



2023 Ferry Fare Adjustments

Findings & Recommendations

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June 21, 2023



WSTC Online Public Input Forum

Open from May 15, 2023 - June 9, 2023

- **3,882** completed survey responses

Sought public input 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

Peak Season Surcharge Overview

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 asked for input on:

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

Forum Results

Key Respondent Metrics

Frequency of Use

- **13%** daily riders
- **36%** weekly riders
- **31%** monthly riders
- **20%** ride the ferry a few times a year or less

Primary Trip Purpose

- **50%** personal trips
- **21%** commute to work or school
- **10%** recreation
- **19%** other

Places of Residence

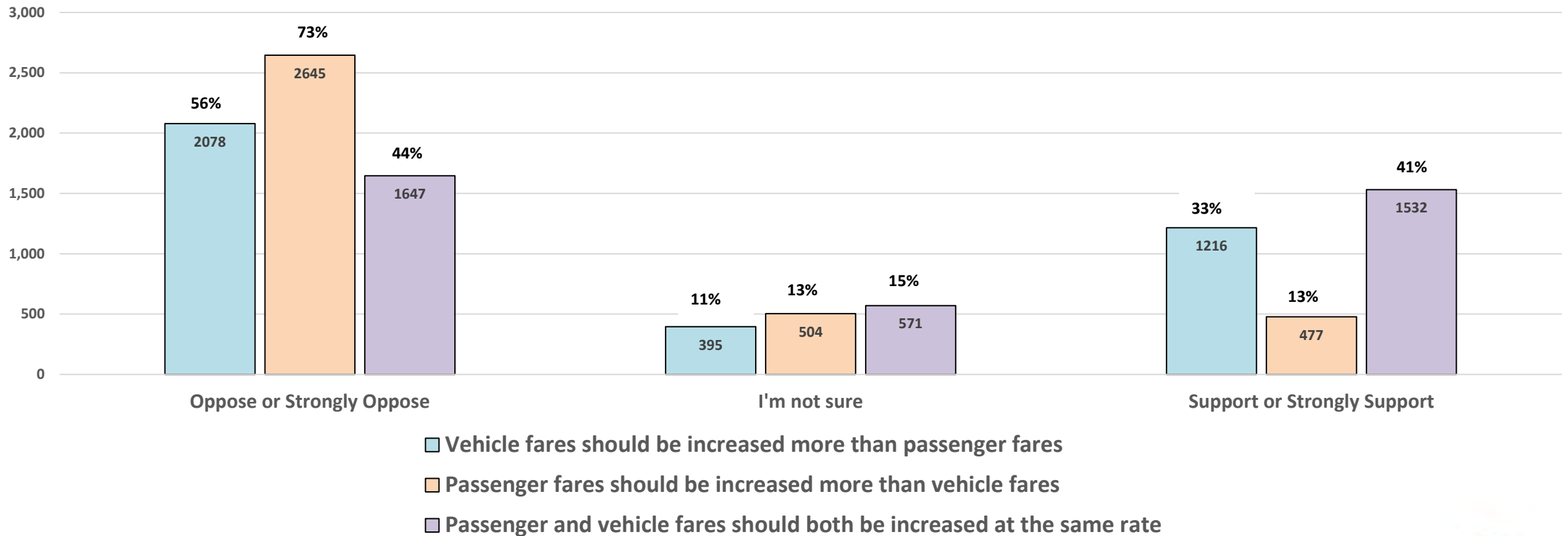
- **16%** Kitsap County
- **14%** San Juan Islands
- **11%** Whidbey Island
- **9%** Vashon Island/King County
- **50%** other

Q1: Please indicate your level of support for the following fare adjustment options:

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

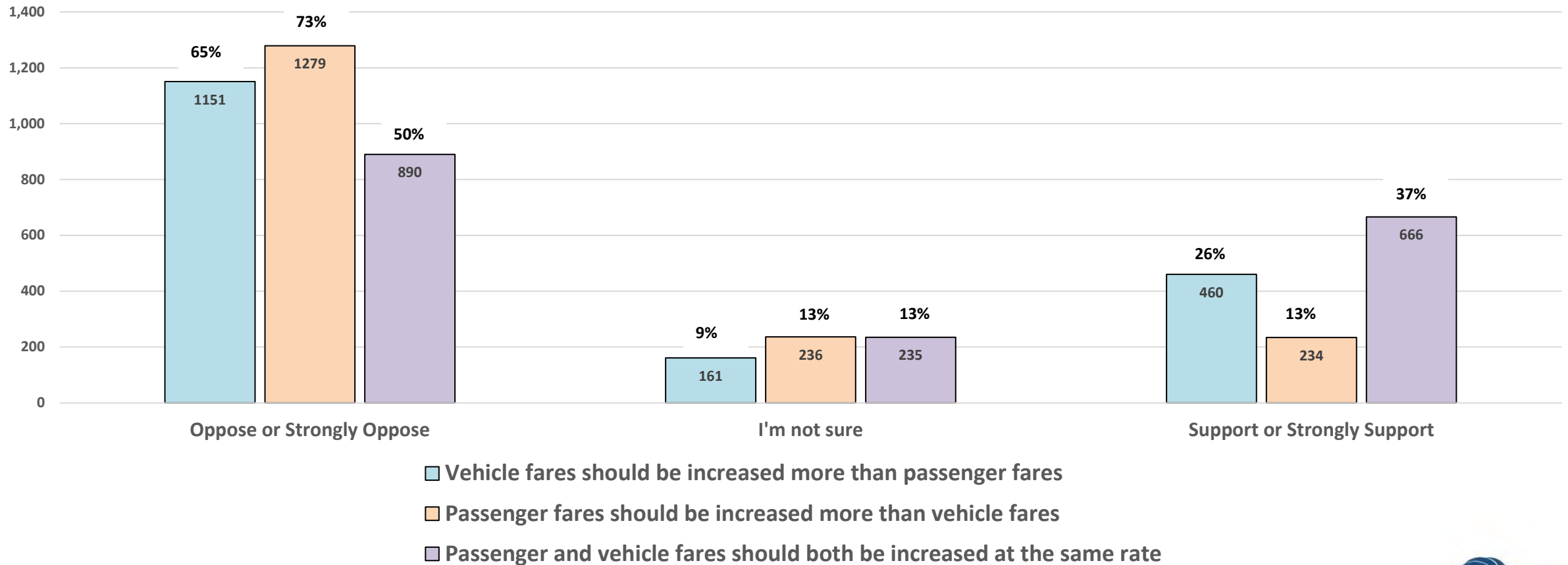
Q1 Results

Key Takeaway: There was the greatest support for an equal increase for passenger and vehicle fares (non-differential), and the greatest opposition to a larger increase for passenger fares compared to vehicle fares



Q1 Results Among Frequent Riders

Key Takeaway: Frequent (daily or weekly) riders showed the greatest support for an equal increase for passenger and vehicle fares (non-differential)

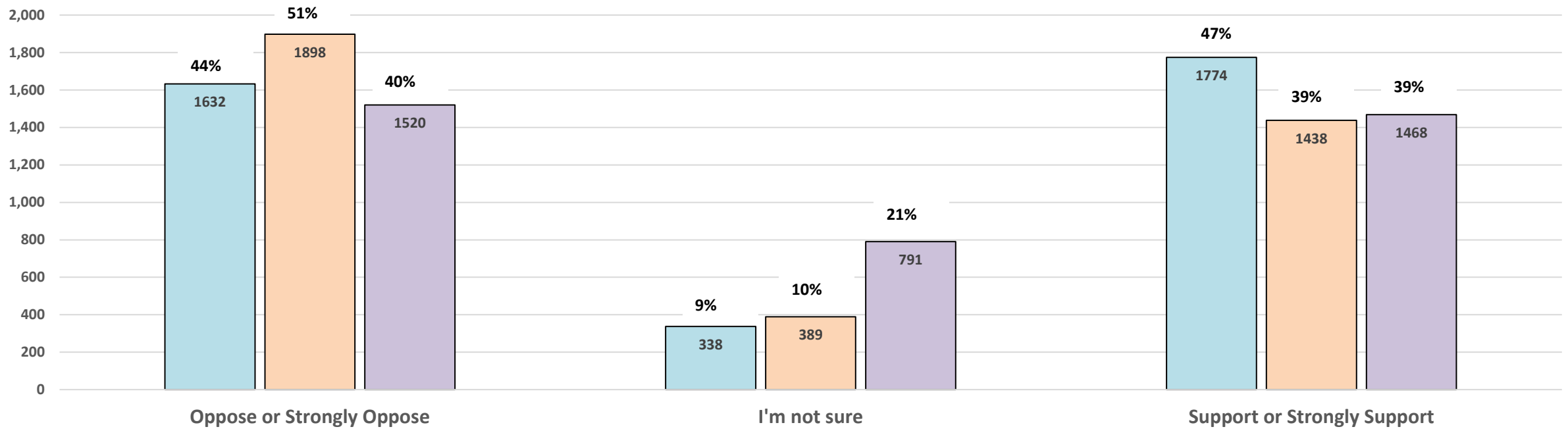


Q2: Please indicate your level of support for the following summer peak season surcharge adjustment options

- The summer peak season surcharge should be increased for single ticket vehicle fares
- A summer peak season surcharge should be implemented for single ticket passenger fares
- The summer peak season surcharge should be 30% for all routes, rather than either 25% or 35% depending on the route

Q2 Results

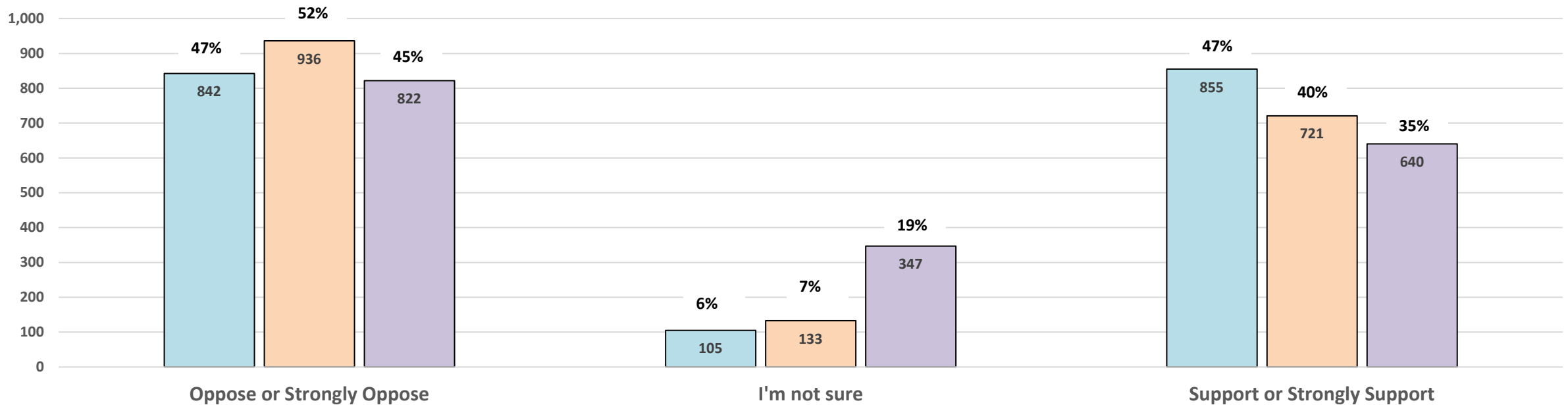
Key Takeaway: There was the greatest support for an increase to the current peak season surcharge for vehicles, and the greatest opposition for implementing a peak season surcharge for single ticket passenger fares



- The summer peak season surcharge should be increased for single ticket vehicle fares
- A summer peak season surcharge should be implemented for single ticket passenger fares
- The summer peak season surcharge should be 30% for all routes, rather than either 25% or 35% depending on the route

Q2 Results Among Frequent Riders

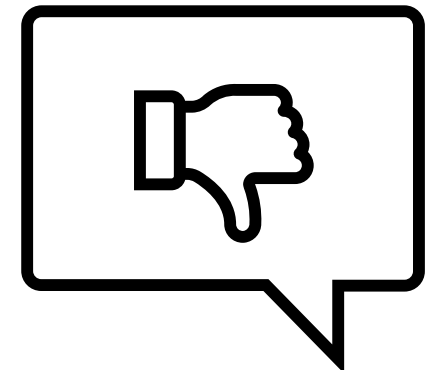
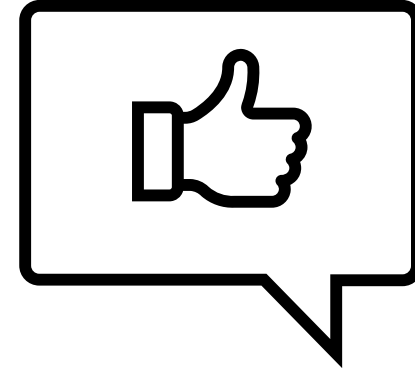
Key Takeaway: Frequent (daily or weekly) riders showed the greatest support for an increase to the current peak season surcharge, and the greatest opposition for implementing a peak season surcharge for single ticket passenger fares



- The summer peak season surcharge should be increased for single ticket vehicle fares
- A summer peak season surcharge should be implemented for single ticket passenger fares
- The summer peak season surcharge should be 30% for all routes, rather than either 25% or 35% depending on the route

What We Heard: Comments From Respondents

- **2,178** comments received
- Eight core themes emerged:
 - Focus on the reliability of service before increasing fares
 - Implement discounts for residents and multi-ride pass holders
 - State should find other means to fund the ferry system
 - Fares for senior/disabled people should not be increased
 - Fare increases are implemented inequitably
 - Extend the expiration date of the multi-ride passes
 - Request for more transparency about the budget and decision-making process
 - Suggestions for improving ferry travels



Recap of Findings

- There was the greatest support for an equal fare increase for passenger and vehicle fares (non-differential), and the greatest opposition to a larger increase for passenger fares compared to vehicle fares
- There was the greatest support for an increase to the current peak season surcharge for vehicles, and the greatest opposition for implementing a peak season surcharge for single ticket passenger fares

Fare Adjustment Recommendations

Fare Options Explored

WSF explored three possible fare adjustment options:

Option 1

Raise all vehicle and passenger fares by 4% on October 1, 2023, and October 1, 2024 (non-differential)

Option 2

Raise standard vehicle fares by 4.5% and passenger fares by 3.5% on October 1, 2023, and October 1, 2024 (differential)

Option 3

Raise vehicle and passenger fares by 4.25% on October 1, 2023, and October 1, 2024, and increase the current discount for multiride fares by 1%

Subcommittee Recommendation

		FY 2024 October 1, 2023	FY 2025 October 1, 2024	2023-25 Forecasted Revenue
Option 1 - Non-Differential	Passengers	4%	4%	\$418.9 M
	Vehicles	4%	4%	
Option 2 - Differential	Passengers	3.5%	3.5%	\$419 M
	Vehicles	4.5%	4.5%	
Option 3 - Increase multiride discount by 1%	Passengers	4.25%	4.25%	\$419.3 M
	Vehicles	4.25%	4.25%	

Fare Revenue Target: \$418.6 M

Based upon public input and the recommendation of WSF, the Ferry Subcommittee recommends advancing **Option 3** as the WSTC's fare proposal

- **Raise vehicle and passenger fares by 4.25% on October 1, 2023, and October 1, 2024, and increase the current discount for multiride fares by 1%**
- **The multiride discount increase should be increased by 1% and will expire September 30, 2025**

Ferry Fuel Surcharge Amendment

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 - Current Ferry Fuel Surcharge

- 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.*

Emergency Rule Changes in 2022

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

The Commission has taken action to extend the emergency rule to allow time for 2023 legislative session discussions, direction, and WSTC permanent rulemaking.

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.*

Recommended Rule Amendments

The following amendments to the rule are recommended for permanent adoption:

- ❑ Implementing a fuel surcharge requires review and approval by the Commission
- ❑ The Commission will consider factors such as the revenue requirements of the ferry system, available funding, and impacts on ferry riders and local communities
- ❑ Remove the calculation from the rule, allowing WSF to determine the need for the surcharge based on the amount appropriated by the Legislature

Next Steps

- Discuss and select the WSTC fare proposal
- File CR-102 by July 5
- Hold Public Hearing on August 10
- File CR-103P by August 31
- New fares take effect on October 1, 2023

Questions / Contact

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