

SENATE BILL REPORT

SB 5822

As Reported By Senate Committee On:
Transportation, March 5, 1999

Title: An act relating to an auto transportation company operating within a public transportation benefit area.

Brief Description: Requiring agreements between public transportation benefit areas and auto transportation companies operating therein.

Sponsors: Senators Haugen, Deccio, Gardner, Patterson, Eide, McCaslin, Costa and Long.

Brief History:

Committee Activity: Transportation: 2/17/99, 3/5/99 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5822 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Goings, Vice Chair; Eide, Horn, Jacobsen, Johnson, Patterson, Prentice, Sheahan, T. Sheldon, Shin and Swecker.

Staff: Gene Baxstrom (786-7303)

Background: Companies which provide passenger service for compensation between fixed termini or over a regular route are required to have a certificate of public convenience and necessity issued by the Utilities and Transportation Commission. Such certificates may be sold, transferred or leased.

There are currently 18 Public Transportation Benefit Areas providing public transportation services within the state. These public transportation jurisdictions, when formed, or when service areas are expanded, are authorized to acquire the operating certificates of auto transportation companies providing service within the transit benefit area and which have been operating at least one year, or they may permit the auto transportation companies to continue to operate. If requested to do so by the certificate holder, the transit agency must acquire the certificate holders assets. Except for provisions when transit benefit areas grant permission for others to operate, the benefit areas have exclusive rights to provide public transportation services within their service area.

Summary of Substitute Bill: Until April 1, 2000, the Utilities and Transportation Commission may not issue any certificates of public convenience and necessity in areas where a public transportation system has been formed.

Substitute Bill Compared to Original Bill: A moratorium on new certificates of public convenience and necessity until April 1, 2000, in areas served by transit replaces provisions that a certificate of public convenience and necessity may only be granted to an applicant,

whose service is located wholly or partly within the boundaries of a public transportation benefit area, if the applicant has reached an agreement with the benefit area to allow the service.

An emergency clause is added.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: The UTC grants new certificates to allow new service where transit agencies now operate. To implement services between public transportation benefit areas, the certificate holder may then have to be compensated for the certificate.

Testimony Against: None.

Testified: PRO: Senator Haugen, prime sponsor; Martha Rose, Island Transit; Joyce Olson, Community Transit.