H-3198.1

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**HOUSE BILL 2497**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** Representatives Nance, Fitzgibbon, Fey, Abbarno, Peterson, McEntire, Shavers, Street, Pollet, Mena, Berry, Ramos, Slatter, Tharinger, Farivar, Reed, Senn, Walsh, Callan, Davis, Lekanoff, Chapman, Kloba, Donaghy, Simmons, Alvarado, Ryu, and Leavitt

AN ACT Relating to creating the Washington state ferries 75 work group; creating new sections; and providing an expiration date.

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

NEW SECTION. **Sec.**  The legislature finds that on June 1, 1951, the state of Washington bought the black ball fleet and commenced providing auto and passenger ferry service on the Puget Sound. By the year 1999, the Washington state ferries reached its peak ridership of 26,800,000 passengers, making the Washington state ferries the world's second largest ferry fleet. During the 21st century, ferry service has endured many challenges relating to financing, aging vessels, labor shortages, and vessel procurement. The legislature further finds that the Washington state ferries has not been adequately resourced to fulfill its vital mission. Therefore, to ensure the financial sustainability and continued excellence of the Washington state ferries, the legislature intends, with the 75th anniversary of state ferry service fast approaching, to evaluate changes to the financing of the state ferry system by June 1, 2026.

NEW SECTION. **Sec.**  The joint transportation committee must establish the Washington state ferries 75 work group.

(1) The work group must include two appointees each from the house and senate transportation committees, four representatives of ferry-served communities, a representative of labor, a representative of the Washington state ferries, and a representative of the governor's office. The chairs of the house and senate transportation committees must appoint the members representing the house and senate, labor unions, and ferry dependent communities. The work group must elect a chair from amongst its members.

(2) The work group must:

(a) Evaluate the funding requirements for the Washington state ferries to reliably operate service;

(b) Explore options to increase dedicated funding sources for the ferry system; and

(c) Identify federal funding opportunities and methods to optimize the Washington state ferries for eligibility, competitive positioning, and receipt.

(3) The work group must report to the governor and appropriate committees of the legislature as follows:

(a) Preliminary findings by January 13, 2025; and

(b) Final findings and recommendations by June 1, 2026.

(4) This section expires June 1, 2026.

NEW SECTION. **Sec.**  The institute for public policy at The Evergreen State College must conduct an economic impact study of ferry service disruptions. The study must examine the impacts on a statewide and systemwide basis, on all 10 routes of service provided by the Washington state ferries. The study must include a review of key factors that impact the overall economy of both ferry-served communities and the state economy. The study must address economic impacts on employment, housing, health care costs and access, emergency response, climate resilience, tourism, and small business. The data must be used to demonstrate the magnitude of hardships. The institute must submit a preliminary report to the office of the governor and the Washington state ferries 75 work group by December 13, 2024. A final report must be submitted to the office of the governor and the Washington state ferries 75 work group by June 1, 2025.

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