

Transportation & Telecommunications

County Airport Authority Modernization	
Routt County	
Preferred Contact:	Sonja Macys, Routt County, email
Co-Sponsoring Counties/Commissioners:	Pending
Who is your subject matter expert?	Lynaia South and Molly Hamsher Routt County Attorney Office 970-870-5317 or 5268 lsouth@co.routt.co.us; mhamsher@co.routt.co.us
Has this proposal been approved by your BoCC?	Yes.
Supplemental Materials	https://drive.google.com/open?id=1IEAcwwwSBD2bOhMSnApPHNHPYK4J2KwK https://drive.google.com/open?id=1DgEwSaljNsfJSttfLZfNw9bAMkStJ30z
Have you reviewed the CCI Instructional Memo?	Yes.
Describe the problem your proposal will solve.	County-owned airport passengers regularly utilize private transportation companies for transportation to and from county-owned airports. These transportation companies are regulated by the Public Utilities Commission which grants permits and/or CPCNs (certificates of public convenience and necessity) to private transportation providers. A CPCN obligates a common carrier to service the routes on its "authority," which often includes servicing county-owned airports. The proposed legislative amendments clarify that a county has the authority to regulate common carriers (and any other person or business engaged) who are engaging in commercial business activities conducted on airport property. The authority to regulate common carriers while on airport property provides counties with the authority to restrict common carriers who violate airport rules and regulations from engaging in commercial business activity on airport property. Without this clarifying language, county airports cannot meaningfully regulate common carriers operating on airport property which may expose counties to civil liability, impede the county's protection of its passengers and employees, and jeopardize county's compliance with federal grant assurance requirements. Absent such authority, counties are left with little authority or recourse over common carriers who violate airport rules and regulations.
Areas of Impact:	Day-to-day operations of the county, Functionality of county programs or services, Power/Authority/Mandate of county government, Fiscal impacts if the

	County is not able to enforce the fees it charges; ability to comply with federal grant assurance requirements
What is the ultimate source of this problem?	Outdated statute
What is your initial proposal to solve this problem?	Amend Article 4, Part 2, of Title 41 (County Airports) and Article 10.1 of Title 40 (PUC)
Please provide sample language for this solution.	See attached.
Are there any solutions that do not require state-level legislation? Has your county explored these alternatives?	Routt County excluded a common carrier operating in violation of airport rules and regulations. The common carrier filed a petition with the PUC seeking a ruling that the County lacked the authority to exclude the common carrier from airport property. After briefing, an Administrative Law Judge issued a Recommended Decision finding that the County lacked the authority to exclude the common carrier from its property. The matter remains pending and sits with the Commissioners of the PUC for final determination on the issue. See PUC Proceeding 25D- 0435CP. Routt County continues to vigorously defend its position and will analyze all appellate options. There are no other known alternatives to state-level legislation at this juncture.
Has CCI or any other organizations sought a solution to this problem before?	Similar legislative changes were made to Public Airport Authority Law (as relevant here) to C.R.S. 41-3-106, following passage of HB23-1156. This legislation was championed by the Grand Junction Regional Airport Authority and its Executive Director, Angela Padalecki, and supported by the CO Airport Operators Association. The legislative sought to update the outdated provisions of Article 3 of Title 40 to encourage county and municipalities to consider creating an Airport Authority. In reviewing the committee hearings, the legislation passed with no known opposition.
What possible organization(s) would support your proposed solution?	Five counties supported Routt County's position in the pending PUC matter: Denver County (DIA), Montrose County, Eagle County, Pitkin County, and La Plata County. Other potential supports: CO Airport Operators Association and Municipalities who may seek to update their companion authority located at C.R.S. 41-4-204.
What possible organization(s) would oppose your proposed solution?	Common carriers, the Public Utilities Commission, and other private transportation providers regulated by the PUC.
Have you spoken with any legislators about your proposed solution? If so, what was their response?	No.

What are the financial implications of this problem to your county? Are there any financial implications to this solution either?	County-owned airports impose fees on common carriers who operate on county-owned airport property to generate income necessary to operate the airport and to comply with federal grant assurances. In 2024, the Yampa Valley Regional Airport collected over \$800,000 in revenues from commercial transportation companies. If a county-owned airport lacks the authority to exclude a common carrier violating airport rules and regulations, such as failure to pay required fees, the county loses this significant income and may be in violation of federal grant assurances, thereby jeopardizing not only future grant opportunities, but also the potential penalty of repaying previously received (and spent) grant funds. As federal grant funding comprises a sizable portion of airport operational budgets, the loss of this funding stream could lead to the closure of some county-owned airports. The proposed legislative amendment would ensure county-owned airports can continue to charge and collect fees and remain in compliance with federal grant assurance requirements.
What are the financial implications of this problem to any other impacted parties? What are the financial implications of this solution to any other impacted parties? <i>Please consider any relevant Colorado State Departments.</i>	Common carriers and other commercial business operators who are not compliant with airport rules and regulations and are restricted from operating at an airport would lose income and access to its customer base. Currently common carriers with CPCNs operate in a regulated monopoly which incentivizes private transportation companies to seek CPCNs. The solution does not change the financial implications for commercial business operators at airports as airports already impose fees and regulate these entities. The solution seeks only to address the conduct of bad actors.
Staff Feedback	<u>Risk / Difficulty:</u> <u>Time Commitment:</u>