

SUPREME COURT OF OKLAHOMA

Fine Airport Parking, Inc. v. City of Tulsa

71 P.3d 5 (Okla. 2003) · No. No. 96,748 · Decided March 11, 2003

SUMMARY

The Oklahoma Supreme Court held that municipalities are not immune from the Oklahoma Antitrust Reform Act under the federal state-action immunity doctrine. However, it concluded that the Municipal Airports Act authorizes municipalities to operate airport parking facilities and set parking rates as a public governmental function, even when the conduct has anticompetitive effects. The court vacated the Court of Civil Appeals' opinion and affirmed dismissal of Fine Airport Parking's petition on that statutory-authority ground.

CASE DETAILS

COURT	Supreme Court of Oklahoma
WRITING FOR THE COURT	Boudreau, Justice; Boudreau; Watt; Opala; Lavender; Hargrave; Summers; Winchester; Hodges; Kauger
JURISDICTION	Oklahoma
DECIDED	March 11, 2003
DOCKET	No. 96,748
DISPOSITION	vacated
PROCEDURAL POSTURE	Fine appealed the dismissal of its Oklahoma antitrust petition against Tulsa and its airport-related public authorities. The Supreme Court of Oklahoma granted certiorari after the Court of Civil Appeals affirmed the district court's dismissal.
STANDARD OF REVIEW	De novo review of dismissal for failure to state a claim; statutory interpretation is reviewed independently and nondeferentially as a question of law.
PRECEDENTIAL VALUE	published
PARTIES	Fine Airport Parking, Inc. v. The City of Tulsa, The Tulsa Airport Authority, The Tulsa Airports Improvement Trust

TOPICS

- municipal law
- commercial litigation
- statutory interpretation
- municipal liability
- public utilities

PRACTICE AREAS

municipal law

antitrust

commercial litigation

statutory interpretation

QUESTIONS PRESENTED

1. Whether the federal doctrine of state-action immunity is incorporated into the Oklahoma Antitrust Reform Act.
2. Whether municipalities are subject to the Oklahoma Antitrust Reform Act notwithstanding the federal state-action-immunity doctrine.
3. Whether the Municipal Airports Act authorizes a municipality to operate airport parking facilities and fix parking rates despite potentially anticompetitive effects.
4. Whether Tulsa's operation of airport parking facilities under the Municipal Airports Act is subject to the Oklahoma Antitrust Reform Act.

HOLDINGS

1. The federal doctrine of state-action immunity is not incorporated into the Oklahoma Antitrust Reform Act to immunize municipalities from state antitrust liability.
2. The Municipal Airports Act authorizes municipalities to operate airport parking facilities and fix reasonable parking rates for the public purpose and public necessity of operating municipal airports, even when the rates may have anticompetitive effects.
3. Tulsa's operation of an airport parking facility and fixing of airport parking rates as authorized by the Municipal Airports Act was not subject to the Oklahoma Antitrust Reform Act.

KEY QUOTATIONS

“We conclude that municipalities are not immune from the Oklahoma Antitrust Reform Act under the federal doctrine of state action immunity.” (71 P.3d at 10)

“Because the Legislature intended to allow a municipality to operate parking facilities at a municipal airport as an arm of the state for the public good, a municipality may, like the state itself, fix the rate for the airport parking service even though it may have anti-competitive effects.” (71 P.3d at 14)

“CERTIORARI PREVIOUSLY GRANTED; OPINION OF THE COURT OF CIVIL APPEALS VACATED; DISMISSAL ORDER OF THE DISTRICT COURT AFFIRMED.” (71 P.3d at 14)

FACTUAL BACKGROUND

Tulsa, through its Airport Authority, operated Tulsa International Airport and airport parking facilities. Fine operated an off-airport parking business competing for airport customers. Fine alleged that Tulsa set and maintained airport parking prices with unreasonably low profit expectations, thereby excluding competition and preventing Fine from successfully competing for airport parking customers.

PROCEDURAL HISTORY

Fine filed suit in Tulsa County district court alleging that Tulsa's operation of airport parking facilities and allegedly low parking rates excluded competition and violated the Oklahoma Antitrust Reform Act. The district court dismissed for failure to state a claim, concluding that federal state-action immunity applied because the conduct was authorized by the Municipal Airports Act. The Court of Civil Appeals affirmed on state-action-immunity and police-power grounds. The Supreme Court vacated the Court of Civil Appeals opinion but affirmed the dismissal on different legal grounds.

DISPOSITION

vacated

CASES CITED

- Zaharias v. Gammill, 1992 OK 149, 844 P.2d 137
- Lockhart v. Loosen, 1997 OK 103, 943 P.2d 1074
- Arrow Tool & Gauge v. Mead, 2000 OK 86, 16 P.3d 1120
- Parker v. Brown, 317 U.S. 341 (1943)
- City of Lafayette, La. v. Louisiana Power & Light Co., 435 U.S. 389 (1978)
- California Retail Liquor Dealers Ass'n v. Midcal Aluminum, Inc., 445 U.S. 97 (1980)
- City of Columbia v. Omni Outdoor Advertising, Inc., 499 U.S. 365 (1991)
- Town of Hallie v. City of Eau Claire, 471 U.S. 34 (1985)
- Teleco, Inc. v. Ford Industries, Inc., 1978 OK 159, 587 P.2d 1360
- Beville v. Curry, 2001 OK 1, 39 P.3d 754
- Board of Regents v. National Collegiate Athletic Ass'n, 1977 OK 17, 561 P.2d 499
- Krebsbach v. Henley, 1986 OK 58, 725 P.2d 852
- City of Sapulpa v. Land, 1924 OK 92, 223 P. 640
- Town of Hallie v. City of Chippewa Falls, 105 Wis. 2d 533, 314 N.W.2d 321 (1982)
- City of Durant v. Cicio, 2002 OK 52, 50 P.3d 218
- Y & Y Cab Service v. City of Oklahoma City, 1933 OK 547, 28 P.2d 551
- City of Blackwell v. Lee, 1936 OK 767, 62 P.2d 1219
- City of Tulsa by and through Tulsa Airport Authority v. Air Tulsa, Inc., 1992 OK 146, 851 P.2d 519
- Public Service Co. of Oklahoma v. City of Tulsa, 1935 OK 904, 50 P.2d 166
- In re Initiative Petition No. 319, 1984 OK 23, 682 P.2d 222
- Democratic Party of Oklahoma v. Estep, 1982 OK 106, 652 P.2d 271
- Shelley v. Kiwash Electric Coop., 1996 OK 44, 914 P.2d 669