

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 2391 HB

Title: County ferries

## Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

### Legislation Impacts:

- Cities:
- Counties: Counties would see an increase in cost savings for ferry maintenance.
- Special Districts:
- Specific jurisdictions only: Pierce, Skagit, Whatcom, and Wahkiakum Counties.
- Variance occurs due to:

## Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: The amount of cost savings for each jurisdiction.

### Estimated revenue impacts to:

None

### Estimated expenditure impacts to:

Jurisdiction	FY 2024	FY 2025	2023-25	2025-27	2027-29
County		(500,000)	(500,000)	(1,000,000)	(1,000,000)
<b>TOTAL \$</b>		(500,000)	(500,000)	(1,000,000)	(1,000,000)
<b>GRAND TOTAL \$</b>					<b>(2,500,000)</b>

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

## Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 01/23/2024
Leg. Committee Contact: Kellen Wright	Phone: 360-786-7134	Date: 01/17/2024
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 01/23/2024
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 01/23/2024

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

*Description of the bill with an emphasis on how it impacts local government.*

This bill would exempt county ferry maintenance contracts from public works contract compliance requirements.

Section 1 amends RCW 36.54.010 which would consider ferry maintenance to be ordinary maintenance for the purposes of contract compliance. This would include maintenance required by United States coast guard regulations for the annual certificate of inspection. This section is further amended to include the requirements for using “an indefinite-quantity contract”.

Section 3 is a new section establishing an effective date of July 1, 2024.

### **B. SUMMARY OF EXPENDITURE IMPACTS**

*Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.*

This legislation would result in cost savings for counties that perform their own maintenance on ferries. Known savings for Pierce County are shown in the expenditure grid.

Pierce County estimates a cost savings of \$500,000 per year for ferry maintenance if this legislation is passed. Whatcom County contracts its ferry maintenance out to private companies. Estimates for the other two counties were not available.

### **C. SUMMARY OF REVENUE IMPACTS**

*Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.*

This bill would not impact local government revenues.

#### **SOURCES**

Pierce County

Whatcom County