

# SENATE BILL REPORT

## SSB 5403

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As Passed Senate, March 7, 2017

**Title:** An act relating to ferry district authority.

**Brief Description:** Concerning ferry district authority.

**Sponsors:** Senate Committee on Transportation (originally sponsored by Senators O'Ban and Conway).

**Brief History:**

**Committee Activity:** Transportation: 2/20/17, 2/21/17 [DPS].

**Floor Activity:**

Passed Senate: 3/07/17, 44-5.

**Brief Summary of First Substitute Bill**

- Allows a county ferry district to construct, purchase, operate, and maintain any type of ferry.

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### SENATE COMMITTEE ON TRANSPORTATION

**Majority Report:** That Substitute Senate Bill No. 5403 be substituted therefor, and the substitute bill do pass.

Signed by Senators King, Chair; Sheldon, Vice Chair; Hobbs, Ranking Minority Member; Liias, Assistant Ranking Minority Member; Cleveland, Ericksen, Fortunato, Hawkins, O'Ban, Saldaña, Takko, Van De Wege, Walsh and Wilson.

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

**Background:** Counties are authorized to construct, purchase, operate, and maintain ferry systems under the direction and control of the county legislative authority. In lieu of the county operating and maintaining a ferry system, the county legislative authority may adopt an ordinance creating a county ferry district (district) in all or a portion of the area of the county. The ordinance may be adopted only after a public hearing has been held, and the county makes a finding that it is in the public interest to create the district. The members of the county legislative authority compose the governing body of any district created in their county.

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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.*

A district may construct, purchase, operate, and maintain passenger-only ferries. A ferry district may provide services for free or may charge a toll. A district is considered an independent taxing authority and may levy an ad valorem tax on all taxable property located within the district not to exceed \$0.75 per \$1,000 of assessed value, except that a district located in a county with a population of 1.5 million or more may not levy at a rate that exceeds \$0.075 cents per \$1,000 of assessed value. Revenue from the tax may only be used for providing ferry services; operating, maintaining and improving vessels and dock facilities; providing shuttle services; landside improvements directly related to passenger-only ferry services; and related personnel costs. A district may incur general indebtedness and issue general obligation bonds for passenger-only ferries and associated terminals.

In 2006, Engrossed Senate Substitute Bill 6787 made a series of changes to the district statutes. These changes included allowing any county to form such a district and removed some references to passenger-only ferry service. Three references to passenger-only ferry service remains in the district statutes.

**Summary of First Substitute Bill:** A county ferry district is allowed to construct, purchase, operate, and maintain any type of ferry, as well as the necessary landings. A district may incur debt and issue bonds to construct, purchase, and preserve any type of ferries and terminals. The taxes levied by a district may also be used for landside improvements related to the provision of any kind of ferry service.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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

**Staff Summary of Public Testimony on First Substitute:** PRO: This bill came from Pierce County, which operates an auto as well as passenger-only ferry service. Pierce County would like to use this statute and a recent study that recommended instituting a county ferry district in Pierce County.

**Persons Testifying:** PRO: Tiffany Speir, Pierce County.

**Persons Signed In To Testify But Not Testifying:** No one.