

The New Central Coal Co. v. The George's Creek Coal and Iron Co., 37 Md. 537 (Md. 1873)

FACTS:

- Appellant The New Central Coal Company was chartered under the Acts of 1865 and 1872, which authorized it to survey, locate, and construct a railroad from their mines or works to connect at any convenient point or points with other existing railroads in Allegany County, or with the Chesapeake and Ohio Canal at Cumberland. This authority included the power of condemnation for right of way.
- Appellee The George's Creek Coal and Iron Company's property was being condemned for appellant's proposed railroad.

PROCEDURAL HISTORY:

- Appellee The George's Creek Coal and Iron Company filed suit, seeking an injunction against Appellant The New Central Coal Company from prosecuting proceedings of condemnation of a right of way for a railroad through appellee's lands.
- The injunction that had been returned to the circuit court for Allegany County was set aside, and the injunction was granted.
- The New Central Coal Company moved to dissolve the injunction, but the motion was overruled, so it appealed to the Court of Appeals of Maryland.

ISSUE:

- Whether the injunction that restrained The New Central Coal Company from condemning The George's Creek's Coal and Iron Company's property should have been granted?

HOLDING:

- The injunction should have been dissolved.

REASONING:

- The Maryland Constitution declared that "The General Assembly shall enact no law authorizing private property to be taken for public use, without just compensation, as agreed upon between the parties, or awarded by a jury, or tendered to the party entitled to such compensation." By implication, the legislature was prohibited from taking private property for any private use without the owner's consent. However, by virtue of the power of eminent domain, the legislature had the right to authorize the taking of private property for public uses, and to secure compensation to the party aggrieved.
- Both the appellant's and appellee's charters gave them the power to construct railroads and the power to obtain the right of way by condemnation. The purpose of such charters was to promote the development of the rich mineral wealth in the western portion of the state. Without these rights, the coal would never reach the markets.
- The court considered it a public necessity to furnish the requisite facilities for the construction of railroads for the successful operation of the mines. Thus, the right of condemnation exists, and the fact that the right is placed in the hands and under the control of a private corporation does not detract from the public nature of the use.
- Hence, the use in question is of a public nature, and the appellant is authorized under its charter to condemn the right of way for its railroad. Thus, there is no proper ground for the injunction.