
HOUSE BILL 1377

State of Washington

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By Representatives Basich, Jones, Kessler, Campbell, Sheldon, Morris, Riley, Dunshee, Rayburn, Locke, Quall, Kremen, Zellinsky, H. Myers, King, Wineberry, Roland, Linville, Pruitt, Holm, Springer, Johanson, Finkbeiner and Jacobsen

Read first time 01/27/93. Referred to Committee on Trade, Economic Development & Housing.

1 AN ACT Relating to timber programs under chapters 314 and 315, Laws
2 of 1991; amending RCW 43.31.611, 43.31.621, 43.31.631, 43.160.200, and
3 50.22.090; amending 1991 c 314 s 26 (uncodified); amending 1991 c 314
4 s 32 (uncodified); amending 1991 c 314 s 33 (uncodified); amending 1991
5 c 315 s 2 (uncodified); providing an effective date; and declaring an
6 emergency.

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

8 **Sec. 1.** RCW 43.31.611 and 1991 c 314 s 3 are each amended to read
9 as follows:

10 (1) The governor shall appoint a timber recovery coordinator. The
11 coordinator shall coordinate the state and federal economic and social
12 programs targeted to timber impact areas.

13 (2) The coordinator's responsibilities shall include but not be
14 limited to:

15 (a) Serving as executive secretary of the economic recovery
16 coordination board and directing staff associated with the board.

17 (b) Chairing the agency timber task force and directing staff
18 associated with the task force.

1 (c) Coordinating and maximizing the impact of state and federal
2 assistance to timber impact areas.

3 (d) Coordinating and expediting programs to assist timber impact
4 areas.

5 (e) Providing the legislature with a status and impact report on
6 the timber recovery program in January 1992.

7 (3) This section shall expire June 30, (~~(1993)~~) 1995.

8 **Sec. 2.** RCW 43.31.621 and 1991 c 314 s 4 are each amended to read
9 as follows:

10 (1) There is established the agency timber task force. The task
11 force shall be chaired by the timber recovery coordinator. It shall be
12 the responsibility of the coordinator that all directives of chapter
13 314, Laws of 1991 are carried out expeditiously by the agencies
14 represented in the task force. The task force shall consist of the
15 directors, or representatives of the directors, of the following
16 agencies: The department of trade and economic development, department
17 of community development, employment security department, department of
18 social and health services, state board for community and technical
19 colleges (~~(education)~~), state (~~(board for vocational education)~~) work
20 force training and education coordinating board, or its replacement
21 entity, department of natural resources, department of transportation,
22 state energy office, department of wildlife, University of Washington
23 center for international trade in forest products, and department of
24 ecology. The task force may consult and enlist the assistance of the
25 following: The higher education coordinating board, University of
26 Washington college of forest resources, Washington State University
27 school of forestry, Northwest policy center, state superintendent of
28 public instruction, the Evergreen partnership, Washington association
29 of counties, and rural development council.

30 (2) This section shall expire June 30, (~~(1993)~~) 1995.

31 **Sec. 3.** RCW 43.31.631 and 1991 c 314 s 6 are each amended to read
32 as follows:

33 (1) There is established the economic recovery coordination board
34 consisting of one representative, appointed by the governor, from each
35 county that is a timber impact area. The timber recovery coordinator
36 shall also be a member of the board. Each associate development
37 organization from counties that are timber impact areas, in

1 consultation with the county legislative authority, shall submit to the
2 governor the names of three nominees representing different interests
3 in each county. Within sixty days after July 28, 1991, the governor
4 shall select one nominee from each list submitted by associate
5 development organizations. In making the appointments, the governor
6 shall endeavor to ensure that the board represents a diversity of
7 backgrounds. Vacancies shall be filled in the same manner as the
8 original appointment.

9 (2) The board shall:

10 (a) Advise the timber recovery coordinator and the agency timber
11 task force on issues relating to timber impact area economic and social
12 development, and review and provide recommendations on proposals for
13 the diversification of the timber impact areas presented to it by the
14 timber recovery coordinator.

15 (b) Respond to the needs and concerns of citizens at the local
16 level.

17 (c) Develop strategies for the economic recovery of timber impact
18 areas.

19 (d) Provide recommendations to the governor, the legislature, and
20 congress on land management and economic and regulatory policies that
21 affect timber impact areas.

22 (e) Recommend to the legislature any changes or improvements in
23 existing programs designed to benefit timber impact areas.

24 (3) Members of the board and committees shall receive no
25 compensation but shall be reimbursed for travel expenses under RCW
26 43.03.050 and 43.03.060.

27 (4) This section shall expire June 30, (~~1993~~) 1995.

28 **Sec. 4.** RCW 43.160.200 and 1991 c 314 s 23 are each amended to
29 read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (12) Cities and counties otherwise eligible under and in compliance
15 with this section are authorized to use the loans or grants for
16 buildings and structures.

17 **Sec. 5.** 1991 c 314 s 26 (uncodified) is amended to read as
18 follows:

19 (1) For the period beginning July 1, 1991, and ending June 30,
20 (~~1993~~) 1995, in timber impact areas the public works board may award
21 low-interest or interest-free loans to local governments for
22 construction of new public works facilities that stimulate economic
23 growth or diversification.

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

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

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

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

1 (3) The loans may have a deferred payment of up to five years but
2 shall be repaid within twenty years. The public works board may
3 require other terms and conditions and may charge such rates of
4 interest on its loans as it deems appropriate to carry out the purposes
5 of this section. Repayments shall be made to the public works
6 assistance account.

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

9 **Sec. 6.** 1991 c 314 s 32 (uncodified) is amended to read as
10 follows:

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

13 **Sec. 7.** 1991 c 314 s 33 (uncodified) is amended to read as
14 follows:

15 RCW 43.160.200 expires June 30, (~~1993~~) 1995.

16 **Sec. 8.** 1991 c 315 s 2 (uncodified) is amended to read as follows:

17 (1) Coordination of the programs in this act shall be through the
18 economic recovery coordination board created in RCW 43.31.631, the
19 timber recovery coordinator created in RCW 43.31.611, and the agency
20 timber task force created in RCW 43.31.621.

21 (2) This section shall expire June 30, (~~1993~~) 1995.

22 **Sec. 9.** RCW 50.22.090 and 1992 c 47 s 2 are each amended to read
23 as follows:

24 (1) An additional benefit period is established for counties
25 identified under subsection (2) of this section beginning on the first
26 Sunday after July 1, 1991, and for the forest products industry
27 beginning with the third week after the first Sunday after July 1,
28 1991. Benefits shall be paid as provided in subsection (3) of this
29 section to exhaustees eligible under subsection (4) of this section.

30 (2) The additional benefit period applies to counties having a
31 population of less than five hundred thousand beginning with the third
32 week after a week in which the commissioner determines that a county
33 meets two of the following three criteria, as determined by the
34 department, for the most recent year in which such data is available:

35 (a) A lumber and wood products employment location quotient at or above

1 the state average; (b) projected or actual direct lumber and wood
2 products job losses of one hundred positions or more, except counties
3 having a population greater than two hundred thousand but less than
4 five hundred thousand must have direct lumber and wood products job
5 losses of one thousand positions or more; or (c) an annual unemployment
6 rate twenty percent or more above the state average. The additional
7 benefit period for a county may end no sooner than fifty-two weeks
8 after the additional benefit period begins.

9 (3) Additional benefits shall be paid as follows:

10 (a) No new claims for additional benefits shall be accepted for
11 weeks beginning after July ((3)) 1, ((1993)) 1995, but for claims
12 established on or before July ((3)) 1, ((1993)) 1995, weeks of
13 unemployment occurring after July ((3)) 1, ((1993)) 1995, shall be
14 compensated as provided in this section.

15 (b) The total additional benefit amount shall be ((fifty-two)) one
16 hundred four times the individual's weekly benefit amount, reduced by
17 the total amount of regular benefits and extended benefits paid, or
18 deemed paid, with respect to the benefit year. Additional benefits
19 shall not be payable for weeks more than ((one)) two years beyond the
20 end of the benefit year of the regular claim for an individual whose
21 benefit year ends on or after July 27, 1991, and shall not be payable
22 for weeks ending on or after ((one)) two years after March 26, 1992,
23 for individuals who become eligible as a result of chapter 47, Laws of
24 1992((, and shall be payable for up to five weeks following the
25 completion of the training required by this section)).

26 (c) Notwithstanding the provisions of (b) of this subsection,
27 individuals will be entitled to up to five additional weeks of benefits
28 following the completion or termination of training.

29 (d) The weekly benefit amount shall be calculated as specified in
30 RCW 50.22.040.

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

1 (f) The amendments in chapter . . . , Laws of 1993 (this act)
2 affecting subsection (3) (b) and (c) of this section shall apply in the
3 case of all individuals determined to be monetarily eligible under this
4 section without regard to the date eligibility was determined.

5 (4) An additional benefit eligibility period is established for any
6 exhaustee who:

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

10 (ii) During his or her base year, earned wages in at least six
11 hundred eighty hours in the forest products industry, which shall be
12 determined by the department but shall include the industries assigned
13 the major group standard industrial classification codes "24" and "26"
14 and the industries involved in the harvesting and management of logs,
15 transportation of logs and wood products, processing of wood products,
16 and the manufacturing and distribution of wood processing and logging
17 equipment. The commissioner may adopt rules further interpreting the
18 industries covered under this subsection. For the purposes of this
19 subsection, "standard industrial classification code" means the code
20 identified in RCW 50.29.025(6)(c); and

21 (b)(i) Has received notice of termination or layoff; and

22 (ii) Is unlikely to return to employment in his or her principal
23 occupation or previous industry because of a diminishing demand within
24 his or her labor market for his or her skills in the occupation or
25 industry; and

26 (c)(i) Is notified by the department of the requirements of this
27 section and develops an individual training program that is submitted
28 to the commissioner for approval not later than sixty days after the
29 individual is notified of the requirements of this section, and enters
30 the approved training program not later than ninety days after the date
31 of the individual's termination or layoff, or ninety days after July 1,
32 1991, whichever is later, unless the department determines that the
33 training is not available during the ninety-day period, in which case
34 the individual shall enter training as soon as it is available; or

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

37 (d) Does not receive a training allowance or stipend under the
38 provisions of any federal or state law.

39 (5) For the purposes of this section:

1 (a) "Training program" means:

2 (i) A remedial education program determined to be necessary after
3 counseling at the educational institution in which the individual
4 enrolls pursuant to his or her approved training program; or

5 (ii) A vocational training program at an educational institution
6 that:

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

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

10 (C) Does not include on-the-job training or other training under
11 which the individual is paid by an employer for work performed by the
12 individual during the time that the individual receives additional
13 benefits under subsection (1) of this section.

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

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

21 (6) The commissioner shall adopt rules as necessary to implement
22 this section.

23 (7) For the purpose of this section, an individual who has a
24 benefit year beginning after January 1, 1989, and ending before July
25 27, 1991, shall be treated as if his or her benefit year ended on July
26 27, 1991.

27 NEW SECTION. **Sec. 10.** Section 9 of this act is necessary for the
28 immediate preservation of the public peace, health, or safety, or
29 support of the state government and its existing public institutions,
30 and shall take effect immediately.

31 NEW SECTION. **Sec. 11.** Sections 1 through 8 of this act are
32 necessary for the immediate preservation of the public peace, health,
33 or safety, or support of the state government and its existing public
34 institutions, and shall take effect June 30, 1993.

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