

# SENATE BILL REPORT

## SB 5307

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As Amended by House, April 15, 2015

**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: 1/28/15, 2/02/15 [DP].

Passed Senate: 3/04/15, 48-0.

Passed House: 4/15/15, 67-31.

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### SENATE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass.

Signed by Senators King, Chair; Benton, Vice Chair; Hobbs, Ranking Minority Member; Ericksen, Habib, Litzow, Miloscia, Pedersen, Rivers and Sheldon.

**Staff:** Hayley Gamble (786-7452)

**Background:** 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. The combined amount of ferry deficit reimbursement to Pierce, Skagit, and Whatcom counties is capped at \$1 million per biennium. The funding source for ferry deficit reimbursement is the portion of the motor vehicle fund that is distributed directly to counties.

**Summary of Bill:** The combined total amount of reimbursement to Pierce, Skagit, and Whatcom counties for any deficit incurred in the operation and maintenance of a ferry system is increased by \$800,000 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 tolls in place on January 1, 2015.

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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.*

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony:** PRO: County-owned ferry systems have received the same contribution from the state for the last 24 years. The county road funds are challenged to keep up with the increased costs of operating county ferries. Counties do look at how to reduce costs, Pierce county has looked at several ways to do this. Fares have been raised on average 3 percent.

**Persons Testifying:** PRO: Deb Wallace, Airport & Ferry Administrator, Pierce County,.

**House Amendment(s):** Deficit reimbursement agreements require counties charge a fare at least equal to the published fare in place as of January 1, 2015. The House amendment to the bill excludes fare surcharges when calculating the fare amount in place as of January 1, 2015.