

SENATE BILL REPORT

SB 6212

As Reported By Senate Committee On:
Transportation, February 8, 2000

Title: An act relating to private passenger-only ferries.

Brief Description: Authorizing private passenger-only ferries.

Sponsors: Senators T. Sheldon, Haugen and Oke.

Brief History:

Committee Activity: Transportation: 1/19/2000, 2/8/2000 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6212 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Goings, Vice Chair; Benton, Costa, Eide, Finkbeiner, Heavey, Horn, Jacobsen, Johnson, Morton, Oke, Prentice, Sheahan, T. Sheldon, Shin and Swecker.

Staff: Lynn Hale (786-7346)

Background: Current law prohibits others from operating ferries within ten miles from a service provided by Washington State Ferries. Other ferries can operate within these limits under a certificate issued by the Utilities and Transportation Commission. There are no state provisions for public-private ferry operations.

With the passage of Initiative 695, the WSF may experience a reduction in operating and capital funds. The Washington State Transportation Commission has adopted the WSF's proposed reductions in service, which includes eliminating passenger-only ferry service.

However, other public sector and private interests have expressed an interest in continuing passenger-only ferry service.

Summary of Substitute Bill: The operation of passenger-only ferries on passenger-only ferry crossings approved by the Transportation Commission is a matter of public interest. The public interest requires that persons and entities other than the Department of Transportation (DOT) be allowed the opportunity to operate passenger-only ferry service on those crossings.

If passenger-only ferry service is discontinued by DOT any nonprofit corporation, public-private partnership, transit agency, municipality, private entity, person, or any combination of them may apply to the commission to operate a passenger-only ferry service at the discontinued crossing.

Passenger-only permits are effective for an initial five-year period. Permits are renewable for periods of three years, subject to compliance with all rules as developed by the commission.

The commission may revoke a permit if the permit holder has not initiated service within one year.

In deciding to grant service the commission considers at a minimum:

- applicant's ability to initiate service within one year;
- adequacy of service to the community;
- effect of the applicant's proposed service on auto ferry;
- effect on transportation congestion mitigation;

In determining if the applicant can initiate service the commission considers if applicant:

- has sufficient financial assets;
- has sufficient experience and knowledge of ferry operations;
- has made or is making arrangements for parking, docking, vessels, and coordination of ground transportation;
- has identified or met any local government land use or environmental requirements.

In determining whether an applicant will provide adequate service to the community the commission considers:

- how the proposed service compares to that previously provided by the department;
- whether applicant has coordinated its service with ground transportation;
- the number of runs the applicant proposes to operate.

Only one ferry permit may be granted for a particular ferry crossing for a given time period.

The Department of Transportation designates an employee with knowledge of ferry operations as a technical advisor to assist the commission with implementing this process.

A notification process for DOT and the commission to follow in notifying interested parties that WSF is no longer going to be operating a passenger-only route is provided.

The commission may adopt rules regulating operations of passenger-only ferry service. These rules may include rules concerning the process for issuing a ferry permit, determining adequacy of service, and establishing fares.

A process for the commission to follow concerning the revocation of permits is set forth.

Except for certificates to provide passenger-only ferry service issued prior to February 1, 2000, all applications for passenger-only ferry service must be filed under the new process and are not subject to the steamboat companies procedures.

High capacity transportation systems are allowed to operate a passenger-only ferry service. Passenger-only ferry service is exempt from high capacity transportation planning requirements.

A joint task force is created to study the passenger-only ferry issue. The task force is comprised of eight members of the Legislature, four from the Senate, and four from the House. The co-chairs of the task force designate one person from the following groups to represent the group's interests:

- ferry advisory committees;
- persons who do not use ferries;
- labor organizations representing ferry workers;
- Washington State Ferries;
- transit operators;
- the Office of Financial Management;
- other appropriate groups.

The joint task force on ferries must meet during the interim and report back to the Senate and the House of Representatives Transportation Committees by December 15, 2000.

The task force is charged with developing an orderly process to examine all possible solutions that are presented to the task force.

The task force should look at continued operations of passenger-only ferries by WSF, state and local partnerships, local partnerships, government and nonprofit partnerships, and private operations.

The task force must consider public options first, nonprofit options second, and private options third.

The report to the Senate and the House of Representatives Transportation Committees must include, but is not limited to, analysis and recommendations on the following:

- continued operation of all current passenger-only ferry routes and levels of service by WSF;
- continued operation of all selected passenger-only ferry routes or reduced levels of service on selected routes;
- operation of selected routes by any public entity or combination of public entities;
- operation of selected routes by any nonprofit entity or combination of nonprofit entities;
- operation of selected routes by any private entity or combination of private entities;
- ferry fare equity between ferry routes of different lengths;
- establishment of a target for recovery of operating costs from fare revenue when operations include participation by a public entity; and
- in consultation with WSF, the feasibility of transferring an auto ferry to cover a route between Vashon/Southworth and downtown Seattle if passenger-only service is discontinued.

Substitute Bill Compared to Original Bill: The process for granting an application is changed.

Passenger-only ferry operators may include, but are not limited to, a nonprofit corporation, public-private partnership, transit agency, municipality, private entity, or any combination thereof.

All applications for passenger-only service that were not filed prior to February 1, 2000, are subject to the new passenger-only ferry permit process.

Passenger-only permits are effective for an initial five-year period. Permits are renewable for periods of three years, subject to compliance with all rules as developed by the commission.

High-capacity transportation systems are allowed to operate passenger-only ferry service. Passenger-only ferry service is exempt from high capacity transportation planning requirements.

A joint task force is set up to study solutions to the passenger-only ferry issue.

Appropriation: None.

Fiscal Note: Requested January 19, 2000.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Ferries are an extension of the state highway system. Passenger-only service is a vital component of economic development to communities serviced by passenger-only service. Passenger-only ferry service is an extension of transit systems.

Testimony Against: Concern was expressed that allowing privatization of passenger-only ferry service would create an impediment to the state to continue passenger-only service.

Testified: PRO: Senator Tim Sheldon, prime sponsor; Tim Botkin, Kitsap County/Kitsap Transit; Charlotte Garrido, Kitsap County Commissioner; Dwight Sutton, Mayor of Bainbridge Island; William Moes, Vashon Island; Terry McCarthy, Washington State Ferries; CON: Steve Ross, Master, Mates & Pilots; Joe Daniels, Inland Boatmen's Union; Pare Abbott, Marine Engineers' Beneficial Association.