



2023 WSTC Ferry Fare Considerations

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Ferry Fare Options

WSTC's Online Public Input Forum

Open from May 15, 2023 - June 9, 2023

Seeking public feedback on the following fare adjustment considerations:

- Vehicle / Passenger Fare Differential
 - Vehicle fares should be increased more than passenger fares
 - Passenger fares should be increased more than vehicle fares
 - Passenger and vehicle fares should both be increased at the same rate

- Possible changes to the Peak Season Surcharge

Survey Link: www.WSTCFeedback.Participate.Online

Possible Changes to the Peak Season Surcharge

During the months of **May through September**, a peak season “summer” surcharge is assessed on **single ticket vehicle fares** (the surcharge is not assessed on passenger fares or multiride passes).

The amount of the surcharge currently varies by route, as follows:

- **35%** for the Anacortes to Lopez, Shaw, Orcas and Friday Harbor routes
- **25%** for all other routes

The Commission’s Online Public Input Forum is exploring the viability of:

- A greater peak season surcharge amount for single ticket vehicle fares
- An equal peak season surcharge of 30% for single ticket vehicle fares on all routes
- A peak season surcharge on single ticket passenger fares

Next Steps

- The Commission will continue to administer the from the Online Public Input Forum through June, and staff will assess results
- Commission staff will present results from the Online Public Input Forum, as well as associated analysis, at the June Commission meeting.

Ferry Fuel Surcharge

Ferry Fuel Surcharge Background

The **2010 Supplemental Transportation Budget**, [ESSB 6381](#), included a proviso which **authorized the Commission to establish a fuel surcharge as part of the ferry fare rules for Washington State Ferries (WSF)**, as follows:

*(6) If the commission considers implementing a ferry fuel surcharge, it must first submit an analysis and business plan to the office of financial management and either the joint transportation committee or the transportation committees of the legislature. **The commission may impose a ferry fuel surcharge effective July 1, 2011.** When implementing a ferry fuel surcharge, the commission must regard ferry fuel surcharges as fare policy changes and thus, ferry fuel surcharges should be included in all public procedures and processes currently used for fare pricing per RCW 47.60.290.*

Overview - Ferry Fuel Surcharge

WAC 468-300-080

- Established October 1, 2011, as a rule in Washington Administrative Code
- Rule lays out the methodology for calculating and implementing a fuel surcharge
- Structured as an **incremental and additional charge** that is applied to the standard fare
- Calculated quarterly by WSF based on formula set forth in the rule
- Can range from 2.5% - 10% of the applicable ferry fare*

When the rule was originally established, if the calculated surcharge percentage were to reach a threshold amount of 2.5%, one of four possible fixed surcharge amounts (2.5%, 5%, 7.5%, or 10%) would be **automatically triggered.*

Ferry Fuel Surcharge

Commission Action Taken in 2022 & 2023

To forestall implementation of a ferry fuel surcharge and to ensure Commission and public input, in June 2022 the Commission entered into emergency rule making to amend WAC 468-300-080 as follows:

- Replace the automatic trigger mechanism for implementing the surcharge with a required review and approval by the Commission
- Enable the Commission to consider factors such as the revenue requirements of the ferry system, available funding, and impacts on ferry riders and local communities

In October 2022 and November 2023, the Commission took further action to extend the emergency rule to allow for legislative discussions and direction.

Ferry Fuel Surcharge 2023 Legislative Direction

The 2023-25 Transportation Budget, [ESHB 1125](#), amends RCW 47.60.315 (fares and pricing policies) as follows:

*(11) For the 2023-2025 fiscal biennium, any ferry fuel surcharge imposed by the commission **may not go into effect until after the ensuing regular legislative session.** If a fuel surcharge is imposed as provided under this subsection, the commission must reevaluate the need for the surcharge on at least a quarterly basis to determine if the surcharge is still needed to cover increased fuel costs, and revoke the surcharge if the determination is that the surcharge is no longer needed for this purpose.*

The Commission will put forward options for complying with this direction at the June Commission meeting.

Ferry Fuel Surcharge Potential Amendments

Current considerations for amending the rule include:

- Permanently adopting the language in the current emergency rule to:
 - ❑ Require review and approval by the Commission
 - ❑ Enable the Commission to consider factors such as the revenue requirements of the ferry system, available funding, and impacts on ferry riders and local communities
- Adopt additional changes to align with the Legislature's direction
 - ❑ Remove analysis that is no longer necessary, such as removing the third month estimate portion of the current calculation

Next Steps

- Commission staff will share proposed amendatory language to the fuel surcharge rule with Commissioners ahead of the June Commission meeting, with intended recommendation from the Ferry Subcommittee
- The Commission will put forward the proposed amendatory language at the June Commission meeting, to be included as part of the CR-102 filing.

Questions / Contact

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Online Public Input Forum (May 15 – June 9):

www.WSTCFeedback.Participate.Online

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