

SENATE BILL REPORT

SB 6171

As Reported by Senate Committee On:
Transportation, January 29, 2014

Title: An act relating to creating passenger-only ferry service districts.

Brief Description: Creating passenger-only ferry service districts.

Sponsors: Senators Angel, Rolfes, Bailey, Rivers and Kline.

Brief History:

Committee Activity: Transportation: 1/28/14, 1/29/14 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6171 be substituted therefor, and the substitute bill do pass.

Signed by Senators Eide, Co-Chair; King, Co-Chair; Hobbs, Vice Co-Chair; Fain, Budget Leadership Cabinet; Angel, Brown, Cleveland, Ericksen, Lias, Mullet, Rolfes and Sheldon.

Staff: Hayley Gamble (786-7452)

Background: A public transportation benefit area (PTBA) is a special-purpose district authorized to provide public transportation service within all or a portion of a county or counties. Cities must be wholly included or excluded. The PTBA is the most common type of district providing public transportation service in the state, with 20 currently in existence. A PTBA located on Puget Sound may also provide passenger-only ferry (POF) service after developing an investment plan. A PTBA may collect fares for service and, with approval of the majority of the voters within the area, impose up to a 0.9 percent sales and use tax within the area.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Substitute): The governing body of a PTBA may establish one or more POF districts (Districts) within the boundaries of the PTBA. The boundaries of a District may include all or a portion of a city or town if the portion to be included is within the PTBA's boundaries.

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 is considered an independent taxing authority, and is governed by the existing governing body of the PTBA that creates the District. A District is authorized to establish, finance, and provide POF service. The District also has specific authority to enter into contracts for POF service, public-private partnerships, design-build or general contractor/construction management, and other alternative procurement processes. A District may also issue certain general obligation and revenue bonds.

Prior to implementing POF service, a District must develop a POF investment plan that contains specific elements. In order to provide POF service, a majority of the voters in the District must approve the POF investment plan and the proposed taxes as part of a single vote. A District may collect the following revenues for the purpose of implementing the POF investment plan:

- up to a 0.6 percent sales and use tax;
- a commercial parking tax for counties with a population of less than 1 million;
- tolls for passengers, packages, and parking; and
- charges or licensing fees for advertising, leasing space for services to POF passengers, and other revenue-generating facilities.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on January 1, 2015.

Staff Summary of Public Testimony: PRO: This is a local option and must be approved by the voters. The act will allow only those who use and benefit from the ferry service to pay for the service. This will be good for the economy of Kitsap if they implement this. This would provide reliable, fast foot ferries.

Persons Testifying: PRO: Senator Angel, prime sponsor; Dylan Doty, John Clauson, Kitsap Transit.