

SENATE BILL REPORT

HB 2353

As Reported By Senate Committee On:
Transportation, April 2, 2007

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

Brief Description: Regarding passenger-only ferry service.

Sponsors: Representatives McDermott, Cody and Appleton.

Brief History: Passed House: 3/14/07, 75-20.

Committee Activity: Transportation: 3/22/07, 4/2/07 [DPA, DNP].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Haugen, Chair; Marr, Vice Chair; Murray, Vice Chair; Swecker, Ranking Minority Member; Berkey, Clements, Delvin, Jacobsen, Kastama, Kilmer, Sheldon and Spanel.

Minority Report: Do not pass.

Signed by Senators Benton and Holmquist.

Staff: Janice Baumgardt (786-7319)

Background: In 2006, the Washington State Department of Transportation (WSDOT) was directed to establish a grant program that provides operating or capital grants for passenger only ferries (POF). Priority is to be given to continuing existing POF routes if grant funding is used as matching funds. WSDOT is to sell two of its ferries, the Chinook and Snohomish, once the Governor approves a business plan for a county ferry district to assume the Seattle/Vashon POF route.

Washington State Ferries (WSF) is directed to continue the Seattle/Vashon POF route until a county ferry district takes it over. A county ferry district proposing to provide a Seattle/Vashon POF route must submit a business plan to the Governor and Legislature by November 1, 2006. The proposal must include beginning operations on the Seattle/Vashon POF route no later than July 1, 2007.

Summary of Bill: The date by which a county ferry district proposing to take over the Seattle/Vashon POF route must begin service is extended to July 1, 2008.

EFFECT OF CHANGES MADE BY RECOMMENDED STRIKING AMENDMENT(S) AS PASSED COMMITTEE (Transportation): The following changes are made:

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.

- Fuel purchased by a public transportation benefit area (PTBA) or a county ferry for POF services is exempt from the state sales and use tax.
- Language directing WSDOT to give priority in the ferry grant program to continuing existing POF routes if grant funding is used as matching funds is removed. WSF is directed to make available for sale, POF vessels Chinook and Snohomish, by June 1, 2007.
- WSF is directed to continue the Seattle/Vashon POF route until another entity takes it over. The deadline for submitting a business plan to the Governor and the Legislature is extended from November 1, 2006, to November 1, 2007.
- The deadline for a PTBA seeking grant funding for a Kingston/Seattle POF route to submit a business plan to the Governor and Legislature is extended to November 1, 2007.
- The uses to which a ferry district can put property tax revenues is expanded to include improvements to ferry vessels and dock facilities and to provide shuttle services between the ferry terminal and landside improvements directly related to the provision of POF service. County ferry districts are also granted the ability to incur indebtedness and issue bonds to finance the construction, purchase, and preservation of POF vessels and associated terminals.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: This bill contains an emergency clause and takes effect on June 30, 2007.

Staff Summary of Public Testimony: OTHER: Additional financial assistance and additional legislation is required in order for King County to be able to take over the Seattle/Vashon passenger-only-ferry route.

Persons Testifying: OTHER: Chuck Williams, King County; Mike Beck, Metro Transit; Gordon Baxter, Inland Boatman's Union.