
SUBSTITUTE SENATE BILL 6787

State of Washington

59th Legislature

2006 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Rockefeller, Poulsen, Haugen and Oke)

READ FIRST TIME 02/17/06.

1 AN ACT Relating to local government passenger ferry service
2 funding; amending RCW 47.60.645, 36.54.110, and 36.54.130; adding new
3 sections to chapter 47.60 RCW; adding a new section to chapter 36.78
4 RCW; creating new sections; and providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.60 RCW
7 to read as follows:

8 By August 1st, November 1st, February 1st, and May 1st of every
9 year, the department of transportation shall notify the state treasurer
10 in writing of the amount of state sales and use tax paid under chapters
11 82.08 and 82.12 RCW by the Washington state ferries on the purchase of
12 fuel for the preceding calendar quarter. By September 1st, December
13 1st, March 1st, and June 1st of every year, the state treasurer shall
14 transfer an amount equal to the amount indicated by the department in
15 their notification to the treasurer into the passenger ferry account
16 created in RCW 47.60.645. This section expires September 30, 2011.

17 **Sec. 2.** RCW 47.60.645 and 1995 2nd sp.s. c 14 s 558 are each
18 amended to read as follows:

1 There is hereby established in the transportation fund the
2 passenger ferry account. Money in the account shall be used for
3 ~~((capital improvements for passenger ferry projects including, but not~~
4 ~~limited to, pedestrian and transit facilities at ferry terminals and~~
5 ~~passenger-only ferry vessels))): (1) Operating or capital grants for
6 ferry systems operated or contracted by local governments as provided
7 in chapters 36.54 and 36.57A RCW; or (2) grants for the department to
8 operate the passenger-only ferry route in service as of January 1,
9 2006. Moneys in the account shall be expended with legislative
10 appropriation.~~

11 NEW SECTION. Sec. 3. The indication of the amount of fuel taxes
12 paid by the Washington state ferries in section 1 of this act applies
13 to all calendar quarters beginning on or after April 1, 2006.

14 NEW SECTION. Sec. 4. By April 1, 2007, the department of
15 transportation shall sell or otherwise dispose of the Washington state
16 ferries Snohomish and Chinook for market value and deposit the proceeds
17 of the sales into the passenger ferry account created in RCW 47.60.645.

18 NEW SECTION. Sec. 5. A new section is added to chapter 47.60 RCW
19 to read as follows:

20 The department shall maintain the level of service existing on
21 January 1, 2006, for the Vashon to Seattle passenger-only ferry route
22 until such time as a local government assumes the route providing a
23 level of service at or exceeding the state level. The successor entity
24 assuming the route shall assume any existing labor contract governing
25 service on the Vashon to Seattle passenger-only ferry route.

26 NEW SECTION. Sec. 6. A new section is added to chapter 36.78 RCW
27 to read as follows:

28 (1) The county road administration board shall establish a ferry
29 grant program subject to availability of amounts appropriated for this
30 specific purpose. The purpose of the grant program is to provide: (a)
31 Operating or capital grants for ferry systems operated or contracted by
32 local governments as provided in chapters 36.54 and 36.57A RCW; and (b)
33 grants for the department of transportation to operate the passenger-
34 only ferry route in service as of January 1, 2006.

1 (2) In providing grants under this section, the board may enter
2 into multiple year contracts with the stipulation that future year
3 allocations are subject to the availability of funding as provided by
4 legislative appropriation.

5 (3) Priority shall be given to grant applications that provide
6 continuity of existing passenger-only service and the provision of
7 local or federal matching funds.

8 **Sec. 7.** RCW 36.54.110 and 2003 c 83 s 301 are each amended to read
9 as follows:

10 (1) The legislative authority of a county (~~((with a population over
11 one million persons and having a boundary on Puget Sound))~~) may adopt an
12 ordinance creating a ferry district in all or a portion of the area of
13 the county, including the area within the corporate limits of any city
14 or town within the county. The ordinance may be adopted only after a
15 public hearing has been held on the creation of a ferry district, and
16 the county legislative authority makes a finding that it is in the
17 public interest to create the district. (~~((A ferry district is limited
18 to providing passenger only ferry service.))~~)

19 (2) A ferry district is a municipal corporation, an independent
20 taxing "authority" within the meaning of Article VII, section 1 of the
21 state Constitution, and a "taxing district" within the meaning of
22 Article VII, section 2 of the state Constitution.

23 (3) A ferry district is a body corporate and possesses all the
24 usual powers of a corporation for public purposes as well as all other
25 powers that may now or hereafter be specifically conferred by statute,
26 including, but not limited to, the authority to hire employees, staff,
27 and services, to enter into contracts, and to sue and be sued.

28 (4) The members of the county legislative authority, acting ex
29 officio and independently, shall compose the governing body of any
30 ferry district that is created within the county. The voters of a
31 ferry district must be registered voters residing within the boundaries
32 of the district.

33 (~~((5) For the purposes of this section, Puget Sound is considered
34 as extending north as far as the Canadian border and west as far as
35 Port Angeles.))~~)

1 **Sec. 8.** RCW 36.54.130 and 2003 c 83 s 303 are each amended to read
2 as follows:

3 (1) To carry out the purposes for which ferry districts are
4 created, the governing body of a ferry district may levy each year an
5 ad valorem tax on all taxable property located in the district not to
6 exceed seventy-five cents per thousand dollars of assessed value. The
7 levy must be sufficient for the provision of ferry services as shown to
8 be required by the budget prepared by the governing body of the ferry
9 district.

10 (2) A tax imposed under this section may be used only for providing
11 ((~~passenger-only~~)) ferry services, including the purchase, lease, or
12 rental of ((~~passenger-only~~)) ferry vessels and dock facilities, the
13 operation and maintenance of ((~~passenger-only~~)) ferry vessels and dock
14 facilities, and related personnel costs.

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