

HOUSE BILL REPORT

HB 1953

As Reported By House Committee On:
Trade & Economic Development

Title: An act relating to assistance for aerospace workers.

Brief Description: Providing assistance for aerospace workers.

Sponsors: Representatives Veloria, Cody, Robertson, Mason, Conway, Valle, Cole, Morris, Dickerson, Costa, Chopp, Thibaudeau, Radcliff, Elliot, G. Fisher, Van Luven, Cairnes and Hatfield.

Brief History:

Committee Activity:

Trade & Economic Development: 2/27/95, 3/1/95 [DP].

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 10 members: Representatives Van Luven, Chairman; Radcliff, Vice Chairman; D. Schmidt, Vice Chairman; Veloria, Assistant Ranking Minority Member; Ballasiotes; Hatfield; Hickel; Mason; Skinner and Valle.

Minority Report: Do not pass. Signed by 3 members: Representatives Sheldon, Assistant Ranking Minority Member; Backlund and Sherstad.

Staff: Kenny Pittman (786-7392).

Background: The Washington economy is heavily dependent upon aerospace and aerospace-related employment. The aerospace industry has been impacted by reductions in orders for aerospace, defense industry, and aviation-related products. Recently, the Boeing Company announced reductions of its workforce of approximately 6,000 employees during 1995. The impact will be felt throughout the state, but mostly in King and Snohomish Counties.

Summary of Bill: Existing state programs are enhanced to help mitigate the impact of increased unemployment in the aerospace industry. Assistance to aerospace workers is provided in the following manner:

The Department of Employment Security is required to maintain sufficiently staffed offices in counties with 1,000 or more aerospace workers. The local offices must be

staffed to provide prompt processing of claims for unemployment compensation, job counseling, and related services.

The Department of Community, Trade, and Economic Development is directed to expand the emergency mortgage and rental assistance program to include aerospace impact areas. Unemployed aerospace workers are eligible to receive up to 24 months of emergency mortgage or rental assistance payments due to loss of employment in the aerospace industry.

The Department of Social and Health Services is directed to provide supportive services to unemployed aerospace workers in aerospace impact areas. The assistance, provided through family support centers, includes social services, credit counseling, medical services, drug and alcohol services, health and nutrition education, counseling, and information and referral services.

The Environmental and Forest Restoration Projects program's impact areas is expanded to include projects in aerospace impact areas.

An "aerospace impact area" is defined to mean a city, town, or unincorporated area that is affected by significant aerospace worker job loss. An "aerospace worker" is defined as any employee of a business in which at least 20 percent of the business involves aerospace, defense industry, or aviation-related products.

Appropriation: \$250,000 to the Department of Community, Trade, and Economic Development; \$750,000 to the Department of Social and Health Services; and \$1 million to the Department of Natural Resources.

Fiscal Note: Requested on February 16, 1995.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The impact of the aerospace layoffs will overwhelm the existing system. Previous efforts with government and Boeing have been successful. This will allow us to continue these efforts. The supportive services to unemployed workers will provide a safety net to families during this difficult period. The layoffs also impact the many small suppliers to Boeing. Their workers will also be able to receive needed assistance.

Testimony Against: None.

Testified: (Pro) Charles Bofferding, Ed Goldstick, and Dan Hartley, Seattle Professional Engineering Employees Association; Michael Dahl, Renton Technical College; Bruce Spaulding, Gary Jackson, John Dryer, and Charles Wetmore, Boeing workers; and Jeff Johnson, Washington State Labor Council AFL-CIO.