
Transportation Committee

HB 1923

Brief Description: Increasing the availability of passenger-only ferries by establishing the mosquito fleet act.

Sponsors: Representatives Nance, Berry, Fitzgibbon, Simmons, Richards, Thomas, Scott, Parshley, Pollet, Shavers and Davis.

Brief Summary of Bill

- Expands the types of entities that can form a passenger-only ferry (POF) service district, as well as the locations where they can be formed.
- Creates the Local POF Account and establishes the Local POF Grant Program, which is administered by the County Road Administration Board, to provide funds to POF service districts in the form of capital grants, operating grants, and feasibility study grants.

Hearing Date: 2/19/25

Staff: David Munnecke (786-7315).

Background:

Passenger-Only Ferry Service Districts.

The governing body of a public transportation benefit area (PTBA) located in certain counties that border western Puget Sound, which is currently only Kitsap Transit, may establish one or more passenger-only ferry (POF) service districts (Districts) within the boundaries of the PTBA. The boundaries of a District may include all or a portion of a city or town, if the portion to be included is within the PTBA's boundaries.

A District is considered an independent taxing authority, and is governed by the existing

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governing body of the PTBA that creates the District. A District is authorized to establish, finance, and provide POF service. The District also has specific authority to enter into contracts for POF service, public-private partnerships, design-build or general contractor/construction management, and other alternative procurement processes. A District may also issue certain general obligation and revenue bonds.

Prior to implementing POF service, a District must develop a POF investment plan that contains specific elements. In order to provide POF service, a majority of the voters in the District must approve the POF investment plan and the proposed taxes as part of a single vote. The District must contract with the Department of Revenue for collection of any sales and use tax, and may contract with other appropriate entities for the administration and collection of other taxes and charges.

A District may collect the following revenues for the purpose of implementing the POF investment plan:

- up to a 0.3 percent sales and use tax;
- a commercial parking tax for counties with a population of less than one million;
- tolls for passengers, packages, and parking; and
- charges or licensing fees for advertising, leasing space for services to POF passengers, and other revenue-generating facilities.

Summary of Bill:

In addition to PTBAs, the following entities, so long as they border or contain a navigable body of water, are authorized to establish one or more Districts within their boundaries:

- a county, under Title 36 RCW;
- a port district, under Title 53 RCW;
- a city transit system, under RCW 35.58.2721;
- a county transportation authority, under chapter 36.57 RCW;
- a metropolitan municipal corporation transit system, under chapter 36.56 RCW;
- an unincorporated transportation benefit area under RCW 36.57.100; and
- a regional transit authority, under chapter 81.112 RCW.

The members of the governing body of the entity creating the District constitute the governing body of the District.

The Local POF Account (Account) is created in the State Treasury, and funds in the Account may be spent only after appropriation. The expenditures from the Account may be used only for the Local POF Grant Program (Program) and those expenses of the County Road Administration Board (CRAB) associated with the administration of the Program. The Account is allowed to retain its earnings.

The CRAB is required to establish the Program, in order to provide Districts with grants for:

- the purchase of used POF vessels and the construction, rehabilitation, or improvement of

- associated docking facilities;
- the operation and maintenance of POF vessels; and
- feasibility studies regarding potential POF service routes.

The CRAB is also required to adopt rules relating to the allocation of funds in the Account and include a Program status report in the CRAB's annual report to the appropriate committees of the Legislature.

Appropriation: None.

Fiscal Note: Requested on February 14, 2025.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2025.