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SENATE BILL 6192

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State of Washington                      54th Legislature                      1996 Regular Session

By Senators Snyder, A. Anderson, Owen, Swecker, Spanel and Rasmussen

Read first time 01/08/96. Referred to Committee on Labor, Commerce & Trade.

1            AN ACT Relating to moneys for department of community, trade, and  
2 economic development department duties as a member of the agency rural  
3 community assistance task force; amending RCW 84.33.081 and 43.31.641;  
4 and adding a new section to chapter 43.31 RCW.

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

6            **Sec. 1.** RCW 84.33.081 and 1985 c 184 s 1 are each amended to read  
7 as follows:

8            (1) On the last business day of the second month of each calendar  
9 quarter, the state treasurer shall distribute from the timber tax  
10 distribution account to each county the amount of tax collected on  
11 behalf of each county under RCW 84.33.051, less each county's  
12 proportionate share of appropriations for collection and administration  
13 activities under RCW 84.33.051, and shall transfer to the state general  
14 fund the amount of tax collected on behalf of the state under RCW  
15 84.33.041, less two percent which shall be deposited in the wood  
16 products diversification account and less the state's proportionate  
17 share of appropriations for collection and administration activities  
18 under RCW 84.33.041. The county treasurer shall deposit moneys  
19 received under this section in a county timber tax account which shall

1 be established by each county. Following receipt of moneys under this  
2 section, the county treasurer shall make distributions from any moneys  
3 available in the county timber tax account to taxing districts in the  
4 county, except the state, under subsections (2) through (4) of this  
5 section.

6 (2) From moneys available, there first shall be a distribution to  
7 each taxing district having debt service payments due during the  
8 calendar year, based upon bonds issued under authority of a vote of the  
9 people conducted pursuant to RCW 84.52.056 and based upon excess levies  
10 for a capital project fund authorized pursuant to RCW 84.52.053, of an  
11 amount equal to the timber assessed value of the district multiplied by  
12 the tax rate levied for payment of the debt service and capital  
13 projects: PROVIDED, That in respect to levies for a debt service or  
14 capital project fund authorized before July 1, 1984, the amount  
15 allocated shall not be less than an amount equal to the same percentage  
16 of such debt service or capital project fund represented by timber tax  
17 allocations to such payments in calendar year 1984. Distribution under  
18 this subsection (2) shall be used only for debt service and capital  
19 projects payments. The distribution under this subsection shall be  
20 made as follows: One-half of such amount shall be distributed in the  
21 first quarter of the year and one-half shall be distributed in the  
22 third quarter of the year.

23 (3) From the moneys remaining after the distributions under  
24 subsection (2) of this section, the county treasurer shall distribute  
25 to each school district an amount equal to one-half of the timber  
26 assessed value of the district or eighty percent of the timber roll of  
27 such district in calendar year 1983 as determined under this chapter,  
28 whichever is greater, multiplied by the tax rate, if any, levied by the  
29 district under RCW 84.52.052 or 84.52.053 for purposes other than debt  
30 service payments and capital projects supported under subsection (2) of  
31 this section. The distribution under this subsection shall be made as  
32 follows: One-half of such amount shall be distributed in the first  
33 quarter of the year and one-half shall be distributed in the third  
34 quarter of the year.

35 (4) After the distributions directed under subsections (2) and (3)  
36 of this section, if any, each taxing district shall receive an amount  
37 equal to the timber assessed value of the district multiplied by the  
38 tax rate, if any, levied as a regular levy of the district or as a  
39 special levy not included in subsection (2) or (3) of this section.

1 (5) If there are insufficient moneys in the county timber tax  
2 account to make full distribution under subsection (4) of this section,  
3 the county treasurer shall multiply the amount to be distributed to  
4 each taxing district under that subsection by a fraction. The  
5 numerator of the fraction is the county timber tax account balance  
6 before making the distribution under that subsection. The denominator  
7 of the fraction is the account balance which would be required to make  
8 full distribution under that subsection.

9 (6) After making the distributions under subsections (2) through  
10 (4) of this section in the full amount indicated for the calendar year,  
11 the county treasurer shall place any excess revenue up to twenty  
12 percent of the total distributions made for the year under subsections  
13 (2) through (4) of this section in a reserve status until the beginning  
14 of the next calendar year. Any moneys remaining in the county timber  
15 tax account after this amount is placed in reserve shall be distributed  
16 to each taxing district in the county in the same proportions as the  
17 distributions made under subsection (4) of this section.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.31 RCW  
19 to read as follows:

20 There is established in the state treasury the wood products  
21 diversification account. All receipts from the amounts required under  
22 RCW 84.33.081 and 43.31.641(1) to be deposited in the account shall be  
23 deposited in the account. Expenditures from the account may be used  
24 only to carry out the forest products extension program required by RCW  
25 43.31.641. Only the director of the department of community, trade,  
26 and economic development or the director's designee may authorize  
27 expenditures from the account. The account is subject to allotment  
28 procedures under chapter 43.88 RCW, but no appropriation is required  
29 for expenditures.

30 **Sec. 3.** RCW 43.31.641 and 1995 c 226 s 4 are each amended to read  
31 as follows:

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

34 (1) Implement an expanded value-added forest products development  
35 industrial extension program. The department shall provide, directly  
36 or through contract, technical assistance to small and medium-sized  
37 forest products companies to 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 The department shall charge a fee for the services provided under this  
10 subsection. The fees collected shall be deposited in the wood products  
11 diversification account in the state treasury.

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

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

22 For the 1991-93 biennium, the department of community, trade, and  
23 economic development shall use funds appropriated for this section for  
24 contracts and for no more than two additional staff positions.

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