

SENATE BILL REPORT

SSB 6081

As Amended by House, March 1, 2012

Title: An act relating to the imposition of a vessel replacement surcharge on certain ferry fares.

Brief Description: Authorizing counties and ferry districts operating ferries to impose a vessel replacement surcharge on ferry fares sold.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen, Swecker, Ranker, King, Hatfield, Becker, Ericksen, Nelson, Regala and Shin).

Brief History:

Committee Activity: Transportation: 1/17/12, 1/23/12 [DPS].

Passed Senate: 2/11/12, 44-3.

Passed House: 3/01/12, 81-16.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6081 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Eide, Vice Chair; King, Ranking Minority Member; Fain, Assistant Ranking Minority Member; Delvin, Ericksen, Frockt, Hill, Hobbs, Litzow, Prentice, Ranker, Rolfes, Sheldon, Shin and Swecker.

Staff: Kelly Simpson (786-7403)

Background: Under current law, counties may construct, operate, and maintain ferries, and related capital facilities necessary to operate the ferries, on certain waters within or bordering their boundaries. The ferry service may be free or for toll.

Additionally, counties may create ferry districts, which are separate taxing districts created within the county to operate passenger-only ferry service. Ferry districts are authorized to impose regular and excess property taxes, and may provide the ferry service free or for toll.

Summary of Substitute Bill: Counties operating ferry service, either directly or through a county ferry district, may impose a vessel replacement surcharge on ferry fares. The surcharge must at least be equal to the surcharge amount included in Washington State ferry fares, which is currently \$0.25 per fare. Revenue generated from the surcharge may be used

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only for the construction or purchase of ferry vessels. The surcharge must be clearly indicated, if possible on the fare media itself.

Appropriation: None.

Fiscal Note: Not requested.

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 Original Bill: PRO: Pierce County currently collects a portion of its fares for vessel and capital improvements. The charge equates to roughly \$1.00 per ticket. The language in the bill should be made clear to allow the continuation of existing fares. Most county ferries are supported by fares and some state gas taxes. Vessel replacement is mostly funded through grants, both federal and state. This bill is a good start to specifically allowing a vessel replacement surcharge.

Persons Testifying: PRO: Deb Wallace, Pierce County (Airport & Ferry Division); Gary Rowe, WA State Assn. of County Engineers.

House Amendment(s): Requires that the surcharge be equal, rather than at least equal, to the vessel replacement surcharge on Washington State Ferry fares.