H-1336.1			

## HOUSE BILL 1824

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State of Washington 59th Legislature 2005 Regular Session

By Representatives Kilmer, Lantz, Appleton, Quall, Darneille, Morris, Kagi, Haigh and McDermott

Read first time 02/07/2005. Referred to Committee on Transportation.

- AN ACT Relating to ferry fares; and amending RCW 47.60.326.
- 2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 3 **Sec. 1.** RCW 47.60.326 and 2003 c 374 s 4 are each amended to read 4 as follows:
  - (1) In order to maintain an adequate, fair, and economically sound schedule of charges for the transportation of passengers, vehicles, and commodities on the Washington state ferries, the department of transportation each year shall conduct a full review of such charges.
  - (2) Prior to February 1st of each odd-numbered year the department shall transmit to the transportation commission a report of its review together with its recommendations for the revision of a schedule of charges for the ensuing biennium. The commission on or before July 1st of that year shall adopt as a rule, in the manner provided by the Washington administrative procedure act, a schedule of charges for the Washington state ferries for the ensuing biennium commencing July 1st. The schedule may initially be adopted as an emergency rule if necessary
- The schedule may initially be adopted as an emergency rule if necessary to take effect on, or as near as possible to, July 1st.
- 18 (3) The department in making its review and formulating

p. 1 HB 1824

- recommendations and the commission in adopting a schedule of charges may consider any of the following factors:
- 3 (a) The amount of subsidy available to the ferry system for 4 maintenance and operation;
  - (b) The time and distance of ferry runs;

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- (c) The maintenance and operation costs for ferry runs with a proper adjustment for higher costs of operating outmoded or less efficient equipment;
- 9 (d) The efficient distribution of traffic between cross-sound 10 routes;
- 11 (e) The desirability of reasonable commutation rates for persons 12 using the ferry system to commute daily to work;
- 13 (f) The effect of proposed fares in increasing walk-on and 14 vehicular passenger use;
- 15 (g) The effect of proposed fares in promoting all types of ferry 16 use during nonpeak periods;
  - (h) The estimated revenues that are projected to be earned by the ferry system from commercial advertisements, parking, contracts, leases, and other sources;
  - (i) The prepurchase of multiple fares, whether for a single rider or multiple riders;
- 22 <u>(j)</u> Such other factors as prudent managers of a major ferry system 23 would consider.
  - (4) If at any time during the biennium it appears that projected revenues from the Puget Sound ferry operations account and any other operating subsidy available to the Washington state ferries will be less than the projected total cost of maintenance and operation of the Washington state ferries for the biennium, the department shall forthwith undertake a review of its schedule of charges to ascertain whether or not the schedule of charges should be revised. The department shall, upon completion of its review report, submit its recommendation to the transportation commission which may in its sound discretion revise the schedule of charges as required to meet necessary maintenance and operation expenditures of the ferry system for the biennium or may defer action until the regular annual review and revision of ferry charges as provided in subsection (2) of this section.

HB 1824 p. 2

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

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- (6) Under RCW 43.135.055, the transportation commission may increase ferry tolls included in the schedule of charges adopted under this section by a percentage that exceeds the fiscal growth factor.
- (7) Notwithstanding the provisions of this section and chapter 81.28 RCW, and using sound business judgment, the chief executive officer of the ferry system may authorize the use of promotional, discounted, and special event fares to the general public and commercial enterprises for the purpose of maximizing capacity use and the revenues collected by the ferry system. The department shall report to the transportation commission a summary of the promotional, discounted, and special event fares offered during each fiscal year and the financial results from these activities.

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p. 3 HB 1824