

SENATE BILL REPORT

SB 5950

As of February 24, 1995

Title: An act relating to vessels providing excursion services.

Brief Description: Regulating excursion vessels.

Sponsors: Senators Owen and Oke.

Brief History:

Committee Activity: Transportation: 2/28/95.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Mary McLaughlin (786-7309).

Background: Commercial ferries (private ferries) are subject to the economic regulation of the Utilities and Transportation Commission (UTC). A commercial ferry is a for-hire vessel operated for public use between fixed termini over regular routes. Entry and rate regulation, as well as insurance requirements, are imposed. The entry standard is "public convenience and necessity" (PC&N).

One of three entry standards is applied for when regulating for-hire vessels and carriers. PC&N is the most stringent entry standard. The applicant must prove that he/she is financially able to provide the service, that there is a need for the expanded service, that the existing carrier is not adequately serving the route, and the new proposed service will not adversely affect the existing carrier. Under "public interest," the moderate entry standard, the applicant must prove that he/she is financially able to provide the service and demonstrate that the service will be used by specific customers. Under "fit, willing and able," the most relaxed standard, the applicant simply proves financial ability to provide the service.

Although commercial ferries are clearly subject to economic regulation, the statute is silent on the operation of excursion ferries.

Summary of Bill: Ferry excursion services are regulated by the Utilities and Transportation Commission (UTC) with regard to entry, rates, routes and insurance. The entry standard is "public convenience and necessity."

An excursion service is a for-hire vessel that transports passengers over Washington waters from a point of origin with an intermediate stop(s) at which passengers may leave and reboard the vessel before it returns to that same point of origin.

Charter and cruise services operating for compensation in Washington waters are exempt from the UTC's economic regulation. A charter service is a vessel, with captain and crew, that is hired by a person or group to transport passengers or property. A cruise service

transports passengers from a point of origin and returns to that same point without stopping the vessel at any other location in the state at which passengers may leave the vessel.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Bill: The bill contains an emergency clause and takes effect immediately.