



Submitted by
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- **Michigan's commercial service airports oppose HB 4637 as-is because of the blanket preemption of local regulation of TNCs**
- **We generally support and welcome the TNC business model to our airports**
 - Our customers desire TNCs as a transportation option
 - At DTW we have had very productive discussions with the TNCs on operations and right now we are on the same page about how things would work at our airport
 - We have no preference about whether TNCs are regulated under this particular package of bills or through revisions to the Limo Act as long as the specifics of the regulations do not operate in a way that compromises the TNC business model and effectively puts them out of business in Michigan
- **However, we are prevented from supporting and welcoming the TNC business model at our airports as long as HB 4637 continues to preempt our local regulation of TNCs at the airport**
- **It is absolutely necessary that commercial airports retain the ability to regulate all ground transportation operators, including TNCs and their affiliated drivers**
 - Commercial service airports often regulate ground transportation through ordinances or licenses, which would be explicitly preempted by Section 39
 - Commercial service airports in Michigan want to provide as level a playing field as possible for TNCs and other ground transportation providers
 - Commercial service airports have unique traffic patterns and we need to safely regulate those patterns by regulating TNCs just like limos, taxis, buses, and personally owned vehicles
 - The Limo Act does not prevent us from regulating limousines and taxicabs beyond state law, and for good reason. TNCs should be no different.
 - Airport landside infrastructure is costly, and private for-profit transportation companies such as the TNCs need to pay their fair share to build and maintain it. Airport ground access fees are commonplace nationwide just for that reason.
- **Additionally, stripping us of our ability to regulate and charge reasonable fees jeopardizes our ability to comply with federal law**
 - We need the ability to regulate for-hire TNC rides the same way that we regulate for-hire taxi and limo rides because conditions for operating at an airport must not be unjustly discriminatory (Grant Assurance 22, *Economic Nondiscrimination*)
 - We need the ability to charge reasonable airport access fees because airports must be as self-sustaining as possible (49 U.S.C. § 47107(a)(13); Grant Assurance 24, *Fee and Rental Structure*; and FAA's *Policy and Procedures Concerning the Use of Airport Revenue*)
 - Failing to give Michigan's commercial airports the ability to regulate TNCs may cause us to run afoul of these federal grant assurances and jeopardize future federal grant funding
 - This is serious money. In federal FY2014, Michigan airports received 22 federal Airport Improvement Program grants totaling over \$83 million, and in FY 2013, Michigan Airports received 21 grants totaling over \$69 million
 - This is a nationwide issue that has recently come to the forefront as a result of TNCs pushing for provisions that preempt local regulation. Tennessee recently recognized the problem. The legislation signed by their governor just a few weeks ago on May 20th provides that "Commercial service airports may adopt reasonable standards, regulations, procedures, and fees for conducting transportation network services on airport property to promote the safe and efficient use of limited airport resources" (HB 992 / SB 907)
- **Accordingly, Michigan's commercial service airports strongly oppose HB 4637 until and unless the provision preempting local regulation, Section 39, is removed.**