
HOUSE BILL 1830

State of Washington 62nd Legislature 2011 Regular Session

By Representatives Seaquist and Appleton

Read first time 02/04/11. Referred to Committee on Transportation.

1 AN ACT Relating to requiring comprehensive reform of the Washington
2 state ferry system; adding new sections to chapter 47.60 RCW; and
3 creating new sections.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that:

6 (1) Ferry service is an integral element of the state's network of
7 highway, transit, freight, and communications infrastructure vital to
8 the overall socioeconomic well-being of the state and to the survival
9 of ferry-dependent communities.

10 (2) Serious declines in the amount and reliability of ferry service
11 in recent years have damaged the economic vitality of many ferry
12 communities. For these businesses and working families, recovery from
13 the current, severe recession depends directly on the rapid restoration
14 of better ferry service.

15 (3) Immediate action is needed to bring ferry system operating
16 costs under control by downsizing administrative functions, improving
17 the working climate, and by refocusing the ferry system on its primary
18 mission of delivering reliable, cost-effective service.

1 (4) Immediate action is also needed both to begin furnishing new
2 vessels to our overaged, too small ferry fleet and to bolster the
3 maintenance of the existing fleet during the decade or more required to
4 achieve a substantial improvement in fleet size, age, and reliability.

5 (5) Despite several years of legislative studies, directives,
6 planning exercises, and the administrative integration of Washington
7 ferry service into the department of transportation, ferry system
8 management remains ineffective with key goals for cost-effective
9 operations, personnel management, vessel construction, and the public
10 availability of comprehensive budget and related information
11 unrealized.

12 (6) Accordingly, the legislature intends to impose on a
13 transitional, get-well basis a system reform executive board charged
14 with executive supervision of ferry system managers as the system
15 implements a series of explicit ferry system reform tasks and prepares
16 to transition to a new, sustainable management structure with enhanced
17 public oversight.

18 (7) Recognizing that restoring public trust in the ferry system
19 requires confidence that past problems will not be repeated, the
20 legislature also intends to launch a prompt comprehensive and
21 independent audit of the series of executive and legislative choices
22 that have led to the current service and fleet replacement crises.

23 NEW SECTION. **Sec. 2.** This act may be known and cited as the ferry
24 reform and accountability act.

25 NEW SECTION. **Sec. 3.** A new section is added to chapter 47.60 RCW
26 to read as follows:

27 (1) The Washington state ferry reform executive board is created.
28 Unless extended by the legislature, the board must complete its work by
29 and dissolve June 30, 2013. The board must consist of three members
30 appointed by the governor with the concurrence of the speaker of the
31 house of representatives and the majority leader of the senate in
32 consultation with the minority leaders of the house of representatives
33 and senate. In order to bring a balance of executive expertise, the
34 appointees must be an executive with maritime operations experience, an
35 executive with experience in cultivating positive workplace

1 environments, and an executive with contracting and construction
2 experience, each chosen for their proven capacity for innovation and
3 organizational excellence.

4 (2) Staffing of the Washington state ferry reform executive board
5 must be furnished by the Washington state ferries and the department of
6 transportation staffs as part of their regular support to the ferry
7 system's executives. The board may hire one full-time executive staff
8 support per appointed board member, of which one must be designated
9 transition chief of staff for the ferry system. Support staff must
10 receive compensation similar to a level two Washington management
11 services employee.

12 (3) Appointed board members must be compensated on a per diem basis
13 at the same rate of pay as the assistant secretary of Washington state
14 ferries.

15 NEW SECTION. **Sec. 4.** A new section is added to chapter 47.60 RCW
16 to read as follows:

17 (1) The Washington state ferry reform executive board shall direct
18 and oversee the transition of Washington ferry service to the cost-
19 effective performance of the mission prescribed in section 5 of this
20 act. To that end, the board shall work toward the following key
21 operational reform goals:

22 (a) Maximize administrative efficiency so that the fleet operates
23 with minimum nonafloat staff and administrative costs;

24 (b) Reform the personnel climate and labor-management relationships
25 to assure quality service by a healthy career force;

26 (c) Improve fleet maintenance effectiveness to assure reliable,
27 cost-effective service from the aging ferry fleet; and

28 (d) Create a new ferry system management architecture to be fully
29 functional by June 1, 2013, which incorporates a fully transparent
30 budget and other management information and participation by ferry
31 communities and ferry crews in cost control, system efficiency, fare
32 setting (per transportation commission processes), and service schedule
33 development.

34 (2) The Washington state ferry reform executive board shall propose
35 to the legislature by December 1, 2012:

36 (a) A revised, long-range plan for cost-effective ferry service,

1 fleet and terminal maintenance, fleet and terminal modernization, and
2 ferry system staffing;

3 (b) A plan for ferry system organization and governance reform; and

4 (c) A revised strategy for the acquisition of new ferries
5 consistent with the mission prescribed in section 5 of this act.

6 (3) The Washington state ferry reform executive board shall
7 periodically consult with ferry communities and ferry system employees
8 in public meetings.

9 (4) The Washington state ferry reform executive board shall provide
10 quarterly updates on its activities to the Washington state
11 transportation commission, the legislative standing committees on
12 transportation, and the general public.

13 NEW SECTION. **Sec. 5.** A new section is added to chapter 47.60 RCW
14 to read as follows:

15 The sole mission of the Washington state ferry system, operating as
16 a division of the department of transportation and in consonance with
17 the statutory authorities of the Washington state transportation
18 commission, is to operate, staff, and maintain a ferry fleet and
19 terminal system to deliver on marine highway routes designated by the
20 legislature highly reliable, maximally cost-effective ferry service
21 integrated with all other elements of the regional transportation
22 network.

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

25 The total cost of the Washington state ferry reform executive board
26 and the accountability audit under section 7 of this act, plus an
27 additional one million dollars in savings per fiscal biennium, must be
28 achieved by utilizing existing resources that support the ferry
29 system's executive and administrative staff costs.

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

32 In order to assure the lasting reforms directed under sections 1
33 through 6 of this act, the legislature and the public must be certain
34 that the lessons of past problems have been learned. To that end, the
35 state auditor shall conduct an immediate, comprehensive forensic audit

1 of the series of legislative and executive actions and decisions that
2 have materially contributed to the current crisis of ferry service and
3 system viability. In addition to identifying the salient executive and
4 legislative decisions and their impact on the system's performance, the
5 auditor shall suggest corrective lessons learned, provide a progress
6 report to the transportation committees of the legislature in January
7 2012, and complete the audit by June 2012.

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