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Date: July 27, 2016

To: Chairman Theodore Lipscomb, Sr.

Cc: Chief of Staff Kelly Bablitch
Deputy Corporation Counsel Paul Kuglitsch,

From: Interim Corporation Counsel Colleen Foley 
Assistant Corporation Counsel Tim Karaskiewicz

Re: File 16-328

Question:

You asked whether the amendments to MCGO Section 4.05 regarding ground transportation permits at General Mitchell International Airport (GMIA) create a disparity between the permit fees paid by taxicabs and those paid by Transportation Network Companies (TNCs) because the business model for TNCs requires more unique TNC vehicles to appear at the airport than taxicabs and that, therefore, TNCs will be required to pay significantly more unique permit fees than taxicabs.

Answer:

The amendments to MCGO Section 4.05 regarding ground transportation permits at GMIA do not require TNCs to pay more unique permit fees than taxicabs.

Discussion:

In 2015 the Wisconsin State Legislature enacted a comprehensive statutory scheme regulating TNCs and significantly reducing the authority of local government units to regulate TNCs. Wis. Stats. Sec. 440.40 et seq. Although the statute contains an exception that allows airports to regulate TNCs to the extent necessary to comply with federal grant assurances applicable to airports, it specifically prohibits airports from charging fees to TNCs in excess of those charged to taxicabs. Wis. Stats. Sec. 440.465 (1m) (a). Accordingly, a requirement that TNCs pay more in any year in unique vehicle permit fees (a unique vehicle being each vehicle that services customers at the airport) than the total fees paid by taxicabs permitted in that same year at GMIA would constitute a violation of the prohibition contained in Wis. Stats. Sec. 440.465 (1m) (a).

Conclusion:

The amendments to MCGO Section 4.05 do not require TNCs to pay more unique permit fees than taxicabs. Ultimately, so long as TNCs do not pay permit fees in excess of those exacted on taxi cabs ($\$125 \times 268$ taxi cabs = $\$33,500$), then there is no disparity in regulation that would trigger the statutory prohibition.