

HOUSE BILL REPORT

EHB 1388

As Passed House:

March 31, 2003

Title: An act relating to incentives to increase transportation revenues by reforming laws limiting the provision of passenger-only ferry service.

Brief Description: Providing incentives to increase transportation revenues by reforming laws limiting the provision of passenger-only ferry service.

Sponsors: By Representatives Woods, Ericksen, Ahern, Schindler, Jarrett, Bush, Shabro, Anderson, Bailey, Talcott, Clements, Chandler, Mielke, Boldt, Newhouse, Schoesler, Nixon, Pearson, Pflug and McMahan.

Brief History:

Committee Activity:

Transportation: 3/5/03, 3/14/03 [DP].

Floor Activity:

Passed House: 3/31/03, 94-2.

Brief Summary of Engrossed Bill

- Exempts operators of passenger-only ferry service from the 10-mile rule.
- Allows operators of passenger-only ferries to use state terminal, dock, and pier space, under certain conditions.
- Modifies restrictions on the Utilities and Transportation Commission granting authority for new private passenger ferry operating rights.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 25 members: Representatives Murray, Chair; Rockefeller, Vice Chair; Simpson, Vice Chair; Ericksen, Ranking Minority Member; Jarrett, Assistant Ranking Minority Member; Anderson, Armstrong, Bailey, Campbell, Clibborn, Cooper, Dickerson, Flannigan, Hankins, Kristiansen, Lovick, Mielke, Morris, Romero, Schindler, Shabro, Sullivan, Wallace, Wood and Woods.

Minority Report: Do not pass. Signed by 1 member: Representative Hudgins.

Staff: Jay Alexander (786-7339).

Background:

Currently ferries not operated by the Washington State Ferries (WSF) are prohibited from operating within 10 miles of established WSF routes unless granted a waiver from the Washington Utilities and Transportation Commission (UTC). The waiver may be granted based upon written petition by a commercial ferry operator to the UTC.

In addition, any party assuming the operation and maintenance of any ferry or ferry system by rent, lease, or charter from the Washington State Department of Transportation (WSDOT) is bound by WSDOT's contractual obligations, including existing labor contracts

Summary of Engrossed Bill:

Operators of passenger-only ferry service would be exempt from the 10-mile rule and no longer required to apply for a 10 mile waiver from the UTC to provide service. In addition, these operators would be allowed to use WSDOT terminal, dock, and pier space if the space does not limit operation of the auto ferry service provided by the WSF system. Changes for equipment and space must be fair market value, taking into account public benefit from the passenger-only ferry service.

The UTC is to take into account public agencies operating or eligible to operate passenger-only ferry services when granting certificates of public convenience and necessity for private ferry operators. The UTC is prohibited, until March 1, 2005, from granting new passenger-only certificates to private ferry operators where PTBAs or county ferry districts are authorized to operate passenger-only ferry service. Affected PTBAs may waive that prohibition in which case the UTC may grant certificates. The UTC may revoke a certificate if the private operator has not initiated service within 20 months after being granted the certificate.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: WSF passenger-only ferry service may be discontinued this summer and this bill allows other providers some flexibility in establishing or continuing the service.

Testimony Against: Private companies would select only the profitable routes for establishing service, not the routes necessarily preferred by the users.

Testified: (In support) Representative Woods, prime sponsor.

(Opposed) Gordon Baxter, Island Boatman's Union, and Marine Engineers and Beneficial Association.

(Comments only) Mike Thorne, Washington State Ferries and Washington State Department of Transportation.