

---

**HOUSE BILL 1818**

---

**State of Washington****53rd Legislature****1993 Regular Session**

**By** Representatives Karahalios, Sehlin, R. Meyers, Schmidt, Peery, Wood, Zellinsky, Edmondson, Stevens, Schoesler, Flemming, Mielke, Thomas, Foreman, Eide, Campbell, Pruitt, Holm and Talcott

Read first time 02/10/93. Referred to Committee on Trade, Economic Development & Housing.

1 AN ACT Relating to military dependent communities; amending RCW  
2 43.160.020, 43.160.076, 43.160.200, 43.168.020, 70.47.115; amending  
3 1991 c 314 s 26 (uncodified); amending 1991 c 314 s 27 (uncodified);  
4 amending 1991 c 314 s 32 (uncodified); amending 1991 c 314 s 33  
5 (uncodified); amending 1991 c 314 s 34 (uncodified); adding a new  
6 section to chapter 43.06 RCW; adding a new section to chapter 43.20A  
7 RCW; adding a new section to chapter 50.08 RCW; adding a new section to  
8 chapter 43.31 RCW; adding a new section to chapter 43.63A RCW; adding  
9 a new section to chapter 28B.50 RCW; adding new sections to chapter  
10 28B.80 RCW; adding a new section to chapter 50.12 RCW; adding a new  
11 section to chapter 50.22 RCW; creating a new section; repealing RCW  
12 43.160.900; and declaring an emergency.

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

14 NEW SECTION. **Sec. 1.** The legislature finds that military base  
15 closures and defense procurement contract cancellations may have  
16 extreme economic impacts on communities and firms. The legislature  
17 began to address this concern in 1990 by establishing the community  
18 diversification program in the department of community development.  
19 While this program has helped military dependent communities begin the

1 long road to diversification, base closures or major procurement  
2 contract reductions in the near future will find these communities  
3 unable to respond adequately, endangering the health, safety, and  
4 welfare of the community. The legislature intends to target emergency  
5 state assistance to military dependent communities significantly  
6 impacted by a reduction of defense spending until a long-term strategy  
7 can be developed by the legislature, the governor, and the community.  
8 The emergency state assistance and the long-term strategy should be  
9 driven by the impacted community and consistent with the state plan for  
10 diversification required under RCW 43.63A.450(4).

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.06 RCW  
12 to read as follows:

13 (1) The governor may, by executive order, declare a community to be  
14 a "military impacted area." A "military impacted area" means a  
15 community or communities, as identified in the executive order, that  
16 experience serious social and economic hardships because of a  
17 significant reduction in defense spending by the federal government in  
18 that community or communities.

19 (2) If the governor executes an order under subsection (1) of this  
20 section, the governor shall establish a response team to coordinate  
21 state efforts to assist the military impacted community. The response  
22 team shall include, but not be limited to, one member from each of the  
23 following agencies: (a) The department of community development; (b)  
24 the department of trade and economic development; (c) the department of  
25 social and health services; (d) the employment security department; (e)  
26 the state board for community and technical colleges; (f) the higher  
27 education coordinating board; (g) the department of transportation; and  
28 (h) the Washington energy office. The governor shall appoint a  
29 response team coordinator. The governor shall seek to actively involve  
30 the impacted community or communities in planning and implementing a  
31 response to the crisis. The governor may seek input or assistance from  
32 the community diversification advisory committee, and the governor may  
33 establish task forces in the community or communities to assist in the  
34 coordination and delivery of services to the local community. The  
35 state and community response shall consider economic development, human  
36 service, and training needs of the community or communities impacted.

1        NEW SECTION.    **Sec. 3.** A new section is added to chapter 43.20A RCW  
2 to read as follows:

3        The department shall target its programs and provide other  
4 appropriate assistance to military impacted areas as directed by the  
5 governor and the response team established under section 2(2) of this  
6 act.

7        NEW SECTION.    **Sec. 4.** A new section is added to chapter 50.08 RCW  
8 to read as follows:

9        The department shall target its programs and provide other  
10 appropriate assistance to military impacted areas as directed by the  
11 governor and the response team established under section 2(2) of this  
12 act.

13       NEW SECTION.    **Sec. 5.** A new section is added to chapter 43.31 RCW  
14 to read as follows:

15       The department shall target its programs and provide other  
16 appropriate assistance to military impacted areas as directed by the  
17 governor and the response team established under section 2(2) of this  
18 act.

19       NEW SECTION.    **Sec. 6.** A new section is added to chapter 43.63A RCW  
20 to read as follows:

21       The department shall target its programs and provide other  
22 appropriate assistance to military impacted areas as directed by the  
23 governor and the response team established under section 2(2) of this  
24 act.

25       **Sec. 7.** RCW 43.160.020 and 1992 c 21 s 3 are each amended to read  
26 as follows:

27       Unless the context clearly requires otherwise, the definitions in  
28 this section apply throughout this chapter.

29       (1) "Board" means the community economic revitalization board.

30       (2) "Bond" means any bond, note, debenture, interim certificate, or  
31 other evidence of financial indebtedness issued by the board pursuant  
32 to this chapter.

33       (3) "Department" means the department of trade and economic  
34 development or its successor with respect to the powers granted by this  
35 chapter.

1 (4) "Financial institution" means any bank, savings and loan  
2 association, credit union, development credit corporation, insurance  
3 company, investment company, trust company, savings institution, or  
4 other financial institution approved by the board and maintaining an  
5 office in the state.

6 (5) "Industrial development facilities" means "industrial  
7 development facilities" as defined in RCW 39.84.020.

8 (6) "Industrial development revenue bonds" means tax-exempt revenue  
9 bonds used to fund industrial development facilities.

10 (7) "Local government" means any port district, county, city, or  
11 town.

12 (8) "Sponsor" means any of the following entities which customarily  
13 provide service or otherwise aid in industrial or other financing and  
14 are approved as a sponsor by the board: A bank, trust company, savings  
15 bank, investment bank, national banking association, savings and loan  
16 association, building and loan association, credit union, insurance  
17 company, or any other financial institution, governmental agency, or  
18 holding company of any entity specified in this subsection.

19 (9) "Umbrella bonds" means industrial development revenue bonds  
20 from which the proceeds are loaned, transferred, or otherwise made  
21 available to two or more users under this chapter.

22 (10) "User" means one or more persons acting as lessee, purchaser,  
23 mortgagor, or borrower under a financing document and receiving or  
24 applying to receive revenues from bonds issued under this chapter.

25 (11) "Timber impact area" means:

26 (a) A county having a population of less than five hundred  
27 thousand, or a city or town located within a county having a population  
28 of less than five hundred thousand, and meeting two of the following  
29 three criteria, as determined by the employment security department,  
30 for the most recent year such data is available: (i) A lumber and wood  
31 products employment location quotient at or above the state average;  
32 (ii) projected or actual direct lumber and wood products job losses of  
33 one hundred positions or more, except counties having a population  
34 greater than two hundred thousand but less than five hundred thousand  
35 must have direct lumber and wood products job losses of one thousand  
36 positions or more; or (iii) an annual unemployment rate twenty percent  
37 or more above the state average; or

38 (b) Additional communities as the economic recovery coordinating  
39 board, established in RCW 43.31.631, designates based on a finding by

1 the board that each designated community is socially and economically  
2 integrated with areas that meet the definition of a timber impact area  
3 under (a) of this subsection.

4 (12) "Military impacted area" means a community or communities  
5 designated by executive order under section 2 of this act.

6 **Sec. 8.** RCW 43.160.076 and 1991 c 314 s 24 are each amended to  
7 read as follows:

8 (1) Except as authorized to the contrary under subsection (2) of  
9 this section, from all funds available to the board for loans and  
10 grants, the board shall spend at least fifty percent for grants and  
11 loans for projects in distressed counties, military impacted areas, or  
12 timber impact areas. For purposes of this section, the term  
13 "distressed counties" includes any county, in which the average level  
14 of unemployment for the three years before the year in which an  
15 application for a loan or grant is filed, exceeds the average state  
16 employment for those years by twenty percent.

17 (2) If at any time during the last six months of a biennium the  
18 board finds that the actual and anticipated applications for qualified  
19 projects in distressed counties, military impacted areas, or timber  
20 impact areas are clearly insufficient to use up the fifty percent  
21 allocation, then the board shall estimate the amount of the  
22 insufficiency and during the remainder of the biennium may use that  
23 amount of the allocation for loans and grants for projects not located  
24 in distressed counties, military impacted areas, or timber impact  
25 areas.

26 **Sec. 9.** RCW 43.160.200 and 1991 c 314 s 23 are each amended to  
27 read as follows:

28 (1) The economic development account is created within the public  
29 facilities construction loan revolving fund under RCW 43.160.080.  
30 Moneys in the account may be spent only after appropriation.  
31 Expenditures from the account may be used only for the purposes of RCW  
32 43.160.010(4), to assist military impacted communities as designated  
33 under section 2 of this act, and this section. The account is subject  
34 to allotment procedures under chapter 43.88 RCW.

35 (2) Applications under this section for assistance from the  
36 economic development account are subject to all of the applicable

1 criteria set forth under this chapter, as well as procedures and  
2 criteria established by the board, except as otherwise provided.

3 (3) Eligible applicants under this section are limited to political  
4 subdivisions of the state in timber impact areas that demonstrate, to  
5 the satisfaction of the board, the local economy's dependence on the  
6 forest products industry.

7 (4) Applicants must demonstrate that their request is part of an  
8 economic development plan consistent with applicable state planning  
9 requirements. Applicants must demonstrate that tourism projects have  
10 been approved by the local government and are part of a regional  
11 tourism plan approved by the local and regional tourism organizations.  
12 Industrial projects must be approved by the local government and the  
13 associate development organization.

14 (5) Publicly owned projects may be financed under this section upon  
15 proof by the applicant that the public project is a necessary component  
16 of, or constitutes in whole, a tourism project.

17 (6) Applications must demonstrate local match and participation.  
18 Such match may include: Land donation, other public or private funds  
19 or both, or other means of local commitment to the project.

20 (7) Board financing for feasibility studies shall not exceed  
21 twenty-five thousand dollars per study. Board funds for feasibility  
22 studies may be provided as a grant and require a dollar for dollar  
23 match with up to one-half in-kind match allowed.

24 (8) Board financing for tourism projects shall not exceed two  
25 hundred fifty thousand dollars. Other public facility projects under  
26 this section shall not exceed five hundred thousand dollars. Loans  
27 with flexible terms and conditions to meet the needs of the applicants  
28 shall be provided. Grants may also be authorized, but only when, and  
29 to the extent that, a loan is not reasonably possible, given the  
30 limited resources of the political subdivision.

31 (9) The board shall develop guidelines for allowable local match  
32 and feasibility studies.

33 (10) Applications under this section need not demonstrate evidence  
34 that specific private development or expansion is ready to occur or  
35 will occur if funds are provided.

36 (11) The board shall establish guidelines for making grants and  
37 loans under this section to ensure that the requirements of this  
38 chapter are complied with. The guidelines shall include:

1 (a) A process to equitably compare and evaluate applications from  
2 competing communities.

3 (b) Criteria to ensure that approved projects will have a high  
4 probability of success and are likely to provide long-term economic  
5 benefits to the community. The criteria shall include: (i) A minimum  
6 amount of local participation, determined by the board per application,  
7 to verify community support for the project; (ii) an analysis that  
8 establishes the project is feasible using standard economic principles;  
9 and (iii) an explanation from the applicant regarding how the project  
10 is consistent with the communities' economic strategy and goals.

11 (c) A method of evaluating the impact of the loans or grants on the  
12 economy of the community and whether the loans or grants achieved their  
13 purpose.

14 **Sec. 10.** RCW 43.168.020 and 1991 c 314 s 19 are each amended to  
15 read as follows:

16 Unless the context clearly requires otherwise, the definitions in  
17 this section apply throughout this chapter.

18 (1) "Committee" means the Washington state development loan fund  
19 committee.

20 (2) "Department" means the department of community development.

21 (3) "Director" means the director of the department of community  
22 development.

23 (4) "Distressed area" means: (a) A county which has an  
24 unemployment rate which is twenty percent above the state average for  
25 the immediately previous three years; (b) a metropolitan statistical  
26 area, as defined by the office of federal statistical policy and  
27 standards, United States department of commerce, in which the average  
28 level of unemployment for the calendar year immediately preceding the  
29 year in which an application is filed under this chapter exceeds the  
30 average state unemployment for such calendar year by twenty percent.  
31 Applications under this subsection (4)(b) shall be filed by April 30,  
32 1989; (c) an area within a county, which area: (i) Is composed of  
33 contiguous census tracts; (ii) has a minimum population of five  
34 thousand persons; (iii) has at least seventy percent of its families  
35 and unrelated individuals with incomes below eighty percent of the  
36 county's median income for families and unrelated individuals; and (iv)  
37 has an unemployment rate which is at least forty percent higher than  
38 the county's unemployment rate; or (d) a county designated as a timber

1 impact area under RCW 43.31.601 or military impacted area as designated  
2 under section 2 of this act if an application is filed by July 1,  
3 (~~1993~~) 1995. For purposes of this definition, "families and  
4 unrelated individuals" has the same meaning that is ascribed to that  
5 term by the federal department of housing and urban development in its  
6 regulations authorizing action grants for economic development and  
7 neighborhood revitalization projects.

8 (5) "Fund" means the Washington state development loan fund.

9 (6) "Local development organization" means a nonprofit organization  
10 which is organized to operate within an area, demonstrates a commitment  
11 to a long-standing effort for an economic development program, and  
12 makes a demonstrable effort to assist in the employment of unemployed  
13 or underemployed residents in an area.

14 (7) "Project" means the establishment of a new or expanded business  
15 in an area which when completed will provide employment opportunities.  
16 "Project" also means the retention of an existing business in an area  
17 which when completed will provide employment opportunities.

18 **Sec. 11.** RCW 70.47.115 and 1992 c 21 s 7 are each amended to read  
19 as follows:

20 (1) The administrator, when specific funding is provided and where  
21 feasible, shall make the basic health plan available in timber impact  
22 areas and military impacted areas designated under section 2 of this  
23 act. The administrator shall prioritize making the plan available  
24 under this section to military impacted areas as designated under  
25 section 2 of this act or the timber impact areas meeting the following  
26 criteria, as determined by the employment security department: (a) A  
27 lumber and wood products employment location quotient at or above the  
28 state average; (b) a direct lumber and wood products job loss of one  
29 hundred positions or more; and (c) an annual unemployment rate twenty  
30 percent above the state average.

31 (2) Persons assisted under this section shall meet the requirements  
32 of enrollee as defined in RCW 70.47.020(4).

33 (3) For purposes of this section, "timber impact area" means:

34 (a) A county having a population of less than five hundred  
35 thousand, or a city or town located within a county having a population  
36 of less than five hundred thousand, and meeting two of the following  
37 three criteria, as determined by the employment security department,  
38 for the most recent year such data is available: (i) A lumber and wood

1 products employment location quotient at or above the state average;  
2 (ii) projected or actual direct lumber and wood products job losses of  
3 one hundred positions or more, except counties having a population  
4 greater than two hundred thousand but less than five hundred thousand  
5 must have direct lumber and wood products job losses of one thousand  
6 positions or more; or (iii) an annual unemployment rate twenty percent  
7 or more above the state average; or

8 (b) Additional communities as the economic recovery coordinating  
9 board, established in RCW 43.31.631, designates based on a finding by  
10 the board that each designated community is socially and economically  
11 integrated with areas that meet the definition of a timber impact area  
12 under (a) of this subsection.

13 **Sec. 12.** 1991 c 314 s 26 (uncodified) is amended to read as  
14 follows:

15 (1) For the period beginning July 1, 1991, and ending June 30,  
16 (~~(1993)~~) 1995, in timber impact areas or military impacted areas the  
17 public works board may award low-interest or interest-free loans to  
18 local governments for construction of new public works facilities that  
19 stimulate economic growth or diversification.

20 (2) For the purposes of this section and section 27 of this act:

21 (a) "Public facilities" means bridge, road and street, domestic  
22 water, sanitary sewer, and storm sewer systems.

23 (b) "Timber impact area" means a county having a population of less  
24 than five hundred thousand, or a city or town located within a county  
25 having a population of less than five hundred thousand, and meeting two  
26 of the following three criteria, as determined by the employment  
27 security department, for the most recent year such data is available:

28 (i) A lumber and wood products employment location quotient at or above  
29 the state average; (ii) projected or actual direct lumber and wood  
30 products job losses of one hundred positions or more, except counties  
31 having a population greater than two hundred thousand but less than  
32 five hundred thousand must have direct lumber and wood products job  
33 losses of one thousand positions or more; or (iii) an annual  
34 unemployment rate twenty percent or more above the state average.

35 (c) "Military impacted area" means a community or communities  
36 designated by executive order under section 2 of this act.

37 (3) The loans may have a deferred payment of up to five years but  
38 shall be repaid within twenty years. The public works board may

1 require other terms and conditions and may charge such rates of  
2 interest on its loans as it deems appropriate to carry out the purposes  
3 of this section. Repayments shall be made to the public works  
4 assistance account.

5 (4) The board may make such loans irrespective of the annual loan  
6 cycle and reporting required in RCW 43.155.070.

7 **Sec. 13.** 1991 c 314 s 27 (uncodified) is amended to read as  
8 follows:

9 (1) As authorized by section 26 of this act, the board shall  
10 establish criteria for awarding loans to local governments in timber  
11 impact areas and military impacted areas including, but not limited to,  
12 the following:

13 (a) If a county or city, the local government must be imposing the  
14 tax authorized by chapter 82.46 RCW at a rate of at least one-quarter  
15 of one percent;

16 (b) The local government must have in place a capital improvement  
17 plan meeting standards established by the board and an economic  
18 development plan meeting standards established by the department;

19 (c) The local economy must have experienced or be about to  
20 experience employment losses due to the timber economy or changes in  
21 military spending;

22 (d) The proposed project must provide an opportunity to create or  
23 retain jobs within the local economy. Priority may be given to those  
24 projects that provide an opportunity to retain or create jobs for the  
25 pool of local workers affected by the timber economy or changes in  
26 military spending;

27 (e) The local government must provide reasonable assurances of its  
28 ability to repay the debt; and

29 (f) The local government must meet any additional guidelines and  
30 criteria established by the board for awarding loan funds.

31 (2) Existing debt or other financial obligations of the local  
32 government shall not be refinanced under this section and section 26 of  
33 this act.

34 (3) The board shall award loans only to those projects that meet  
35 the criteria and will fulfill the purpose of this section and section  
36 26 of this act. Any funds not obligated at the close of the biennium  
37 shall be returned to the public works assistance account.

1       **Sec. 14.** 1991 c 314 s 32 (uncodified) is amended to read as  
2 follows:

3       RCW 43.160.076 and 1991 c 314 s 24 & 1985 c 446 s 6 are each  
4 repealed effective June 30, (~~1993~~) 1995.

5       **Sec. 15.** 1991 c 314 s 33 (uncodified) is amended to read as  
6 follows:

7       Section 23 of this act expires June 30, (~~1993~~) 1995.

8       **Sec. 16.** 1991 c 314 s 34 (uncodified) is amended to read as  
9 follows:

10       Section 25 of this act shall take effect July 1, (~~1993~~) 1995.

11       NEW SECTION. **Sec. 17.** A new section is added to chapter 28B.50  
12 RCW to read as follows:

13       (1) After notification by the governor that a community is  
14 designated a military impacted area under section 2 of this act, the  
15 state board for community and technical colleges shall administer a  
16 program designed to provide higher education opportunities to defense  
17 dependent workers negatively impacted by a reduction in military  
18 spending in their community and their unemployed spouses who are  
19 enrolled in a community or technical college for ten or more credit  
20 hours per quarter. In administering the program, the state board for  
21 community and technical colleges shall do the following:

22       (a) With the assistance of an advisory committee, design a  
23 procedure for selecting workers to participate in the program;

24       (b) Allocate funding to community and technical colleges attended  
25 by participants;

26       (c) Monitor the program and report on participants' progress and  
27 outcomes; and

28       (d) Report to the legislature annually each December on the status  
29 of the program.

30       (2) Unemployed spouses of eligible defense dependent workers may  
31 participate in the program, but tuition and fees may be waived under  
32 the program only for the worker or the spouse but not both.

33       (3) The boards of trustees of the community and technical colleges  
34 shall waive tuition and fees for program participants, for a maximum of  
35 six quarters within a two-year period.

1 (4) During a biennium, the number of full-time equivalent students  
2 to be served in this program is determined by the applicable omnibus  
3 appropriations act, and is in addition to the community college  
4 enrollment level funded by the applicable omnibus appropriations act.

5 NEW SECTION. **Sec. 18.** A new section is added to chapter 28B.80  
6 RCW to read as follows:

7 After notification by the governor that a community is designated  
8 a military impacted area under section 2 of this act, the board shall  
9 administer a program designed to provide upper division higher  
10 education opportunities to defense dependent workers, their spouses,  
11 and others in military impacted areas. In administering the program,  
12 the board shall do the following:

13 (1) Distribute funding for institutions of higher education to  
14 service placebound students in the military impacted areas as  
15 designated under section 2 of this act;

16 (2) Appoint an advisory committee to assist the board in program  
17 design and future project selection;

18 (3) Monitor the program and report on student progress and outcome;  
19 and

20 (4) Report to the legislature each December on the status of the  
21 program.

22 NEW SECTION. **Sec. 19.** A new section is added to chapter 28B.80  
23 RCW to read as follows:

24 (1) After notification by the governor that a community is  
25 designated a military impacted area under section 2 of this act, the  
26 board shall contract with institutions of higher education to provide  
27 upper division classes to serve additional placebound students in  
28 military impacted areas. The number of full-time equivalent students  
29 served in this manner is determined by the applicable omnibus  
30 appropriations act. The board may direct that all the full-time  
31 equivalent enrollments be served in one of the eligible military  
32 impacted areas if it determines that this would be the most viable  
33 manner of establishing the program and using available resources. The  
34 institutions shall utilize telecommunication technology, if available,  
35 to carry out the purposes of this section. The institutions providing  
36 the service shall waive the tuition, service, and activities fees for

1 defense dependent workers or their unemployed spouses enrolled as full-  
2 time equivalent students allocated to the college under this section.

3 (2) Unemployed spouses of eligible defense dependent workers may  
4 participate in the program, but tuition and fees may be waived under  
5 the program only for the worker or the spouse but not both.

6 (3) For an eligible participant, tuition must be waived for a  
7 maximum of four semesters or six quarters within a two-year time period  
8 and the participant must be enrolled for a minimum of ten credits per  
9 semester or quarter.

10 NEW SECTION. **Sec. 20.** A new section is added to chapter 28B.80  
11 RCW to read as follows:

12 Defense dependent workers and their spouses must receive priority  
13 for attendance in upper division courses allocated under section 19 of  
14 this act. Remaining allocations may be distributed to others in the  
15 military impacted area.

16 NEW SECTION. **Sec. 21.** A new section is added to chapter 50.12 RCW  
17 to read as follows:

18 (1) After notification by the governor that a community is  
19 designated a military impacted area under section 2 of this act, and  
20 subject to the availability of state or federal funds, the employment  
21 security department, as a member of the agency response team under  
22 section 2 of this act, shall consult with and may subcontract with  
23 local educational institutions, local businesses, local labor  
24 organizations, local associate development organizations, local private  
25 industry councils, local social service organizations, and local  
26 governments in carrying out a program of training and services,  
27 including entrepreneurial training and training through the self-  
28 employment and enterprise development program, for dislocated defense  
29 workers in military impacted areas.

30 (2) The department shall conduct a survey to determine the actual  
31 future employment needs and jobs skills in military impacted areas.

32 (3) The department shall coordinate the services provided in this  
33 section with all other services provided by the department and with the  
34 other economic recovery efforts undertaken by state and local  
35 government agencies on behalf of the military impacted areas.

36 (4) The department shall make every effort to procure additional  
37 federal and other moneys for the efforts enumerated in this section.

1 (5) For the purposes of this section, "military impacted areas"  
2 means communities designated as military impacted areas under section  
3 2 of this act.

4 NEW SECTION. **Sec. 22.** A new section is added to chapter 50.22 RCW  
5 to read as follows:

6 (1) After the governor notifies the department that a community has  
7 been designated a military impacted area under section 2 of this act,  
8 an additional benefit period is established for counties identified  
9 under subsection (2) of this section beginning on the first Sunday  
10 after the effective date of this section and for the civilian military  
11 defense industry beginning with the third week after the first Sunday  
12 after the effective date of this section. Benefits must be paid as  
13 provided in subsection (3) of this section to exhaustees eligible under  
14 subsection (4) of this section.

15 (2) The additional benefit period begins with the third week after  
16 a week in which the commissioner determines that a county contains a  
17 military impacted area. The additional benefit period for a county may  
18 end no sooner than fifty-two weeks after the additional benefit period  
19 begins.

20 (3) Additional benefits must be paid as follows:

21 (a) The total additional benefit amount is fifty-two times the  
22 individual's weekly benefit amount, reduced by the total amount of  
23 regular benefits and extended benefits paid, or deemed paid, with  
24 respect to the benefit year. Additional benefits are not payable for  
25 weeks more than one year beyond the end of the benefit year of the  
26 regular claim, and are payable for up to five weeks following the  
27 completion of the training required under this section.

28 (b) The weekly benefit amount must be calculated as specified in  
29 RCW 50.22.040.

30 (c) Benefits paid under this section must be paid under the same  
31 terms and conditions as regular benefits and may not be charged to the  
32 experience rating account of individual employers. The additional  
33 benefit period is suspended with the start of an extended benefit  
34 period, or a totally federally funded benefit program, with eligibility  
35 criteria and benefits comparable to the program established under this  
36 section, and resume the first week following the end of the federal  
37 program.

1 (4) An additional benefit eligibility period is established for an  
2 exhaustee who:

3 (a)(i) At the time of last separation from employment, resided in  
4 or was employed in a county identified under subsection (2) of this  
5 section; or

6 (ii) During his or her base year, earned wages in at least six  
7 hundred eighty hours in the civilian military defense industry, which  
8 is determined by the department;

9 (b)(i) Has received notice of termination or lay off; and

10 (ii) Is unlikely to return to employment in his or her principal  
11 occupation or previous industry because of a diminishing demand within  
12 his or her labor market for his or her skills in the occupation or  
13 industry;

14 (c)(i) Is notified by the department of the requirements of this  
15 section and develops an individual training program that is submitted  
16 to the commissioner for approval by sixty days after the individual is  
17 notified of the requirements of this section, and enters the approved  
18 training program not later than ninety days after the date of the  
19 individual's termination or layoff, or ninety days after the effective  
20 date of this section, whichever is later, unless the department  
21 determines that the training is not available during the ninety-day  
22 period, in which case the individual shall enter training as soon as it  
23 is available; or

24 (ii) Is enrolled in training approved under this section on a full-  
25 time basis and maintains satisfactory progress in the training; and

26 (d) Does not receive a training allowance or stipend under the  
27 provisions of federal or state law.

28 (5) For the purposes of this section:

29 (a) "Training program" means:

30 (i) A remedial education program determined to be necessary after  
31 counseling at the educational institution in which the individual  
32 enrolls under his or her approved training program; or

33 (ii) A vocational training program at an educational institution  
34 that:

35 (A) Is training for a labor demand occupation;

36 (B) Is likely to facilitate a substantial enhancement of the  
37 individual's marketable skills and earning power; and

38 (C) Does not include on-the-job training or other training under  
39 which the individual is paid by an employer for work performed by the

1 individual during the time that the individual receives additional  
2 benefits under subsection (1) of this section.

3 (b) "Educational institution" means an institution of higher  
4 education as defined in RCW 28B.10.016 or an educational institution as  
5 defined in RCW 28C.04.410(3).

6 (c) "Training allowance or stipend" means discretionary use, cash-  
7 in-hand payments available to the individual to be used as the  
8 individual sees fit, but does not mean direct or indirect compensation  
9 for training costs such as tuition or books and supplies.

10 (6) The commissioner shall adopt rules necessary to implement this  
11 section.

12 NEW SECTION. **Sec. 23.** RCW 43.160.900 and 1987 c 422 s 10, 1985 c  
13 446 s 25, & 1982 1st ex.s. c 40 s 10 are each repealed.

14 NEW SECTION. **Sec. 24.** If any provision of this act or its  
15 application to any person or circumstance is held invalid, the  
16 remainder of the act or the application of the provision to other  
17 persons or circumstances is not affected.

18 NEW SECTION. **Sec. 25.** This act is necessary for the immediate  
19 preservation of the public peace, health, or safety, or support of the  
20 state government and its existing public institutions, and shall take  
21 effect immediately.

--- END ---