



Federal Admiralty and Maritime Jurisdiction

Part 4: Torts and Maritime Contracts or Services

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This Legal Sidebar post is the fourth in a five-part series that discusses the bases and scope of U.S. admiralty and maritime jurisdiction. Last year, a [supply-chain bottleneck](#) arose at the nation's ports with as many as 101 container ships waiting for berths at the nation's Los Angeles and Long Beach ports in the weeks before Christmas. These [delays](#) added to the time it took to deliver the goods to market and increased the costs of transporting them. Claims for breaches of maritime contracts related to shipping delays may fall within U.S. admiralty and maritime jurisdiction. As a result, Congress may be interested in how this area of law operates. Additional information on this topic can be found at the [Constitution Annotated: Analysis and Interpretation of the U.S. Constitution](#).

In the modern era, most [cases](#) that fall within the courts' admiralty jurisdiction involve one of two subjects: torts committed on the high seas or other navigable waters; or maritime contracts or services, which often relate to shipping on navigable waters. State courts may have concurrent jurisdiction over maritime contract or tort claims that fall within federal admiralty jurisdiction when the defendant brings a personal action against a defendant, but generally only federal admiralty courts may exercise jurisdiction over cases in which the plaintiff seeks remedies against property *in rem*.

[Congress](#) has also granted federal district courts sitting in admiralty exclusive and original jurisdiction over prize and seizure cases. Historically, [prize cases](#) have involved property (e.g., a ship) used by an enemy, captured during wartime, and brought into the United States. The court's jurisdiction extends to proceedings in which a party seeks to acquire title legally to property taken as a prize. [Cases](#) involving the seizure and forfeiture of vessels for violating federal law or another nation's laws also fall within the exclusive admiralty jurisdiction of federal courts. Vessels may be seized for engaging in activities such as [conducting prohibited trade](#) or [violating the revenue laws](#). [Federal courts](#) also have exclusive jurisdiction over criminal cases against U.S. persons or vessels that arise within the United States' special maritime and territorial jurisdiction, which generally encompasses navigable waters within U.S. territory but outside of any particular state's jurisdiction.

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Torts Committed on Navigable Waters

Maritime torts include [injuries to persons](#), [damages to property arising out of collisions or other negligent acts](#), [product liability suits](#), and violent dispossession of property. Cases involving tort claims fall within admiralty jurisdiction when two requirements are met: (1) the commission or consummation of the act that gives rise to the claim occurs on navigable waters; and (2) the tort bears a significant relationship to traditional maritime activity.

The [first requirement](#) for admiralty jurisdiction, which is based on the location of the incident, is satisfied if the tort arises on the high seas or on other navigable waters of the United States. Prior to Congress's enactment of the Extension of Admiralty Jurisdiction Act of 1948, the [Supreme Court](#) had held that some claims arising from injury or damage to property caused by a vessel on navigable waters did not fall within admiralty jurisdiction when they were consummated on land (e.g., collision of a ship with a bridge). In the Extension Act, Congress enlarged admiralty jurisdiction to encompass many of these claims. The [Court](#) implicitly upheld that expansion of admiralty jurisdiction as within constitutional limits when determining that the jurisdiction encompassed a tort that arose when a longshoreman slipped on loose beans that spilled from negligently packed cargo on a dock during a vessel's unloading.

In addition to Congress's expansion of admiralty jurisdiction, the [Court](#) has maintained a few historical exceptions to a strict situs test for maritime jurisdiction. However, even with such congressional and judicial guidance, it may occasionally be difficult to distinguish maritime torts from land-based torts. For example, the [Court](#) held that admiralty jurisdiction did not extend to an injury caused by defective pier-based equipment that a dock worker suffered when unloading a vessel; thus, the worker had to resort to state law for a remedy.

The Supreme Court's jurisprudence on the second factor, which asks whether the tort bears a significant relationship to a traditional maritime activity, may also raise complex interpretive questions. For example, in *Executive Jet Aviation v. City of Cleveland*, a jet aircraft departing a Cleveland airport collided with seagulls, crashed, and sank into the navigable state territorial waters of Lake Erie. The aircraft's owners sued a federal air traffic controller and others for negligence, seeking to invoke the federal courts' admiralty jurisdiction. The Court held that, in addition to establishing that the commission or consummation of the wrongful act took place on navigable waters, the plaintiffs had to show that the tort bore a "significant relationship to traditional maritime activity." Because a land-based aircraft's flight between two locations within the United States' continental boundaries did not possess such a relationship, the Court held that federal courts could not exercise admiralty jurisdiction. The Court's opinion in *Executive Jet* suggests, however, that Congress may have some flexibility to expand admiralty jurisdiction to encompass claims like those at issue in the case by enacting laws that, for example, enlarge the concept of a "traditional maritime activity."

In other cases, the Supreme Court has determined that admiralty jurisdiction exists because a case involves a traditional maritime activity. For example, the [Court](#) upheld the exercise of admiralty jurisdiction over a collision between two private pleasure boats on navigable waters—even though pleasure boating was not exclusively a commercial activity—because such a collision could impact maritime commerce. For similar reasons, the [Court](#) held that a dredging company's vessel was engaged in a traditional maritime activity when it damaged an underwater freight tunnel while performing maintenance work.

Maritime Contracts or Services

In contract [cases](#), the subject matter of the contract, claim, or service controls whether a claim falls within admiralty jurisdiction. The [Court](#) has held that contracts "purely maritime, and touching rights and duties appertaining to commerce and navigation, are cognizable in the admiralty." The Supreme Court has not

established a clear test for when a transaction is a maritime contract. Instead, the [Court](#) has declared that the “boundaries of admiralty jurisdiction over contracts” are “conceptual rather than spatial” and “have always been difficult to draw.” The [Court](#) has examined “precedent and usage” when determining whether a contract is essentially maritime.

Contract cases that fall within federal admiralty jurisdiction include actions for [pilotage charges](#) or [towage](#); actions for [repair of a vessel](#) already used in navigation; actions on [bottomry or respondentia bonds](#); agreements of [consortship](#) between the masters of two vessels engaged in wrecking; cases arising under [marine insurance policies](#); [charter parties](#); compensation for [temporary wharfage](#); contracts for [loading or unloading vessels](#); contracts for [transportation](#) of passengers or merchandise by ship, which includes contracts of [affreightment](#); contracts with [materialmen for the repair or supply of a foreign ship](#); [salvage services](#); suits by seamen for [wages](#); and [surveys of damaged vessels](#).

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