## SENATE BILL REPORT SSB 6109

As Reported by Senate Committee On: Transportation, February 8, 2010

Title: An act relating to ferries.

**Brief Description**: Concerning ferries. [Revised for 2nd Substitute: Concerning the Washington state ferries system.]

**Sponsors**: Senate Committee on Transportation (originally sponsored by Senators Haugen, Rockefeller, Kilmer, Sheldon, King and Swecker).

## **Brief History:**

**Committee Activity**: Transportation: 3/19/09, 4/01/09 [DPS]; 2/03/10, 2/08/10 [DP2S, DNP, w/oRec].

## SENATE COMMITTEE ON TRANSPORTATION

**Majority Report**: That Second Substitute Senate Bill No. 6109 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Haugen, Chair; Swecker, Ranking Minority Member; Berkey, Delvin, Eide, Jacobsen, Kastama, King and Sheldon.

**Minority Report**: Do not pass.

Signed by Senator Benton.

**Minority Report**: That it be referred without recommendation.

Signed by Senators Becker and Ranker.

**Staff**: Janice Baumgardt (786-7319)

**Background**: Beginning in 2006 the Joint Transportation Committee (JTC) has conducted a study of the Washington State Ferries (WSF). Since then many of the recommendations resulting from the study have been implemented through statutes or transportation budgets.

Capital funding requests must adhere to a long range strategic plan that chooses the most efficient balance between capital and operating investments. Pre-design studies are required for terminal projects.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Marine Employees Commission (MEC) is the agency that processes grievances for the WSF unions and provides arbitration services.

**Summary of Bill (Recommended Second Substitute)**: The Legislature intends this bill, as well as the 2009 transportation budget, to implement recommendations from the JTC ferry study and other changes, to make WSF more efficient.

Funding requests for vessel preservation, acquisition, and improvement projects are subject to the same requirements as terminal projects, as well as some additional pre-design study requirements aimed at ensuring that alternatives are explored and the most cost effective alternative is selected.

WSF is directed to develop performance measures and report its recommendations to Office of Financial Management (OFM) and the Legislature in 2011. These measures must include on-time performance by run and the number of passengers affected. These statistics must be prominently displayed on vessels, in terminals, and on the agency's website.

WSF is directed to post signs informing passengers that assaults on state employees will be prosecuted to the full extent of the law. WSF must investigate the frequency, severity, and prosecutorial results of assaults on WSF employees and, if appropriate, make recommendations to the transportation committees of the Senate and House of Representatives during the 2011 Legislative Session. This section expires June 30, 2011.

All functions of MEC are transferred to the Public Employment Relations Committee (PERC) and MEC is abolished.

Statutes relating to WSF providing passenger-only-ferry service, the construction of vessels that have already been built, and bond authorities that have already been exhausted are repealed.

**EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE** (Recommended Second Substitute): The 2nd substitute includes the following provisions which were not included in the 1st substitute:

- Performance measures must include on-time performance by run and the number of passengers affected. These statistics must be prominently displayed on vessels, in terminals, and on the agency's website.
- WSF is directed to post signs informing passengers that assaults on state employees will be prosecuted to the full extent of the law. WSF must investigate the frequency, severity, and prosecutorial results of assaults on WSF employees and, if appropriate, make recommendations to the transportation committees of the Senate and House of Representatives during the 2011 Legislative Session. This section expires June 30, 2011
- All functions of MEC are transferred to the Public Employment Relations Committee (PERC) and MEC is abolished.
- Statutes relating to WSF providing passenger-only-ferry service, the construction of vessels that have already been built, and bond authorities that have already been exhausted are repealed.

The 1st substitute included the following provisions which are not included in the 2nd substitute that passed out of committee:

- The dollar threshold for state work forces working on ferry vessels or terminals is increased to \$120,000 when collective bargaining agreement terms change in a way that will allow for a reduced out-of-service time of vessels.
- The OFM must complete the salary survey, that is currently completed by the MEC, that is used for collective bargaining purposes.
- The Transportation Commission (Commission) must ensure ferry fare changes cover the forecasted cost of fuel. Fare changes must also cover the cost of other operating costs less available subsidies. Before increasing the ferry fare component of fares, the Commission must ensure that WSF has considered operational changes that will reduce fuel consumption. Before raising ferry fares, the Commission must give first consideration to raising fare revenues through increased ridership.
- WSF is exempt from the requirement to use a minimum amount of biodiesel for its ferry vessels.
- Language was added regarding the Ferry Advisory Councils:
  - WSF is to meet with the legislative authority of each ferry-serviced county;
  - The maximum number of members is increased;
  - One member must be a local elected official;
  - One member must be representative of commercial interests;
  - Other members must be representative of ferry user groups as identified in the Commission market survey; and
  - Meetings with WSF are changed from twice a year to no more than quarterly.

**Appropriation**: None.

**Fiscal Note**: Requested on February 2, 2010.

Committee/Commission/Task Force Created: No.

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

**Staff Summary of Public Testimony on Recommended First Substitute**: PRO: Moving WSF union employees under L&I's workman's compensation will provide budget certainty, reduce costs, and will help in employee relationships because the Jones Act causes an adversarial relationship by requiring the employee to sue the employer.

CON: WSF union employees should continue to stay under the Jones Act and federal maritime laws. MEC should continue to provide grievance and arbitration services for the WSF union employees.

OTHER: The pre-design study requirements and on-time performance measure reporting will have cost implications.

Persons Testifying: PRO: Bob Distler, Washington State Transportation Committee.

CON: Gordon Baxter, Inlandboatmans' Union, Masters Mates and Pilots, Marine Engineers' Beneficial Association (MEBA), Puget Sound Metal Trades Council, OPEIU8; Jim McCrary,

Michael McCarthy, MEBA D#1; Michael Temple, Washington State Association for Public Justice.

OTHER: David Moseley, Washington State Ferries.

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