
SUBSTITUTE HOUSE BILL 2385

State of Washington

68th Legislature

2024 Regular Session

By House Transportation (originally sponsored by Representatives Hutchins, Paul, Low, Robertson, Timmons, Barkis, Donaghy, Lekanoff, Caldier, Couture, and Shavers)

READ FIRST TIME 02/05/24.

1 AN ACT Relating to fuel purchasing for the state ferry system;
2 and amending RCW 47.60.830.

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

4 **Sec. 1.** RCW 47.60.830 and 2015 c 225 s 101 are each amended to
5 read as follows:

6 (1) In performing the function of operating its ferry system, the
7 department may, subject to the availability of amounts appropriated
8 for this specific purpose and after consultation with the department
9 of enterprise services, explore and implement strategies designed to
10 reduce the overall cost of fuel and mitigate the impact of market
11 fluctuations and pressure on both short-term and long-term fuel
12 costs. These strategies may include, but are not limited to, futures
13 contracts, hedging, swap transactions, option contracts, costless
14 collars, and long-term storage. The department may employ outside
15 technical expertise to advise on timing of transactions, quantities
16 of fuel, tenure of contracts, maximum limits, and other operating
17 parameters.

18 (2) The adoption of fuel cost fluctuation strategies must be
19 guided by an oversight committee including the department's principal
20 financial officer, assistant secretary for the marine division, a

1 representative from the office of financial management, and a
2 representative from the department of enterprise services.

3 (3) The department shall periodically submit a report to the
4 transportation committees of the legislature and the department of
5 enterprise services on the status of any such implemented strategies,
6 including cost mitigation results, a description of each contract
7 established to mitigate fuel costs, the amounts of fuel covered by
8 the contracts, the cost mitigation results, and any related
9 recommendations. The first report must be submitted within one year
10 of implementation.

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