

SENATE BILL REPORT

SB 6742

As of February 25, 2004

Title: An act relating to using revenue from leasing department of transportation terminal, dock, and pier space for private passenger-only ferry grants.

Brief Description: Using dock lease revenue for private passenger-only ferry grants.

Sponsors: Senators Horn, Haugen and Oke.

Brief History:

Committee Activity: Highways & Transportation: 2/25/04.

SENATE COMMITTEE ON HIGHWAYS & TRANSPORTATION

Staff: Tami Neilson (786-7452)

Background: Washington State Ferry (WSF) vessels may be chartered when WSF service will not be disrupted. With the exception of ferry districts and public transportation benefit areas (PTBAs) on the Puget Sound, 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.

WSDOT must make its terminal, dock, and pier space available to private operators of passenger-only ferries (POFs) if such use does not limit the operation of the auto ferry service provided by WSDOT. Additionally, operators of POF service are exempt from the prohibition on operating within ten miles of an established Washington State ferry route.

Private operators of ferry service must obtain a certificate of public convenience and necessity from the Utilities and Transportation Commission (UTC) before providing service. Until March 1, 2005, the UTC is prohibited from granting new POF certificates to private operators where PTBAs or ferry districts are authorized to operate POF service, though waivers may be provided by affected PTBAs and ferry districts.

Summary of Bill: WSDOT may enter into contracts with private POF operators for those operators to rent or lease its POF vessels. These private POF operators are not bound by WSDOT's contractual obligations, including existing labor contracts.

The UTC may consider applications for POF service serving a county of the Puget Sound without restriction. Ferry districts and PTBAs on the Puget Sound operating POF service are exempt from the ten-mile rule prohibition.

The Passenger-Only Ferry Account is created. Revenue from the lease or rent of vessels, terminals, docks and pier space by private operators must be deposited into the account. The funds must be used for grants to contract for reduced-cost tickets based on services provided

by the private operators for the benefit of the POF users. Grants per operator may not exceed the amount paid annually for use of facilities.

Appropriation: None.

Fiscal Note: Available.

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