

SENATE BILL REPORT

SB 5076

As Reported By Senate Committee On:
Transportation, February 7, 2001

Title: An act relating to the use of credit or debit cards for ferry fares or reservations.

Brief Description: Authorizing use of credit cards for ferry fares and reservations.

Sponsors: Senators Haugen, Spanel, Oke, T. Sheldon, Gardner and Kohl-Welles.

Brief History:

Committee Activity: Transportation: 1/22/01, 2/7/01 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5076 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Benton, Eide, Finkbeiner, Horn, Jacobsen, Johnson, Kastama, McAuliffe, Oke, Patterson, Prentice, Shin and Swecker.

Staff: Jennifer Ziegler (786-7316)

Background: Washington State Ferries (WSF) currently accepts credit reservations on international routes. WSF charges the reservation fee to the rider's debit or credit card. When the rider arrives at the terminal, the ferry fare is discounted by the amount of the reservation fee. WSF does not accept credit cards for payment of international route fares. The Office of Financial Management (OFM) must first approve the use of credit/debit cards by state agencies. Once approved by OFM, the State Treasurer's Office has authority to coordinate agencies' use of credit cards. The Treasurer's Office also has authority to represent the state in contract negotiations with credit card companies.

Summary of Substitute Bill: WSF must adopt the necessary rules and procedures to allow the use of credit and debit cards to make a reservation on or pay the fare for international ferry routes.

Substitute Bill Compared to Original Bill: There is no authorization for the ferry system to charge a surcharge to credit card users.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: The international ferry runs are priced at the market level and many people do not carry sufficient cash to pay the full fare. It is important to make this route easy to use.

Testimony Against: Any surcharges purely for using credit cards are prohibited by the master contract between Mastercard/Visa and the State Treasurer. The ferry system will need sufficient time to implement this legislation. It is important to implement the legislation in a way in which the credit card transaction time does not delay traffic.

Testified: Mike Ryherd, City of Anacortes (pro); Elaine Emans, State Treasurer's Office (con); and Terry McCarthy, Washington State Ferries (con).