

The Need for a Major Investment in Public Ferry Systems

Ferries are a critical part of the U.S. transportation system. Ferries carry more than 100 million passengers annually and operate in at least 38 states. They provide a critical transportation option to help ease congestion in major metropolitan areas---in many metropolitan areas, ferries represent one of the few remaining options for significant transportation capacity expansion. They also serve isolated communities and provide a critical emergency evacuation alternative.

Ferries also often serve as an interim solution when other transportation infrastructure fails. Ferry service quickly sprang up to compensate for the disrupted PATH train after the 9/11 attacks in New York City and for the loss of part of the San Francisco Bay Bridge in the Loma Prieta earthquake.

Our nation's public ferry systems need federal assistance to help them meet growing demand and to replace aging vessels, terminals and other landside facilities. According to USDOT, 25 percent of U.S. ferry vessels are over 40 years old and 5 percent are over 60 years old.

Ferry transportation has often been undervalued and under-represented in federal transportation policymaking because ferries don't fit neatly into any of the major transportation modes. Despite the importance of ferries in many regions, the federal ferryboat discretionary program accounts for less than one-tenth of one percent of total federal transportation funding. Ferries deserve increased attention and support because they offer a relatively energy-efficient, environmentally-friendly and low-stress mode of travel.

Some of the major U.S. public ferry systems have estimated their **capital needs** over the next six years as follows:

- Washington State Ferries: \$1.2 billion
- New York City DOT Ferry Division: \$250 million
- North Carolina DOT Ferry Division: \$122 million
- Alaska Marine Highway: \$150 million
- San Francisco Bay Area Water Emergency Transportation Authority: \$250 million
- Cape May-Lewes Ferry System: \$100 million

Just these six systems estimate capital needs of \$2.07 billion over the next six years. There are also numerous smaller systems with additional capital needs. The total capital need for public ferry systems over the next six years probably approaches \$3 billion.

Public ferry systems need the federal government to be an active partner in helping them address these critical capital needs.

The **U.S. Ferry Systems Investment Act of 2009** (H.R. 2172 , S. 930), would improve and expand federal investment in ferries:

- It would authorize a three-fold increase in funding for the Ferryboat Discretionary Program from \$67 million in 2009 to \$200 million annually for FY 2010-15.
- It would establish a weighted formula to distribute half of the authorized funding based on passenger boardings (50 percent), vehicle boardings (25 percent) and total ferry system route miles (25 percent), thereby ensuring that the largest and most important public ferry systems receive adequate funding. The remaining half of the authorized funds would continue to be distributed on a discretionary basis, which would help initiate and expand ferry services throughout the country.
- It would establish a Ferry Joint Program Office in USDOT to coordinate federal programs affecting ferry systems.
- It would authorize ferry systems to compete for FTA's Clean Fuels Grant Program.
- It would improve the National Ferry Database and require that its data are consistent with the National Transit Database.
- It would establish a National Ferry Transportation Institute at a college or university to conduct research, training and other programs to improve U.S. ferry transportation systems.

Increasing federal investment in public ferry systems will **benefit the U.S. economy** in several ways. Increased ferry capacity will help economic productivity by reducing traffic congestion and offering a "laptop friendly" mode of travel. Construction and operation of new ferries will also generate thousands of much-needed family-wage jobs in shipyards and ferry systems.