

2 **2SSB 5740** - H COMM AMD

3 By Committee on Trade & Economic Development

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** LEGISLATIVE RECOGNITION AND INTENT. The  
8 legislature recognizes the economic hardship that rural distressed  
9 areas throughout the state have undergone in recent years. Numerous  
10 rural distressed areas across the state have encountered serious  
11 economic downturns resulting in significant job loss and business  
12 failure. In 1991 the legislature enacted two major pieces of  
13 legislation to promote economic development and job creation, with  
14 particular emphasis on worker training, income, and emergency services  
15 support, along with community revitalization through planning services  
16 and infrastructure assistance. However even though these programs have  
17 been of assistance, rural distressed areas still face serious economic  
18 problems including: Above-average unemployment rates from job losses  
19 and below-average employment growth; low rate of business start-ups;  
20 and persistent erosion of vitally important resource-driven industries.

21 The legislature also recognizes that rural distressed areas in  
22 Washington have an abiding ability and consistent will to overcome  
23 these economic obstacles by building upon their historic foundations of  
24 business enterprise, local leadership, and outstanding work ethic.

25 The legislature intends to assist rural distressed areas in their  
26 ongoing efforts to address these difficult economic problems by  
27 providing a comprehensive and significant array of economic tools,  
28 necessary to harness the persistent and undaunted spirit of enterprise  
29 that resides in the citizens of rural distressed areas throughout the  
30 state.

31 The further intent of this act is to provide:

32 (1) A strategically designed plan of assistance, emphasizing state,  
33 local, and private sector leadership and partnership;

34 (2) A comprehensive and significant array of business assistance,  
35 services, and tax incentives that are accountable and performance  
36 driven;

1 (3) An array of community assistance including infrastructure  
2 development and business retention, attraction, and expansion programs  
3 that will provide a competitive advantage to rural distressed areas  
4 throughout Washington; and

5 (4) Regulatory relief to reduce and streamline zoning, permitting,  
6 and regulatory requirements in order to enhance the capability of  
7 businesses to grow and prosper in rural distressed areas.

8 NEW SECTION. **Sec. 2.** GOALS. The primary goals of chapter . . . ,  
9 Laws of 1997 (this act) are to:

10 (1) Promote the ongoing operation of business in rural distressed  
11 areas;

12 (2) Promote the expansion of existing businesses in rural  
13 distressed areas;

14 (3) Attract new businesses to rural distressed areas;

15 (4) Assist in the development of new businesses from within rural  
16 distressed areas;

17 (5) Provide family wage jobs to the citizens of rural distressed  
18 areas; and

19 (6) Promote the development of communities of excellence in rural  
20 distressed areas.

21 **PART I**  
22 **BUSINESS ASSISTANCE**

23 NEW SECTION. **Sec. 3.** A new section is added to chapter 28C.04 RCW  
24 to read as follows:

25 JOB SKILLS/RURAL DISTRESSED AREA EMPLOYEE TRAINING. The work force  
26 training and education coordinating board shall give priority in the  
27 job skills program to assist businesses in rural distressed areas. For  
28 the purposes of this section, "rural distressed area" means the same as  
29 "rural natural resources impact area" under RCW 43.31.601.

30 NEW SECTION. **Sec. 4.** DEVELOPMENT LOAN FUND RECAPITALIZATION. The  
31 legislature finds that the development loan fund is a revolving loan  
32 fund capitalized primarily with federal funds. The fund, administered  
33 by the department of community, trade, and economic development,  
34 provides low-interest loans to businesses in economically distressed  
35 areas and other parts of the state. During the 1995-97 biennium, the

1 department provided three million six hundred thousand dollars in  
 2 loans, thereby exhausting its 1995-97 appropriation authority six  
 3 months prior to the end of the biennium. However, due to early  
 4 repayment of several loans, the account has an estimated fund balance  
 5 of approximately one million seven hundred thousand dollars. In order  
 6 to make the fund balance available for issuance of new loans prior to  
 7 the end of the biennium, it is necessary to provide a supplemental  
 8 appropriation.

9       **Sec. 5.** 1995 2nd sp.s. c 16 s 108 (uncodified) is amended to read  
 10 as follows:

11       **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
 12       **Development loan fund (88-2-002)**

13               **Reappropriation:**

14	St Bldg Constr Acct--State . . . . .	\$	2,000,000
15	Wa St Dev Loan Acct--Federal . . . . .	\$	186,654
16			-----
17	Subtotal Reappropriation . . . . .	\$	2,186,654

18               **Appropriation:**

19	Wa St Dev Loan Acct--Federal . . . . .	\$((3,500,000))	
20			<u>5,200,000</u>
21	Prior Biennia (Expenditures) . . . . .	\$	5,932,935
22	Future Biennia (Projected Costs) . . . . .	\$	20,000,000
23			-----
24	TOTAL . . . . .	\$	((31,619,589))
25			<u>33,319,589</u>

26       **Sec. 6.** RCW 43.168.140 and 1995 c 226 s 28 are each amended to  
 27 read as follows:

28       RURAL DISTRESSED AREAS. Any funds appropriated by the legislature  
 29 to the development loan fund for purposes of the timber recovery act  
 30 shall be used for development loans in rural (~~natural resources impact~~  
 31 ~~areas as defined in RCW 43.31.601~~) distressed areas. At least  
 32 seventy-five percent of all discretionary expenditures shall be made on  
 33 behalf of businesses in rural distressed areas. For the purposes of  
 34 this section, "rural distressed area" means the same as "rural natural  
 35 resources impact area" under RCW 43.31.601.

36       **Sec. 7.** RCW 43.163.210 and 1996 c 310 s 1 are each amended to read  
 37 as follows:

1 ECONOMIC DEVELOPMENT FINANCE AUTHORITY. For the purpose of  
2 facilitating economic development in the state of Washington and  
3 encouraging the employment of Washington workers at meaningful wages:

4 (1) The authority may develop and conduct a program or programs to  
5 provide nonrecourse revenue bond financing (~~((for the project costs for  
6 no more than five economic development activities, per fiscal year,  
7 included under the authority's general plan of economic development  
8 finance objectives. In addition, the authority may issue tax exempt  
9 bonds to finance ten manufacturing or processing activities, per fiscal  
10 year, for which the total project cost is less than one million dollars  
11 per project))~~).

12 (2) The authority may ~~((also))~~ develop and conduct a program that  
13 will stimulate and encourage the development of new products within  
14 Washington state by the infusion of financial aid for invention and  
15 innovation in situations in which the financial aid would not otherwise  
16 be reasonably available from commercial sources. The authority is  
17 authorized to provide nonrecourse revenue bond financing for this  
18 program.

19 (a) For the purposes of this program, the authority shall have the  
20 following powers and duties:

21 (i) To enter into financing agreements with eligible persons doing  
22 business in Washington state, upon terms and on conditions consistent  
23 with the purposes of this chapter, for the advancement of financial and  
24 other assistance to the persons for the development of specific  
25 products, procedures, and techniques, to be developed and produced in  
26 this state, and to condition the agreements upon contractual assurances  
27 that the benefits of increasing or maintaining employment and tax  
28 revenues shall remain in this state and accrue to it;

29 (ii) Own, possess, and take license in patents, copyrights, and  
30 proprietary processes and negotiate and enter into contracts and  
31 establish charges for the use of the patents, copyrights, and  
32 proprietary processes when the patents and licenses for products result  
33 from assistance provided by the authority;

34 (iii) Negotiate royalty payments to the authority on patents and  
35 licenses for products arising as a result of assistance provided by the  
36 authority;

37 (iv) Negotiate and enter into other types of contracts with  
38 eligible persons that assure that public benefits will result from the

1 provision of services by the authority; provided that the contracts are  
2 consistent with the state Constitution;

3 (v) Encourage and provide technical assistance to eligible persons  
4 in the process of developing new products;

5 (vi) Refer eligible persons to researchers or laboratories for the  
6 purpose of testing and evaluating new products, processes, or  
7 innovations; and

8 (vii) To the extent permitted under its contract with eligible  
9 persons, to consent to a termination, modification, forgiveness, or  
10 other change of a term of a contractual right, payment, royalty,  
11 contract, or agreement of any kind to which the authority is a party.

12 (b) Eligible persons seeking financial and other assistance under  
13 this program shall forward an application, together with an application  
14 fee prescribed by rule, to the authority. An investigation and report  
15 concerning the advisability of approving an application for assistance  
16 shall be completed by the staff of the authority. The investigation  
17 and report may include, but is not limited to, facts about the company  
18 under consideration as its history, wage standards, job opportunities,  
19 stability of employment, past and present financial condition and  
20 structure, pro forma income statements, present and future markets and  
21 prospects, integrity of management as well as the feasibility of the  
22 proposed product and invention to be granted financial aid, including  
23 the state of development of the product as well as the likelihood of  
24 its commercial feasibility. After receipt and consideration of the  
25 report set out in this subsection and after other action as is deemed  
26 appropriate, the application shall be approved or denied by the  
27 authority. The applicant shall be promptly notified of action by the  
28 authority. In making the decision as to approval or denial of an  
29 application, priority shall be given to those persons operating or  
30 planning to operate businesses of special importance to Washington's  
31 economy, including, but not limited to: (i) Existing resource-based  
32 industries of agriculture, forestry, and fisheries; (ii) existing  
33 advanced technology industries of electronics, computer and instrument  
34 manufacturing, computer software, and information and design; and (iii)  
35 emerging industries such as environmental technology, biotechnology,  
36 biomedical sciences, materials sciences, and optics.

37 (3) The authority may also develop and implement, if authorized by  
38 the legislature, such other economic development financing programs

1 adopted in future general plans of economic development finance  
2 objectives developed under RCW 43.163.090.

3 (4) The authority may not issue any bonds for the programs  
4 authorized under this section after June 30, 2000.

5 **PART II**  
6 **TAX INCENTIVES**

7 **Sec. 8.** RCW 67.28.210 and 1996 c 159 s 4 are each amended to read  
8 as follows:

9 All taxes levied and collected under RCW 67.28.180, 67.28.240, and  
10 67.28.260 shall be credited to a special fund in the treasury of the  
11 county or city imposing such tax. Such taxes shall be levied only for  
12 the purpose of paying all or any part of the cost of acquisition,  
13 construction, or operating of stadium facilities, convention center  
14 facilities, performing arts center facilities, and/or visual arts  
15 center facilities or to pay or secure the payment of all or any portion  
16 of general obligation bonds or revenue bonds issued for such purpose or  
17 purposes under this chapter, or to pay for advertising, publicizing, or  
18 otherwise distributing information for the purpose of attracting  
19 visitors and encouraging tourist expansion when a county or city has  
20 imposed such tax for such purpose, or as one of the purposes hereunder,  
21 and until withdrawn for use, the moneys accumulated in such fund or  
22 funds may be invested in interest bearing securities by the county or  
23 city treasurer in any manner authorized by law. In addition such taxes  
24 may be used to develop strategies to expand tourism: PROVIDED, That  
25 any county, and any city within a county, bordering upon Grays Harbor  
26 may use the proceeds of such taxes for construction and maintenance of  
27 a movable tall ships tourist attraction in cooperation with a tall  
28 ships restoration society, except to the extent that such proceeds are  
29 used for payment of principal and interest on debt incurred prior to  
30 June 11, 1986: PROVIDED FURTHER, That any city or county may use the  
31 proceeds of such taxes for the refurbishing and operation of a steam  
32 railway or historic maritime vessels used primarily for passenger  
33 transportation for tourism promotion purposes: PROVIDED FURTHER, That  
34 any city bordering on the Pacific Ocean or on Baker Bay with a  
35 population of not less than eight hundred and the county in which such  
36 a city is located, a city bordering on the Skagit river with a  
37 population of not less than twenty thousand, or any city within a

1 county made up entirely of islands may use the proceeds of such taxes  
2 for funding special events or festivals, or for the acquisition,  
3 construction, or operation of publicly owned tourist promotional  
4 infrastructures, structures, or buildings including but not limited to  
5 an ocean beach boardwalk, public docks, and viewing towers: PROVIDED  
6 FURTHER, That any county which imposes a tax under RCW 67.28.182 or any  
7 city with a population less than fifty thousand in such county may use  
8 the proceeds of the tax levied and collected under RCW 67.28.180 to  
9 provide public restroom facilities available to and intended for use by  
10 visitors: PROVIDED FURTHER, That any county made up entirely of  
11 islands, (~~and~~) any city or town that has a population less than five  
12 thousand, and any county that is a rural distressed area as defined  
13 under RCW 43.31.601 or any city within that county, may use the  
14 proceeds of the tax levied and collected under RCW 67.28.180 to provide  
15 public restroom facilities, parking facilities, or public lighting  
16 including sport field lighting that is available to and intended for  
17 use by visitors: PROVIDED FURTHER, That any city or county may use the  
18 proceeds of such taxes for funding a civic festival, if the following  
19 conditions are met: The festival is a community-wide event held not  
20 more than once annually; the festival is approved by the city, town, or  
21 county in which it is held; the festival is sponsored by an exempt  
22 organization defined in section 501(c)(3), (4), or (6) of the federal  
23 internal revenue code; the festival provides family-oriented events  
24 suiting a broad segment of the community; and the proceeds of such  
25 taxes are used solely for advertising and promotional materials  
26 intended to attract overnight visitors: PROVIDED FURTHER, That any  
27 city may use the proceeds of such taxes for street banners to attract  
28 and welcome tourists.

29 NEW SECTION. **Sec. 9.** A new section is added to chapter 82.04 RCW  
30 to read as follows:

31 (1) This chapter shall not apply to the gross sales or the gross  
32 income received by a new manufacturing business located in an eligible  
33 area as defined in RCW 82.62.010.

34 (2) As used in this section:

35 (a) "New manufacturing business" means a manufacturing business  
36 that was registered for the first time after the effective date of this  
37 section. A business ceases to be a new manufacturing business thirty-  
38 six months after the date it was first registered.

1 (b) "New manufacturing business" does not include:

2 (i) A business that has been restructured, reorganized, or  
3 transferred, unless the majority of the activities to be conducted  
4 after restructuring, reorganization, or transferral are significantly  
5 different from the activities previously conducted;

6 (ii) A new branch location or other facility; or

7 (iii) A business that is substantially similar to a business  
8 currently operated, or operated within the past ten years, by the same  
9 principals.

10 (c) "Registered" means the business obtained or was required to  
11 obtain a registration certificate under RCW 82.32.030, or obtained or  
12 was required to obtain registration with any state, federal, or foreign  
13 agency.

14 **PART III**

15 **COMMUNITY INFRASTRUCTURE**

16 **Sec. 10.** RCW 43.160.080 and 1992 c 235 s 10 are each amended to  
17 read as follows:

18 PUBLIC FACILITIES CONSTRUCTION LOAN REVOLVING ACCOUNT. There shall  
19 be a fund in the state treasury known as the public facilities  
20 construction loan revolving account, which shall consist of all moneys  
21 collected under this chapter, except moneys of the board collected in  
22 connection with the issuance of industrial development revenue bonds,  
23 and any moneys appropriated to it by law(~~(:—PROVIDED, That seventy-~~  
24 ~~five percent of all principal and interest payments on loans made with~~  
25 ~~the proceeds deposited in the account under section 901, chapter 57,~~  
26 ~~Laws of 1983 1st ex. sess. shall be deposited in the general fund as~~  
27 ~~reimbursement for debt service payments on the bonds authorized in RCW~~  
28 ~~43.83.184)). Disbursements from the revolving account shall be on~~  
29 authorization of the board. In order to maintain an effective  
30 expenditure and revenue control, the public facilities construction  
31 loan revolving account shall be subject in all respects to chapter  
32 43.88 RCW.

33 **Sec. 11.** RCW 43.160.076 and 1996 c 51 s 7 are each amended to read  
34 as follows:

35 FINANCIAL ASSISTANCE IN DISTRESSED COUNTIES OR NATURAL RESOURCES  
36 IMPACT AREAS. (1) Except as authorized to the contrary under



1 subsection (2) of this section, from all funds available to the board  
2 for financial assistance in a biennium, the board shall spend at least  
3 ((fifty)) seventy-five percent for financial assistance for projects in  
4 distressed counties or rural natural resources impact areas. For  
5 purposes of this section, the term "distressed counties" includes any  
6 county, in which the average level of unemployment for the three years  
7 before the year in which an application for financial assistance is  
8 filed, exceeds the average state employment for those years by twenty  
9 percent.

10 (2) If at any time during the last six months of a biennium the  
11 board finds that the actual and anticipated applications for qualified  
12 projects in distressed counties or rural natural resources impact areas  
13 are clearly insufficient to use up the ((fifty)) seventy-five percent  
14 allocation, then the board shall estimate the amount of the  
15 insufficiency and during the remainder of the biennium may use that  
16 amount of the allocation for financial assistance to projects not  
17 located in distressed counties or rural natural resources impact areas.

18 **Sec. 12.** 1995 c 226 s 7 (uncodified) is amended to read as  
19 follows:

20 RCW 43.160.076 and 1997 c . . . s 11 (section 11 of this act), 1991  
21 c 314 s 24, & 1985 c 446 s 6 are each repealed effective June 30,  
22 ((1997)) 2000.

23 **PART IV**

24 **RURAL ENTERPRISE ZONES**

25 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.63A  
26 RCW to read as follows:

27 **RURAL ENTERPRISE ZONES.** The legislature recognizes the unique  
28 difficulties encountered by communities in rural distressed areas  
29 wishing to promote business development, increase employment  
30 opportunities, and provide a high quality of life for its citizens. In  
31 response the legislature authorizes the establishment of rural  
32 enterprise zones that will allow the targeting of state services and  
33 resources in the form of business, industry recruitment, regulatory  
34 relief, and infrastructure development. It is the intent of the  
35 legislature to provide the critical level of resources and services to  
36 businesses and entities located in these rural enterprise zones that

1 they will be the catalyst for economic prosperity and diversity  
2 throughout rural distressed areas in Washington.

3 (1) The department in cooperation with the department of revenue  
4 and other state agencies shall approve applications submitted by local  
5 governments in rural distressed areas. The application shall be in the  
6 form and manner and contain the necessary information designated by the  
7 department. The application shall:

8 (a) Be submitted on behalf of the local government by the chief  
9 elected official or, if none, by the governing body of the local  
10 government;

11 (b) Outline the purpose for the economic development enterprise  
12 zone and the process in which the application was developed;

13 (c) Demonstrate the level of government and community support for  
14 the enterprise zone;

15 (d) Outline the manner in which the enterprise zone will be  
16 governed and report its activities to the local government and the  
17 department; and

18 (e) Designate the geographic area in which the rural enterprise  
19 zone will exist.

20 (2) Rural enterprise zones are authorized to:

21 (a) Hire a director or designate an individual to oversee  
22 operations;

23 (b) Seek federal, state, and local government support in its  
24 efforts to target, develop, and attract viable businesses;

25 (c) Work with the office of business assistance and recruitment for  
26 rural distressed areas in the pursuit of its economic development  
27 activities;

28 (d) Provide a local one-stop shop for businesses intending to  
29 locate, retain, expand, or start their businesses within its zone; and

30 (e) Provide comprehensive permitting, zoning, and regulatory  
31 assistance to businesses or entities within the zone.

32 (3) Rural enterprise zones are authorized to receive the services  
33 and funding resources as provided under the rural area marketing plan  
34 and other resources assisting rural distressed areas.

35 (4) Rural enterprise zones may be established in conjunction with  
36 a foreign trade zone.

37

## PART V

38

## REAUTHORIZATION OF EXISTING PROGRAMS

1       **Sec. 14.** RCW 43.31.601 and 1995 c 226 s 1 are each amended to read  
2 as follows:

3       For the purposes of RCW 43.31.601 through (~~43.31.661~~) 43.31.641:

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

16       (2)(a) "Rural natural resources impact area" or "rural distressed  
17 area" means:

18       (i) A nonmetropolitan county, as defined by the 1990 decennial  
19 census, that meets (~~two~~) three of the five criteria set forth in (b)  
20 of this subsection; (~~or~~)

21       (ii) A nonmetropolitan county with a population of less than forty  
22 thousand in the 1990 decennial census, that meets two of the five  
23 criteria as set forth in (b) of this subsection; or

24       (iii) A nonurbanized area, as defined by the 1990 decennial census,  
25 that is located in a metropolitan county that meets (~~two~~) three of  
26 the five criteria set forth in (b) of this subsection.

27       (b) For the purposes of designating rural natural resources impact  
28 areas, the following criteria shall be considered:

29       (i) A lumber and wood products employment location quotient at or  
30 above the state average;

31       (ii) A commercial salmon fishing employment location quotient at or  
32 above the state average;

33       (iii) Projected or actual direct lumber and wood products job  
34 losses of one hundred positions or more;

35       (iv) Projected or actual direct commercial salmon fishing job  
36 losses of one hundred positions or more; and

37       (v) An unemployment rate twenty percent or more above the state  
38 average.

1       The counties that meet these criteria shall be determined by the  
2 employment security department for the most recent year for which data  
3 is available. For the purposes of administration of programs under  
4 this chapter, the United States post office five-digit zip code  
5 delivery areas will be used to determine residence status for  
6 eligibility purposes. For the purpose of this definition, a zip code  
7 delivery area (~~that is located wholly or partially in an urbanized~~  
8 ~~area or within two~~) of which any part is ten miles ((of)) or more from  
9 an urbanized area is considered nonurbanized. A zip code totally  
10 surrounded by zip codes qualifying as nonurbanized under this  
11 definition is also considered nonurbanized. The office of financial  
12 management shall make available a zip code listing of the areas to all  
13 agencies and organizations providing services under this chapter.

14       **Sec. 15.** RCW 43.31.611 and 1995 c 226 s 2 are each amended to read  
15 as follows:

16       (1) The governor shall appoint a rural community assistance  
17 coordinator. The coordinator shall coordinate the state and federal  
18 economic and social programs targeted to rural natural resources impact  
19 areas.

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

22       (a) Chairing the agency rural community assistance task force and  
23 directing staff associated with the task force.

24       (b) Coordinating and maximizing the impact of state and federal  
25 assistance to rural natural resources impact areas.

26       (c) Coordinating and expediting programs to assist rural natural  
27 resources impact areas.

28       (d) Providing the legislature with a status and impact report on  
29 the rural community assistance program in January ((1996)) 1998.

30       (3) To assist in carrying out the duties set out under this  
31 section, the coordinator shall consult with the Washington state rural  
32 development council and may appoint an advisory body that has  
33 representation from local governments and natural resources interest  
34 groups representing impacted rural communities.

35       (4) This section shall expire June 30, ((1997)) 2000.

36       **Sec. 16.** RCW 43.31.621 and 1996 c 186 s 508 are each amended to  
37 read as follows:

1 (1) There is established the agency rural community assistance task  
2 force. The task force shall be chaired by the rural community  
3 assistance coordinator. It shall be the responsibility of the  
4 coordinator that all directives of chapter 314, Laws of 1991, and  
5 chapter 226, Laws of 1995 are carried out expeditiously by the agencies  
6 represented in the task force. The task force shall consist of the  
7 directors, or representatives of the directors, of the following  
8 agencies: The department of community, trade, and economic  
9 development, employment security department, department of social and  
10 health services, state board for community and technical colleges, work  
11 force training and education coordinating board, department of natural  
12 resources, department of transportation, department of fish and  
13 wildlife, University of Washington center for international trade in  
14 forest products, department of agriculture, and department of ecology.  
15 The task force shall solicit and consider input from the rural  
16 development council in coordinating agency programs targeted to rural  
17 natural resources impacted communities. The task force may consult and  
18 enlist the assistance of the following: The higher education  
19 coordinating board, University of Washington college of forest  
20 resources, University of Washington school of fisheries, Washington  
21 State University school of forestry, Northwest policy center, state  
22 superintendent of public instruction, Washington state labor council,  
23 the Evergreen partnership, Washington state association of counties,  
24 and others as needed.

25 ~~(2) ((The task force, in conjunction with the rural development~~  
26 ~~council, shall undertake a study to determine whether additional~~  
27 ~~communities and industries are impacted, or are likely to be impacted,~~  
28 ~~by salmon preservation and recovery efforts. The task force shall~~  
29 ~~consider possible impacts in the following industries and associated~~  
30 ~~communities: Barge transportation, irrigation dependent agriculture,~~  
31 ~~food processing, aluminum, charter recreational fishing, boatbuilding,~~  
32 ~~and other sectors suggested by the task force. The task force shall~~  
33 ~~report its findings and recommendations to the legislature by January~~  
34 ~~1996.~~

35 (3)) This section shall expire June 30, ((1997)) 2000.

36 **Sec. 17.** RCW 50.22.090 and 1995 c 226 s 5 and 1995 c 57 s 2 are  
37 each reenacted and amended to read as follows:

1 (1) An additional benefit period is established for rural natural  
2 resources impact areas, defined in RCW 43.31.601, and determined by the  
3 office of financial management and the employment security department.  
4 Benefits shall be paid as provided in subsection (3) of this section to  
5 exhaustees eligible under subsection (4) of this section.

6 (2) The additional benefit period for a county may end no sooner  
7 than fifty-two weeks after the additional benefit period begins.

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

9 (a) No new claims for additional benefits shall be accepted for  
10 weeks beginning after July 1, (~~(1997)~~) 1999, but for claims established  
11 on or before July 1, (~~(1997)~~) 1999, weeks of unemployment occurring  
12 after July 1, (~~(1997)~~) 1999, shall be compensated as provided in this  
13 section.

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

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

26 (d) Notwithstanding the provisions of (b) of this subsection,  
27 individuals enrolled in prerequisite remedial education for a training  
28 program expected to last at least one year will be entitled to up to  
29 thirteen additional weeks of benefits which shall not count toward the  
30 total in (b) of this subsection.

31 (e) The weekly benefit amount shall be calculated as specified in  
32 RCW 50.22.040.

33 (f) Benefits paid under this section shall be paid under the same  
34 terms and conditions as regular benefits. The additional benefit  
35 period shall be suspended with the start of an extended benefit period,  
36 or any totally federally funded benefit program, with eligibility  
37 criteria and benefits comparable to the program established by this  
38 section, and shall resume the first week following the end of the  
39 federal program.

1 (g) The amendments in chapter 316, Laws of 1993 affecting  
2 subsection (3)(b) and (c) of this section shall apply in the case of  
3 all individuals determined to be monetarily eligible under this section  
4 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 rural natural resources impact area defined in RCW  
9 43.31.601 and determined by the office of financial management and the  
10 employment security department; or

11 (ii) During his or her base year, earned wages in at least six  
12 hundred eighty hours in either the forest products industry, which  
13 shall be determined by the department but shall include the industries  
14 assigned the major group standard industrial classification codes "24"  
15 and "26" and the industries involved in the harvesting and management  
16 of logs, transportation of logs and wood products, processing of wood  
17 products, and the manufacturing and distribution of wood processing and  
18 logging equipment or the fishing industry assigned the standard  
19 industrial classification code "0912". The commissioner may adopt  
20 rules further interpreting the industries covered under this  
21 subsection. For the purposes of this subsection, "standard industrial  
22 classification code" means the code identified in RCW 50.29.025(6)(c);  
23 and

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

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

29 (c)(i) Is notified by the department of the requirements of this  
30 section and develops an individual training program that is submitted  
31 to the commissioner for approval not later than sixty days after the  
32 individual is notified of the requirements of this section, and enters  
33 the approved training program not later than ninety days after the date  
34 of the individual's termination or layoff, or ninety days after July 1,  
35 1991, whichever is later, unless the department determines that the  
36 training is not available during the ninety-day period, in which case  
37 the individual shall enter training as soon as it is available; or

38 (ii) Is enrolled in training approved under this section on a full-  
39 time basis and maintains satisfactory progress in the training.

1 (5) For the purposes of this section:

2 (a) "Training program" means:

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

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

8 (A) Is training for a labor demand occupation; and

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

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

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

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

20 (7) The provisions of RCW 50.22.010(10) shall not apply to anyone  
21 who establishes eligibility for additional benefits under this section  
22 and whose benefit year ends after January 1, 1994. These individuals  
23 will have the option of remaining on the original claim or filing a new  
24 claim.

25 **Sec. 18.** RCW 43.63A.021 and 1995 c 226 s 11 are each amended to  
26 read as follows:

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

29 (1) "Dislocated forest products worker" means a forest products  
30 worker who: (a)(i) Has been terminated or received notice of  
31 termination from employment and is unlikely to return to employment in  
32 the individual's principal occupation or previous industry because of  
33 a diminishing demand for his or her skills in that occupation or  
34 industry; or (ii) is self-employed and has been displaced from his or  
35 her business because of the diminishing demand for the business's  
36 services or goods; and (b) at the time of last separation from  
37 employment, resided in or was employed in a rural natural resources  
38 impact area.



1 (2) "Forest products worker" means a worker in the forest products  
2 industries affected by the reduction of forest fiber enhancement,  
3 transportation, or production. The workers included within this  
4 definition shall be determined by the employment security department,  
5 but shall include workers employed in the industries assigned the major  
6 group standard industrial classification codes "24" and "26" and the  
7 industries involved in the harvesting and management of logs,  
8 transportation of logs and wood products, processing of wood products,  
9 and the manufacturing and distribution of wood processing and logging  
10 equipment. The commissioner may adopt rules further interpreting these  
11 definitions. For the purposes of this subsection, "standard industrial  
12 classification code" means the code identified in RCW 50.29.025(6)(c).

13 (3) "Dislocated salmon fishing worker" means a ~~((salmon))~~ finfish  
14 products worker who: (a)(i) Has been terminated or received notice of  
15 termination from employment and is unlikely to return to employment in  
16 the individual's principal occupation or previous industry because of  
17 a diminishing demand for his or her skills in that occupation or  
18 industry; or (ii) is self-employed and has been displaced from his or  
19 her business because of the diminishing demand for the business's  
20 services or goods; and (b) at the time of last separation from  
21 employment, resided in or was employed in a rural natural resources  
22 impact area.

23 (4) "Salmon fishing worker" means a worker in the ~~((salmon))~~  
24 finfish industry affected by 1994 or future salmon disasters. The  
25 workers included within this definition shall be determined by the  
26 employment security department, but shall include workers employed in  
27 the industries involved in the commercial and recreational harvesting  
28 of ~~((salmon))~~ finfish including buying and processing ~~((salmon))~~  
29 finfish. The commissioner may adopt rules further interpreting these  
30 definitions.

31 **Sec. 19.** RCW 43.31.641 and 1995 c 226 s 4 are each amended to read  
32 as follows:

33 The department of community, trade, and economic development, as a  
34 member of the agency rural community assistance task force, shall:

35 (1) ~~((Implement an expanded value-added forest products development  
36 industrial extension program. The department shall provide technical  
37 assistance to small and medium-sized forest products companies to  
38 include:~~

- 1       ~~(a) Secondary manufacturing product development;~~  
2       ~~(b) Plant and equipment maintenance;~~  
3       ~~(c) Identification and development of domestic market~~  
4 ~~opportunities;~~  
5       ~~(d) Building products export development assistance;~~  
6       ~~(e) At risk business development assistance;~~  
7       ~~(f) Business network development; and~~  
8       ~~(g) Timber impact area industrial diversification.~~

9       ~~(2) Provide local contracts for small and medium sized forest~~  
10 ~~product companies, start-ups, and business organizations for business~~  
11 ~~feasibility, market development, and business network contracts that~~  
12 ~~will benefit value added production efforts in the industry.~~

13       ~~(3) Contract with local business organizations in timber impact~~  
14 ~~areas for development of programs to promote industrial~~  
15 ~~diversification. The department shall provide local capacity building~~  
16 ~~grants to local governments and community based organizations in timber~~  
17 ~~impact areas, which may include long range planning and needs~~  
18 ~~assessments.~~

19       ~~For the 1991-93 biennium, the department of community, trade, and~~  
20 ~~economic development shall use funds appropriated for this section for~~  
21 ~~contracts and for no more than two additional staff positions))~~  
22 Administer available federal grant funds to support strategic  
23 diversification needs and opportunities of timber-dependent  
24 communities, value-added forest products firms, and the value-added  
25 forest products industry in Washington state.

26       (2) Provide technical aid to value-added wood products companies  
27 for new investment and job creation; and work with wood products firms  
28 to assure the continued operation and help retain jobs.

29       (3) Provide value-added wood products companies with building  
30 products export development assistance.

31       **Sec. 20.** RCW 43.63A.440 and 1995 c 226 s 13 are each amended to  
32 read as follows:

33       The department of community, trade, and economic development shall  
34 provide technical and financial assistance to communities adversely  
35 impacted by reductions in timber harvested from federal, state, and  
36 private lands and reduction of salmon fishing caused by efforts to  
37 maintain the long-term viability of salmon stocks. ~~((This assistance~~  
38 ~~shall include the formation and implementation of community economic~~

1 development plans. ~~The department of community, trade, and economic~~  
2 ~~development shall utilize existing state technical and financial~~  
3 ~~assistance programs, and shall aid communities in seeking private and~~  
4 ~~federal financial assistance for the purposes of this section. The~~  
5 ~~department may contract for services provided for under this section))~~  
6 The department shall use existing technical and financial assistance  
7 resources to aid communities in planning, implementing, and assembling  
8 financing for high priority community economic development projects.

9       **Sec. 21.** RCW 43.160.020 and 1996 c 51 s 2 are each amended to read  
10 as follows:

11       Unless the context clearly requires otherwise, the definitions in  
12 this section apply throughout this chapter.

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

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

17       (3) "Department" means the department of community, trade, and  
18 economic development.

19       (4) "Financial institution" means any bank, savings and loan  
20 association, credit union, development credit corporation, insurance  
21 company, investment company, trust company, savings institution, or  
22 other financial institution approved by the board and maintaining an  
23 office in the state.

24       (5) "Industrial development facilities" means "industrial  
25 development facilities" as defined in RCW 39.84.020.

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

28       (7) "Local government" or "political subdivision" means any port  
29 district, county, city, town, special purpose district, and any other  
30 municipal corporations or quasi-municipal corporations in the state  
31 providing for public facilities under this chapter.

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

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

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

7 (11) "Public facilities" means bridges, roads, domestic and  
8 industrial water, sanitary sewer, storm sewer, railroad, electricity,  
9 natural gas, buildings or structures, and port facilities.

10 (12) "Rural natural resources impact area" means:

11 (a) A nonmetropolitan county, as defined by the 1990 decennial  
12 census, that meets ~~((two))~~ three of the five criteria set forth in  
13 subsection (13) of this section; ~~((or))~~

14 (b) A nonmetropolitan county with a population of less than forty  
15 thousand in the 1990 decennial census, that meets two of the five  
16 criteria as set forth in subsection (13) of this section; or

17 (c) A nonurbanized area, as defined by the 1990 decennial census,  
18 that is located in a metropolitan county that meets ~~((two))~~ three of  
19 the five criteria set forth in subsection (13) of this section.

20 (13) For the purposes of designating rural natural resources impact  
21 areas, the following criteria shall be considered:

22 (a) A lumber and wood products employment location quotient at or  
23 above the state average;

24 (b) A commercial salmon fishing employment location quotient at or  
25 above the state average;

26 (c) Projected or actual direct lumber and wood products job losses  
27 of one hundred positions or more;

28 (d) Projected or actual direct commercial salmon fishing job losses  
29 of one hundred positions or more; and

30 (e) An unemployment rate twenty percent or more above the state  
31 average. The counties that meet these criteria shall be determined by  
32 the employment security department for the most recent year for which  
33 data is available. For the purposes of administration of programs  
34 under this chapter, the United States post office five-digit zip code  
35 delivery areas will be used to determine residence status for  
36 eligibility purposes. For the purpose of this definition, a zip code  
37 delivery area ~~((that is located wholly or partially in an urbanized~~  
38 ~~area or within two))~~ of which any part is ten miles ~~((of))~~ or more from  
39 an urbanized area is considered nonurbanized. A zip code totally

1 surrounded by zip codes qualifying as nonurbanized under this  
2 definition is also considered nonurbanized. The office of financial  
3 management shall make available a zip code listing of the areas to all  
4 agencies and organizations providing services under this chapter.

5 **Sec. 22.** 1995 c 226 s 8 (uncodified) is amended to read as follows:  
6 RCW 43.160.200 expires June 30, (~~1997~~) 2000.

7 **Sec. 23.** 1995 c 226 s 9 (uncodified) is amended to read as follows:  
8 RCW 43.160.210 shall take effect June 30, (~~1997~~) 2000.

9 **Sec. 24.** RCW 28B.50.030 and 1995 c 226 s 17 are each amended to  
10 read as follows:

11 As used in this chapter, unless the context requires otherwise, the  
12 term:

13 (1) "System" shall mean the state system of community and technical  
14 colleges, which shall be a system of higher education.

15 (2) "Board" shall mean the work force training and education  
16 coordinating board.

17 (3) "College board" shall mean the state board for community and  
18 technical colleges created by this chapter.

19 (4) "Director" shall mean the administrative director for the state  
20 system of community and technical colleges.

21 (5) "District" shall mean any one of the community and technical  
22 college districts created by this chapter.

23 (6) "Board of trustees" shall mean the local community and  
24 technical college board of trustees established for each college  
25 district within the state.

26 (7) "Occupational education" shall mean that education or training  
27 that will prepare a student for employment that does not require a  
28 baccalaureate degree.

29 (8) "K-12 system" shall mean the public school program including  
30 kindergarten through the twelfth grade.

31 (9) "Common school board" shall mean a public school district board  
32 of directors.

33 (10) "Community college" shall include those higher education  
34 institutions that conduct education programs under RCW 28B.50.020.

35 (11) "Technical college" shall include those higher education  
36 institutions with the sole mission of conducting occupational

1 education, basic skills, literacy programs, and offering on short  
2 notice, when appropriate, programs that meet specific industry needs.  
3 The programs of technical colleges shall include, but not be limited  
4 to, continuous enrollment, competency-based instruction, industry-  
5 experienced faculty, curriculum integrating vocational and basic skills  
6 education, and curriculum approved by representatives of employers and  
7 labor. For purposes of this chapter, technical colleges shall include  
8 Lake Washington Vocational-Technical Institute, Renton Vocational-  
9 Technical Institute, Bates Vocational-Technical Institute, Clover Park  
10 Vocational Institute, and Bellingham Vocational-Technical Institute.

11 (12) "Adult education" shall mean all education or instruction,  
12 including academic, vocational education or training, basic skills and  
13 literacy training, and "occupational education" provided by public  
14 educational institutions, including common school districts for persons  
15 who are eighteen years of age and over or who hold a high school  
16 diploma or certificate. However, "adult education" shall not include  
17 academic education or instruction for persons under twenty-one years of  
18 age who do not hold a high school degree or diploma and who are  
19 attending a public high school for the sole purpose of obtaining a high  
20 school diploma or certificate, nor shall "adult education" include  
21 education or instruction provided by any four year public institution  
22 of higher education.

23 (13) "Dislocated forest product worker" shall mean a forest  
24 products worker who: (a)(i) Has been terminated or received notice of  
25 termination from employment and is unlikely to return to employment in  
26 the individual's principal occupation or previous industry because of  
27 a diminishing demand for his or her skills in that occupation or  
28 industry; or (ii) is self-employed and has been displaced from his or  
29 her business because of the diminishing demand for the business's  
30 services or goods; and (b) at the time of last separation from  
31 employment, resided in or was employed in a rural natural resources  
32 impact area.

33 (14) "Forest products worker" shall mean a worker in the forest  
34 products industries affected by the reduction of forest fiber  
35 enhancement, transportation, or production. The workers included  
36 within this definition shall be determined by the employment security  
37 department, but shall include workers employed in the industries  
38 assigned the major group standard industrial classification codes "24"  
39 and "26" and the industries involved in the harvesting and management

1 of logs, transportation of logs and wood products, processing of wood  
2 products, and the manufacturing and distribution of wood processing and  
3 logging equipment. The commissioner may adopt rules further  
4 interpreting these definitions. For the purposes of this subsection,  
5 "standard industrial classification code" means the code identified in  
6 RCW 50.29.025(6)(c).

7 (15) "Dislocated salmon fishing worker" means a (~~salmon~~) finfish  
8 products worker who: (a)(i) Has been terminated or received notice of  
9 termination from employment and is unlikely to return to employment in  
10 the individual's principal occupation or previous industry because of  
11 a diminishing demand for his or her skills in that occupation or  
12 industry; or (ii) is self-employed and has been displaced from his or  
13 her business because of the diminishing demand for the business's  
14 services or goods; and (b) at the time of last separation from  
15 employment, resided in or was employed in a rural natural resources  
16 impact area.

17 (16) "Salmon fishing worker" means a worker in the (~~salmon~~)  
18 finfish industry affected by 1994 or future salmon disasters. The  
19 workers included within this definition shall be determined by the  
20 employment security department, but shall include workers employed in  
21 the industries involved in the commercial and recreational harvesting  
22 of (~~salmon~~) finfish including buying and processing (~~salmon~~)  
23 finfish. The commissioner may adopt rules further interpreting these  
24 definitions.

25 (17) "Rural natural resources impact area" means:

26 (a) A nonmetropolitan county, as defined by the 1990 decennial  
27 census, that meets (~~two~~) three of the five criteria set forth in  
28 subsection (18) of this section; (~~or~~)

29 (b) A nonmetropolitan county with a population of less than forty  
30 thousand in the 1990 decennial census, that meets two of the five  
31 criteria as set forth in subsection (18) of this section; or

32 (c) A nonurbanized area, as defined by the 1990 decennial census,  
33 that is located in a metropolitan county that meets (~~two~~) three of  
34 the five criteria set forth in subsection (18) of this section.

35 (18) For the purposes of designating rural natural resources impact  
36 areas, the following criteria shall be considered:

37 (a) A lumber and wood products employment location quotient at or  
38 above the state average;

1 (b) A commercial salmon fishing employment location quotient at or  
2 above the state average;

3 (c) Projected or actual direct lumber and wood products job losses  
4 of one hundred positions or more;

5 (d) Projected or actual direct commercial salmon fishing job losses  
6 of one hundred positions or more; and

7 (e) An unemployment rate twenty percent or more above the state  
8 average. The counties that meet these criteria shall be determined by  
9 the employment security department for the most recent year for which  
10 data is available. For the purposes of administration of programs  
11 under this chapter, the United States post office five-digit zip code  
12 delivery areas will be used to determine residence status for  
13 eligibility purposes. For the purpose of this definition, a zip code  
14 delivery area (~~that is located wholly or partially in an urbanized~~  
15 ~~area or within two~~) of which any part is ten miles ((of)) or more from  
16 an urbanized area is considered nonurbanized. A zip code totally  
17 surrounded by zip codes qualifying as nonurbanized under this  
18 definition is also considered nonurbanized. The office of financial  
19 management shall make available a zip code listing of the areas to all  
20 agencies and organizations providing services under this chapter.

21 **Sec. 25.** RCW 28B.80.570 and 1995 c 226 s 20 are each amended to  
22 read as follows:

23 Unless the context clearly requires otherwise, the definitions in  
24 this section apply throughout RCW 28B.80.575 through 28B.80.585.

25 (1) "Board" means the higher education coordinating board.

26 (2) "Dislocated forest products worker" means a forest products  
27 worker who: (a)(i) Has been terminated or received notice of  
28 termination from employment and is unlikely to return to employment in  
29 the individual's principal occupation or previous industry because of  
30 a diminishing demand for his or her skills in that occupation or  
31 industry; or (ii) is self-employed and has been displaced from his or  
32 her business because of the diminishing demand for the business's  
33 services or goods; and (b) at the time of last separation from  
34 employment, resided in or was employed in a rural natural resources  
35 impact area.

36 (3) "Forest products worker" means a worker in the forest products  
37 industries affected by the reduction of forest fiber enhancement,  
38 transportation, or production. The workers included within this



1 definition shall be determined by the employment security department,  
2 but shall include workers employed in the industries assigned the major  
3 group standard industrial classification codes "24" and "26" and the  
4 industries involved in the harvesting and management of logs,  
5 transportation of logs and wood products, processing of wood products,  
6 and the manufacturing and distribution of wood processing and logging  
7 equipment. The commissioner may adopt rules further interpreting these  
8 definitions. For the purposes of this subsection, "standard industrial  
9 classification code" means the code identified in RCW 50.29.025(6)(c).

10 (4) "Dislocated salmon fishing worker" means a (~~salmon~~) finfish  
11 products worker who: (a)(i) Has been terminated or received notice of  
12 termination from employment and is unlikely to return to employment in  
13 the individual's principal occupation or previous industry because of  
14 a diminishing demand for his or her skills in that occupation or  
15 industry; or (ii) is self-employed and has been displaced from his or  
16 her business because of the diminishing demand for the business's  
17 services or goods; and (b) at the time of last separation from  
18 employment, resided in or was employed in a rural natural resources  
19 impact area.

20 (5) "Salmon fishing worker" means a worker in the (~~salmon~~)  
21 finfish industry affected by 1994 or future salmon disasters. The  
22 workers included within this definition shall be determined by the  
23 employment security department, but shall include workers employed in  
24 the industries involved in the commercial and recreational harvesting  
25 of (~~salmon~~) finfish including buying and processing (~~salmon~~)  
26 finfish. The commissioner may adopt rules further interpreting these  
27 definitions.

28 (6) "Rural natural resources impact area" means:

29 (a) A nonmetropolitan county, as defined by the 1990 decennial  
30 census, that meets (~~two~~) three of the five criteria set forth in  
31 subsection (7) of this section; (~~or~~)

32 (b) A nonmetropolitan county with a population of less than forty  
33 thousand in the 1990 decennial census, that meets two of the five  
34 criteria as set forth in subsection (7) of this section; or

35 (c) A nonurbanized area, as defined by the 1990 decennial census,  
36 that is located in a metropolitan county that meets (~~two~~) three of  
37 the five criteria set forth in subsection (7) of this section.

38 (7) For the purposes of designating rural natural resources impact  
39 areas, the following criteria shall be considered:

1 (a) A lumber and wood products employment location quotient at or  
2 above the state average;  
3 (b) A commercial salmon fishing employment location quotient at or  
4 above the state average;  
5 (c) Projected or actual direct lumber and wood products job losses  
6 of one hundred positions or more;  
7 (d) Projected or actual direct commercial salmon fishing job losses  
8 of one hundred positions or more; and  
9 (e) An unemployment rate twenty percent or more above the state  
10 average. The counties that meet these criteria shall be determined by  
11 the employment security department for the most recent year for which  
12 data is available. For the purposes of administration of programs  
13 under this chapter, the United States post office five-digit zip code  
14 delivery areas will be used to determine residence status for  
15 eligibility purposes. For the purpose of this definition, a zip code  
16 delivery area (~~that is located wholly or partially in an urbanized~~  
17 ~~area or within two~~) of which any part is ten miles ((of)) or more from  
18 an urbanized area is considered nonurbanized. A zip code totally  
19 surrounded by zip codes qualifying as nonurbanized under this  
20 definition is also considered nonurbanized. The office of financial  
21 management shall make available a zip code listing of the areas to all  
22 agencies and organizations providing services under this chapter.

23 **Sec. 26.** RCW 28B.80.580 and 1995 c 226 s 22 are each amended to  
24 read as follows:

25 (1) The board shall contract with institutions of higher education  
26 to provide upper division classes to serve additional placebound  
27 students in the rural natural resources impact areas meeting the  
28 following criteria, as determined by the employment security  
29 department: (a) A lumber and wood products employment location  
30 quotient at or above the state average; (b) a commercial salmon fishing  
31 employment location quotient at or above the state average; (c) a  
32 direct lumber and wood products job loss of one hundred positions or  
33 more; (d) projected or actual direct commercial salmon fishing job  
34 losses of one hundred positions or more; and (e) an annual unemployment  
35 rate twenty percent above the state average; and which are not served  
36 by an existing state-funded upper division degree program. The number  
37 of full-time equivalent students served in this manner shall be  
38 determined by the applicable omnibus appropriations act. The board may

1 direct that all the full-time equivalent enrollments be served in one  
2 of the eligible rural natural resources impact areas if it should  
3 determine that this would be the most viable manner of establishing the  
4 program and using available resources. The institutions shall utilize  
5 telecommunication technology, if available, to carry out the purposes  
6 of this section. Subject to the limitations of RCW 28B.15.910, the  
7 institutions providing the service may waive all or a portion of the  
8 tuition, and service and activities fees for dislocated forest products  
9 workers and dislocated salmon fishing workers or their unemployed  
10 spouses enrolled as one of the full-time equivalent students allocated  
11 to the college under this section.

12 (2) Unemployed spouses of eligible dislocated forest products  
13 workers and dislocated salmon fishing workers may participate in the  
14 program, but tuition and fees may be waived under the program only for  
15 the worker or the spouse and not both.

16 (3) Subject to the limitations of RCW 28B.15.910, for any eligible  
17 participant, all or a portion of tuition may be waived for a maximum of  
18 ~~((four semesters or six quarters within a two-year time period))~~ ninety  
19 quarter credit hours or sixty semester credit hours earned within four  
20 years. The participant must be enrolled for a minimum of ~~((ten credits~~  
21 ~~per semester or quarter))~~ five credit hours per quarter or three credit  
22 hours per semester.

23 **Sec. 27.** RCW 43.20A.750 and 1995 c 269 s 1901 and 1995 c 226 s 25  
24 are each reenacted and amended to read as follows:

25 (1) The department of social and health services shall help  
26 families and workers in rural natural resources impact areas make the  
27 transition through economic difficulties and shall provide services to  
28 assist workers to gain marketable skills. The department, as a member  
29 of the agency rural community assistance task force and, where  
30 appropriate, under an interagency agreement with the department of  
31 community, trade, and economic development, shall provide grants  
32 through the office of the secretary for services to the unemployed in  
33 rural natural resources impact areas and to dislocated salmon fishing  
34 workers as defined in RCW 43.63A.021 who live in urban areas of  
35 qualifying rural natural resource impact counties, including providing  
36 direct or referral services, establishing and operating service  
37 delivery programs, and coordinating delivery programs and delivery of

1 services. These grants may be awarded for family support centers,  
2 reemployment centers, or other local service agencies.

3 (2) The services provided through the grants may include, but need  
4 not be limited to: Credit counseling; social services including  
5 marital counseling; psychotherapy or psychological counseling; mortgage  
6 foreclosures and utilities problems counseling; drug and alcohol abuse  
7 services; medical services; and residential heating and food  
8 acquisition.

9 (3) Funding for these services shall be coordinated through the  
10 agency rural community assistance task force which will establish a  
11 fund to provide child care assistance, mortgage assistance, and  
12 counseling which cannot be met through current programs. No funds  
13 shall be used for additional full-time equivalents for administering  
14 this section.

15 (4)(a) Grants for family support centers are intended to provide  
16 support to families by responding to needs identified by the families  
17 and communities served by the centers. Services provided by family  
18 support centers may include parenting education, child development  
19 assessments, health and nutrition education, counseling, and  
20 information and referral services. Such services may be provided  
21 directly by the center or through referral to other agencies  
22 participating in the interagency team.

23 (b) The department shall consult with the council on child abuse or  
24 neglect regarding grants for family support centers.

25 (5) "Rural natural resources impact area" means:

26 (a) A nonmetropolitan county, as defined by the 1990 decennial  
27 census, that meets ~~((two))~~ three of the five criteria set forth in  
28 subsection (6) of this section; ~~((or))~~

29 (b) A nonmetropolitan county with a population of less than forty  
30 thousand in the 1990 decennial census, that meets two of the five  
31 criteria as set forth in subsection (6) of this section; or

32 (c) A nonurbanized area, as defined by the 1990 decennial census,  
33 that is located in a metropolitan county that meets ~~((two))~~ three of  
34 the five criteria set forth in subsection (6) of this section.

35 (6) For the purposes of designating rural natural resources impact  
36 areas, the following criteria shall be considered:

37 (a) A lumber and wood products employment location quotient at or  
38 above the state average;

1 (b) A commercial salmon fishing employment location quotient at or  
2 above the state average;

3 (c) Projected or actual direct lumber and wood products job losses  
4 of one hundred positions or more;

5 (d) Projected or actual direct commercial salmon fishing job losses  
6 of one hundred positions or more; and

7 (e) An unemployment rate twenty percent or more above the state  
8 average. The counties that meet these criteria shall be determined by  
9 the employment security department for the most recent year for which  
10 data is available. For the purposes of administration of programs  
11 under this chapter, the United States post office five-digit zip code  
12 delivery areas will be used to determine residence status for  
13 eligibility purposes. For the purpose of this definition, a zip code  
14 delivery area (~~that is located wholly or partially in an urbanized~~  
15 ~~area or within two~~) of which any part is ten miles ((of)) or more from  
16 an urbanized area is considered nonurbanized. A zip code totally  
17 surrounded by zip codes qualifying as nonurbanized under this  
18 definition is also considered nonurbanized. The office of financial  
19 management shall make available a zip code listing of the areas to all  
20 agencies and organizations providing services under this chapter.

21 **Sec. 28.** RCW 50.12.270 and 1995 c 226 s 30 are each amended to  
22 read as follows:

23 (1) Subject to the availability of state or federal funds, the  
24 employment security department, as a member of the agency rural  
25 community assistance task force, shall consult with and may subcontract  
26 with local educational institutions, local businesses, local labor  
27 organizations, local associate development organizations, local private  
28 industry councils, local social service organizations, and local  
29 governments in carrying out a program of training and services,  
30 including training through the entrepreneurial training program, for  
31 dislocated workers in rural natural resources impact areas.

32 (2) The department shall conduct a survey to determine the actual  
33 future employment needs and jobs skills in rural natural resources  
34 impact areas.

35 (3) The department shall coordinate the services provided in this  
36 section with all other services provided by the department and with the  
37 other economic recovery efforts undertaken by state and local

1 government agencies on behalf of the rural natural resources impact  
2 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, "rural natural resources  
6 impact area" means:

7 (a) A nonmetropolitan county, as defined by the 1990 decennial  
8 census, that meets ~~((two))~~ three of the five criteria set forth in  
9 subsection (6) of this section; ~~((or))~~

10 (b) A nonmetropolitan county with a population of less than forty  
11 thousand in the 1990 decennial census, that meets two of the five  
12 criteria as set forth in subsection (6) of this section; or

13 (c) A nonurbanized area, as defined by the 1990 decennial census,  
14 that is located in a metropolitan county that meets ~~((two))~~ three of  
15 the five criteria set forth in subsection (6) of this section.

16 (6) For the purposes of designating rural natural resources impact  
17 areas, the following criteria shall be considered:

18 (a) A lumber and wood products employment location quotient at or  
19 above the state average;

20 (b) A commercial salmon fishing employment location quotient at or  
21 above the state average;

22 (c) Projected or actual direct lumber and wood products job losses  
23 of one hundred positions or more;

24 (d) Projected or actual direct commercial salmon fishing job losses  
25 of one hundred positions or more; and

26 (e) An unemployment rate twenty percent or more above the state  
27 average. The counties that meet these criteria shall be determined by  
28 the employment security department for the most recent year for which  
29 data is available. For the purposes of administration of programs  
30 under this chapter, the United States post office five-digit zip code  
31 delivery areas will be used to determine residence status for  
32 eligibility purposes. For the purpose of this definition, a zip code  
33 delivery area ~~((that is located wholly or partially in an urbanized~~  
34 ~~area or within two))~~ of which any part is ten miles ~~((of))~~ or more from  
35 an urbanized area is considered nonurbanized. A zip code totally  
36 surrounded by zip codes qualifying as nonurbanized under this  
37 definition is also considered nonurbanized. The office of financial  
38 management shall make available a zip code listing of the areas to all  
39 agencies and organizations providing services under this chapter.

1       **Sec. 29.** RCW 43.131.385 and 1995 c 226 s 34 are each amended to  
2 read as follows:

3       The rural natural resources impact area programs shall be  
4 terminated on June 30, (~~(1998)~~) 2000, as provided in RCW 43.131.386.

5       **Sec. 30.** RCW 43.131.386 and 1996 c 168 s 5 are each amended to  
6 read as follows:

7       The following acts or parts of acts are each repealed, effective  
8 June 30, (~~(1999)~~) 2001:

9       (1) RCW 43.31.601 and 1995 c 226 s 1, 1992 c 21 s 2, & 1991 c 314  
10 s 2;

11       (2) RCW 43.31.641 and 1995 c 226 s 4, 1993 c 280 s 50, & 1991 c 314  
12 s 7;

13       (3) RCW 50.22.090 and 1995 c 226 s 5, 1993 c 316 s 10, 1992 c 47 s  
14 2, & 1991 c 315 s 4;

15       (4) RCW 43.160.212 and 1996 c 168 s 4, 1995 c 226 s 6, & 1993 c 316  
16 s 5;

17       (5) (~~(RCW 43.31.651 and 1995 c 226 s 10, 1993 c 280 s 51, & 1991 c~~  
18 ~~314 s 9;~~

19 ~~(6))~~) RCW 43.63A.021 and 1995 c 226 s 11;

20       (~~(7))~~) (6) RCW 43.63A.600 and 1995 c 226 s 12, 1994 c 114 s 1,  
21 1993 c 280 s 77, & 1991 c 315 s 23;

22       (~~(8))~~) (7) RCW 43.63A.440 and 1995 c 226 s 13, 1993 c 280 s 74, &  
23 1989 c 424 s 7;

24       (~~(9))~~) (8) RCW 43.160.200 and 1995 c 226 s 16, 1993 c 320 s 7,  
25 1993 c 316 s 4, & 1991 c 314 s 23;

26       (~~(10))~~) (9) RCW 28B.50.258 and 1995 c 226 s 18 & 1991 c 315 s 16;

27       (~~(11))~~) (10) RCW 28B.50.262 and 1995 c 226 s 19 & 1994 c 282 s 3;

28       (~~(12))~~) (11) RCW 28B.80.570 and 1995 c 226 s 20, 1992 c 21 s 6, &  
29 1991 c 315 s 18;

30       (~~(13))~~) (12) RCW 28B.80.575 and 1995 c 226 s 21 & 1991 c 315 s 19;

31       (~~(14))~~) (13) RCW 28B.80.580 and 1995 c 226 s 22, 1993 sp.s. c 18  
32 s 34, 1992 c 231 s 31, & 1991 c 315 s 20;

33       (~~(15))~~) (14) RCW 28B.80.585 and 1995 c 226 s 23 & 1991 c 315 s 21;

34       (~~(16))~~) (15) RCW 43.17.065 and 1995 c 226 s 24, 1993 c 280 s 37,  
35 1991 c 314 s 28, & 1990 1st ex.s. c 17 s 77;

36       (~~(17))~~) (16) RCW 43.20A.750 and 1995 c 226 s 25, 1993 c 280 s 38,  
37 1992 c 21 s 4, & 1991 c 153 s 28;

38       (~~(18))~~) (17) RCW 43.168.140 and 1995 c 226 s 28 & 1991 c 314 s 20;





1       Correct the title.

2       EFFECT: Removes the rural areas recovery board, the state office  
3 of business assistance and recruitment for rural distressed areas, and  
4 the regulatory fairness revisions. Technical corrections made budget  
5 for development loan fund, removes 75 percent requirement of job skills  
6 program funds to rural distressed areas, makes changes to CERB funding  
7 for consistency purposes.

--- END ---