

HOUSE BILL 1728

By Jernigan

AN ACT to amend Tennessee Code Annotated, Title 42, Chapter 4, Part 1, relative to metropolitan airport authorities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 42-4-103, is amended by adding the following language as new, appropriately designated subdivisions:

() "Airport fee" means any fee, rental, rate, or other charge imposed by the authority against a carrier or vendor;

() "Vendor" means any person or legal entity operating under an agreement to provide ground transportation services, including, but not limited to, shuttle services, shared van rides, and off-site parking;

SECTION 2. Tennessee Code Annotated, Section 42-4-107, is amended by deleting subdivision (10) in its entirety and by substituting instead the following:

(10) Have control of its airport with the right and duty to:

(A) Establish and charge airport fees, and collect revenues from such fees, not inconsistent with the rights of the holders of its bonds; and

(B) Enter into agreements with carriers and vendors for the payment of airport fees;

SECTION 3. Tennessee Code Annotated, Title 42, Chapter 4, Part 1, is amended by adding the following language as a new, appropriately designated section:

42-4-1__.

(a) An authority shall assess and impose airport fees without unjust discrimination, undue preferences, or advantages. Airport fees shall be calculated

based solely on a vendor's commercial use of the airport facilities. Airport fees shall not be based on any calculation related to the benefits derived, degree of competition, or business activities conducted off airport property. Airport fees are to be assessed by the authority equitably and consistently upon vendors whose physical use of the airport are similar in nature.

(b) Vendors whose physical use of the airport facilities are similar in nature shall have equal rights of access to the airport for their commercial use.

(c) Any proposed increase in airport fees that exceeds the latest annual inflation rate for the United States, as reported by the Bureau of Labor Statistics, and is imposed by an authority on any vendor must be approved by a two-thirds (2/3) vote of the governing body. Prior to any vote to approve an airport fee increase, an authority shall provide notice to all vendors to which the fee may apply. The authority may provide notice by delivery of a letter to the address on file with the authority notifying the vendor of an opportunity to be heard. The notice shall be served on the vendor at least sixty (60) days prior to any hearing on the airport fee increase.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.