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NAPITA Issues Statement on Sky Harbor Fee Challenge to be Heard by Arizona Supreme Court

Association of Ground Transportation Operators Voices Support for Fairness in Legal Challenge to Results of Comprehensive Benchmarking Study

PHOENIX, AZ, March 10, 2020 – Today, the Near Airport Parking Industry Trade Association (NAPITA), an association of national parking operators dedicated to providing dependable and affordable travel options that improve the customer experience at major American airports, issued a statement in support of fairness in *State of Arizona v. City of Phoenix* in advance of oral arguments being heard by the Arizona Supreme Court (case number CV-20-0019) on March 26, 2020.

The legal challenge against the City of Phoenix comes after a multi-year study to rebase fees charged by Sky Harbor for commercial ground transportation access to the airport curb. The new fee structure, enacted by the Phoenix City Council in December 2019 and currently stayed pending the outcome of this trial, based fees on frequency of curb access for more than 700 permitted ground transportation operators with the goal of reducing curb congestion, improving air quality, and sufficiently covering the costs associated with operating the ground transportation program and maintaining ground transportation infrastructure at Sky Harbor.

The Near Airport Parking Industry Trade Association's statement is below.

"Passengers cannot get to the airport without some form of ground transportation. And while there are myriad regulations and statutory requirements for airports to follow in their interactions and assessment of fees on air carriers, there is no corollary to that for ground transportation, which is just as critical to the overall air travel experience. While some airports, state lawmakers and administrations may say that is all the more reason that state constitutions and/or local laws, codes or ordinances should govern, NAPITA believes this is a glaring deficiency that can and should be remedied through the creation of federal working

groups and guidance documents at the federal level. The collaborative benchmarking process conducted at Phoenix Sky Harbor is instructive for those federal efforts.

“This sort of local action before an esteemed court like the Arizona State Supreme Court involving a fight over the imposition of fees causes unnecessary expenditures of time, resources and taxpayer dollars. Actions like this would not be necessary if the federal government would take seriously its responsibility and the necessity to step more fulsomely into the ground transportation arena at American airports. The amicus brief filed by the American Association of Airport Executives (AAAE), Airlines for America (AAA), and the Airports Council International-North America (ACI-NA), states that ‘Arizona airports are a microcosm of the national airport system.’ We agree. That brief also recognizes that fee structures at airports take into consideration myriad legal and financial factors, many of which derive from federal law. This further supports our contention that ground transportation at airports is a federal issue and would benefit from more action by Congress and appropriate agencies. The Arizona attorney general’s assertion that federal law does not exempt the City from complying with the Arizona Constitution on issues of airport ground transportation should not be a definitive statement; federal law can and should preempt in issues involving ground transportation at the country’s airport curb given its critical importance in the overall air travel experience. Airports deserve that. Ground transportation stakeholders deserve that. The traveling public deserves that.

“To be clear, as users of the curb at Sky Harbor and as an active participant in curb access policy discussions in Phoenix and at airports across the nation, NAPITA members support the actions of the City of Phoenix and are willing to pay their fair share for use of the airport infrastructure we use to conduct courtesy shuttle pick-up and drop-off at the airport curb; no one in our industry is looking for a free ride. Funding the maintenance and improvement of the property ground transportation users access daily to conduct our businesses is entirely appropriate and within the definition of fair and does not sound in anti-competitive motives.”

Background:

Late last year, the Phoenix City Council approved the recommendations of the Phoenix Airport Advisory Board following the conclusion of a comprehensive, industry-inclusive, multi-year benchmarking study looking at ground transportation fees for access to Phoenix Sky Harbor. The rebased fees assessed on ground transportation operators to help offset the cost of ground transportation on airport infrastructure and are indexed to accurately reflect curb utilization at the airport. NAPITA supports the process and the results of the benchmarking study and believes it should be a model country-wide for a federal stakeholder working group. This group would provide the venue necessary to understand and address the issues facing the airport curb, leveraging the expertise of our membership, the federal government, and airport operators to craft transportation policy that best serves the traveling public.

NAPITA is not one company looking out for merely its best economic interests—it is an industry representing more than 12,000 employees and millions of customers who depend on ground transportation and world-class airport facilities to work, travel, and live. Each year, the industry sees approximately 12 million parking visits nationwide. NAPITA’s mission is to partner with airports and other stakeholders in the aviation industry to ensure safe, efficient, and equitable access to their airport curb for off-airport parking operators and to increase the role ground transportation plays in the broader air travel industry and the overall experience for air travelers.

NAPITA will continue to advocate for the industry and the vital role it plays within the broader air travel industry.

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