
HOUSE BILL 1529

State of Washington

53rd Legislature

1993 Regular Session

By Representatives Springer, Morton, Chappell, Holm, Campbell, King, Jones, Basich, Rayburn, Sheldon and Kessler; by request of Office of Financial Management

Read first time 01/29/93. Referred to Committee on Trade, Economic Development & Housing.

1 AN ACT Relating to the reauthorization of timber programs under
2 chapters 314 and 315, Laws of 1991; amending RCW 43.160.200, 50.22.090,
3 43.31.611, 43.31.621, 43.31.631, and 50.12.270; amending 1991 c 314 s
4 26 (uncodified); amending 1991 c 314 s 32 (uncodified); amending 1991
5 c 314 s 33 (uncodified); and amending 1991 c 315 s 2 (uncodified).

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

7 **Sec. 1.** RCW 43.160.200 and 1991 c 314 s 23 are each amended to
8 read as follows:

9 (1) The economic development account is created within the public
10 facilities construction loan revolving fund under RCW 43.160.080.
11 Moneys in the account may be spent only after appropriation.
12 Expenditures from the account may be used only for the purposes of RCW
13 43.160.010(4) and this section. The account is subject to allotment
14 procedures under chapter 43.88 RCW.

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

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

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

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

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

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

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

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

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

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

37 (a) A process to equitably compare and evaluate applications from
38 competing communities.

1 (b) 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: (i) A minimum
4 amount of local participation, determined by the board per application,
5 to verify community support for the project; (ii) an analysis that
6 establishes the project is feasible using standard economic principles;
7 and (iii) an explanation from the applicant regarding how the project
8 is consistent with the communities' economic strategy and goals.

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

15 **Sec. 2.** 1991 c 314 s 26 (uncodified) is amended to read as
16 follows:

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

22 (2) For the purposes of this section and section 27, chapter 314,
23 Laws of 1991:

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

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

31 (i) A lumber and wood products employment location quotient at or above
32 the state average; (ii) projected or actual direct lumber and wood
33 products job losses of one hundred positions or more, except counties
34 having a population greater than two hundred thousand but less than
35 five hundred thousand must have direct lumber and wood products job
36 losses of one thousand positions or more; or (iii) an annual
37 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. 3.** 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. 4.** 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. 5.** 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 and impact area recovery coordinator created in RCW 43.31.611,
20 and the agency timber task force created in RCW 43.31.621.

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

22 **Sec. 6.** 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 times~~
16 ~~the individual's weekly benefit amount, reduced by the total amount of~~
17 ~~regular benefits and extended benefits paid, or deemed paid, with~~
18 ~~respect to the benefit year. Additional benefits shall not be payable~~
19 ~~for weeks more than one year beyond the end of the benefit year of the~~
20 ~~regular claim for an individual whose benefit year ends on or after~~
21 ~~July 27, 1991, and shall not be payable for weeks ending on or after~~
22 ~~one year after March 26, 1992, for individuals who become eligible as~~
23 ~~a result of chapter 47, Laws of 1992, and shall be payable for up to~~
24 ~~five weeks following the completion of the training required by this~~
25 ~~section)) an amount equal to the length of the individual's approved~~
26 ~~training plan plus an additional five weeks of benefits for job search~~
27 ~~upon completion of training. The amount paid each week will be the~~
28 ~~same as the individual's regular benefits.~~

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

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

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

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

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

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

18 (ii) Is unlikely to return to employment in his or her principal
19 occupation or previous industry because of a diminishing demand within
20 his or her labor market for his or her skills in the occupation or
21 industry; and

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

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

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

35 (5) For the purposes of this section:

36 (a) "Training program" means:

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

1 (ii) A vocational training program at an educational institution
2 that:

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

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

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

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

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

17 (6) The commissioner shall adopt rules as necessary to implement
18 this section.

19 (7) For the purpose of this section, an individual who has a
20 benefit year beginning after January 1, 1989, and ending before July
21 27, 1991, shall be treated as if his or her benefit year ended on July
22 27, 1991.

23 **Sec. 7.** RCW 43.31.611 and 1991 c 314 s 3 are each amended to read
24 as follows:

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

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

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

32 (b) Chairing the agency timber task force and directing staff
33 associated with the task force.

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

36 (d) Coordinating and expediting programs to assist timber impact
37 areas.

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

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

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

6 (1) There is established the agency timber task force. The task
7 force shall be chaired by the timber recovery coordinator. It shall be
8 the responsibility of the coordinator that all directives of chapter
9 314, Laws of 1991 are carried out expeditiously by the agencies
10 represented in the task force. The task force shall consist of the
11 directors, or representatives of the directors, of the following
12 agencies: The department of trade and economic development, department
13 of community development, employment security department, department of
14 social and health services, state board for community college
15 education, state board for vocational education, or its replacement
16 entity, department of natural resources, department of transportation,
17 state energy office, department of wildlife, University of Washington
18 center for international trade in forest products, and department of
19 ecology. The task force may consult and enlist the assistance of the
20 following: The higher education coordinating board, University of
21 Washington college of forest resources, Washington State University
22 school of forestry, Northwest policy center, state superintendent of
23 public instruction, the Evergreen partnership, Washington association
24 of counties, and rural development council.

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

26 **Sec. 9.** RCW 43.31.631 and 1991 c 314 s 6 are each amended to read
27 as follows:

28 (1) There is established the economic recovery coordination board
29 consisting of one representative, appointed by the governor, from each
30 county that is a timber impact area. The timber recovery coordinator
31 shall also be a member of the board. Each associate development
32 organization from counties that are timber impact areas, in
33 consultation with the county legislative authority, shall submit to the
34 governor the names of three nominees representing different interests
35 in each county. Within sixty days after July 28, 1991, the governor
36 shall select one nominee from each list submitted by associate
37 development organizations. In making the appointments, the governor

1 shall endeavor to ensure that the board represents a diversity of
2 backgrounds. Vacancies shall be filled in the same manner as the
3 original appointment.

4 (2) The board shall:

5 (a) Advise the timber recovery coordinator and the agency timber
6 task force on issues relating to timber impact area economic and social
7 development, and review and provide recommendations on proposals for
8 the diversification of the timber impact areas presented to it by the
9 timber recovery coordinator.

10 (b) Respond to the needs and concerns of citizens at the local
11 level.

12 (c) Develop strategies for the economic recovery of timber impact
13 areas.

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

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

19 (3) Members of the board and committees shall receive no
20 compensation but shall be reimbursed for travel expenses under RCW
21 43.03.050 and 43.03.060.

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

23 **Sec. 10.** RCW 50.12.270 and 1991 c 315 s 3 are each amended to read
24 as follows:

25 (1) Subject to the availability of state or federal funds, the
26 employment security department, as a member of the agency timber task
27 force and in consultation with the economic recovery coordination
28 board, shall consult with and may subcontract with local educational
29 institutions, local businesses, local labor organizations, local
30 associate development organizations, local private industry councils,
31 local social service organizations, and local governments in carrying
32 out a program of training and services, including training through the
33 self-employment and enterprise development (SEED) program, for
34 (~~(dislocated workers)~~) residents in timber impact areas.

35 (2) The department shall conduct a survey to determine the actual
36 future employment needs and jobs skills in timber impact areas.

37 (3) The department shall coordinate the services provided in this
38 section with all other services provided by the department and with the

1 other economic recovery efforts undertaken by state and local
2 government agencies on behalf of the timber impact areas.

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

5 (5) For the purposes of this section, "timber impact area" means a
6 county having a population of less than five hundred thousand, or a
7 city or town located within a county having a population of less than
8 five hundred thousand, and meeting two of the following three criteria,
9 as determined by the employment security department, for the most
10 recent year such data is available: (a) A lumber and wood products
11 employment location quotient at or above the state average; (b)
12 projected or actual direct lumber and wood products job losses of one
13 hundred positions or more, except counties having a population greater
14 than two hundred thousand but less than five hundred thousand must have
15 direct lumber and wood products job losses of one thousand positions or
16 more; or (c) an annual unemployment rate twenty percent or more above
17 the state average.

18 NEW SECTION. **Sec. 11.** If any provision of this act or its
19 application to any person or circumstance is held invalid, the
20 remainder of the act or the application of the provision to other
21 persons or circumstances is not affected.

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