

**JOINT TRANSPORTATION COMMITTEE
WSF FARE MEDIA STUDY**

CHANGES TO LEGISLATIVE DIRECTION ON FARE SETTING

RCW 47.60.326 (Repealed by ESHB 2358)

- (1) In order to maintain an adequate, fair, and economically sound schedule of charges for the transportation of passengers, vehicles, and commodities on the Washington state ferries, the department of transportation each year shall conduct a full review of such charges.
- (2) Prior to February 1st of each odd-numbered year the department shall transmit to the transportation commission a report of its review together with its recommendations for the revision of a schedule of charges for the ensuing biennium. The commission on or before July 1st of that year shall adopt as a rule, in the manner provided by the Washington administrative procedure act, a schedule of charges for the Washington state ferries for the ensuing biennium commencing July 1st. The schedule may initially be adopted as an emergency rule if necessary to take effect on, or as near as possible to, July 1st.
- (3) The department in making its review and formulating recommendations and the commission in adopting a schedule of charges may consider any of the following factors:
 - (a) The amount of subsidy available to the ferry system for maintenance and operation;
 - (b) The time and distance of ferry runs;
 - (c) The maintenance and operation costs for ferry runs with a proper adjustment for higher costs of operating outmoded or less efficient equipment;
 - (d) The efficient distribution of traffic between cross-sound routes;
 - (e) The desirability of reasonable rates for persons using the ferry system to commute daily to work and other frequent users who live in ferry-dependent communities;
 - (f) The effect of proposed fares in increasing walk-on and vehicular passenger use;
 - (g) The effect of proposed fares in promoting all types of ferry use during non-peak periods;
 - (h) The estimated revenues that are projected to be earned by the ferry system from commercial advertisements, parking, contracts, leases, and other sources;
 - (i) The prepurchase of multiple fares, whether for a single rider or multiple riders;
 - (j) Such other factors as prudent managers of a major ferry system would consider.

RCW 47.60.290 (Amended by ESHB 2358)

- (1) The department shall annually review fares and pricing policies applicable to the operation of the Washington state ferries.
- (2) Beginning in 2008, the department shall develop fare and pricing policy proposals that must:
 - (a) Recognize that each travel shed is unique, and might not have the same farebox recovery rate and the same pricing policies;
 - (b) Use data from the current survey conducted under section 4 of this act;
 - (c) Be developed with input from affected ferry users by public hearing and by review with the affected ferry advisory committees, in addition to the data gathered from the survey conducted in section 4 of this act;
 - (d) Generate the amount of revenue required by the biennial transportation budget;
 - (e) Consider the impacts on users, capacity, and local communities; and
 - (f) Keep fare schedules as simple as possible.
- (3) While developing fare and pricing policy proposals, the department must consider the following:
 - (a) Options for using pricing to level vehicle peak demand; and
 - (b) Options for using pricing to increase off-peak ridership.