

# HOUSE BILL REPORT

## SB 5307

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### As Reported by House Committee On: Transportation

**Title:** An act relating to deficit reimbursement agreements with counties owning and operating ferry systems.

**Brief Description:** Concerning deficit reimbursement agreements with counties owning and operating ferry systems.

**Sponsors:** Senators O'Ban, Ranker and Dammeier.

#### **Brief History:**

##### **Committee Activity:**

Transportation: 3/16/15, 3/19/15 [DPA].

#### **Brief Summary of Bill (As Amended by Committee)**

- Increases the total collective amount of reimbursement to Pierce, Skagit, and Whatcom counties for any deficit incurred in the operation and maintenance of a ferry system operated by one of the counties to \$1.8 million in the 2015-17 biennium.
- Indexes the deficit reimbursement to the fiscal growth factor.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass as amended. Signed by 15 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Bergquist, Gregerson, McBride, Moeller, Morris, Ortiz-Self, Riccelli, Sells, Takko, Young and Zeiger.

**Minority Report:** Do not pass. Signed by 7 members: Representatives Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Harmsworth, Kochmar, Pike, Shea and Wilson.

**Minority Report:** Without recommendation. Signed by 2 members: Representatives Hayes and Rodne.

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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.*

**Staff:** David Munnecke (786-7315).

**Background:**

Counties are authorized to operate ferry systems under the control of the county legislative authority. The Washington State Department of Transportation is allowed to enter into agreements to reimburse Pierce, Skagit, and Whatcom counties for up to 50 percent of any deficit incurred during the previous fiscal year in the operation and maintenance of a ferry system that is owned and operated by one of these three counties, with the reimbursement funds coming from the portion of the state motor vehicle fuel taxes allocated to the counties. The total collective amount of reimbursement to Pierce, Skagit, and Whatcom counties for any such deficit is capped at \$1 million per biennium.

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**Summary of Amended Bill:**

The total collective amount of reimbursement to Pierce, Skagit, and Whatcom counties for any deficit incurred in the operation and maintenance of a ferry system operated by one of the counties is increased to \$1.8 million in the 2015-17 biennium. The amount of deficit reimbursement is indexed to the fiscal growth factor for future biennia.

The tolls charged by the counties must be at least equal to the published fares in place on January 1, 2015, excluding any surcharges.

**Amended Bill Compared to Original Bill:**

The counties receiving reimbursements must maintain tolls equal to the published fares in place on January 1, 2015, excluding any surcharges, instead of the tolls in place on January 1, 2015.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony:**

(In support) It has been 24 years since there has been an increase in the deficit reimbursement amount that is available.

Pierce County has been making up for this lack of an increase by using county road funds. Pierce County has also increased fares and has been operating its ferry system as efficiently as possible.

(Opposed) None.

**Persons Testifying:** Deb Wallace, Pierce County.

**Persons Signed In To Testify But Not Testifying:** None.