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SUBSTITUTE HOUSE BILL 2344

State of Washington 64th Legislature 2016 Regular Session

By House Transportation (originally sponsored by Representatives Morris and Lytton)

READ FIRST TIME 02/05/16.

- 1 AN ACT Relating to county ferry districts; amending RCW
- 2 36.54.110, 36.54.120, and 36.54.200; and providing an effective date.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 36.54.110 and 2007 c 223 s 5 are each amended to 5 read as follows:
 - (1)(a) The legislative authority of a county may adopt an ordinance creating a ferry district in all or a portion of the area of the county, including the area within the corporate limits of any city or town within the county. The ordinance may be adopted only after a public hearing has been held on the creation of a ferry district, and the county legislative authority makes a finding that it is in the public interest to create the district.
- (b) If the legislative authority of a county intends to create a 13 14 ferry district in only a portion of the county, the governing body must either submit a proposition to create the ferry district to the 15 16 voters in the portion of the county where the ferry district is 17 intended to be created at the next general election, in which the ferry district must be approved by a majority of the voters voting on 18 the proposition in order to be created, or publish notice of the 19 intention to create a ferry district, in one or more newspapers of 20 21 general circulation within the county, by February 1st of the year in

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- which the ferry district is to be created. If within ninety days of the date of publication a petition is filed with the county auditor containing the signatures of eight percent of the number of voters registered and voting in the portion of the county where the ferry district is intended to be created for the office of the governor at the last preceding gubernatorial election, the county auditor must canvass the signatures in the same manner as prescribed in RCW 29A.72.230 and certify their sufficiency to the legislative authority within thirty days. The proposition to create the ferry district must then be submitted to the voters in the portion of the county where the ferry district is intended to be created at the next general election. The ferry district may then be created only if approved by a majority of the voters voting on the proposition.
 - (2) A ferry district is a municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

- (3) A ferry district is a body corporate and possesses all the usual powers of a corporation for public purposes as well as all other powers that may now or hereafter be specifically conferred by statute, including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, and to sue and be sued.
- (4) The members of the county legislative authority, acting ex officio and independently, shall compose the governing body of any ferry district that is created within the county. The voters of a ferry district must be registered voters residing within the boundaries of the district.
- (5) A county with a population greater than one million persons and having a boundary on Puget Sound, or a county to the west of Puget Sound with a population greater than two hundred thirty thousand but less than three hundred thousand persons, proposing to create a ferry district to assume a passenger-only ferry route between Vashon and Seattle, including an expansion of that route to include Southworth, shall first receive approval from the governor after submitting a complete business plan to the governor and the legislature by November 1, 2007. The business plan must, at a minimum, include hours of operation, vessel needs, labor needs, proposed routes, passenger terminal facilities, passenger rates, anticipated federal and local funding, coordination with Washington

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state ferry system, coordination with existing transit providers, long-term operation and maintenance needs, and long-term financial plan. The business plan may include provisions regarding coordination with an appropriate county to participate in a joint ferry under RCW 36.54.030 through 36.54.070. In order to be considered for assuming б the route, the ferry district shall ensure that the route will be operated only by the ferry district and not contracted out to a private entity, all existing labor agreements will be honored, and operations will begin no later than July 1, 2008. If the route is to be expanded to include serving Southworth, the ferry district shall enter into an interlocal agreement with the public transportation benefit area serving the Southworth ferry terminal within thirty days of beginning Southworth ferry service. For the purposes of this subsection, Puget Sound is considered as extending north to Admiralty Inlet.

Sec. 2. RCW 36.54.120 and 2003 c 83 s 302 are each amended to read as follows:

A ferry district may construct, purchase, operate, and maintain ((passenger-only)) ferries or wharves at any unfordable stream, lake, estuary, or bay within or bordering the ferry district, or between portions of the ferry district, or between the ferry district and other ferry districts, together with all the necessary boats, grounds, roads, approaches, and landings appertaining thereto under the direction and control of the governing body of the ferry district, free or for toll as the governing body determines by resolution.

Sec. 3. RCW 36.54.200 and 2012 c 78 s 1 are each amended to read 28 as follows:

(1) A county or ferry district operating ferries under this chapter may impose a vessel replacement surcharge on every ferry fare sold. The surcharge must be at least equal to the surcharge amount included in Washington state ferry fares identified in RCW 47.60.315(7). Revenues generated from the surcharge may be used only for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of ferry vessels. The surcharge must be clearly indicated to ferry passengers and drivers and, if possible, on the fare media itself.

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- (2) In addition to any vessel replacement surcharge imposed under subsection (1) of this section, a ferry district created in only a portion of a county must impose a vessel replacement surcharge consistent with the requirements in subsection (1) of this section on all ferry passengers and drivers that are not residents of the ferry district. The amount of this vessel replacement surcharge must be sufficient to recover the portion of the ferry district's capital costs that are associated with ferry district passengers and drivers that are not residents of the ferry district.
- 10 <u>NEW SECTION.</u> **Sec. 4.** This act takes effect July 1, 2016.

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