

# FINAL BILL REPORT

## E2SSB 5342

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Synopsis as Enacted

**Brief Description:** Redefining the program to aid rural natural resources impact areas.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Snyder, Swecker, Hargrove, Owen, Spanel and Rasmussen; by request of Governor Lowry).

**Senate Committee on Labor, Commerce & Trade**

**Senate Committee on Ways & Means**

**House Committee on Trade & Economic Development**

**House Committee on Appropriations**

**Background:** In 1990, Washington's timber supply was dramatically reduced due to federal action limiting harvests on Forest Service lands. This reduction severely impacted the timber industry, resulting in dramatic job losses and economic dislocation throughout numerous rural communities. In an effort to coordinate state assistance to impacted areas, Governor Gardner established the Timber Team. In 1991, the Legislature further refined the Timber Assistance Program and increased state resources. In 1993, the federal administration adopted a new Forest Management Plan, which reduced historical timber harvest levels on Forest Service lands. In addition, \$1.2 billion of federal funds were provided for a five-year program to assist the Northwest's timber dependent communities.

The Timber Team currently operates under a four-part strategy to address the needs of workers, businesses and communities. This strategy includes:

1. Job Training: Up to two years of unemployment insurance benefits are provided to dislocated workers who are enrolled in an educational or job training program. On-the-job training is provided through the Departments of Natural Resources, Ecology, and Fish and Wildlife. In addition, placements are provided at community colleges and other higher education Institutions.
2. Worker and Family Assistance: State human resources are provided to dislocated workers and families including income support, rent and mortgage assistance, emergency food, medical care, and counseling services.
3. Economic Diversification: Funding for public works projects is provided for economic development to empower local people and organizations to undertake economic revitalization initiatives. This includes businesses involved in value added woods products.
4. Timber Supply: The team advocates a balanced solution to federal forest management and promotes a ban on state timber exports to help increase supply for in-state processors.

In April 1994, the U.S. Department of Commerce closed the ocean salmon fishing season. The following May, Governor Lowry proclaimed a state of emergency in those affected

counties and requested federal assistance. In order to streamline administration, the Governor integrated the state's disaster relief efforts into the Timber Team.

The Timber Team and its assistance programs are scheduled to terminate on June 30, 1995.

**Summary:** The Timber Team is renamed the Rural Community Assistance Team. The team and its assistance programs are reauthorized with the following modifications:

Salmon Fishing Communities/Focus: In addition to its timber focus, the team is required to address salmon related problems in communities throughout the state. The following list of assistance programs presently available to timber impacted workers and areas are extended to salmon impacted communities.

- a. Extended Unemployment Insurance: Workers are eligible to receive up to two years of their regular unemployment insurance benefits provided they are in training. An additional 13 weeks of benefits are provided for individuals that are participating in training programs that are expected to last one year or longer.
- b. Public Works Projects: Impacted communities are given a preference for public works projects funded through the Community Economic Revitalization Board (CERB).
- c. Mortgage and Rental Assistance: Emergency loans and grants are provided on behalf of dislocated workers who cannot make current mortgage or rental payments.
- d. Community Outreach/Economic Development: Impacted communities are provided with technical assistance in developing and implementing economic development plans.
- e. Tuition Waivers/Supplemental Enrollment: Community, upper division or technical college tuition waivers are provided to a limited number of dislocated workers or spouses. Participating colleges receive supplemental enrollment allocations and funds to support direct costs for these students.
- f. Social Services: Emergency food and medical assistance, crisis intervention, counseling, and child care are provided.
- g. Employment Opportunities: Funds to employ impacted workers in natural resource based occupations are provided.
- h. Business Assistance Programs: Gap financing on favorable terms is provided to firms that are creating or retaining jobs. Exporters are assisted with marketing and financing services. Technical assistance is provided to businesses engaged in value added industries.

"Timber impact area" is modified to "rural natural resources impact area," and the definition is changed in order to target community assistance to rural areas.

A study of salmon preservation and recovery efforts and likely impacts on certain industries must be presented to the Legislature by January 1996.

The rural assistance program terminates under the sunset process on June 30, 1998. The Rural Community Assistance Task Force must develop a performance measurement system in consultation with the Legislative Budget Committee and Washington Performance Partnership. Assessment of the results derived from the performance measurement system must be a component of the sunset review.

**Votes on Final Passage:**

Senate	48	0	
House	93	2	(House amended)
Senate	44	0	(Senate concurred)

**Effective:** July 1, 1995