
HOUSE BILL 1134

State of Washington 60th Legislature 2007 Regular Session

By Representatives Appleton, Jarrett, Cody, Haigh, McDermott, Rolfes and Lantz

Read first time 01/11/2007. Referred to Committee on Transportation.

1 AN ACT Relating to the reduction of Washington state ferries'
2 charges; amending RCW 46.68.090 and 47.60.326; providing an effective
3 date; and declaring an emergency.

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

5 **Sec. 1.** RCW 46.68.090 and 2005 c 314 s 103 are each amended to
6 read as follows:

7 (1) All moneys that have accrued or may accrue to the motor vehicle
8 fund from the motor vehicle fuel tax and special fuel tax shall be
9 first expended for purposes enumerated in (a) and (b) of this
10 subsection. The remaining net tax amount shall be distributed monthly
11 by the state treasurer in accordance with subsections (2) through (7)
12 of this section.

13 (a) For payment of refunds of motor vehicle fuel tax and special
14 fuel tax that has been paid and is refundable as provided by law;

15 (b) For payment of amounts to be expended pursuant to
16 appropriations for the administrative expenses of the offices of state
17 treasurer, state auditor, and the department of licensing of the state
18 of Washington in the administration of the motor vehicle fuel tax and
19 the special fuel tax, which sums shall be distributed monthly.

1 (2) All of the remaining net tax amount collected under RCW
2 82.36.025(1) and 82.38.030(1) shall be distributed as set forth in (a)
3 through (j) of this section.

4 (a) For distribution to the motor vehicle fund an amount equal to
5 (~~44.387~~) 42.3675 percent to be expended for highway purposes of the
6 state as defined in RCW 46.68.130;

7 (b) For distribution to the special category C account, hereby
8 created in the motor vehicle fund, an amount equal to 3.2609 percent to
9 be expended for special category C projects. Special category C
10 projects are category C projects that, due to high cost only, will
11 require bond financing to complete construction.

12 The following criteria, listed in order of priority, shall be used
13 in determining which special category C projects have the highest
14 priority:

15 (i) Accident experience;

16 (ii) Fatal accident experience;

17 (iii) Capacity to move people and goods safely and at reasonable
18 speeds without undue congestion; and

19 (iv) Continuity of development of the highway transportation
20 network.

21 Moneys deposited in the special category C account in the motor
22 vehicle fund may be used for payment of debt service on bonds the
23 proceeds of which are used to finance special category C projects under
24 this subsection (2)(b);

25 (c) For distribution to the Puget Sound ferry operations account in
26 the motor vehicle fund an amount equal to (~~2.3283~~) 4.3478 percent;

27 (d) For distribution to the Puget Sound capital construction
28 account in the motor vehicle fund an amount equal to 2.3726 percent;

29 (e) For distribution to the urban arterial trust account in the
30 motor vehicle fund an amount equal to 7.5597 percent;

31 (f) For distribution to the transportation improvement account in
32 the motor vehicle fund an amount equal to 5.6739 percent and expended
33 in accordance with RCW 47.26.086;

34 (g) For distribution to the cities and towns from the motor vehicle
35 fund an amount equal to 10.6961 percent in accordance with RCW
36 46.68.110;

37 (h) For distribution to the counties from the motor vehicle fund an
38 amount equal to 19.2287 percent: (i) Out of which there shall be

1 distributed from time to time, as directed by the department of
2 transportation, those sums as may be necessary to carry out the
3 provisions of RCW 47.56.725; and (ii) less any amounts appropriated to
4 the county road administration board to implement the provisions of RCW
5 47.56.725(4), with the balance of such county share to be distributed
6 monthly as the same accrues for distribution in accordance with RCW
7 46.68.120;

8 (i) For distribution to the county arterial preservation account,
9 hereby created in the motor vehicle fund an amount equal to 1.9565
10 percent. These funds shall be distributed by the county road
11 administration board to counties in proportions corresponding to the
12 number of paved arterial lane miles in the unincorporated area of each
13 county and shall be used for improvements to sustain the structural,
14 safety, and operational integrity of county arterials. The county road
15 administration board shall adopt reasonable rules and develop policies
16 to implement this program and to assure that a pavement management
17 system is used;

18 (j) For distribution to the rural arterial trust account in the
19 motor vehicle fund an amount equal to 2.5363 percent and expended in
20 accordance with RCW 36.79.020.

21 (3) The remaining net tax amount collected under RCW 82.36.025(2)
22 and 82.38.030(2) shall be distributed to the transportation 2003
23 account (nickel account).

24 (4) The remaining net tax amount collected under RCW 82.36.025(3)
25 and 82.38.030(3) shall be distributed as follows:

26 (a) 8.3333 percent shall be distributed to the incorporated cities
27 and towns of the state in accordance with RCW 46.68.110;

28 (b) 8.3333 percent shall be distributed to counties of the state in
29 accordance with RCW 46.68.120; and

30 (c) The remainder shall be distributed to the transportation
31 partnership account created in RCW 46.68.290.

32 (5) The remaining net tax amount collected under RCW 82.36.025(4)
33 and 82.38.030(4) shall be distributed as follows:

34 (a) 8.3333 percent shall be distributed to the incorporated cities
35 and towns of the state in accordance with RCW 46.68.110;

36 (b) 8.3333 percent shall be distributed to counties of the state in
37 accordance with RCW 46.68.120; and

1 (c) The remainder shall be distributed to the transportation
2 partnership account created in RCW 46.68.290.

3 (6) The remaining net tax amount collected under RCW 82.36.025 (5)
4 and (6) and 82.38.030 (5) and (6) shall be distributed to the
5 transportation partnership account created in RCW 46.68.290.

6 (7) Nothing in this section or in RCW 46.68.130 may be construed so
7 as to violate any terms or conditions contained in any highway
8 construction bond issues now or hereafter authorized by statute and
9 whose payment is by such statute pledged to be paid from any excise
10 taxes on motor vehicle fuel and special fuels.

11 **Sec. 2.** RCW 47.60.326 and 2005 c 270 s 1 are each amended to read
12 as follows:

13 (1) In order to maintain an adequate, fair, and economically sound
14 schedule of charges for the transportation of passengers, vehicles, and
15 commodities on the Washington state ferries, the department of
16 transportation each year shall conduct a full review of such charges.

17 (2) Prior to February 1st of each odd-numbered year the department
18 shall transmit to the transportation commission a report of its review
19 together with its recommendations for the revision of a schedule of
20 charges for the ensuing biennium. The commission on or before July 1st
21 of that year shall adopt as a rule, in the manner provided by the
22 Washington administrative procedure act, a schedule of charges for the
23 Washington state ferries for the ensuing biennium commencing July 1st.
24 The schedule may initially be adopted as an emergency rule if necessary
25 to take effect on, or as near as possible to, July 1st.

26 (3) The department in making its review and formulating
27 recommendations and the commission in adopting a schedule of charges
28 may consider any of the following factors:

29 (a) The amount of subsidy available to the ferry system for
30 maintenance and operation;

31 (b) The amount of subsidy made available pursuant to this act
32 solely for the reduction of the charges for transportation of
33 passengers, vehicles, and commodities;

34 (c) The time and distance of ferry runs;

35 ~~((e))~~ (d) The maintenance and operation costs for ferry runs with
36 a proper adjustment for higher costs of operating outmoded or less
37 efficient equipment;

1 ~~((d))~~ (e) The efficient distribution of traffic between cross-
2 sound routes;

3 ~~((e))~~ (f) The desirability of reasonable rates for persons using
4 the ferry system to commute daily to work and other frequent users who
5 live in ferry-dependent communities;

6 ~~((f))~~ (g) The effect of proposed fares in increasing walk-on and
7 vehicular passenger use;

8 ~~((g))~~ (h) The effect of proposed fares in promoting all types of
9 ferry use during nonpeak periods;

10 ~~((h))~~ (i) The estimated revenues that are projected to be earned
11 by the ferry system from commercial advertisements, parking, contracts,
12 leases, and other sources;

13 ~~((i))~~ (j) The prepurchase of multiple fares, whether for a single
14 rider or multiple riders;

15 ~~((j))~~ (k) Such other factors as prudent managers of a major ferry
16 system would consider.

17 (4) If at any time during the biennium it appears that projected
18 revenues from the Puget Sound ferry operations account and any other
19 operating subsidy available to the Washington state ferries will be
20 less than the projected total cost of maintenance and operation of the
21 Washington state ferries for the biennium, the department shall
22 forthwith undertake a review of its schedule of charges to ascertain
23 whether or not the schedule of charges should be revised. The
24 department shall, upon completion of its review report, submit its
25 recommendation to the transportation commission which may in its sound
26 discretion revise the schedule of charges as required to meet necessary
27 maintenance and operation expenditures of the ferry system for the
28 biennium or may defer action until the regular annual review and
29 revision of ferry charges as provided in subsection (2) of this
30 section.

31 (5) The provisions of RCW 47.60.330 relating to public
32 participation shall apply to the process of revising ferry tolls under
33 this section.

34 (6) Under RCW 43.135.055, the transportation commission may
35 increase ferry tolls included in the schedule of charges adopted under
36 this section by a percentage that exceeds the fiscal growth factor.

37 (7) Notwithstanding the provisions of this section and chapter
38 81.28 RCW, and using sound business judgment, the chief executive

1 officer of the ferry system may authorize the use of promotional,
2 discounted, and special event fares to the general public and
3 commercial enterprises for the purpose of maximizing capacity use and
4 the revenues collected by the ferry system. The department shall
5 report to the transportation commission a summary of the promotional,
6 discounted, and special event fares offered during each fiscal year and
7 the financial results from these activities.

8 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
9 preservation of the public peace, health, or safety, or support of the
10 state government and its existing public institutions, and takes effect
11 July 1, 2007.

--- END ---