovt)

Regulated bankruptcy is one of the expressed powers of Congress. Declaring bankruptcy is a legal process through which people who owe too much money can find ways to pay or be relieved of part or all of the debt. It can be used to reorganize debts, including mortgages and taxes that can be used for medical expenses and other debts. Why is bankruptcy a function of the federal government?

## Steps in Filing for Bankruptcy

1

1. Filing for bankruptcy

The debtor must first file a petition with the bankruptcy court. This document lists the debtor's assets, liabilities, and income.

Chapter 7 Liquidation Bankruptcy

Chapter 13 Individual Debt Adjustment

2

2. Creditors receive notice

The debtor must notify all creditors of the bankruptcy filing. Creditors have a certain period of time to file claims against the debtor's assets.

Assets	Income	Liabilities	Expenses
Real Estate	Salary	Mortgage	Food
Car	Interest	Car Loan	Utilities
Bank Accounts	Dividends	Credit Cards	Insurance
Investments	Pensions	Student Loans	Medical

3

3. Meeting of creditors

The debtor must appear in court for a meeting with creditors. The court will ask the debtor questions about the bankruptcy filing and the debtor's financial situation.

**DEBTORS**

4

4. Debtor's plan

The debtor must propose a plan for repaying creditors. The plan must be approved by the court and the creditors.

**CREATORS**

5

5. Discharge

After completing the bankruptcy process, the debtor is discharged from the debts. This means the debtor is no longer responsible for the debts.

**DEBTORS**

the extraordinary costs of World War II, and to pay for wars and social programs over the decades since then.

In fact, the government's books showed a deficit in all but seven years from 1930 to 1969. And they were in the red every year from 1969 to 1998. As a result, the public debt climbed to more than \$5.5 trillion at the beginning of fiscal year 1998.

A concerted effort by a Republican-controlled Congress and President Bill Clinton did curb the soaring debt. In fact, it produced four straight years of budget surpluses from 1998 to 2002.

Deficits are once again the order of the day, however. The Treasury has reported a deficit for every fiscal year since 2002. The shortfall reached some \$1.1 trillion in 2012—as you will see when we return to this whole matter of government finance in Chapter 16.

## The Bankruptcy Power

Article I, Section 8, Clause 4 gives Congress the power "[t]o establish . . . uniform Laws on the subject of Bankruptcies throughout the United States." A bankrupt individual or company or other organization is one a court has found to be insolvent—that is, unable to pay debts in full. Bankruptcy is the legal proceeding in which the bankrupt's assets—however much or little they may be—are distributed among those to whom a debt is owed. That proceeding frees the bankrupt from legal responsibility for debts acquired before bankruptcy.

The States and the National Government have concurrent power to regulate bankruptcy. Today, however, federal bankruptcy law is so broad that it all but excludes the States. Nearly all bankruptcy cases are now heard in federal district courts.

## The Currency Power

Article I, Section 8, Clause 5 gives Congress the power "[t]o coin Money [and] regulate the Value thereof." The States are expressly denied that power.\*

\* Article I, Section 10, Clause 1 forbids the States the power to coin money, issue bills of credit (paper money), or make anything but gold and silver legal tender.



Until the Revolution, the English money system, built on the shilling and the pound, was in general use in the colonies. With independence, that stable currency system collapsed. The Second Continental Congress and then the Congress under the Articles issued paper money. Without sound backing, and with no taxing power behind it, however, the money was practically worthless. Each of the 13 States also issued its own currency. Adding to the confusion, people still used English coins, and Spanish money circulated freely in the southern States.

Nearly all the Framers agreed on the need for a single, national system of "hard" money. So the Constitution gave the currency power to Congress, and it all but excluded the States from that field. Currency is money in any form when it is in use as a medium of exchange. From 1789 on, among the most important of all of the many tasks performed by the Federal Government has been that of providing the nation with a uniform, stable monetary system.

From the beginning, the U.S. has issued coins in gold, silver, and other metals. Congress chartered the first Bank of the United States in 1791 and gave it the power to issue bank notes—that is, paper money. Those notes were not legal tender, however. Legal tender is any kind of money that a creditor must by law accept in payment for debts.

Congress did not create a national paper currency, and make it legal tender, until 1862. Its new national notes, known as Greenbacks, had to compete with other paper currencies already in the marketplace. Although the States could not issue paper money themselves, State governments could and did charter (license) private banks, whose notes did circulate as money. When those private bank notes interfered with the new national currency, Congress (in 1865) laid a ten percent tax on their production. The private bank notes soon disappeared. The Supreme Court upheld the 1865 law as a proper exercise of the taxing power in *Veazie Bank v. Fenno*, 1869.

At first, the Greenbacks could not be redeemed for gold or silver. Their worth fell to less than half their face value on the open market. Then, in 1870, the Supreme Court held their issuance to be unconstitutional. In *Hepburn v. Griswold* it said "to coin" meant to stamp metal and so the Constitution did not authorize the National Government to issue paper money.

The Court soon changed its mind, however, in the *Legal Tender Cases* in 1871 and again in *Julliard v. Greenman* in 1884. In both cases, it held the issuing of paper money as legal tender to be a proper use of the currency power. The Court also declared this a power properly implied from both the borrowing and the war powers.

**Checkpoint**  
How did Congress stop private bank notes from interfering with the national currency?

**creditor**  
A person to whom money is owed.

### Essential Questions Journal

To continue to build a response to the chapter Essential Question, go to your Essential Questions Journal.

## SECTION 1 ASSESSMENT

**Guiding Question** Use your completed table to answer this question: What powers over money and commerce does the Constitution give to Congress and what limits does it put on these powers?

**Key Terms and Comprehension**  
Explain the difference between the expressed powers and the implied powers.  
What is the commerce power and why is it important?

### Critical Thinking

- Make Decisions** Based on your understanding of the commerce power, explain whether Congress has the power to regulate the Internet.
- Draw Inferences** Why did the Framers place limits on the power of Congress to levy taxes?
- Express Problems Clearly** Why did the Framers explicitly grant the powers of currency, borrowing, and bankruptcy to Congress?

### Quick Write

**Persuasive Writing** Gather Evidence. Choose one power of Congress described in this section. Then list the pros and cons of Congress exercising that power. Use your list to help you form an opinion on whether Congress has taken use of that power too far or not far enough.

**CHAPTER 11** **PREREADING AND VOCABULARY**  
**11.1** **Powers of Congress** **11.1.1** **11.2**

Day 11

**A. Defining Phrases**

**Directions:** Look up the terms *expressed*, *implied*, *inherent*, and *commerce* in the dictionary. Then read the sentences below. On the line following each sentence, write a definition of the phrase that appears in bold type.

1. Most of the **expressed powers** of Congress can be found in Article I, Section 8 of the Constitution.

\_\_\_\_\_

2. Although the Constitution says nothing about education, Congress has set up and funded a Department of Education based on its **implied powers**.

\_\_\_\_\_

3. We know the Framers intended for the national government to have the **inherent powers** because all national governments in the world community have these powers.

\_\_\_\_\_

4. Congress uses the **commerce power** to regulate trade.

\_\_\_\_\_

**B. Matching**

**Directions:** Match the description in Column I with the term in Column II. Use a dictionary to look up unfamiliar words.

**Column I**

- \_\_\_\_\_ 5. gives an inventor the exclusive right to use or sell an invention
- \_\_\_\_\_ 6. process by which a citizen of one country becomes a citizen of another
- \_\_\_\_\_ 7. to charge a public official with a crime
- \_\_\_\_\_ 8. a legal order to appear or give evidence
- \_\_\_\_\_ 9. lying under oath

**Column II**

- a. impeach
- b. naturalization
- c. patent
- d. perjury
- e. subpoena

Name \_\_\_\_\_ Class \_\_\_\_\_ Date \_\_\_\_\_



READING COMPREHENSION

The Expressed Powers of Money and Commerce 3.1

1. What factors limit the powers of Congress?

\_\_\_\_\_  
\_\_\_\_\_

2. List and define the three types of delegated powers.

- a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_

3. What section of the Constitution contains most of the expressed powers? How many powers are listed there?

\_\_\_\_\_  
\_\_\_\_\_

4. What is the commerce power, and why is it so important?

\_\_\_\_\_  
\_\_\_\_\_

5. Explain the significance of *Gibbons v. Ogden*.

\_\_\_\_\_  
\_\_\_\_\_

6. What are the four explicit limits on the commerce power?

- a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_  
d. \_\_\_\_\_

7. What are three purposes of taxes?

- a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_

8. List six limits on the taxing power.

- a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_  
d. \_\_\_\_\_  
e. \_\_\_\_\_  
f. \_\_\_\_\_

Name \_\_\_\_\_ Class \_\_\_\_\_ Date \_\_\_\_\_

READING COMPREHENSION (continued)

The Expressed Powers of Money and Commerce 3

9. What is the constitutional limit on the amount of money Congress may borrow?

\_\_\_\_\_  
\_\_\_\_\_

10. Define the following terms:

a. public debt: \_\_\_\_\_

\_\_\_\_\_

b. deficit financing: \_\_\_\_\_

\_\_\_\_\_

c. bankruptcy: \_\_\_\_\_

\_\_\_\_\_

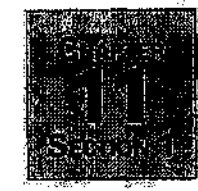
11. Why did the Framers of the Constitution give Congress the currency power?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12. How did Congress stop the production of private banknotes?

\_\_\_\_\_  
\_\_\_\_\_

Name \_\_\_\_\_ Class \_\_\_\_\_ Date \_\_\_\_\_



READING COMPREHENSION

The Expressed Powers of Money and Commerce 2

**Directions:** Write your answer to each question. Use complete sentences.

1. For what two reasons is the power of Congress limited by the Constitution?

\_\_\_\_\_

\_\_\_\_\_

2. List and explain the three ways the Constitution gives Congress the power to do things.

• \_\_\_\_\_

\_\_\_\_\_

• \_\_\_\_\_

\_\_\_\_\_

• \_\_\_\_\_

\_\_\_\_\_

3. Complete the information in the table.

The Commerce Power		
Meaning	Importance	Constitutional limits

4. What are the three purposes of taxes? Place a star beside the main one.

• \_\_\_\_\_

• \_\_\_\_\_

• \_\_\_\_\_



Name \_\_\_\_\_ Class \_\_\_\_\_ Date \_\_\_\_\_

READING COMPREHENSION (continued)

The Expressed Powers of Money and Commerce

5. The Constitution places four limits on the taxing power. A clue to each is listed below. After each clue, write the limit to which it relates.

- public \_\_\_\_\_
- exports \_\_\_\_\_
- equal \_\_\_\_\_
- rate \_\_\_\_\_

6. Define the following terms:

Term	Definition
bankruptcy	
public debt	
deficit financing	
legal tender	

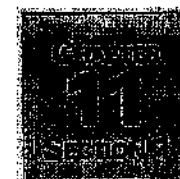
Name \_\_\_\_\_ Class \_\_\_\_\_ Date \_\_\_\_\_

**11** CORE WORKSHEET  
**Section II** The Expressed Powers of Money and Commerce 3

The Constitution has delegated to Congress five expressed powers related to money and commerce: currency power, bankruptcy power, borrowing power, tax power, and commerce power. For each scenario in the chart, identify the expressed power that Congress is exercising. Then note the article, section, and clause in the Constitution where that expressed power is located.

Scenario	Expressed Power Authorizing This Action	Location in the Constitution
1. The Gold Reserve Act of 1934 discontinued the use of gold as legal tender in the U.S.		
2. In 1914, Congress established the Federal Trade Commission to promote free and fair trade in the U.S. economy.		
3. During a presidential campaign, a candidate called on Congress to suspend the tax on gasoline for the summer to provide relief from steeply rising prices.		
4. Congress placed a quota, or limit, on the amount of certain cheeses that may be imported into the U.S.		
5. Federal law requires hunters to purchase a license called a Duck Stamp if they want to hunt migratory waterfowl. The proceeds go to preserving wetland habitats.		
6. The Federal Government sells Treasury Bills in \$100 amounts.		
7. Federal law prohibits the portraits of living persons from appearing on the nation's money.		

Name \_\_\_\_\_ Class \_\_\_\_\_ Date \_\_\_\_\_



QUIZ A

# The Expressed Powers of Money and Commerce

## A. Key Terms

Directions: Match the descriptions in Column I with the terms in Column II.

### Column I

- \_\_\_\_\_ 1. power to regulate interstate and foreign trade
- \_\_\_\_\_ 2. levied by government to meet public needs
- \_\_\_\_\_ 3. powers spelled out in the Constitution
- \_\_\_\_\_ 4. legal proceeding to resolve debts
- \_\_\_\_\_ 5. money that must be accepted in payment for debts
- \_\_\_\_\_ 6. reasonably deduced from the expressed powers

### Column II

- a. bankruptcy
- b. commerce power
- c. expressed powers
- d. implied powers
- e. legal tender
- f. tax

## B. Main Ideas

Directions: Write the letter of the correct answer in the blank provided.

- \_\_\_\_\_ 7. Which can Congress do under the expressed powers granted to it by the Constitution?
  - a. create a national public school system
  - b. regulate trade among the States
  - c. require citizens to vote
  - d. abolish trial by jury
- \_\_\_\_\_ 8. The Supreme Court's broad definition of "commerce" has resulted in
  - a. increased taxes on imports.
  - b. increased taxes on exports.
  - c. greatly expanded federal power.
  - d. strict limits on federal power.
- \_\_\_\_\_ 9. The Federal Government's practice of spending more money than it takes in each year and borrowing to make up the difference is called
  - a. deficit financing.
  - b. bankruptcy.
  - c. the public debt.
  - d. money laundering.
- \_\_\_\_\_ 10. One reason the Framers gave Congress the power to issue currency was
  - a. to ensure that the government would have enough money.
  - b. to help control the size of the national debt.
  - c. to help pay the nation's debt after the Revolution.
  - d. to establish a single national system of hard money.