

Arizona justices uphold Phoenix airport's Uber, Lyft fees

April 2 2020, by Jonathan J. Cooper



In this Dec. 18, 2019, file photo passengers find their rides at the Ride Share point as they exit Phoenix Sky Harbor International Airport in Phoenix. The Arizona Supreme Court has unanimously ruled that the Phoenix airport can raise fees for Uber and Lyft to pick up and drop off customers. The ride-hailing companies have threatened to stop serving the airport over the \$4 pickup and drop-off fees. The court on Thursday, April 2, 2020 rejected a complaint filed by Republican Attorney General Mark Brnovich, who said the fee hikes are "very likely" unconstitutional. (AP Photo/Ross D. Franklin, File)

Arizona's high court on Thursday upheld a \$4 pickup and drop-off fee that led Uber and Lyft to threaten to stop serving the Phoenix airport, one of the busiest in the nation.

The Arizona Supreme Court unanimously rejected a challenge by the state's [attorney general](#) who said the fees were unconstitutional.

The [city](#) currently charges \$2.66 for each pickup but doesn't charge for rider drop-offs. The \$4 fee was put on hold while the court evaluated it. Airport officials are evaluating how long it will take to implement, said Annie DeGraw, a spokeswoman for Democratic Mayor Kate Gallego.

"This ruling will allow all companies that do business at the [airport](#) to equally participate in its financial recovery from COVID-19," Gallego's office said in a statement.

Attorney General Mark Brnovich, a Republican, said the fee increases violate a 2018 constitutional amendment that banned new fees on services. Lawyers for the city argued the higher fees are not taxes on services, but rather permissible charges for businesses to use the city-owned Sky Harbor International Airport, one of the largest U.S. airports serving about 44 million passengers a year.

Phoenix runs the airport independently, primarily using revenue from passenger tickets and the companies that operate there. City officials likened the ride-hailing fees to rent and landing fees charged to restaurants and airlines.

A city aviation commission had recommended the fee increase after a study showed airports in many other cities charge ride-hailing companies more to drop off and pick up passengers.

The justices did not explain their decision but said a written opinion would be released in the future.

"We're always going to err on the side of the taxpayers and we wouldn't have litigated the case if we didn't there there was some merit to claims," said Ryan Anderson, a spokesman for Brnovich.

The fight over the fee increases is not over. Several lawmakers have introduced legislation that would block them. The legislative session is on hold due to the coronavirus outbreak but the bill could be revived when lawmakers return. A group of airlines, airport construction companies and others who operate at Sky Harbor have started an advertising and lobbying campaign to stop it.

An Uber spokeswoman said the [company](#) is evaluating its next steps. Lyft officials did not respond to a request for comment.

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