

SENATE BILL REPORT

EHB 2821

AS REPORTED BY COMMITTEE ON COMMERCE & LABOR, FEBRUARY 28, 1992

Brief Description: Allowing communities closely associated with timber impact areas to be included in programs for dislocated forest products workers.

SPONSORS: Representatives Jones, Bowman, Kremen, Wynne, Rayburn, Hargrove, Basich, Scott, Ogden, Morris, Riley, Haugen, Sheldon, Rasmussen, J. Kohl, Franklin, Brekke and Brumsickle

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Matson, Chairman; McMullen, Moore, Murray, and Skratek.

Staff: Patrick Woods (786-7430)

Hearing Dates: February 28, 1992

BACKGROUND:

In response to dramatic reductions in timber harvest levels in Washington, the 1991 Legislature created several programs to assist communities, businesses, workers and families in timber impact areas. The legislation defines a timber impact area as a county having a population of less than 500,000 or a city or town located within a county having a population of less than 500,000, and meeting two of the following three criteria, as determined by the Employment Security Department, for the most recent year such data is available; (a) a lumber and wood products employment location quotient at or above the state average; (b) project or actual direct lumber and wood products job losses of 100 positions or more, except counties having a population greater than 200,000 but less than 500,000 must have direct lumber and wood products job losses of 1,000 positions or more; or (c) an annual unemployment rate 20 percent or more above the state average. The Department of Employment Security determines which counties, cities and towns meet the statutory eligibility criteria. Currently there are 20 counties that qualify as timber impact areas. As a result of the statutory definition of timber impact area certain communities within the state that are socially and economically connected to timber communities and their citizens are ineligible to receive state assistance.

State funds budgeted for the capital and operating costs of the timber impact area assistance programs exceed \$68 million for the 1991-93 biennium. The Interagency Task Force and the Timber Recovery Coordinator, created by the same 1991

legislation, coordinate the assistance programs to the timber impact areas. Because funds are limited, the Interagency Timber Task Force has targeted its efforts and resources on eligible areas that it has determined to be in greatest need.

The timber community programs provide a broad range of economic development training, financing and social services to communities and individuals within timber impact areas.

SUMMARY:

The definition of timber impact area in the timber programs created by the 1991 legislation is broadened to include communities that are socially and economically integrated with those areas meeting the current definition. The Economic Recovery Coordinating Board determines which additional communities meet the new criteria.

Eligibility for the Basic Health Plan is expanded to include not just dislocated forest products workers and their families, but all persons in timber impact areas.

Appropriation: none

Revenue: none

Fiscal Note: requested February 3, 1992

Effective Date: The bill contains an emergency clause and takes effect immediately.

TESTIMONY FOR:

Some local communities that are not located in officially designated timber impact counties are still adversely affected by reductions in timber harvests. Such communities might be economically and socially connected to eligible timber impact areas and would benefit from participation in timber assistance programs. The Economic Recovery Coordinating Board is comprised of representatives from the timber impact areas and could effectively determine which communities outside of timber impact counties should be eligible for timber assistance programs. With this board making those decisions, there would be no risk of diluting finite timber assistance dollars by allowing nonqualified communities to participate in the programs.

TESTIMONY AGAINST: None

TESTIFIED: Gary Christensen, Basic Health Plan (pro); Lynn Milnes, Skyline Hospital (pro); Jack Frost, Mayor, Montesano and Timber Economic Recovery Board (pro)