
ENGROSSED SUBSTITUTE SENATE BILL 5555

State of Washington 52nd Legislature 1991 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Owen, Conner, Snyder, Metcalf, Jesernig, Amondson, Sutherland, Patterson, Hansen, Bailey, Rasmussen, von Reichbauer, Johnson, Pelz, West, Talmadge, A. Smith, Williams, L. Kreidler, Rinehart, Newhouse, Stratton, Gaspard, McMullen, Moore, Madsen, Bauer, Wojahn, Matson, Roach and L. Smith).

Read first time March 11, 1991.

1 AN ACT Relating to economic and employment impact of timber harvest
2 variation in Washington state; amending RCW 28B.15.740, 70.47.010,
3 70.47.020, 70.47.060, 70.47.080, 43.210.030, 82.60.020, 82.62.010,
4 43.168.020, 43.160.010, 43.160.020, and 43.160.076; reenacting and
5 amending RCW 43.210.050; adding new sections to chapter 43.31 RCW;
6 adding a new section to chapter 50.22 RCW; adding a new section to
7 chapter 28B.15 RCW; adding new sections to chapter 43.210 RCW; adding
8 new sections to chapter 43.131 RCW; adding new sections to chapter
9 43.63A RCW; adding new sections to chapter 43.160 RCW; adding a new
10 chapter to Title 50 RCW; creating new sections; repealing RCW
11 43.131.325 and 43.131.326; providing an expiration date; and declaring
12 an emergency.

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

14 NEW SECTION. **Sec. 1.** The legislature finds that:

1 (1) Cutbacks in allowable sales of old growth timber in Washington
2 state pose a substantial threat to the region and the state with
3 massive layoffs, loss of personal income, and declines in state
4 revenues;

5 (2) The timber-impacted communities are of critical significance to
6 the state because of their leading role in the overall economic well-
7 being of the state and their importance to the quality of life to all
8 residents of Washington, and that this region requires a special state
9 effort to diversify the local economy;

10 (3) There are key opportunities to broaden the economic base in the
11 timber-impacted communities including agriculture, high-technology,
12 tourism, and regional exports; and

13 (4) A coordinated state, local, and private sector effort offers
14 the greatest potential to promote economic diversification and to
15 provide support for new projects within the region.

16 The legislature further finds that if a special state effort does
17 not take place the decline in allowable timber sales may result in a
18 loss of six thousand logging and milling jobs; two hundred million
19 dollars in direct wages and benefits; twelve thousand indirect jobs;
20 and three hundred million dollars in indirect wages and benefits.

21 It is the intent of the legislature to develop comprehensive
22 programs to provide diversified economic development and promote job
23 creation and employment opportunities for the citizens of the timber-
24 impacted communities.

25 NEW SECTION. **Sec. 2.** For the purposes of sections 1 through
26 10 of this act:

27 (1) "Department" means the department of trade and economic
28 development;

29 (2) "Board" means the economic recovery coordination board;

1 (3) "Federal timber impact area" means a county or city or town
2 located within a county meeting two of the following three criteria for
3 the most recent year such data is available: (a) A lumber and wood
4 products employment location quotient at or above the state average;
5 (b) a direct lumber and wood products job loss of one hundred positions
6 or more; or (c) an annual unemployment rate twenty percent above the
7 state average.

8 NEW SECTION. **Sec. 3.** There is established the economic
9 recovery coordination board. The board shall consist of one member from
10 each economic development council in a timber impact area appointed by
11 the governor, with representation from representatives of local
12 businesses, labor organizations, local governments, visitor and
13 convention bureaus, local educational institutions, local associate
14 development organizations, the agribusiness community, and local ports.
15 In making the appointments, the governor shall endeavor to ensure that
16 the appointees have experience in local diversification efforts.
17 Vacancies shall be filled in the same manner as the original
18 appointment.

19 The board shall review and provide recommendations on proposals for
20 the diversification of the timber-impacted areas presented to it by the
21 department.

22 The board shall appoint members to local recovery advisory
23 committees in each timber impact area. In making the appointments the
24 board shall endeavor to recruit members of the community with expertise
25 in areas needed to create a revitalized economy. The advisory
26 committee shall assist the recovery board with review and
27 recommendations.

1 Members of the board and committees shall receive no compensation
2 but shall be reimbursed for travel expenses under RCW 43.03.050 and
3 43.03.060.

4 NEW SECTION. **Sec. 4.** The department of trade and economic
5 development shall begin implementation of economic diversification
6 programs.

7 In carrying out these programs, the department, in consultation
8 with the economic recovery coordination board, shall determine which
9 objectives are most likely to lead to economic recovery and
10 diversification. Consideration shall be given to potential jobs and
11 income benefits, generation of additional fiscal support, increased
12 private sector participation, and market forces supporting the proposed
13 objectives. The department shall further employ a project manager who
14 will coordinate with the economic recovery board. The board shall
15 consider such studies and governmental agencies which could support the
16 priority goals determined under this section.

17 NEW SECTION. **Sec. 5.** The department shall designate a project
18 manager to facilitate the department's activities within the timber-
19 impacted regions. The manager's responsibilities shall include but not
20 be limited to:

21 (1) Seeking to increase the use of existing state economic
22 development programs in the timber-impacted regions;

23 (2) Helping to locate additional funds to be used for
24 diversification and recovery activities;

25 (3) Seeking advice and recommendations from the board on activities
26 within the priority areas;

27 (4) Coordinating evaluation of state programs in the region;

1 (5) Seeking to increase the effectiveness of existing efforts to
2 incubate new enterprises in the timber-impacted areas and to increase
3 the resources devoted to the incubation of new enterprises;

4 (6) Facilitating a new technology and research base in the region
5 for local businesses, including efforts to increase: The availability
6 and accessibility of venture capital in the timber-impacted areas,
7 especially for the early stages of enterprise development and for the
8 expansion of existing enterprises, the accessibility of legal
9 expertise, especially in regard to licenses and patents, and the
10 identification of and assistance to entrepreneurs with expertise in
11 managing new product development; and

12 (7) Increasing the availability and coordination of resources
13 devoted to the expansion, development, and modernization of enterprises
14 in existing promising growth areas of the timber-impacted regional
15 economy such as the industrial applications of advanced technology and
16 recreational development.

17 NEW SECTION. **Sec. 6.** The department shall contract with local
18 bodies to develop various programs to promote diversification, such as
19 regional exporting, waterfront tourism, job retention, small business
20 marketing and training, small business incubators, investment
21 opportunities, and securing federal contracts. The department, after
22 consultation with the board, shall establish guidelines for the
23 awarding of contracts under this section.

24 NEW SECTION. **Sec. 7.** The department, in consultation with the
25 board, shall:

26 (1) Gather, analyze, and disseminate information about the
27 competitiveness of the wood products industry in this state and make

1 that information available to the wood products industry, state
2 government, and the general public.

3 (2) Encourage cooperation among wood products firms through the
4 formation of business networks to develop solutions to technology and
5 product development problems, acquire and disseminate marketing
6 information, promote and market wood products of this state, and
7 address other common industry problems.

8 (3) Receive assistance from the board in the department's efforts
9 to increase the competitiveness of the industry and increase the
10 production of value-added products by providing grants for feasibility
11 studies and product research and development. The grants under this
12 subsection shall:

13 (a) Be of general benefit to the industry rather than intended to
14 benefit a specific firm;

15 (b) Be for such activities as identifying options, assessing
16 markets, evaluating business and financial risks, addressing production
17 issues, and assessing new technologies; and

18 (c) Be less than thirty five thousand dollars unless seventy-five
19 percent of the department authorizes up to fifty thousand dollars.

20 (4) Work with state agencies, wood products firms, wood products
21 industry associations, and institutions of higher education in this
22 state to assure close coordination of all efforts to improve the
23 competitiveness of the wood products industry in this state.

24 (5) Report periodically to the governor, the legislature, the wood
25 products industry, and the general public on the competitive position
26 of the wood products industry in this state, and make such
27 recommendations as the department determines appropriate for public or
28 private actions needed to improve the competitiveness of the wood
29 products industry in this state.

1 In pursuing efforts to stimulate the growth of timber enterprises
2 and to strengthen the timber economy, the state should identify
3 opportunities to learn from and/or work with other states and
4 provinces. A regional working session on value-added timber products,
5 jointly sponsored by the Pacific Northwest economic region and the
6 northwest policy center, shall be held in 1991. Washington state and
7 its appropriate agencies are encouraged to participate in this working
8 session.

9 NEW SECTION. **Sec. 8.** (1) The department shall develop an
10 implementation plan for a forest products development center to be
11 located in Forks, Washington, as a model public/private manufacturing
12 partnership. The center plan shall determine methods to:

13 (a) Improve the technology in the timber industry by improving
14 production methods and equipment to become more competitive;

15 (b) Work with private industry to improve the infrastructure to
16 finance the capital expenditures necessary for public facilities such
17 as roads and utilities;

18 (c) Train new production workers to be more sophisticated
19 production workers by offering training opportunities allowing workers
20 to adapt to a changing workplace;

21 (d) Provide updated knowledge of the consumer and industry trends
22 around the world to identify markets; and

23 (e) Serve as a model to demonstrate environmental compliance
24 techniques allowing efficient, profitable production to be sustained at
25 all times.

26 (2) This plan shall be submitted to the legislature by July 1,
27 1992.

1 and training at incubator facilities; agriculture, agricultural
2 processing, and agricultural services; the industrial applications of
3 advanced technology; recreational and tourism development; and training
4 through the self-employment and enterprise development (SEED) program.
5 The department of social and health services shall help families and
6 workers make the transition through economic difficulties and provide
7 workers with marketable skills. Funding shall be coordinated through
8 the board which will establish a fund to provide child care assistance,
9 mortgage assistance, and counseling which cannot be met through current
10 programs.

11 (4) Such services shall be either direct or referral services to
12 the unemployed, and should include, but need not be limited to: Credit
13 counseling; social services including marital counseling; psychotherapy
14 or psychological counseling; mortgage foreclosures and utilities
15 problems counseling; drug and alcohol abuse services; medical services;
16 and residential heating and food acquisition.

17 (5) The employment security department shall coordinate the
18 services provided in this section with all other services provided by
19 the department and with the other economic recovery efforts undertaken
20 by state and local government agencies on behalf of the timber-impacted
21 areas.

22 (6) Subcontractors shall conduct outreach efforts to encourage the
23 unemployed to seek assistance.

24 (7) The department shall make every effort to procure additional
25 federal and other moneys for the efforts enumerated in this section.

26 NEW SECTION. **Sec. 11.** Unless the context clearly requires
27 otherwise, the definitions in this section apply throughout sections 12
28 through 16 of this act:

29 (1) "Department" means the employment security department.

1 (2) "Timber worker" means any person employed in industries within
2 the standard industrial classification code numbers 8, 24, and 26.

3 (3) "Federal timber impact area" means a county or city or town
4 located within a county meeting two of the following three criteria for
5 the most recent year such data is available: (a) A lumber and wood
6 products employment location quotient at or above the state average;
7 (b) a direct lumber and wood products job loss of one hundred positions
8 or more; or (c) an annual unemployment rate twenty percent above the
9 state average.

10 (4) "Program" or "counter-cyclical program" means the program for
11 dislocated timber workers administered by the employment security
12 department in conjunction with the department of natural resources.

13 (5) "Enrollee" means any person enrolled in the counter-cyclical
14 program.

15 NEW SECTION. **Sec. 12.** (1) The counter-cyclical program for
16 dislocated timber workers is established in the department. The
17 program shall provide forest-related employment and job retraining
18 assistance to unemployed timber workers residing in federal timber
19 impact areas. The department shall notify timber workers receiving
20 unemployment benefits, or who have exhausted unemployment benefits of
21 their eligibility for the program.

22 (2) A person is considered a dislocated timber worker and eligible
23 to participate in this program:

24 (a) Upon exhaustion of unemployment insurance benefits received
25 upon termination of employment from industries within the standard
26 industrial classification code numbers 8, 24, and 26; or

27 (b) If currently unemployed, employed part time, or if employment
28 has been terminated within one year previous to the effective date of
29 this act.

1 (3) The department of natural resources shall employ candidates for
2 the counter-cyclical program from a pool of eligible workers developed
3 by the department.

4 NEW SECTION. **Sec. 13.** The department shall contract with the
5 department of natural resources to provide employment opportunities for
6 not less than two hundred eligible enrollees. Employment opportunities
7 under the counter-cyclical program shall consist of activities that
8 improve the value of state lands and waters managed by the department
9 of natural resources. These activities may include, but are not
10 limited to, thinning and precommercial thinning, pruning, slash
11 removal, reforestation, fire suppression, trail maintenance,
12 maintenance of recreational facilities, dike repair, development and
13 maintenance of tourist facilities, stream enhancement.

14 NEW SECTION. **Sec. 14.** Enrollees in the counter-cyclical
15 program shall receive medical and dental benefits as provided under
16 chapter 41.05 RCW, but are exempt from the provisions of chapter 41.06
17 RCW. Compensation for the counter-cyclical program shall be at least
18 nine dollars per hour of employment. Employees shall not work more
19 than thirty-two hours each week in this program and must agree to
20 participate in the career orientation program established in this
21 chapter, under the department. Participation in the counter-cyclical
22 program is limited to six months. Employment under the program shall
23 not result in the displacement or partial displacement of currently
24 employed workers. This includes, but is not limited to, state
25 employees or currently or normally contracted service employees.

26 NEW SECTION. **Sec. 15.** The department shall develop a career
27 orientation program for enrollees in the counter-cyclical program. The

1 department shall provide at least eight hours of career counseling each
2 week for enrollees in this program. The career orientation program
3 shall include, but is not limited to, counseling on employment options
4 and assistance in accessing retraining programs, and assistance in
5 accessing social service programs.

6 NEW SECTION. **Sec. 16.** The department of natural resources
7 shall provide compensation for enrollees in this program as provided
8 under section 14 of this act.

9 NEW SECTION. **Sec. 17.** A new section is added to chapter 50.22 RCW
10 to read as follows:

11 A program to provide training and extended benefits for unemployed
12 forest products workers is established. The program shall begin on the
13 third Sunday after the effective date of this section. The program
14 shall provide that:

15 (1) To be eligible for the program, a person must:

16 (a) Be certified by his or her employer to be permanently or
17 indefinitely unemployed due to lack of work caused by a curtailment of
18 timber harvesting or a shortage of raw materials resulting from
19 compliance with environmental laws or rules; and

20 (b) Have one thousand three hundred sixty hours of employment in
21 the forest products industry in the first eight of the last nine
22 completed calendar quarters prior to his or her application for
23 unemployment compensation benefits.

24 (2) The department shall notify potentially eligible persons who
25 apply for unemployment compensation benefits of the provisions of this
26 section.

27 (3) Eligible persons shall develop individual training plans and
28 submit the plans to the commissioner for approval.

1 (4) If a training plan is approved by the commissioner within the
2 first sixteen weeks of a person's unemployment compensation claim or
3 within sixteen weeks of the effective date of this act, whichever is
4 later, the person shall be eligible for extended benefits under
5 subsection (5) of this section and for tuition waivers under section 18
6 of this act.

7 (5) Persons eligible under subsections (1) and (4) of this section
8 who are either enrolled in a training course that has been approved by
9 the commissioner or have applied to and are waiting for admission into
10 an approved training course are eligible for extended benefits for an
11 additional twenty-six weeks. Total unemployment compensation benefits
12 may not exceed fifty-two times the eligible person's weekly benefit
13 amount reduced by other state or federal unemployment benefits
14 available for the same weeks of unemployment.

15 (6) Benefits paid pursuant to this section shall be paid under the
16 same terms and conditions as extended benefits and shall not be charged
17 to the experience rating accounts of individual employers.

18 (7) The commissioner shall adopt rules as necessary to implement
19 this section.

20 NEW SECTION. **Sec. 18.** A new section is added to chapter 28B.15
21 RCW to read as follows:

22 Unemployed forest workers eligible for benefits under section 17 of
23 this act who comply with all requirements for admittance shall be
24 admitted to and may attend any public four-year institution of higher
25 education, community college, or vocational-technical institution that
26 has space available without paying tuition and service and activity
27 fees for courses approved by the commissioner of employment security
28 under section 17 of this act. A tuition waiver is limited to a maximum

1 of six academic quarters, four semesters, or the equivalent of two
2 academic years of full-time study.

3 This section shall expire on June 30, 1996.

4 **Sec. 19.** RCW 28B.15.740 and 1989 c 340 s 2 are each amended to
5 read as follows:

6 (1) The boards of trustees or regents of each of the state's
7 regional universities, The Evergreen State College, or state
8 universities, and the various community colleges, consistent with
9 regulations and procedures established by the state board for community
10 college education, may waive, in whole or in part, tuition and services
11 and activities fees subject to the limitations set forth in subsections
12 (2) and (3) of this section.

13 (2) Except as provided in subsection (3) of this section, the total
14 dollar amount of tuition and fee waivers awarded by any state
15 university, regional university, or state college, shall not exceed
16 four percent, and for the community colleges considered as a whole,
17 such amount shall not exceed three percent of an amount determined by
18 estimating the total collections from tuition and services and
19 activities fees had no such waivers been made and deducting the portion
20 of that total amount which is attributable to the difference between
21 resident and nonresident fees: PROVIDED, That at least three-fourths
22 of the dollars waived shall be for needy students who are eligible for
23 resident tuition and fee rates pursuant to RCW 28B.15.012 through
24 28B.15.015: PROVIDED FURTHER, That the remainder of the dollars
25 waived, not to exceed one-fourth of the total, may be applied to other
26 students at the discretion of the board of trustees or regents, except
27 on the basis of participation in intercollegiate athletic programs:
28 PROVIDED FURTHER, That the waivers for undergraduate and graduate
29 students of foreign nations under RCW 28B.15.556 and the waivers for

1 unemployed forest industry workers under section 18 of this act are not
2 subject to the limitation under this section.

3 (3) In addition to the tuition and fee waivers provided in
4 subsection (2) of this section and subject to the provisions of RCW
5 28B.15.455 and 28B.15.460, a total dollar amount of tuition and fee
6 waivers awarded by any state university, regional university, or state
7 college, not to exceed one percent, as calculated in subsection (2) of
8 this section, may be used for the purpose of achieving or maintaining
9 gender equity in intercollegiate athletic programs. At any institution
10 that has an underrepresented gender class in intercollegiate athletics,
11 any such waivers shall be awarded:

12 (a) First, to members of the underrepresented gender class who
13 participate in intercollegiate athletics, where such waivers result in
14 saved or displaced money that can be used for athletic programs for the
15 underrepresented gender class. Such saved or displaced money shall be
16 used for programs for the underrepresented gender class; and

17 (b) Second, (i) to nonmembers of the underrepresented gender class
18 who participate in intercollegiate athletics, where such waivers result
19 in saved or displaced money that can be used for athletic programs for
20 members of the underrepresented gender class. Such saved or displaced
21 money shall be used for programs for the underrepresented gender class;
22 or (ii) to members of the underrepresented gender class who participate
23 in intercollegiate athletics, where such waivers do not result in any
24 saved or displaced money that can be used for athletic programs for
25 members of the underrepresented gender class.

26 **Sec. 20.** RCW 70.47.010 and 1987 1st ex.s. c 5 s 3 are each amended
27 to read as follows:

28 (1) The legislature finds that:

1 (a) A significant percentage of the population of this state does
2 not have reasonably available insurance or other coverage of the costs
3 of necessary basic health care services;

4 (b) This lack of basic health care coverage is detrimental to the
5 health of the individuals lacking coverage and to the public welfare,
6 and results in substantial expenditures for emergency and remedial
7 health care, often at the expense of health care providers, health care
8 facilities, and all purchasers of health care, including the state; and

9 (c) The use of managed health care systems has significant
10 potential to reduce the growth of health care costs incurred by the
11 people of this state generally, and by low-income pregnant women who
12 are an especially vulnerable population, along with their children, and
13 who need greater access to managed health care.

14 (2) The purpose of this chapter is to provide necessary basic
15 health care services in an appropriate setting to working persons and
16 others who lack coverage, at a cost to these persons that does not
17 create barriers to the utilization of necessary health care services.
18 To that end, this chapter establishes a program to be made available to
19 those residents under sixty-five years of age not otherwise eligible
20 for medicare with gross family income at or below two hundred percent
21 of the federal poverty guidelines or who have been dislocated from
22 their jobs as a result of changes in the local economy where they work,
23 who share in the cost of receiving basic health care services from a
24 managed health care system.

25 (3) It is not the intent of this chapter to provide health care
26 services for those persons who are presently covered through private
27 employer-based health plans, nor to replace employer-based health
28 plans. Further, it is the intent of the legislature to expand,
29 wherever possible, the availability of private health care coverage and
30 to discourage the decline of employer-based coverage.

1 (4) The program authorized under this chapter is strictly limited
2 in respect to the total number of individuals who may be allowed to
3 participate and the specific areas within the state where it may be
4 established. All such restrictions or limitations shall remain in full
5 force and effect until quantifiable evidence based upon the actual
6 operation of the program, including detailed cost benefit analysis, has
7 been presented to the legislature and the legislature, by specific act
8 at that time, may then modify such limitations.

9 **Sec. 21.** RCW 70.47.020 and 1987 1st ex.s. c 5 s 4 are each amended
10 to read as follows:

11 As used in this chapter:

12 (1) "Washington basic health plan" or "plan" means the system of
13 enrollment and payment on a prepaid capitated basis for basic health
14 care services, administered by the plan administrator through
15 participating managed health care systems, created by this chapter.

16 (2) "Administrator" means the Washington basic health plan
17 administrator.

18 (3) "Managed health care system" means any health care
19 organization, including health care providers, insurers, health care
20 service contractors, health maintenance organizations, or any
21 combination thereof, that provides directly or by contract basic health
22 care services, as defined by the administrator and rendered by duly
23 licensed providers, on a prepaid capitated basis to a defined patient
24 population enrolled in the plan and in the managed health care system.

25 (4) "Enrollee" means an individual, or an individual plus the
26 individual's spouse and/or dependent children, all under the age of
27 sixty-five and not otherwise eligible for medicare, who resides in an
28 area of the state served by a managed health care system participating
29 in the plan, whose gross family income at the time of enrollment does

1 not exceed twice the federal poverty level as adjusted for family size
2 and determined annually by the federal department of health and human
3 services, or who has been dislocated from his or her job as a result of
4 changes in the local economy where he or she works, who chooses to
5 obtain basic health care coverage from a particular managed health care
6 system in return for periodic payments to the plan.

7 (5) "Subsidy" means the difference between the amount of periodic
8 payment the administrator makes, from funds appropriated from the basic
9 health plan trust account, to a managed health care system on behalf of
10 an enrollee and the amount determined to be the enrollee's
11 responsibility under RCW 70.47.060(2).

12 (6) "Premium" means a periodic payment, based upon gross family
13 income and determined under RCW 70.47.060(2), which an enrollee makes
14 to the plan as consideration for enrollment in the plan.

15 (7) "Rate" means the per capita amount, negotiated by the
16 administrator with and paid to a participating managed health care
17 system, that is based upon the enrollment of enrollees in the plan and
18 in that system.

19 (8) "Dislocated workers" means workers in timber-impacted areas who
20 (a) have been terminated or laid off or received a notice of
21 termination or layoff from employment and are eligible for or have
22 exhausted their entitlement to benefits under Title 50 RCW; (b) have
23 been terminated as a result of any permanent plant closure; or (c) are
24 long-term unemployed and are unlikely to return to employment in a
25 timber-related occupation because of a diminishing demand for their
26 skills in that occupation.

27 **Sec. 22.** RCW 70.47.060 and 1987 1st ex.s. c 5 s 8 are each amended
28 to read as follows:

29 The administrator has the following powers and duties:

1 (1) To design and from time to time revise a schedule of covered
2 basic health care services, including physician services, inpatient and
3 outpatient hospital services, and other services that may be necessary
4 for basic health care, which enrollees in any participating managed
5 health care system under the Washington basic health plan shall be
6 entitled to receive in return for premium payments to the plan. The
7 schedule of services shall emphasize proven preventive and primary
8 health care, shall include all services necessary for prenatal,
9 postnatal, and well-child care, and shall include a separate schedule
10 of basic health care services for children, eighteen years of age and
11 younger, for those enrollees who choose to secure basic coverage
12 through the plan only for their dependent children. In designing and
13 revising the schedule of services, the administrator shall consider the
14 guidelines for assessing health services under the mandated benefits
15 act of 1984, RCW 48.42.080, and such other factors as the administrator
16 deems appropriate.

17 (2) To design and implement a structure of periodic premiums due
18 the administrator from enrollees that is based upon gross family
19 income, giving appropriate consideration to family size as well as the
20 ages of all family members. The enrollment of children shall not
21 require the enrollment of their parent or parents who are eligible for
22 the plan.

23 (3) To design and implement a structure of nominal copayments due
24 a managed health care system from enrollees. The structure shall
25 discourage inappropriate enrollee utilization of health care services,
26 but shall not be so costly to enrollees as to constitute a barrier to
27 appropriate utilization of necessary health care services.

28 (4) To design and implement, in concert with a sufficient number of
29 potential providers in a discrete area, an enrollee financial

1 participation structure, separate from that otherwise established under
2 this chapter, that has the following characteristics:

3 (a) Nominal premiums that are based upon ability to pay, but not
4 set at a level that would discourage enrollment;

5 (b) A modified fee-for-services payment schedule for providers;

6 (c) Coinsurance rates that are established based on specific
7 service and procedure costs and the enrollee's ability to pay for the
8 care. However, coinsurance rates for families with incomes below one
9 hundred twenty percent of the federal poverty level shall be nominal.
10 No coinsurance shall be required for specific proven prevention
11 programs, such as prenatal care. The coinsurance rate levels shall not
12 have a measurable negative effect upon the enrollee's health status;
13 and

14 (d) A case management system that fosters a provider-enrollee
15 relationship whereby, in an effort to control cost, maintain or improve
16 the health status of the enrollee, and maximize patient involvement in
17 her or his health care decision-making process, every effort is made by
18 the provider to inform the enrollee of the cost of the specific
19 services and procedures and related health benefits.

20 The potential financial liability of the plan to any such providers
21 shall not exceed in the aggregate an amount greater than that which
22 might otherwise have been incurred by the plan on the basis of the
23 number of enrollees multiplied by the average of the prepaid capitated
24 rates negotiated with participating managed health care systems under
25 RCW 70.47.100 and reduced by any sums charged enrollees on the basis of
26 the coinsurance rates that are established under this subsection.

27 (5) To limit enrollment of persons who qualify for subsidies so as
28 to prevent an overexpenditure of appropriations for such purposes.
29 Whenever the administrator finds that there is danger of such an

1 overexpenditure, the administrator shall close enrollment until the
2 administrator finds the danger no longer exists.

3 (6) To adopt a schedule for the orderly development of the delivery
4 of services and availability of the plan to residents of the state,
5 subject to the limitations contained in RCW 70.47.080.

6 In the selection of any area of the state for the initial operation
7 of the plan, the administrator shall take into account the levels and
8 rates of unemployment in different areas of the state, the need to
9 provide basic health care coverage to a population reasonably
10 representative of the portion of the state's population that lacks such
11 coverage, and the need for geographic, demographic, and economic
12 diversity.

13 Before July 1, 1988, the administrator shall endeavor to secure
14 participation contracts with managed health care systems in discrete
15 geographic areas within at least five congressional districts.

16 (7) To solicit and accept applications from managed health care
17 systems, as defined in this chapter, for inclusion as eligible basic
18 health care providers under the plan. The administrator shall endeavor
19 to assure that covered basic health care services are available to any
20 enrollee of the plan from among a selection of two or more
21 participating managed health care systems. In adopting any rules or
22 procedures applicable to managed health care systems and in its
23 dealings with such systems, the administrator shall consider and make
24 suitable allowance for the need for health care services and the
25 differences in local availability of health care resources, along with
26 other resources, within and among the several areas of the state.

27 (8) To receive periodic premiums from enrollees, employers, and the
28 department of labor and industries, deposit them in the basic health
29 plan operating account, keep records of enrollee status, and authorize
30 periodic payments to managed health care systems on the basis of the

1 number of enrollees participating in the respective managed health care
2 systems.

3 (9) To accept applications from individuals residing in areas
4 served by the plan, on behalf of themselves and their spouses and
5 dependent children, for enrollment in the Washington basic health plan,
6 to establish appropriate minimum-enrollment periods for enrollees as
7 may be necessary, and to determine, upon application and at least
8 annually thereafter, or at the request of any enrollee, eligibility due
9 to current gross family income for sliding scale premiums or status as
10 a dislocated worker. An enrollee who remains current in payment of the
11 sliding-scale premium, as determined under subsection (2) of this
12 section, and whose gross family income has risen above twice the
13 federal poverty level or whose status as a dislocated worker has
14 changed, may continue enrollment unless and until the enrollee's gross
15 family income has remained above (~~twice~~) four times the poverty level
16 for six consecutive months, by making payment at the unsubsidized rate
17 required for the managed health care system in which he or she may be
18 enrolled. No subsidy may be paid with respect to any enrollee whose
19 current gross family income exceeds twice the federal poverty level,
20 who is a dislocated worker, or, subject to RCW 70.47.110, who is a
21 recipient of medical assistance or medical care services under chapter
22 74.09 RCW. If a number of enrollees drop their enrollment for no
23 apparent good cause, the administrator may establish appropriate rules
24 or requirements that are applicable to such individuals before they
25 will be allowed to re-enroll in the plan.

26 (10) To require that prospective enrollees who may be eligible for
27 categorically needy medical coverage under RCW 74.09.510 or whose
28 income does not exceed the medically needy income level under RCW
29 74.09.700 apply for such coverage, but the administrator shall enroll

1 the individuals in the plan pending the determination of eligibility
2 under chapter 74.09 RCW.

3 (11) To determine the rate to be paid to each participating managed
4 health care system in return for the provision of covered basic health
5 care services to enrollees in the system. Although the schedule of
6 covered basic health care services will be the same for similar
7 enrollees, the rates negotiated with participating managed health care
8 systems may vary among the systems. In negotiating rates with
9 participating systems, the administrator shall consider the
10 characteristics of the populations served by the respective systems,
11 economic circumstances of the local area, the need to conserve the
12 resources of the basic health plan trust account, and other factors the
13 administrator finds relevant.

14 (12) To monitor the provision of covered services to enrollees by
15 participating managed health care systems in order to assure enrollee
16 access to good quality basic health care, to require periodic data
17 reports concerning the utilization of health care services rendered to
18 enrollees in order to provide adequate information for evaluation, and
19 to inspect the books and records of participating managed health care
20 systems to assure compliance with the purposes of this chapter. In
21 requiring reports from participating managed health care systems,
22 including data on services rendered enrollees, the administrator shall
23 endeavor to minimize costs, both to the managed health care systems and
24 to the administrator. The administrator shall coordinate any such
25 reporting requirements with other state agencies, such as the insurance
26 commissioner and the ((hospital commission)) department of health, to
27 minimize duplication of effort.

28 (13) To monitor the access that state residents have to adequate
29 and necessary health care services, determine the extent of any unmet
30 needs for such services or lack of access that may exist from time to

1 time, and make such reports and recommendations to the legislature as
2 the administrator deems appropriate.

3 (14) To evaluate the effects this chapter has on private employer-
4 based health care coverage and to take appropriate measures consistent
5 with state and federal statutes that will discourage the reduction of
6 such coverage in the state.

7 (15) To develop a program of proven preventive health measures and
8 to integrate it into the plan wherever possible and consistent with
9 this chapter.

10 (16) To provide, consistent with available resources, technical
11 assistance for rural health activities that endeavor to develop needed
12 health care services in rural parts of the state.

13 **Sec. 23.** RCW 70.47.080 and 1987 1st ex.s. c 5 s 10 are each
14 amended to read as follows:

15 On and after July 1, 1988, the administrator shall accept for
16 enrollment applicants eligible to receive covered basic health care
17 services from the respective managed health care systems which are then
18 participating in the plan. The administrator shall not allow the total
19 enrollment of those eligible for subsidies to exceed thirty thousand.

20 Thereafter, total enrollment shall not exceed the number
21 established by the legislature in any act appropriating funds to the
22 plan.

23 Before July 1, 1988, the administrator shall endeavor to secure
24 participation contracts from managed health care systems in discrete
25 geographic areas within at least five congressional districts of the
26 state and in such manner as to allow residents of both urban and rural
27 areas access to enrollment in the plan. The administrator shall make
28 a special effort to secure agreements with health care providers in one
29 such area that meets the requirements set forth in RCW 70.47.060(4).

1 The administrator shall at all times closely monitor growth
2 patterns of enrollment so as not to exceed that consistent with the
3 orderly development of the plan as a whole, in any area of the state or
4 in any participating managed health care system.

5 This section shall not apply to those areas where there are
6 enrollees designated as dislocated workers.

7 NEW SECTION. Sec. 24. (1) The Pacific Northwest export
8 assistance project is hereby created for the following purposes:

9 (a) To assist small to medium-sized manufacturers relatively new to
10 exporting with gross annual revenues less than twenty-five million
11 dollars with comprehensive services for designing and managing
12 introductory export strategies and in securing financing and credit
13 guarantees for export transactions;

14 (b) To provide, in cooperation with the export promotion services
15 offered by the department of trade and economic development and the
16 Washington state department of agriculture, information and assistance
17 to businesses with gross annual revenues less than twenty-five million
18 dollars about the methods and procedures of structuring company
19 specific export financing and credit guarantee alternatives; or

20 (c) To provide information to their clients about opportunities in
21 organizing cooperative export networks, foreign sales corporations, or
22 export trading companies under the United States export trading company
23 act of 1982, for the purpose of increasing their comparative sales
24 volume and ability to export their products to foreign markets.

25 (2) The Pacific Northwest export assistance project is a separate
26 branch of the small business export finance assistance center for
27 accounting and auditing purposes.

28 (3) The Pacific Northwest export assistance project is subject to
29 the authority of the small business export finance assistance center,

1 under RCW 43.210.020, and shall be governed and managed by the board of
2 directors, under RCW 43.210.030.

3 NEW SECTION. **Sec. 25.** (1) The small business export finance
4 assistance center has the following powers and duties when exercising
5 its authority under section 24(3) of this act:

6 (a) Solicit and accept grants, contributions, and any other
7 financial assistance from the federal government, federal agencies, and
8 any other public or private sources to carry out its purposes;

9 (b) Offer comprehensive export assistance and counseling to
10 manufacturers relatively new to exporting with gross annual revenues
11 less than twenty-five million dollars. As close to ninety percent as
12 possible of each year's new cadre of clients must have gross annual
13 revenues of less than five million dollars at the time of their initial
14 contract. Counseling may include, but not be limited to, helping
15 clients obtain debt or equity financing, in constructing competent
16 proposals, and assessing federal guarantee and/or insurance programs
17 that underwrite exporting risk; assisting clients in evaluating their
18 international marketplace by developing marketing materials, assessing
19 and selecting targeted markets; assisting firms in finding foreign
20 customers by conducting foreign market research, evaluating
21 distribution systems, selecting and assisting in identification of
22 and/or negotiations with foreign agents, distributors, retailers, and
23 by promoting products through attending trade shows abroad; advising
24 companies on their products, guarantees, and after sales service
25 requirements necessary to compete effectively in a foreign market;
26 designing a competitive strategy for a firm's products in targeted
27 markets and methods of minimizing their commercial and political risks;
28 securing for clients specific assistance as needed, outside the
29 center's field of expertise, by referrals to other public or private

1 organizations. The Pacific Northwest export assistance project shall
2 focus its efforts on facilitating export transactions for its clients,
3 and in doing so, provide such technical services as are appropriate to
4 accomplish its mission either with staff or outside consultants;

5 (c) Sign three-year counseling agreements with its clients that
6 provide for termination if adequate funding for the Pacific Northwest
7 export assistance project is not provided in future appropriations.
8 Counseling agreements shall not be renewed unless there are compelling
9 reasons to do so, and under no circumstances shall they be renewed for
10 more than two additional years. A counseling agreement may not be
11 renewed more than once. The counseling agreements shall have mutual
12 performance clauses, that if not met, will be grounds for releasing
13 each party, without penalty, from the provisions of the agreement.
14 Clients shall be immediately released from a counseling agreement with
15 the Pacific Northwest export assistance project, without penalty, if a
16 client wishes to switch to a private export management service and
17 produces a valid contract signed with a private export management
18 service, or if the president of the small business export finance
19 assistance center determines there are compelling reasons to release a
20 client from the provisions of the marketing agreement;

21 (d) May contract with private or public international trade
22 education services to provide Pacific Northwest export assistance
23 project clients with training in international business. The president
24 and board of directors shall decide the amount of funding allocated for
25 educational services based on the availability of resources in the
26 operating budget of the budget of the Pacific Northwest export
27 assistance project;

28 (e) May contract with the Washington state international trade fair
29 to provide services for Pacific Northwest export assistance project
30 clients to participate in one trade show annually. The president and

1 board of directors shall decide the amount of funding allocated for
2 trade fair assistance based on the availability of resources in the
3 operating budget of the Pacific Northwest export assistance project;

4 (f) Provide biennial assessments of its performance. The Pacific
5 Northwest export assistance project is an innovative program for the
6 promotion of international trade. As such, the project personnel shall
7 work with the department of revenue and employment security department
8 to confidentially track the performance of the project's clients in
9 increasing tax revenues to the state, increasing gross sales revenues
10 and volume of products destined to foreign clients, and in creating new
11 jobs for Washington citizens. A biennial report shall be prepared for
12 the governor and legislature to assess the costs and benefits to the
13 state from creating the project. The president of the small business
14 export finance assistance center shall design an appropriate
15 methodology for biennial assessments in consultation with the director
16 of the department of trade and economic development and the director of
17 the Washington state department of agriculture. The department of
18 revenue and the employment security department shall provide data
19 necessary to complete this biennial evaluation, if the data being
20 requested is available from existing data bases. Client-specific
21 information generated from the files of the department of revenue and
22 the employment security department for the purposes of this evaluation
23 shall be kept strictly confidential by each department and the small
24 business export finance assistance center;

25 (g) Take whatever action may be necessary to accomplish the
26 purposes set forth in sections 24 through 27 of this act; and

27 (h) Limit its assistance to promoting the exportation of value-
28 added manufactured goods. The project shall not provide counseling or
29 assistance, under any circumstances, for the importation of foreign
30 made goods into the United States.

1 (2) The Pacific Northwest export assistance project shall not,
2 under any circumstances, assume ownership or take title to the goods of
3 its clients.

4 (3) The Pacific Northwest export assistance project may not use any
5 Washington state funds which come from the public treasury of the state
6 of Washington to make loans or to make any payment under a loan
7 guarantee agreement. Under no circumstances may the center use any
8 funds received under RCW 43.210.050 to make or assist in making any
9 loan or to pay or assist in paying any amount under a loan guarantee
10 agreement. Debts of the center shall be center debts only and may be
11 satisfied only from the resources of the center. The state of
12 Washington shall not in any way be liable for such debts.

13 (4) The Pacific Northwest export assistance project shall make
14 every effort to seek nonstate funds to supplement its operations.

15 (5) The Pacific Northwest export assistance project shall take
16 whatever steps are necessary to provide its services, if requested, to
17 the states of Oregon, Idaho, Montana, Alaska, and the Canadian
18 provinces of British Columbia and Alberta. Interstate services shall
19 not be provided by the Pacific Northwest export assistance project
20 during its first biennium of operation. The provision of services may
21 be temporary and subject to the payment of fees, or each state may
22 request permanent services contingent upon a level of permanent funding
23 adequate for services provided. Temporary services and fees may be
24 negotiated by the small business export finance assistance center's
25 president subject to approval of the board of directors. The president
26 of the small business export finance assistance center may enter into
27 negotiations with neighboring states to contract for delivery of the
28 project's services. Final contracts for providing the project's
29 counseling and services outside of the state of Washington on a
30 permanent basis shall be subject to approval of the governor,

1 appropriate legislative oversight committees, and the small business
2 export finance assistance center's board of directors.

3 (6) The small business export finance assistance center may receive
4 such gifts, grants, and endowments from public or private sources as
5 may be made from time to time, in trust or otherwise, for the use and
6 benefit of the purposes of the Pacific Northwest export assistance
7 project and expend the same or any income therefrom according to the
8 terms of the gifts, grants, or endowments.

9 (7) The president of the small business export finance assistance
10 center, in consultation with the board of directors, may use the
11 following formula in determining the number of clients that can be
12 reasonably served by the Pacific Northwest export assistance project
13 relative to its appropriation. Divide the amount appropriated for
14 administration of the Pacific Northwest export assistance project by
15 the marginal cost of adding each additional Pacific Northwest export
16 assistance project client. For the purposes of this calculation, and
17 only for the first biennium of operation, the biennial marginal cost of
18 adding each additional Pacific Northwest export assistance project
19 client shall be fifty-seven thousand ninety-five dollars. The biennial
20 marginal cost of adding each additional client after the first biennium
21 of operation shall be established from the actual operating experience
22 of the Pacific Northwest export assistance project.

23 (8) All receipts from the Pacific Northwest export assistance
24 project shall be deposited into the general fund.

25 NEW SECTION. **Sec. 26.** The department of trade and economic
26 development shall adopt rules under chapter 34.05 RCW as necessary to
27 carry out the purposes of sections 24 through 27 of this act.

1 NEW SECTION. **Sec. 27.** The small business export finance
2 assistance center fund is created in the custody of the state
3 treasurer. Expenditures from the fund may be used only for the
4 purposes of funding the services of the small business export finance
5 assistance center and its projects under this chapter. Only the
6 director of the department of trade and economic development or the
7 director's designee may authorize expenditures from the fund. The
8 director of the department of trade and economic development shall not
9 withhold funds appropriated for the administration of the small
10 business export finance assistance center and its projects, if the
11 small business export finance assistance center complies with the
12 provisions of its contract under RCW 43.210.050 and section 24 of this
13 act. Funding appropriated by the state of Washington shall not be used
14 to provide services to other states or provinces. The fund is subject
15 to allotment procedures under chapter 43.88 RCW, but no appropriation
16 is required for expenditures.

17 **Sec. 28.** RCW 43.210.030 and 1985 c 231 s 3 are each amended to
18 read as follows:

19 The small business export finance assistance center and its
20 branches shall be governed and managed by a board of ((seventeen))
21 nineteen directors appointed by the governor and confirmed by the
22 senate. The directors shall serve terms of six years except that two
23 of the original directors shall serve for two years and two of the
24 original directors shall serve for four years. The directors may
25 provide for the payment of their expenses. The directors shall include
26 a representative of a not-for-profit corporation formed for the purpose
27 of facilitating economic development, at least two representatives of
28 state financial institutions engaged in the financing of export
29 transactions, a representative of a port district, and a representative

1 of organized labor. Of the remaining board members, there shall be ((a
2 ~~representative of the governor,~~) one representative of business from
3 the area west of Puget Sound, one representative of business from the
4 area east of Puget Sound and west of the Cascade range, one
5 representative of business from the area east of the Cascade range and
6 west of the Columbia river, ((and)) one representative of business from
7 the area east of the Columbia river, the director of the department of
8 trade and economic development, and the director of the department of
9 agriculture. One of the directors shall be a representative of the
10 public selected from the area in the state west of the Cascade mountain
11 range and one director shall be a representative of the public selected
12 from that area of the state east of the Cascade mountain range. One
13 director shall be a representative of the public at large. The
14 directors shall be broadly representative of geographic areas of the
15 state, and the representatives of businesses shall represent at least
16 four different industries in different sized businesses as follows:
17 (a) One representative of a company employing fewer than one hundred
18 persons; (b) one representative of a company employing between one
19 hundred and five hundred persons; ((and)) (c) ((two)) one
20 representative((s)) of companies employing more than five hundred
21 persons; (d) one representative from an export management company; and
22 (e) one representative from an agricultural or food processing company.
23 Any vacancies on the board due to the expiration of a term or for any
24 other reason shall be filled by appointment by the governor for the
25 unexpired term.

26 **Sec. 29.** RCW 43.210.050 and 1985 c 466 s 64 and 1985 c 231 s 5 are
27 each reenacted and amended to read as follows:

28 The small business export finance assistance center formed under
29 RCW 43.210.020 and 43.210.030 ((is eligible to receive consideration

1 ~~for~~) shall enter into a contract under this chapter ((from the)) with
2 the department of trade and economic development or its statutory
3 successor. The contract shall require the center to provide export
4 assistance services, ((may not have a duration of longer than two
5 years,)) consistent with sections 24 through 27 of this act, shall have
6 a duration of two years, and shall require the center to aggressively
7 seek to fund its continued operation from nonstate funds. The contract
8 shall also require the center to report ((at least twice)) annually to
9 the department on its success in obtaining nonstate funding. Upon
10 expiration of the contract, any provisions within the contract
11 applicable to the Pacific Northwest export assistance project shall be
12 automatically renewed without change provided the legislature
13 appropriates funds for administration of the small business export
14 assistance center and the Pacific Northwest export assistance project.
15 The provisions of the contract related to the Pacific Northwest export
16 assistance project may be changed at any time if the director of the
17 department of trade and economic development or the president of the
18 small business export finance assistance center present compelling
19 reasons supporting the need for a contract change to the board of
20 directors and a majority of the board of directors agrees to the
21 changes. The department of agriculture shall be included in the
22 contracting negotiations with the department of trade and economic
23 development and the small business export finance assistance center
24 when the Pacific Northwest export assistance project provides export
25 services to industrial sectors within the administrative domain of the
26 Washington state department of agriculture. The department of trade
27 and economic development, the small business export finance assistance
28 center, and, if appropriate, the department of agriculture, shall
29 report annually, as one group, to the appropriate legislative oversight

1 committees on the progress of the Pacific Northwest export assistance
2 project.

3 NEW SECTION. Sec. 30. The following acts or parts of acts are
4 each repealed:

5 (1) RCW 43.131.325 and 1985 c 231 s 10; and

6 (2) RCW 43.131.326 and 1985 c 231 s 11.

7 NEW SECTION. Sec. 31. A new section is added to chapter 43.131
8 RCW to read as follows:

9 The Pacific Northwest export assistance project shall be terminated
10 on June 30, 1996, as provided in section 32 of this act.

11 NEW SECTION. Sec. 32. A new section is added to chapter 43.131
12 RCW to read as follows:

13 The following acts or parts of acts, as now existing or hereafter
14 amended, are each repealed, effective June 30, 1997:

15 (1) Section 24 of this act;

16 (2) Section 25 of this act;

17 (3) Section 26 of this act; and

18 (4) Section 27 of this act.

19 **Sec. 33.** RCW 82.60.020 and 1988 c 42 s 16 are each amended to read
20 as follows:

21 Unless the context clearly requires otherwise, the definitions in
22 this section apply throughout this chapter.

23 (1) "Applicant" means a person applying for a tax deferral under
24 this chapter.

25 (2) "Department" means the department of revenue.

1 (3) "Eligible area" means: (a) A county in which the average level
2 of unemployment for the three years before the year in which an
3 application is filed under this chapter exceeds the average state
4 unemployment for those years by twenty percent; or (b) a metropolitan
5 statistical area, as defined by the office of federal statistical
6 policy and standards, United States department of commerce, in which
7 the average level of unemployment for the calendar year immediately
8 preceding the year in which an application is filed under this chapter
9 exceeds the average state unemployment for such calendar year by twenty
10 percent. Applications under this subsection (3)(b) shall be filed by
11 April 30, 1989. However, counties eligible under section 2 of this act
12 may file an application by July 1, 1993.

13 (4)(a) "Eligible investment project" means that portion of an
14 investment project which:

15 (i) Is directly utilized to create at least one new full-time
16 qualified employment position for each three hundred thousand dollars
17 of investment on which a deferral is requested; and

18 (ii) Either initiates a new operation, or expands or diversifies a
19 current operation by expanding or renovating an existing building with
20 costs in excess of twenty-five percent of the true and fair value of
21 the plant complex prior to improvement; or

22 (iii) Acquires machinery and equipment to be used for either
23 manufacturing or research and development if the machinery and
24 equipment is housed in a new leased structure: PROVIDED, That the
25 lessor/owner of the structure is not eligible for a deferral unless the
26 underlying ownership of the buildings, machinery, and equipment vests
27 exclusively in the same person.

28 (b) "Eligible investment project" does not include any portion of
29 an investment project undertaken by a light and power business as

1 defined in RCW 82.16.010(5) or investment projects which have already
2 received deferrals under this chapter.

3 (5) "Investment project" means an investment in qualified buildings
4 and qualified machinery and equipment, including labor and services
5 rendered in the planning, installation, and construction of the
6 project.

7 (6) "Manufacturing" means all activities of a commercial or
8 industrial nature wherein labor or skill is applied, by hand or
9 machinery, to materials so that as a result thereof a new, different,
10 or useful substance or article of tangible personal property is
11 produced for sale or commercial or industrial use and shall include the
12 production or fabrication of specially made or custom made articles.
13 "Manufacturing" also includes computer programming, the production of
14 computer software, and other computer-related services, and the
15 activities performed by research and development laboratories and
16 commercial testing laboratories.

17 (7) "Person" has the meaning given in RCW 82.04.030.

18 (8) "Qualified buildings" means new structures used for
19 manufacturing and research and development activities, including plant
20 offices and warehouses or other facilities for the storage of raw
21 material or finished goods if such facilities are an essential or an
22 integral part of a factory, mill, plant, or laboratory used for
23 manufacturing or research and development. If a building is used
24 partly for manufacturing or research and development and partly for
25 other purposes, the applicable tax deferral shall be determined by
26 apportionment of the costs of construction under rules adopted by the
27 department.

28 (9) "Qualified employment position" means a permanent full-time
29 employee employed in the eligible investment project during the entire
30 tax year.

1 (10) "Qualified machinery and equipment" means all new industrial
2 and research fixtures, equipment, and support facilities that are an
3 integral and necessary part of a manufacturing or research and
4 development operation. "Qualified machinery and equipment" includes:
5 Computers; software; data processing equipment; laboratory equipment;
6 manufacturing components such as belts, pulleys, shafts, and moving
7 parts; molds, tools, and dies; operating structures; and all equipment
8 used to control or operate the machinery.

9 (11) "Recipient" means a person receiving a tax deferral under this
10 chapter.

11 (12) "Research and development" means the development, refinement,
12 testing, marketing, and commercialization of a product, service, or
13 process before commercial sales have begun. As used in this
14 subsection, "commercial sales" excludes sales of prototypes or sales
15 for market testing if the total gross receipts from such sales of the
16 product, service, or process do not exceed one million dollars.

17 **Sec. 34.** RCW 82.62.010 and 1988 c 42 s 17 are each amended to read
18 as follows:

19 Unless the context clearly requires otherwise, the definitions in
20 this section apply throughout this chapter.

21 (1) "Applicant" means a person applying for a tax credit under this
22 chapter.

23 (2) "Department" means the department of revenue.

24 (3) "Eligible area" means: (a) A county in which the average level
25 of unemployment for the three years before the year in which an
26 application is filed under this chapter exceeds the average state
27 unemployment for those years by twenty percent; or (b) a metropolitan
28 statistical area, as defined by the office of federal statistical
29 policy and standards, United States department of commerce, in which

1 the average level of unemployment for the calendar year immediately
2 preceding the year in which an application is filed under this chapter
3 exceeds the average state unemployment for such calendar year by twenty
4 percent. Applications under this subsection (3)(b) shall be filed by
5 April 30, 1989. However, counties eligible under section 2 of this act
6 may file an application by July 1, 1993.

7 (4)(a) "Eligible business project" means manufacturing or research
8 and development activities which are conducted by an applicant in an
9 eligible area at a specific facility: PROVIDED, That the applicant's
10 average full-time qualified employment positions at the specific
11 facility will be at least fifteen percent greater in the year for which
12 the credit is being sought than the applicant's average full-time
13 qualified employment positions at the same facility in the immediately
14 preceding year.

15 (b) "Eligible business project" does not include any portion of a
16 business project undertaken by a light and power business as defined in
17 RCW 82.16.010(5) or that portion of a business project creating
18 qualified full-time employment positions outside an eligible area or
19 those recipients of a sales tax deferral under chapter 82.61 RCW.

20 (5) "Manufacturing" means all activities of a commercial or
21 industrial nature wherein labor or skill is applied, by hand or
22 machinery, to materials so that as a result thereof a new, different,
23 or useful substance or article of tangible personal property is
24 produced for sale or commercial or industrial use and shall include the
25 production or fabrication of specially made or custom made articles.
26 "Manufacturing" also includes computer programming, the production of
27 computer software, and other computer-related services, and the
28 activities performed by research and development laboratories and
29 commercial testing laboratories.

30 (6) "Person" has the meaning given in RCW 82.04.030.

1 (7) "Qualified employment position" means a permanent full-time
2 employee employed in the eligible business project during the entire
3 tax year.

4 (8) "Tax year" means the calendar year in which taxes are due.

5 (9) "Recipient" means a person receiving tax credits under this
6 chapter.

7 (10) "Research and development" means the development, refinement,
8 testing, marketing, and commercialization of a product, service, or
9 process before commercial sales have begun. As used in this
10 subsection, "commercial sales" excludes sales of prototypes or sales
11 for market testing if the total gross receipts from such sales of the
12 product, service, or process do not exceed one million dollars.

13 **Sec. 35.** RCW 43.168.020 and 1988 c 42 s 18 are each amended to
14 read as follows:

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

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

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

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

22 (4) "Distressed area" means: (a) A county which has an
23 unemployment rate which is twenty percent above the state average for
24 the immediately previous three years; (b) a metropolitan statistical
25 area, as defined by the office of federal statistical policy and
26 standards, United States department of commerce, in which the average
27 level of unemployment for the calendar year immediately preceding the
28 year in which an application is filed under this chapter exceeds the
29 average state unemployment for such calendar year by twenty percent.

1 Applications under this subsection (4)(b) shall be filed by April 30,
2 1989; ((or)) (c) an area within a county, which area: (i) Is composed
3 of contiguous census tracts; (ii) has a minimum population of five
4 thousand persons; (iii) has at least seventy percent of its families
5 and unrelated individuals with incomes below eighty percent of the
6 county's median income for families and unrelated individuals; and (iv)
7 has an unemployment rate which is at least forty percent higher than
8 the county's unemployment rate; or (d) a county designated as a timber
9 impact area under section 2 of this act if an application is filed by
10 July 1, 1993. For purposes of this definition, "families and unrelated
11 individuals" has the same meaning that is ascribed to that term by the
12 federal department of housing and urban development in its regulations
13 authorizing action grants for economic development and neighborhood
14 revitalization projects.

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

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

21 (7) "Project" means the establishment of a new or expanded business
22 in an area which when completed will provide employment opportunities.
23 "Project" also means the retention of an existing business in an area
24 which when completed will provide employment opportunities.

25 NEW SECTION. **Sec. 36.** Unless the context clearly requires
26 otherwise, the definitions in this section apply throughout sections 37
27 through 40 of this act.

28 (1) "Timber-dependent community" means a community in which thirty
29 percent or more of the work force is employed in the timber industry.

1 (2) "Permanent residence" means the residence in which an
2 individual resides on the effective date of this act on a full-time
3 basis, including detached, semi-detached, or townhouse units; modular
4 homes; condominium units or manufactured housing units which meet the
5 program standards.

6 (3) "Program" means the emergency mortgage assistance program.

7 NEW SECTION. **Sec. 37.** The department shall establish and
8 administer the emergency mortgage assistance program under the
9 following general guidelines:

10 (1) A loan provided under the program shall not exceed an amount
11 equal to twenty-four months of mortgage payments.

12 (2) The maximum loan amount allowed under the program shall not
13 exceed twenty thousand dollars.

14 (3) Loans shall be made to applicants who meet specific income
15 guidelines established by the department.

16 (4) Loans shall be granted on a first-come, first-served basis.

17 (5) Loan payments shall be made directly to the mortgage lender by
18 the department.

19 (6) Repayment of loans provided under the program must not take
20 more than twenty years.

21 (7) The department may provide for emergency short-term loans.

22 NEW SECTION. **Sec. 38.** The goals of the program are to:

23 (1) Provide up to twenty-four months of emergency assistance loans
24 to households who, because of their loss of employment in the timber
25 industry for a period of six consecutive months, are unable to make
26 current mortgage payments on their permanent residence and are likely
27 to face imminent home mortgage or other home loan foreclosure
28 proceedings;

1 (2) Prevent the dislocation of individuals and families from their
2 permanent residences and their communities; and

3 (3) Maintain the economic and social stability of timber-dependent
4 communities.

5 NEW SECTION. **Sec. 39.** To become eligible to receive emergency
6 mortgage assistance loans provided for under sections 36 through 40 of
7 this act, an applicant must:

8 (1) Be unable to keep payments on his or her home mortgage current,
9 due to a temporary loss of employment in the timber industry, and shall
10 be at significant risk of forfeiting the title to his or her home;

11 (2) Have his or her permanent residence located in a timber-
12 dependent community and be the owner of an equitable interest in such
13 residence;

14 (3) Intend to reside in the home being financed;

15 (4) Be actively seeking new employment or be enrolled in a training
16 program approved by the director; and

17 (5) With the assistance of the applicant's lender or other
18 financial adviser, submit an application by June 30, 1996, to the
19 department requesting assistance from the program.

20 NEW SECTION. **Sec. 40.** The department shall carry out the
21 following duties:

22 (1) Administer and implement the program;

23 (2) Develop and adopt the necessary rules for implementation of the
24 program;

25 (3) Establish the interest rate for repayment of loans at two
26 percent below the market rate;

27 (4) Work with lending institutions in timber-dependent communities
28 to assure that all eligible homeowners are informed about the program;

1 (5) Utilize federal and state programs that complement or
2 facilitate carrying out the program;

3 (6) Evaluate the program effectiveness;

4 (7) Submit a report to the senate commerce and labor committee by
5 January 31, 1992.

6 **Sec. 41.** RCW 43.160.010 and 1989 c 431 s 61 are each amended to
7 read as follows:

8 (1) The legislature finds that it is the public policy of the state
9 of Washington to direct financial resources toward the fostering of
10 economic development through the stimulation of investment and job
11 opportunities and the retention of sustainable existing employment for
12 the general welfare of the inhabitants of the state. Reducing
13 unemployment and reducing the time citizens remain jobless is important
14 for the economic welfare of the state. A valuable means of fostering
15 economic development is the construction of public facilities which
16 contribute to the stability and growth of the state's economic base.
17 Strengthening the economic base through issuance of industrial
18 development bonds, whether single or umbrella, further serves to reduce
19 unemployment. Consolidating issues of industrial development bonds
20 when feasible to reduce costs additionally advances the state's purpose
21 to improve economic vitality. Expenditures made for these purposes as
22 authorized in this chapter are declared to be in the public interest,
23 and constitute a proper use of public funds. A community economic
24 revitalization board is needed which shall aid the development of
25 economic opportunities. The general objectives of the board should
26 include:

27 (a) Strengthening the economies of areas of the state which have
28 experienced or are expected to experience chronically high unemployment
29 rates or below average growth in their economies;

1 (b) Encouraging the diversification of the economies of the state
2 and regions within the state in order to provide greater seasonal and
3 cyclical stability of income and employment;

4 (c) Encouraging wider access to financial resources for both large
5 and small industrial development projects;

6 (d) Encouraging new economic development or expansions to maximize
7 employment;

8 (e) Encouraging the retention of viable existing firms and
9 employment; and

10 (f) Providing incentives for expansion of employment opportunities
11 for groups of state residents that have been less successful relative
12 to other groups in efforts to gain permanent employment.

13 (2) The legislature also finds that the state's economic
14 development efforts can be enhanced by, in certain instances, providing
15 funds to improve state highways in the vicinity of new industries
16 considering locating in this state or existing industries that are
17 considering significant expansion.

18 (a) The legislature finds it desirable to provide a process whereby
19 the need for diverse public works improvements necessitated by planned
20 economic development can be addressed in a timely fashion and with
21 coordination among all responsible governmental entities.

22 (b) It is the intent of the legislature to create an economic
23 development account within the motor vehicle fund from which
24 expenditures can be made by the department of transportation for state
25 highway improvements necessitated by planned economic development. All
26 such improvements must first be approved by the state transportation
27 commission and the community economic revitalization board in
28 accordance with the procedures established by RCW 43.160.074 and
29 47.01.280. It is further the intent of the legislature that such
30 improvements not jeopardize any other planned highway construction

1 projects. The improvements are intended to be of limited size and
2 cost, and to include such items as additional turn lanes,
3 signalization, illumination, and safety improvements.

4 (3) The legislature also finds that the state's economic
5 development efforts can be enhanced by providing funds to improve
6 markets for those recyclable materials representing a large fraction of
7 the waste stream. The legislature finds that public facilities which
8 result in private construction of processing or remanufacturing
9 facilities for recyclable materials are eligible for consideration from
10 the board.

11 (4) The legislature finds that sharing economic growth state-wide
12 is important to the welfare of the state. Distressed areas and timber-
13 dependent counties do not share in the economic vitality of the Puget
14 Sound region. Infrastructure is one of several ingredients that are
15 critical for economic development. Distressed areas and timber-
16 dependent counties generally lack the infrastructure necessary to
17 diversify and revitalize their economies. It is, therefore, the intent
18 of the legislature to increase the availability of funds to help
19 provide infrastructure to distressed areas and timber-dependent
20 counties.

21 **Sec. 42.** RCW 43.160.020 and 1985 c 466 s 58 are each amended to
22 read as follows:

23 Unless the context clearly requires otherwise, the definitions in
24 this section apply throughout this chapter.

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

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

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

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

9 (5) "Industrial development facilities" means "industrial
10 development facilities" as defined in RCW 39.84.020.

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

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

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

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

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

28 (11) "Federal timber impact area" means a county or a city or town
29 located within a county meeting two of the following three criteria for
30 the most recent year such data is available: (a) A lumber and wood

1 products employment location quotient at or above the state average,
2 (b) a direct lumber and wood products job loss of one hundred or more,
3 or (c) an annual unemployment rate twenty percent above the state
4 average.

5 NEW SECTION. **Sec. 43.** A new section is added to chapter 43.160
6 RCW to read as follows:

7 (1) The economic development account is created within the public
8 facilities construction loan revolving fund under RCW 43.160.080.
9 Moneys in the account may be spent only after appropriation.
10 Expenditures from the account may be used only for the purposes of RCW
11 43.160.010(4) and this section. The account is subject to allotment
12 procedures under chapter 43.88 RCW.

13 (2) Applications under this section for assistance from the
14 economic development account are subject to all of the applicable
15 criteria set forth under this chapter, as well as procedures and
16 criteria established by the board, except as otherwise provided.

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

21 (4) Applicants must demonstrate that their request is part of an
22 economic development plan consistent with applicable state planning
23 requirements. Industrial projects must be approved by the local
24 government and the associate development organization. Applicants must
25 demonstrate that small scale tourism projects have been approved by the
26 local government and are part of a regional tourism plan approved by
27 the local and regional tourism organizations.

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

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

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

11 (8) Board financing for small scale tourism projects shall not
12 exceed two hundred fifty thousand dollars. Other public facility
13 projects under this section shall not exceed five hundred thousand
14 dollars. Loans with flexible terms and conditions to meet the needs of
15 the applicants shall be provided. Grants may also be authorized, but
16 only when, and to the extent that, a loan is not reasonably possible,
17 given the limited resources of the political subdivision.

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

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

23 NEW SECTION. **Sec. 44.** A new section is added to chapter 43.160
24 RCW to read as follows:

25 The board shall establish guidelines for making grants and loans to
26 ensure that the requirements of this chapter are complied with. The
27 guidelines shall include:

28 (1) A process to equitably compare and evaluate applications from
29 competing communities.

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

9 (3) A method of evaluating the impact of the loans or grants on the
10 economy of the community and whether the loans or grants achieved their
11 purpose.

12 **Sec. 45.** RCW 43.160.076 and 1985 c 446 s 6 are each amended to
13 read as follows:

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

24 (2) If at any time during the last six months of a biennium the
25 board finds that the actual and anticipated applications for qualified
26 projects in distressed counties or federal timber impact areas are
27 clearly insufficient to use up the (~~twenty~~) fifty percent allocation,
28 then the board shall estimate the amount of the insufficiency and
29 during the remainder of the biennium may use that amount of the

1 allocation for loans and grants for projects not located in distressed
2 counties or federal timber impact areas.

3 NEW SECTION. **Sec. 46.** (1) For the period beginning July 1,
4 1991, and ending June 30, 1993, in those areas designated by the
5 department of community development as timber impact areas under
6 section 2 of this act, the public works board may award low-interest or
7 interest-free loans to local governments for construction of new public
8 works facilities that stimulate economic growth or diversification.

9 (2) For the purposes of this section and section 47 of this act,
10 "public facilities" means bridge, road and street, domestic water,
11 sanitary sewer, and storm sewer systems.

12 (3) The loans may have a deferred payment of up to five years but
13 shall be repaid within twenty years. The community economic
14 revitalization board may require other terms and conditions and may
15 charge such rates of interest on its loans as it deems appropriate to
16 carry out the purposes of this section. Repayments shall be made to
17 the public works assistance account.

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

20 NEW SECTION. **Sec. 47.** (1) As authorized by section 46 of this
21 act, the board shall establish criteria for awarding loans to local
22 governments including, but not limited to, the following:

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

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

1 (c) The local economy must have experienced or be about to
2 experience employment losses due to the timber economy;

3 (d) The proposed project must provide an opportunity to create or
4 retain jobs within the local economy. Priority may be given to those
5 projects that provide an opportunity to retain or create jobs for the
6 pool of local workers affected by the timber economy;

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

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

11 (2) Existing debt or other financial obligations of the local
12 government shall not be refinanced under this section and section 46 of
13 this act.

14 (3) The board shall award loans only to those projects that meet
15 the criteria and will fulfill the purpose of this section and section
16 46 of this act. Any funds not obligated at the close of the biennium
17 shall be returned to the public works assistance account.

18 NEW SECTION. **Sec. 48.** The board shall provide to the office of
19 financial management and the legislative fiscal committees a report by
20 January 15, 1994, on the loans awarded through the biennium ending June
21 30, 1993.

22 NEW SECTION. **Sec. 49.** To the extent that funds are
23 specifically appropriated therefor, the state board for community
24 college education shall provide training and retraining in timber-
25 dependent communities as follows:

26 (1) Disbursement of funds to individual community colleges for
27 supplemental slots in cases where enrollment demand exceeds allocation;

1 (2) Pilot projects for innovative approaches to literacy and
2 employment training;

3 (3) Personnel and equipment for cranberry industry research;

4 (4) Grays Harbor Community College shall establish a program to
5 train displaced timber workers to fill positions as safety training and
6 vessel inspectors. They shall contract with those organizations deemed
7 appropriate to carry out this program;

8 (5) Skagit Valley Community College shall establish a program to
9 train displaced timber workers in natural resources technical programs
10 in stream enhancement, including waters upstream or downstream as well
11 as adjacent to state lands; water quality enhancement; irrigation
12 repair; and the building of shellfish beds;

13 (6) Agricultural development, diversification, marketing, and
14 processing programs in timber-impacted areas under sections 1 through
15 10 of this act. The department of trade and economic development shall
16 contract with local organizations, institutions, or agencies to:

17 (a) Seek to increase the utilization of existing federal, state,
18 and local programs for agricultural development, diversification,
19 marketing, and processing in the timber-impacted regions;

20 (b) Seek to increase the coordination and effectiveness of existing
21 federal, state, and local programs for agricultural development,
22 diversification, marketing, and processing in the timber-impacted
23 areas; and

24 (c) Undertake efforts to promote and further the existing strengths
25 of the timber-impacted areas in the value-added program. To accomplish
26 this the department shall provide a targeted industry strategy to
27 increase the amount of value added to each board foot of timber
28 harvested. The department shall provide technical assistance, plant-
29 specific feasibility studies, additional industrial extension and
30 outreach efforts, plus market development.

1 No contract may be entered into under this section until the
2 department has consulted with the board.

3 For the purpose of this section, enrollment restrictions shall not
4 apply in the community colleges in timber-impacted communities.

5 NEW SECTION. **Sec. 50.** To the extent that funds are
6 specifically appropriated therefor, the department of community
7 development shall develop a community assistance program to enable
8 communities to build local capacity for sustainable economic
9 development efforts. The focus of this effort is to provide resources
10 and technical assistance to local community leaders to carry out
11 locally determined economic development projects.

12 NEW SECTION. **Sec. 51.** To the extent that funds are
13 specifically appropriated therefor, the employment security department
14 shall establish and maintain a job service message center for displaced
15 workers without phone service. The voice-mail service shall allow
16 twenty-four hour access to phone messages from employers for job
17 prospects and from case managers who provide essential employment and
18 support services.

19 NEW SECTION. **Sec. 52.** To the extent that funds are
20 specifically appropriated therefor, the department of community
21 development shall enhance the two reemployment centers in timber-
22 dependent communities in order to continue providing referral services,
23 counseling, and support.

24 NEW SECTION. **Sec. 53.** To the extent that funds are
25 specifically appropriated therefor, the University of Washington shall
26 establish a research center for natural resources on the Olympic

1 Peninsula. The center shall conduct research for forest resources and
2 marine resources and shall coordinate research in marine resources with
3 Grays Harbor and Peninsula Community Colleges.

4 NEW SECTION. **Sec. 54.** If specific funding for the purposes of
5 sections 3 through 10 of this act, referencing sections 3 through 10 of
6 this act by bill and section number, is not provided by June 30, 1991,
7 in the omnibus appropriations act, sections 3 through 10 of this act
8 shall be null and void.

9 NEW SECTION. **Sec. 55.** If specific funding for the purposes of
10 sections 11 through 16 of this act, referencing sections 11 through 16
11 of this act by bill and section number, is not provided by June 30,
12 1991, in the omnibus appropriations act, sections 11 through 16 of this
13 act shall be null and void.

14 NEW SECTION. **Sec. 56.** If specific funding for the purposes of
15 section 17 of this act, referencing section 17 of this act by bill and
16 section number, is not provided by June 30, 1991, in the omnibus
17 appropriations act, section 17 of this act shall be null and void.

18 NEW SECTION. **Sec. 57.** If specific funding for the purposes of
19 sections 20 through 23 of this act, referencing sections 20 through 23
20 of this act by bill and section number, is not provided by June 30,
21 1991, in the omnibus appropriations act, sections 20 through 23 of this
22 act shall be null and void.

23 NEW SECTION. **Sec. 58.** If specific funding for the purposes of
24 sections 24 through 32 of this act, referencing sections 24 through 32
25 of this act by bill and section number, is not provided by June 30,

1 1991, in the omnibus appropriations act, sections 24 through 32 of this
2 act shall be null and void.

3 NEW SECTION. **Sec. 59.** If specific funding for the purposes of
4 sections 36 through 40 of this act, referencing sections 36 through 40
5 of this act by bill and section number, is not provided by June 30,
6 1991, in the omnibus appropriations act, sections 36 through 40 of this
7 act shall be null and void.

8 NEW SECTION. **Sec. 60.** If specific funding for the purposes of
9 sections 41 through 45 of this act, referencing sections 41 through 45
10 of this act by bill and section number, is not provided by June 30,
11 1991, in the omnibus appropriations act, sections 41 through 45 of this
12 act shall be null and void.

13 NEW SECTION. **Sec. 61.** If specific funding for the purposes of
14 sections 46 through 48 of this act, referencing sections 46 through 48
15 of this act by bill and section number, is not provided by June 30,
16 1991, in the omnibus appropriations act, sections 46 through 48 of this
17 act shall be null and void.

18 NEW SECTION. **Sec. 62.** (1) Sections 1 through 10 of this act
19 are each added to chapter 43.31 RCW.

20 (2) Sections 11 through 16 of this act shall constitute a new
21 chapter in Title 50 RCW.

22 (3) Sections 24 through 27 of this act are each added to chapter
23 43.210 RCW.

24 (4) Sections 36 through 40 of this act are each added to chapter
25 43.63A RCW.

1 NEW SECTION. **Sec. 63.** Sections 46 through 48 of this act
2 expire on June 30, 1994.

3 NEW SECTION. **Sec. 64.** Sections 18, 19, 33 through 35, 49
4 through 51, and 54 of this act are necessary for the immediate
5 preservation of the public peace, health, or safety, or support of the
6 state government and its existing public institutions, and shall take
7 effect immediately.