
HOUSE BILL 1879

State of Washington 63rd Legislature 2013 Regular Session

By Representatives Seaquist, Appleton, and Fitzgibbon

Read first time 02/13/13. Referred to Committee on Transportation.

1 AN ACT Relating to ferry fares; amending RCW 47.60.315; adding new
2 sections to chapter 47.60 RCW; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** Recognizing that ferry fares comprise a high
5 proportion of the operating revenue of the Washington state ferry
6 system and that high ferry fares impose a special burden on ferry users
7 and impact the economic health of ferry communities, the legislature
8 intends that the executive committee of the Washington state ferry
9 users take a key role in the annual process of setting ferry fares by
10 advising the Washington state transportation commission. In addition
11 to providing the executive committee full access to ferry system budget
12 data, the legislature also intends that current operating and capital
13 budget data be available to the general public. The legislature
14 further intends to follow this effort with a review of the ferry
15 advisory committee system to ensure its viability and relevance.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.60 RCW
17 to read as follows:

1 (1) The executive committee of the Washington state ferry users
2 created in RCW 47.60.310 must:

3 (a) Develop a detailed understanding of the Washington state
4 ferries operating and capital budgets;

5 (b) Review proposals to change the fare schedule provided by the
6 department;

7 (c) Request and review operating budget cost savings and efficiency
8 strategies provided by the department;

9 (d) Recommend changes in overall fare strategies and policies; and

10 (e) Recommend fare changes and operating budget cost savings and
11 efficiency strategies to the commission.

12 (2)(a) The executive committee must serve in an advisory capacity
13 to the commission on all matters related to changes to the ferry fare
14 schedule, as well as operating budget cost savings and efficiency
15 strategies.

16 (b) By August 1, 2014, and every August 1st thereafter, the
17 executive committee must adopt recommendations regarding the ferry fare
18 schedule and submit them to the commission.

19 (c) By November 1, 2014, and every November 1st thereafter, the
20 executive committee must adopt recommendations regarding the Washington
21 state ferries operating and capital budgets as related to ferry
22 service, ferry fares, and the life-cycle cost of ownership.

23 (d) The executive committee must consider information gathered by
24 the ferry advisory committees' user surveys and customer feedback. The
25 executive committee may suggest specific customer survey data
26 requirements to the department and the commission.

27 (e) The commission, in consultation with the executive committee,
28 must develop a public outreach process that includes public hearings.

29 (3) A fare change may not be imposed or modified unless the
30 executive committee has been given at least twenty days to review and
31 comment on any proposed fare schedule changes. In setting ferry fares,
32 the commission must consider any recommendations of the executive
33 committee.

34 (4) The department must provide the executive committee with
35 Washington state ferries operating cost and fare revenue scenario
36 details to meet existing statutory requirements and the farebox
37 recovery rate as directed in section 3 of this act.

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

3 Beginning with the 2013-2015 biennial omnibus transportation
4 appropriations act, and for every biennial omnibus transportation
5 appropriations act thereafter, the legislature must set a farebox
6 recovery rate in the biennial omnibus transportation appropriations act
7 at a ceiling of no more than seventy-three percent of the total
8 Washington state ferries operating costs with the long-term goal of
9 reducing that ceiling by one percent per year for the following ten
10 years.

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

13 Working with the legislative evaluation and accountability program
14 committee and other relevant offices, the Washington state ferries must
15 develop an improved online ferry system operating budget display, as
16 well as an organizational chart of Washington state ferries personnel
17 assignments. The Washington state ferries must keep current the
18 information on the web site. Annually, the executive committee of the
19 Washington state ferry users must review the online data presentations
20 and recommend improvements to the Washington state ferries and the
21 legislative evaluation and accountability program committee.

22 **Sec. 5.** RCW 47.60.315 and 2011 1st sp.s. c 16 s 3 are each amended
23 to read as follows:

24 (1) The commission shall adopt fares and pricing policies by rule,
25 under chapter 34.05 RCW, according to the following schedule:

26 (a) Each year the department shall provide the commission a report
27 of its review of fares and pricing policies, with recommendations for
28 the revision of fares and pricing policies for the ensuing year;

29 (b) Each year, as described under section 2 of this act, the
30 executive committee of the Washington state ferry users created in RCW
31 47.60.310 must provide the commission with its recommendations;

32 (c) By September 1st of each year, beginning in 2008, the
33 commission shall adopt by rule fares and pricing policies for the
34 ensuing year.

35 (2) The commission may adopt by rule fares that are effective for

1 more or less than one year for the purposes of transitioning to the
2 fare schedule in subsection (1) of this section.

3 (3) The commission may increase ferry fares included in the
4 schedule of charges adopted under this section by a percentage that
5 exceeds the fiscal growth factor.

6 (4) The department must submit quarterly cost reports to the
7 commission and the executive committee of the Washington state ferry
8 users on activities that are paid for by fares.

9 (5) The chief executive officer of the ferry system may authorize
10 the use of promotional, discounted, and special event fares to the
11 general public and commercial enterprises for the purpose of maximizing
12 capacity use and the revenues collected by the ferry system. The
13 department shall report to the commission a summary of the promotional,
14 discounted, and special event fares offered during each fiscal year and
15 the financial results from these activities.

16 ((+5+)) (6) Fare revenues and other revenues deposited in the Puget
17 Sound ferry operations account created in RCW 47.60.530 may not be used
18 to support the Puget Sound capital construction account created in RCW
19 47.60.505, unless the support for capital is separately identified in
20 the fare.

21 ((+6+)) (7) The commission may not raise fares until the fare rules
22 contain pricing policies developed under RCW 47.60.290, or September 1,
23 2009, whichever is later.

24 ((+7+)) (8) The commission shall impose a vessel replacement
25 surcharge of twenty-five cents on every one-way and round-trip ferry
26 fare sold, including multiride and monthly pass fares. This surcharge
27 must be clearly indicated to ferry passengers and drivers and, if
28 possible, on the fare media itself.

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