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**SUBSTITUTE HOUSE BILL 2385**

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**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)

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

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

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

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

(2) The adoption of fuel cost fluctuation strategies must be guided by an oversight committee including the department's principal financial officer, assistant secretary for the marine division, a representative from the office of financial management, and a representative from the department of enterprise services.

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

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