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**SUBSTITUTE HOUSE BILL 1331**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** House Transportation (originally sponsored by Representatives Kilduff, Muri, and Appleton)

AN ACT Relating to ferry district authority; and amending RCW 36.54.110, 36.54.120, and 36.54.135.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 36.54.110 and 2007 c 223 s 5 are each amended to 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 ferry district in only a portion of the county, the governing body must either submit a proposition to create the ferry district to the voters in the portion of the county where the ferry district is 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 the proposition in order to be created, or publish notice of the intention to create a ferry district, in one or more newspapers of general circulation within the county, by February 1st of the year in 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 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 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.**  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.**  RCW 36.54.135 and 2007 c 223 s 7 are each amended to read as follows:

(1) A county ferry district may incur general indebtedness, and issue general obligation bonds, to finance the construction, purchase, and preservation of ((~~passenger-only~~)) ferries and associated terminals and retire the indebtedness in whole or in part from the revenues received from the tax levy authorized in RCW 36.54.130.

(2) The ordinance adopted by the county legislative authority creating the county ferry district and authorizing the use of revenues received from the tax levy authorized in RCW 36.54.130 must indicate an intent to incur this indebtedness and the maximum amount of this indebtedness that is contemplated.

**--- END ---**