

Bond Case Briefs

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State ex rel. Brnovich v. City of Phoenix

Supreme Court of Arizona - August 3, 2020 - P.3d - 2020 WL 4431892

Attorney General brought special action seeking resolution of issue of whether ordinance imposing fees on commercial ground transportation providers who transported passengers to and from airport violated state constitution's prohibition on the imposition or increase of taxes or other transaction-based fees on services.

The Supreme Court held that:

- Fees imposed by ordinance were not transaction-based and thus did not violate constitutional prohibition on the imposition or increase of taxes or other transaction-based fees on services, and
- Statutory requirement for local government to post a bond, in a special action by Attorney General to determine whether a local law violates state law or constitution, was so incomplete and unintelligible as to be unenforceable.

Trip fees which ordinance imposed on commercial ground transportation providers who transported passengers to and from airport were not transaction-based and thus did not violate constitutional prohibition on the imposition or increase of taxes or other transaction-based fees on services; neither imposition of trip fee nor its amount depended on whether a passenger took a ride, cancelled it, or even paid for it, but rather, trip fees were based on providers' use of airport property in picking up and dropping off passengers at designated sites as recorded by technology-based trip-tracking or provider reports.

Statutory requirement for local government to post a bond, in a special action by Attorney General to determine whether a local law violates state law or constitution, was so incomplete and unintelligible as to be unenforceable, where neither statute nor legislative history clarified bond's purpose, conditions on which it was based, what would happen if no bond were posted, or what conditions were required to exonerate bond.