

FINAL BILL REPORT

2ESSB 5742

PARTIAL VETO C 16 L 11 E 1 Synopsis as Enacted

Brief Description: Concerning the Washington state ferry system.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen, Ranker and Shin).

Senate Committee on Transportation
House Committee on Transportation
House Committee on Ways & Means

Background: The Transportation Commission (Commission) adopts Washington State Ferries' (WSF) fares and pricing policies by rule.

In general, fuel used for purposes other than for the propulsion of a motor vehicle on public highways is not subject to the state motor vehicle fuel tax or special fuel tax. However, such fuel is subject to the state retails sales and use tax. Fuel used for urban passenger transportation systems and fuel used for passenger-only-ferry services are exempt from the state retail and use tax as well.

Washington State Department of Transportation's public works projects estimated to cost \$2 million or more must require the contractor to have a minimum of 15 percent of the work performed by apprentices.

The Marine Employees Commission (MEC) is the agency that processes grievances for the WSF unions and provides arbitration services. In grievance arbitration, the employee organization determines whether the issue will be resolved through arbitration.

Summary: The Capital Vessel Replacement Account (CVRA) is created. The Commission must impose a \$0.25 surcharge on every ferry fare sold; the proceeds of which are deposited into the CVRA. Expenditures from the CVRA must be by appropriation and may only be for the construction or purchase of ferry vessels. Surcharge revenues are to be first used to support the construction or purchase of a ferry vessel with a carrying capacity of at least 144 cars.

Effective July 1, 2013, fuel purchased for WSF and county ferry vessels are exempt from the state retail and use tax.

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.

Management rights as they relate to collective bargaining are defined. Effective July 1, 2013, WSF captains are severed from the Masters, Mates, and Pilots union and may be in their own union. Captains duties are defined.

Performance measures are defined. An ad hoc committee is established and directed to establish performance targets. The Office of Financial Management must report to the Legislature on whether targets are met.

Effective July 1, 2011, the MEC is created within the Public Employment Relations Committee (PERC). For the 2011-13 biennium, all processes and procedures will be handled according to PERC processes in place, and only appeals will be handled by MEC. Effective July 1, 2013, MEC is dissolved.

Votes on Final Passage:

Senate 36 10
House 76 20 (House amended)

First Special Session

Senate 34 10
House 72 16 (House amended)

Conference Committee

Senate 36 9
House 77 14

Effective: June 7, 2011 (Sections 1 - 15).
July 1, 2011 (Sections 16 - 25).
July 1, 2013 (Sections 26 - 28).

Partial Veto Summary: On-time performance measure requirements are removed. The consequences of not meeting at least 80 percent of performance measure targets are removed. Performance measures are not required to be included in the department's attainment report.