CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 1341

Chapter 314, Laws of 1991

52nd Legislature 1991 Regular Session

TIMBER IMPACT AREAS--ECONOMIC GROWTH AND DEVELOPMENT PROGRAMS

EFFECTIVE DATE: 7/28/91 - Except Section 25 which becomes effective on 7/1/93; & Section 20 which becomes effective on 5/21/91.

Passed by the House April 28, 1991 CERTIFICATE Yeas 97 Nays 0 I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1341** as passed by the House JOE KING Speaker of the House of Representatives of Representatives and the Senate on Passed by the Senate April 28, 1991 Yeas 48 Nays 0 the dates hereon set forth. JOEL PRITCHARD ALAN THOMPSON President of the Senate Chief Clerk Approved May 21, 1991 FILED

May 21, 1991 - 10:06 a.m.

BOOTH GARDNER Secretary of State Governor of the State of Washington State of Washington

ENGROSSED SUBSTITUTE HOUSE BILL 1341

AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 1991 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on Trade & Economic Development (originally sponsored by Representatives Sheldon, Hargrove, Jones, Inslee, Riley, Rayburn, P. Johnson, Bowman, Haugen, Paris, Brumsickle, Wynne, Beck, Fuhrman, Ferguson, Basich, Morton, Padden, Roland, Heavey, H. Myers, Peery, Ebersole, May, Lisk, Zellinsky, Nealey, Edmondson, Cooper, Betrozoff, Miller, Mitchell, Jacobsen, R. King, Wineberry, Franklin and R. Johnson).Read first time March 6, 1991.

- AN ACT Relating to economic development; amending RCW 43.210.030,
- 2 43.168.020, 43.160.010, 43.160.020, 43.160.076, 43.17.065, and
- 3 53.36.030; reenacting and amending RCW 43.210.050; adding new sections
- 4 to chapter 43.31 RCW; adding new sections to chapter 43.210 RCW; adding
- 5 new sections to chapter 43.131 RCW; adding new sections to chapter
- 6 43.160 RCW; adding a new section to chapter 43.168 RCW; creating new
- 7 sections; repealing RCW 43.160.076; providing an effective date;
- 8 providing an expiration date; and declaring an emergency.
- 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 10 <u>NEW SECTION</u>. **Sec. 1.** The legislature finds that:
- 11 (1) Cutbacks in allowable sales of old growth timber in Washington
- 12 state pose a substantial threat to the region and the state with
- 13 massive layoffs, loss of personal income, and declines in state
- 14 revenues;

- 1 (2) The timber impact areas are of critical significance to the
- 2 state because of their leading role in the overall economic well-being
- 3 of the state and their importance to the quality of life to all
- 4 residents of Washington, and that these regions require a special state
- 5 effort to diversify the local economy;
- 6 (3) There are key opportunities to broaden the economic base in the
- 7 timber impact areas including agriculture, high-technology, tourism,
- 8 and regional exports; and
- 9 (4) A coordinated state, local, and private sector effort offers
- 10 the greatest potential to promote economic diversification and to
- 11 provide support for new projects within the region.
- 12 The legislature further finds that if a special state effort does
- 13 not take place the decline in allowable timber sales may result in a
- 14 loss of six thousand logging and milling jobs; two hundred million
- 15 dollars in direct wages and benefits; twelve thousand indirect jobs;
- 16 and three hundred million dollars in indirect wages and benefits.
- 17 It is the intent of the legislature to develop comprehensive
- 18 programs to provide diversified economic development and promote job
- 19 creation and employment opportunities for the citizens of the timber
- 20 impact areas.
- 21 <u>NEW SECTION.</u> **Sec. 2.** For the purposes of sections 2 through 10
- 22 of this act:
- 23 (1) "Board" means the economic recovery coordination board;
- 24 (2) "Timber impact area" means a county having a population of less
- 25 than five hundred thousand, or a city or town located within a county
- 26 having a population of less than five hundred thousand, and meeting two
- 27 of the following three criteria, as determined by the employment
- 28 security department, for the most recent year such data is available:
- 29 (a) A lumber and wood products employment location quotient at or above

- 1 the state average; (b) projected or actual direct lumber and wood
- 2 products job losses of one hundred positions or more, except counties
- 3 having a population greater than two hundred thousand but less than
- 4 five hundred thousand must have direct lumber and wood products job
- 5 losses of one thousand positions or more; or (c) an annual unemployment
- 6 rate twenty percent or more above the state average.
- 7 <u>NEW SECTION.</u> **Sec. 3.** (1) The governor shall appoint a timber
- 8 recovery coordinator. The coordinator shall coordinate the state and
- 9 federal economic and social programs targeted to timber impact areas.
- 10 (2) The coordinator's responsibilities shall include but not be
- 11 limited to:
- 12 (a) Serving as executive secretary of the economic recovery
- 13 coordination board and directing staff associated with the board.
- 14 (b) Chairing the agency timber task force and directing staff
- 15 associated with the task force.
- 16 (c) Coordinating and maximizing the impact of state and federal
- 17 assistance to timber impact areas.
- 18 (d) Coordinating and expediting programs to assist timber impact
- 19 areas.
- 20 (e) Providing the legislature with a status and impact report on
- 21 the timber recovery program in January 1992.
- 22 (3) This section shall expire June 30, 1993.
- 23 <u>NEW SECTION.</u> **Sec. 4.** (1) There is established the agency timber
- 24 task force. The task force shall be chaired by the timber recovery
- 25 coordinator. It shall be the responsibility of the coordinator that
- 26 all directives of this act are carried out expeditiously by the
- 27 agencies represented in the task force. The task force shall consist
- 28 of the directors, or representatives of the directors, of the following

- 1 agencies: The department of trade and economic development, department
- 2 of community development, employment security department, department of
- 3 social and health services, state board for community college
- 4 education, state board for vocational education, or its replacement
- 5 entity, department of natural resources, department of transportation,
- 6 state energy office, department of wildlife, University of Washington
- 7 center for international trade in forest products, and department of
- 8 ecology. The task force may consult and enlist the assistance of the
- 9 following: The higher education coordinating board, University of
- 10 Washington college of forest resources, Washington State University
- 11 school of forestry, Northwest policy center, state superintendent of
- 12 public instruction, the Evergreen partnership, Washington association
- 13 of counties, and rural development council.
- 14 (2) This section shall expire June 30, 1993.
- 15 <u>NEW SECTION.</u> **Sec. 5.** The Washington state institute for public
- 16 policy at The Evergreen State College shall design an evaluation
- 17 mechanism for the timber recovery act and undertake an evaluation of
- 18 the act's effectiveness by November 1, 1993. The agencies implementing
- 19 the timber recovery programs under this act shall assist the institute
- 20 for public policy in this evaluation.
- 21 <u>NEW SECTION.</u> **Sec. 6.** (1) There is established the economic
- 22 recovery coordination board consisting of one representative, appointed
- 23 by the governor, from each county that is a timber impact area. The
- 24 timber recovery coordinator shall also be a member of the board. Each
- 25 associate development organization from counties that are timber impact
- 26 areas, in consultation with the county legislative authority, shall
- 27 submit to the governor the names of three nominees representing
- 28 different interests in each county. Within sixty days after the

- 1 effective date of this section, the governor shall select one nominee
- 2 from each list submitted by associate development organizations. In
- 3 making the appointments, the governor shall endeavor to ensure that the
- 4 board represents a diversity of backgrounds. Vacancies shall be filled
- 5 in the same manner as the original appointment.
- 6 (2) The board shall:
- 7 (a) Advise the timber recovery coordinator and the agency timber
- 8 task force on issues relating to timber impact area economic and social
- 9 development, and review and provide recommendations on proposals for
- 10 the diversification of the timber impact areas presented to it by the
- 11 timber recovery coordinator.
- 12 (b) Respond to the needs and concerns of citizens at the local
- 13 level.
- 14 (c) Develop strategies for the economic recovery of timber impact
- 15 areas.
- 16 (d) Provide recommendations to the governor, the legislature, and
- 17 congress on land management and economic and regulatory policies that
- 18 affect timber impact areas.
- 19 (e) Recommend to the legislature any changes or improvements in
- 20 existing programs designed to benefit timber impact areas.
- 21 (3) Members of the board and committees shall receive no
- 22 compensation but shall be reimbursed for travel expenses under RCW
- 23 43.03.050 and 43.03.060.
- 24 (4) This section shall expire June 30, 1993.
- 25 <u>NEW SECTION</u>. **Sec. 7.** The department of trade and economic
- 26 development, as a member of the agency timber task force and in
- 27 consultation with the board, shall:
- 28 (1) Implement an expanded value-added forest products development
- 29 industrial extension program. The department shall provide technical

- 1 assistance to small and medium-sized forest products companies to
- 2 include:
- 3 (a) Secondary manufacturing product development;
- 4 (b) Plant and equipment maintenance;
- 5 (c) Identification and development of domestic market
- 6 opportunities;
- 7 (d) Building products export development assistance;
- 8 (e) At-risk business development assistance;
- 9 (f) Business network development; and
- 10 (g) Timber impact area industrial diversification.
- 11 (2) Provide local contracts for small and medium-sized forest
- 12 product companies, start-ups, and business organizations for business
- 13 feasibility, market development, and business network contracts that
- 14 will benefit value-added production efforts in the industry.
- 15 (3) Contract with local business organizations in timber impact
- 16 areas for development of programs to promote industrial
- 17 diversification. In addition, the department shall develop an
- 18 interagency agreement with the department of community development for
- 19 local capacity-building grants to local governments and community-based
- 20 organizations in timber impact areas, which may include long-range
- 21 planning and needs assessments.
- 22 For the 1991-93 biennium, the department of trade and economic
- 23 development shall use funds appropriated for this section for contracts
- 24 and for no more than two additional staff positions.
- 25 <u>NEW SECTION.</u> **Sec. 8.** The department of trade and economic
- 26 development shall increase the resources available to associate
- 27 development organizations in counties meeting the following criteria,
- 28 as determined by the employment security department: (1) A lumber and
- 29 wood products employment location quotient at or above the state

- 1 average; (2) a direct lumber and wood products job loss of one hundred
- 2 positions or more; and (3) an annual unemployment rate twenty percent
- 3 above the state average. These resources are for the purpose of
- 4 providing economic and community development services in timber impact
- 5 areas and providing resource and referral services to the community
- 6 regarding state and local economic and community development services.
- 7 <u>NEW SECTION.</u> **Sec. 9.** The department of community development as
- 8 a part of the agency timber task force and in consultation with the
- 9 board, shall implement a community assistance program to enable
- 10 communities to build local capacity for sustainable economic
- 11 development efforts. The program shall provide resources and technical
- 12 assistance to timber impact areas.
- 13 In addition, the department shall develop an interagency agreement
- 14 with the department of trade and economic development for local
- 15 capacity-building grants to local governments and community-based
- 16 organizations in timber impact areas.
- 17 NEW SECTION. Sec. 10. In order to explore economic
- 18 diversification options in timber impact areas and address urban
- 19 congestion, the Washington state air transportation commission study
- 20 shall consider the possibility of locating an airport facility designed
- 21 to relieve air traffic overflow from Seattle-Tacoma international
- 22 airport in Grays Harbor county.
- 23 The commission shall consider airport facilities currently in use
- 24 in Grays Harbor county, the property set aside at the uncompleted
- 25 Satsop nuclear site, the distance from operating port facilities, the
- 26 desires of the community, and linkage with the Interstate 5 corridor by
- 27 rapid transit rail service.

- 1 <u>NEW SECTION.</u> **Sec. 11.** (1) The Pacific Northwest export
- 2 assistance project is hereby created for the following purposes:
- 3 (a) To assist manufacturers relatively new to exporting with gross
- 4 annual revenues less than twenty-five million dollars with
- 5 comprehensive services for designing and managing introductory export
- 6 strategies and in securing financing and credit guarantees for export
- 7 transactions;
- 8 (b) To provide, in cooperation with the export promotion services
- 9 offered by the department of trade and economic development and the
- 10 Washington state department of agriculture, information and assistance
- 11 to manufacturers with gross annual revenues less than twenty-five
- 12 million dollars about the methods and procedures of structuring company
- 13 specific export financing and credit guarantee alternatives; or
- 14 (c) To provide information to their clients about opportunities in
- 15 organizing cooperative export networks, foreign sales corporations, or
- 16 export trading companies under the United States export trading company
- 17 act of 1982, for the purpose of increasing their comparative sales
- 18 volume and ability to export their products to foreign markets.
- 19 (2) The Pacific Northwest export assistance project is a separate
- 20 branch of the small business export finance assistance center for
- 21 accounting and auditing purposes.
- 22 (3) The Pacific Northwest export assistance project is subject to
- 23 the authority of the small business export finance assistance center,
- 24 under RCW 43.210.020, and shall be governed and managed by the board of
- 25 directors, under RCW 43.210.030.
- 26 <u>NEW SECTION.</u> **Sec. 12.** (1) The small business export finance
- 27 assistance center has the following powers and duties when exercising
- 28 its authority under section 11(3) of this act:

- 1 (a) Solicit and accept grants, contributions, and any other 2 financial assistance from the federal government, federal agencies, and
- 3 any other public or private sources to carry out its purposes; 4 (b) Offer comprehensive export assistance and counseling to 5 manufacturers relatively new to exporting with gross annual revenues 6 less than twenty-five million dollars. As close to ninety percent as possible of each year's new cadre of clients must have gross annual 7 revenues of less than five million dollars at the time of their initial 8 9 contract. At least fifty percent of each year's new cadre of clients 10 shall be from timber impact areas as defined in section 2 of this act. Counseling may include, but not be limited to, helping clients obtain 11 debt or equity financing, in constructing competent proposals, and 12 assessing federal guarantee and/or insurance programs that underwrite 13 14 exporting risk; assisting clients in evaluating their international 15 marketplace by developing marketing materials, assessing and selecting targeted markets; assisting firms in finding foreign customers by 16 17 conducting foreign market research, evaluating distribution systems, 18 selecting and assisting in identification of and/or negotiations with 19 foreign agents, distributors, retailers, and by promoting products 20 through attending trade shows abroad; advising companies on their products, guarantees, and after sales service requirements necessary to 21 compete effectively in a foreign market; designing a competitive 22 strategy for a firm's products in targeted markets and methods of 23 24 minimizing their commercial and political risks; securing for clients 25 specific assistance as needed, outside the center's field of expertise, by referrals to other public or private organizations. 26 27 Northwest export assistance project shall focus its efforts on 28 facilitating export transactions for its clients, and in doing so, 29 provide such technical services as are appropriate to accomplish its

mission either with staff or outside consultants;

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- 1 (c) Sign three-year counseling agreements with its clients that
- 2 provide for termination if adequate funding for the Pacific Northwest
- 3 export assistance project is not provided in future appropriations.
- 4 Counseling agreements shall not be renewed unless there are compelling
- 5 reasons to do so, and under no circumstances shall they be renewed for
- 6 more than two additional years. A counseling agreement may not be
- 7 renewed more than once. The counseling agreements shall have mutual
- 8 performance clauses, that if not met, will be grounds for releasing
- 9 each party, without penalty, from the provisions of the agreement.
- 10 Clients shall be immediately released from a counseling agreement with
- 11 the Pacific Northwest export assistance project, without penalty, if a
- 12 client wishes to switch to a private export management service and
- 13 produces a valid contract signed with a private export management
- 14 service, or if the president of the small business export finance
- 15 assistance center determines there are compelling reasons to release a
- 16 client from the provisions of the counseling agreement;
- 17 (d) May contract with private or public international trade
- 18 education services to provide Pacific Northwest export assistance
- 19 project clients with training in international business. The president
- 20 and board of directors shall decide the amount of funding allocated for
- 21 educational services based on the availability of resources in the
- 22 operating budget of the Pacific Northwest export assistance project;
- 23 (e) May contract with the Washington state international trade fair
- 24 to provide services for Pacific Northwest export assistance project
- 25 clients to participate in one trade show annually. The president and
- 26 board of directors shall decide the amount of funding allocated for
- 27 trade fair assistance based on the availability of resources in the
- 28 operating budget of the Pacific Northwest export assistance project;
- 29 (f) Provide biennial assessments of its performance. Project
- 30 personnel shall work with the department of revenue and employment

- 1 security department to confidentially track the performance of the
- 2 project's clients in increasing tax revenues to the state, increasing
- 3 gross sales revenues and volume of products destined to foreign
- 4 clients, and in creating new jobs for Washington citizens. A biennial
- 5 report shall be prepared for the governor and legislature to assess the
- 6 costs and benefits to the state from creating the project. The
- 7 president of the small business export finance assistance center shall
- 8 design an appropriate methodology for biennial assessments in
- 9 consultation with the director of the department of trade and economic
- 10 development and the director of the Washington state department of
- 11 agriculture. The department of revenue and the employment security
- 12 department shall provide data necessary to complete this biennial
- 13 evaluation, if the data being requested is available from existing data
- 14 bases. Client-specific information generated from the files of the
- 15 department of revenue and the employment security department for the
- 16 purposes of this evaluation shall be kept strictly confidential by each
- 17 department and the small business export finance assistance center;
- 18 (g) Take whatever action may be necessary to accomplish the
- 19 purposes set forth in sections 11 through 14 of this act; and
- 20 (h) Limit its assistance to promoting the exportation of value-
- 21 added manufactured goods. The project shall not provide counseling or
- 22 assistance, under any circumstances, for the importation of foreign
- 23 made goods into the United States.
- 24 (2) The Pacific Northwest export assistance project shall not,
- 25 under any circumstances, assume ownership or take title to the goods of
- 26 its clients.
- 27 (3) The Pacific Northwest export assistance project may not use any
- 28 Washington state funds which come from the public treasury of the state
- 29 of Washington to make loans or to make any payment under a loan
- 30 guarantee agreement. Under no circumstances may the center use any

- 1 funds received under RCW 43.210.050 to make or assist in making any
- 2 loan or to pay or assist in paying any amount under a loan guarantee
- 3 agreement. Debts of the center shall be center debts only and may be
- 4 satisfied only from the resources of the center. The state of
- 5 Washington shall not in any way be liable for such debts.
- 6 (4) The Pacific Northwest export assistance project shall make
- 7 every effort to seek nonstate funds to supplement its operations.
- 8 (5) The Pacific Northwest export assistance project shall take
- 9 whatever steps are necessary to provide its services, if requested, to
- 10 the states of Oregon, Idaho, Montana, Alaska, and the Canadian
- 11 provinces of British Columbia and Alberta. Interstate services shall
- 12 not be provided by the Pacific Northwest export assistance project
- 13 during its first biennium of operation. The provision of services may
- 14 be temporary and subject to the payment of fees, or each state may
- 15 request permanent services contingent upon a level of permanent funding
- 16 adequate for services provided. Temporary services and fees may be
- 17 negotiated by the small business export finance assistance center's
- 18 president subject to approval of the board of directors. The president
- 19 of the small business export finance assistance center may enter into
- 20 negotiations with neighboring states to contract for delivery of the
- 21 project's services. Final contracts for providing the project's
- 22 counseling and services outside of the state of Washington on a
- 23 permanent basis shall be subject to approval of the governor,
- 24 appropriate legislative oversight committees, and the small business
- 25 export finance assistance center's board of directors.
- 26 (6) The small business export finance assistance center may receive
- 27 such gifts, grants, and endowments from public or private sources as
- 28 may be made from time to time, in trust or otherwise, for the use and
- 29 benefit of the purposes of the Pacific Northwest export assistance

- 1 project and expend the same or any income therefrom according to the
- 2 terms of the gifts, grants, or endowments.
- 3 (7) The president of the small business export finance assistance
- 4 center, in consultation with the board of directors, may use the
- 5 following formula in determining the number of clients that can be
- 6 reasonably served by the Pacific Northwest export assistance project
- 7 relative to its appropriation. Divide the amount appropriated for
- 8 administration of the Pacific Northwest export assistance project by
- 9 the marginal cost of adding each additional Pacific Northwest export
- 10 assistance project client. For the purposes of this calculation, and
- 11 only for the first biennium of operation, the biennial marginal cost of
- 12 adding each additional Pacific Northwest export assistance project
- 13 client shall be fifty-seven thousand ninety-five dollars. The biennial
- 14 marginal cost of adding each additional client after the first biennium
- 15 of operation shall be established from the actual operating experience
- 16 of the Pacific Northwest export assistance project.
- 17 (8) All receipts from the Pacific Northwest export assistance
- 18 project shall be deposited into the general fund.
- 19 <u>NEW SECTION.</u> **Sec. 13.** The department of trade and economic
- 20 development shall adopt rules under chapter 34.05 RCW as necessary to
- 21 carry out the purposes of sections 11 through 14 of this act.
- 22 <u>NEW SECTION.</u> **Sec. 14.** The small business export finance
- 23 assistance center fund is created in the custody of the state
- 24 treasurer. Expenditures from the fund may be used only for the
- 25 purposes of funding the services of the small business export finance
- 26 assistance center and its projects under this chapter. Only the
- 27 director of the department of trade and economic development or the
- 28 director's designee may authorize expenditures from the fund. The

- 1 director of the department of trade and economic development shall not
- 2 withhold funds appropriated for the administration of the small
- 3 business export finance assistance center and its projects, if the
- 4 small business export finance assistance center complies with the
- 5 provisions of its contract under RCW 43.210.050 and section 11 of this
- 6 act. Funding appropriated by the state of Washington shall not be used
- 7 to provide services to other states or provinces. The fund is subject
- 8 to allotment procedures under chapter 43.88 RCW, but no appropriation
- 9 is required for expenditures.
- 10 **Sec. 15.** RCW 43.210.030 and 1985 c 231 s 3 are each amended to
- 11 read as follows:
- 12 The small business export finance assistance center and its
- 13 branches shall be governed and managed by a board of ((seventeen))
- 14 <u>nineteen</u> directors appointed by the governor and confirmed by the
- 15 senate. The directors shall serve terms of six years except that two
- 16 of the original directors shall serve for two years and two of the
- 17 original directors shall serve for four years. The directors may
- 18 provide for the payment of their expenses. The directors shall include
- 19 a representative of a not-for-profit corporation formed for the purpose
- 20 of facilitating economic development, at least two representatives of
- 21 state financial institutions engaged in the financing of export
- 22 transactions, a representative of a port district, and a representative
- 23 of organized labor. Of the remaining board members, there shall be ((a
- 24 representative of the governor,)) one representative of business from
- 25 the area west of Puget Sound, one representative of business from the
- 26 area east of Puget Sound and west of the Cascade range, one
- 27 representative of business from the area east of the Cascade range and
- 28 west of the Columbia river, ((and)) one representative of business from
- 29 the area east of the Columbia river, the director of the department of

- trade and economic development, and the director of the department of 1 2 agriculture. One of the directors shall be a representative of the 3 public selected from the area in the state west of the Cascade mountain 4 range and one director shall be a representative of the public selected from that area of the state east of the Cascade mountain range. 5 6 director shall be a representative of the public at large. The directors shall be broadly representative of geographic areas of the 7 state, and the representatives of businesses shall represent at least 8 9 four different industries in different sized businesses as follows: 10 (a) One representative of a company employing fewer than one hundred persons; (b) one representative of a company employing between one 11 five hundred persons; 12 hundred and ((and)) (C) ((two)) 13 representative((s)) of ((companies)) a company employing more than five 14 hundred persons; (d) one representative from an export management 15 company; and (e) one representative from an agricultural or food 16 processing company. Any vacancies on the board due to the expiration 17 of a term or for any other reason shall be filled by appointment by the governor for the unexpired term. 18
- 19 **Sec. 16.** RCW 43.210.050 and 1985 c 466 s 64 and 1985 c 231 s 5 are 20 each reenacted and amended to read as follows:
- The small business export finance assistance center formed under 21 RCW 43.210.020 and 43.210.030 ((is eligible to receive consideration 22 23 for)) shall enter into a contract under this chapter ((from the)) with 24 the department of trade and economic development or its statutory 25 The contract shall require the center to provide export 26 assistance services, ((may not have a duration of longer than two 27 years,)) consistent with sections 11 through 14 of this act, shall have 28 a duration of two years, and shall require the center to aggressively seek to fund its continued operation from nonstate funds. The contract 29

- 1 shall also require the center to report ((at least twice)) annually to
- 2 the department on its success in obtaining nonstate funding. Upon
- 3 expiration of the contract, any provisions within the contract
- 4 applicable to the Pacific Northwest export assistance project shall be
- 5 <u>automatically renewed without change provided the legislature</u>
- 6 appropriates funds for administration of the small business export
- 7 <u>assistance center and the Pacific Northwest export assistance project.</u>
- 8 The provisions of the contract related to the Pacific Northwest export
- 9 assistance project may be changed at any time if the director of the
- 10 department of trade and economic development or the president of the
- 11 small business export finance assistance center present compelling
- 12 reasons supporting the need for a contract change to the board of
- 13 directors and a majority of the board of directors agrees to the
- 14 changes. The department of agriculture shall be included in the
- 15 contracting negotiations with the department of trade and economic
- 16 <u>development</u> and the small business export finance assistance center
- 17 when the Pacific Northwest export assistance project provides export
- 18 services to industrial sectors within the administrative domain of the
- 19 Washington state department of agriculture. The department of trade
- 20 and economic development, the small business export finance assistance
- 21 center, and, if appropriate, the department of agriculture, shall
- 22 report annually, as one group, to the appropriate legislative oversight
- 23 committees on the progress of the Pacific Northwest export assistance
- 24 project.
- 25 NEW SECTION. Sec. 17. A new section is added to chapter 43.131
- 26 RCW to read as follows:
- 27 The Pacific Northwest export assistance project shall be terminated
- 28 on June 30, 1996, as provided in section 18 of this act.

- 1 <u>NEW SECTION.</u> **Sec. 18.** A new section is added to chapter 43.131
- 2 RCW to read as follows:
- 3 The following acts or parts of acts, as now existing or hereafter
- 4 amended, are each repealed, effective June 30, 1997:
- 5 (1) RCW 43.210.--- and 1991 c -- s 11 (section 11 of this act);
- 6 (2) RCW 43.210.--- and 1991 c -- s 12 (section 12 of this act);
- 7 (3) RCW 43.210.--- and 1991 c -- s 13 (section 13 of this act); and
- 8 (4) RCW 43.210.--- and 1991 c -- s 14 (section 14 of this act).
- 9 **Sec. 19.** RCW 43.168.020 and 1988 c 42 s 18 are each amended to
- 10 read as follows:
- 11 Unless the context clearly requires otherwise, the definitions in
- 12 this section apply throughout this chapter.
- 13 (1) "Committee" means the Washington state development loan fund
- 14 committee.
- 15 (2) "Department" means the department of community development.
- 16 (3) "Director" means the director of the department of community
- 17 development.
- 18 (4) "Distressed area" means: (a) A county which has an
- 19 unemployment rate which is twenty percent above the state average for
- 20 the immediately previous three years; (b) a metropolitan statistical
- 21 area, as defined by the office of federal statistical policy and
- 22 standards, United States department of commerce, in which the average
- 23 level of unemployment for the calendar year immediately preceding the
- 24 year in which an application is filed under this chapter exceeds the
- 25 average state unemployment for such calendar year by twenty percent.
- 26 Applications under this subsection (4)(b) shall be filed by April 30,
- 27 1989; ((or)) (c) an area within a county, which area: (i) Is composed
- 28 of contiguous census tracts; (ii) has a minimum population of five
- 29 thousand persons; (iii) has at least seventy percent of its families

- 1 and unrelated individuals with incomes below eighty percent of the
- 2 county's median income for families and unrelated individuals; and (iv)
- 3 has an unemployment rate which is at least forty percent higher than
- 4 the county's unemployment rate; or (d) a county designated as a timber
- 5 impact area under section 2 of this act if an application is filed by
- 6 July 1, 1993. For purposes of this definition, "families and unrelated
- 7 individuals" has the same meaning that is ascribed to that term by the
- 8 federal department of housing and urban development in its regulations
- 9 authorizing action grants for economic development and neighborhood
- 10 revitalization projects.
- 11 (5) "Fund" means the Washington state development loan fund.
- 12 (6) "Local development organization" means a nonprofit organization
- 13 which is organized to operate within an area, demonstrates a commitment
- 14 to a long-standing effort for an economic development program, and
- 15 makes a demonstrable effort to assist in the employment of unemployed
- 16 or underemployed residents in an area.
- 17 (7) "Project" means the establishment of a new or expanded business
- 18 in an area which when completed will provide employment opportunities.
- 19 "Project" also means the retention of an existing business in an area
- 20 which when completed will provide employment opportunities.
- 21 <u>NEW SECTION.</u> **Sec. 20.** A new section is added to chapter 43.168
- 22 RCW to read as follows:
- 23 Any funds appropriated by the legislature to the development loan
- 24 fund for purposes of the timber recovery act shall be used for
- 25 development loans in timber impact areas as defined in section 2 of
- 26 this act.
- 27 **Sec. 21.** RCW 43.160.010 and 1989 c 431 s 61 are each amended to
- 28 read as follows:

- (1) The legislature finds that it is the public policy of the state 1 2 of Washington to direct financial resources toward the fostering of economic development through the stimulation of investment and job 3 4 opportunities and the retention of sustainable existing employment for the general welfare of the inhabitants of the state. 5 6 unemployment and reducing the time citizens remain jobless is important 7 for the economic welfare of the state. A valuable means of fostering economic development is the construction of public facilities which 8 9 contribute to the stability and growth of the state's economic base. 10 Strengthening the economic base through issuance of industrial development bonds, whether single or umbrella, further serves to reduce 11 12 unemployment. Consolidating issues of industrial development bonds 13 when feasible to reduce costs additionally advances the state's purpose 14 to improve economic vitality. Expenditures made for these purposes as authorized in this chapter are declared to be in the public interest, 15 and constitute a proper use of public funds. A community economic 16
- 20 (a) Strengthening the economies of areas of the state which have 21 experienced or are expected to experience chronically high unemployment 22 rates or below average growth in their economies;

revitalization board is needed which shall aid the development of

economic opportunities. The general objectives of the board should

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include:

- (b) Encouraging the diversification of the economies of the state and regions within the state in order to provide greater seasonal and cyclical stability of income and employment;
- 26 (c) Encouraging wider access to financial resources for both large 27 and small industrial development projects;
- 28 (d) Encouraging new economic development or expansions to maximize 29 employment;

- 1 (e) Encouraging the retention of viable existing firms and 2 employment; and
- 3 (f) Providing incentives for expansion of employment opportunities
- 4 for groups of state residents that have been less successful relative
- 5 to other groups in efforts to gain permanent employment.
- 6 (2) The legislature also finds that the state's economic
- 7 development efforts can be enhanced by, in certain instances, providing
- 8 funds to improve state highways in the vicinity of new industries
- 9 considering locating in this state or existing industries that are
- 10 considering significant expansion.
- 11 (a) The legislature finds it desirable to provide a process whereby
- 12 the need for diverse public works improvements necessitated by planned
- 13 economic development can be addressed in a timely fashion and with
- 14 coordination among all responsible governmental entities.
- 15 (b) It is the intent of the legislature to create an economic
- 16 development account within the motor vehicle fund from which
- 17 expenditures can be made by the department of transportation for state
- 18 highway improvements necessitated by planned economic development. All
- 19 such improvements must first be approved by the state transportation
- 20 commission and the community economic revitalization board in
- 21 accordance with the procedures established by RCW 43.160.074 and
- 22 47.01.280. It is further the intent of the legislature that such
- 23 improvements not jeopardize any other planned highway construction
- 24 projects. The improvements are intended to be of limited size and
- 25 cost, and to include such items as additional turn lanes,
- 26 signalization, illumination, and safety improvements.
- 27 (3) The legislature also finds that the state's economic
- 28 development efforts can be enhanced by providing funds to improve
- 29 markets for those recyclable materials representing a large fraction of
- 30 the waste stream. The legislature finds that public facilities which

- 1 result in private construction of processing or remanufacturing
- 2 facilities for recyclable materials are eligible for consideration from
- 3 the board.
- 4 (4) The legislature finds that sharing economic growth state-wide
- 5 <u>is important to the welfare of the state. Timber impact areas do not</u>
- 6 share in the economic vitality of the Puget Sound region.
- 7 Infrastructure is one of several ingredients that are critical for
- 8 <u>economic development</u>. <u>Timber impact areas generally lack the</u>
- 9 <u>infrastructure necessary to diversify and revitalize their economies.</u>
- 10 It is, therefore, the intent of the legislature to increase the
- 11 <u>availability of funds to help provide infrastructure to timber impact</u>
- 12 areas.
- 13 **Sec. 22.** RCW 43.160.020 and 1985 c 466 s 58 are each amended to
- 14 read as follows:
- 15 Unless the context clearly requires otherwise, the definitions in
- 16 this section apply throughout this chapter.
- 17 (1) "Board" means the community economic revitalization board.
- 18 (2) "Bond" means any bond, note, debenture, interim certificate, or
- 19 other evidence of financial indebtedness issued by the board pursuant
- 20 to this chapter.
- 21 (3) "Department" means the department of trade and economic
- 22 development or its successor with respect to the powers granted by this
- 23 chapter.
- 24 (4) "Financial institution" means any bank, savings and loan
- 25 association, credit union, development credit corporation, insurance
- 26 company, investment company, trust company, savings institution, or
- 27 other financial institution approved by the board and maintaining an
- 28 office in the state.

- 1 (5) "Industrial development facilities" means "industrial
- 2 development facilities" as defined in RCW 39.84.020.
- 3 (6) "Industrial development revenue bonds" means tax-exempt revenue
- 4 bonds used to fund industrial development facilities.
- 5 (7) "Local government" means any port district, county, city, or
- 6 town.
- 7 (8) "Sponsor" means any of the following entities which customarily
- 8 provide service or otherwise aid in industrial or other financing and
- 9 are approved as a sponsor by the board: A bank, trust company, savings
- 10 bank, investment bank, national banking association, savings and loan
- 11 association, building and loan association, credit union, insurance
- 12 company, or any other financial institution, governmental agency, or
- 13 holding company of any entity specified in this subsection.
- 14 (9) "Umbrella bonds" means industrial development revenue bonds
- 15 from which the proceeds are loaned, transferred, or otherwise made
- 16 available to two or more users under this chapter.
- 17 (10) "User" means one or more persons acting as lessee, purchaser,
- 18 mortgagor, or borrower under a financing document and receiving or
- 19 applying to receive revenues from bonds issued under this chapter.
- 20 (11) "Timber impact area" means a county having a population of
- 21 less than five hundred thousand, or a city or town located within a
- 22 county having a population of less than five hundred thousand, and
- 23 meeting two of the following three criteria, as determined by the
- 24 employment security department, for the most recent year such data is
- 25 <u>available: (a) A lumber and wood products employment location quotient</u>
- 26 at or above the state average; (b) projected or actual direct lumber
- 27 and wood products job losses of one hundred positions or more, except
- 28 <u>counties having a population greater than two hundred thousand but less</u>
- 29 than five hundred thousand must have direct lumber and wood products

- 1 job losses of one thousand positions or more; or (c) an annual
- 2 unemployment rate twenty percent or more above the state average.
- 3 NEW SECTION. Sec. 23. A new section is added to chapter 43.160
- 4 RCW to read as follows:
- 5 (1) The economic development account is created within the public
- 6 facilities construction loan revolving fund under RCW 43.160.080.
- 7 Moneys in the account may be spent only after appropriation.
- 8 Expenditures from the account may be used only for the purposes of RCW
- 9 43.160.010(4) and this section. The account is subject to allotment
- 10 procedures under chapter 43.88 RCW.
- 11 (2) Applications under this section for assistance from the
- 12 economic development account are subject to all of the applicable
- 13 criteria set forth under this chapter, as well as procedures and
- 14 criteria established by the board, except as otherwise provided.
- 15 (3) Eligible applicants under this section are limited to political
- 16 subdivisions of the state in timber impact areas that demonstrate, to
- 17 the satisfaction of the board, the local economy's dependence on the
- 18 forest products industry.
- 19 (4) Applicants must demonstrate that their request is part of an
- 20 economic development plan consistent with applicable state planning
- 21 requirements. Applicants must demonstrate that tourism projects have
- 22 been approved by the local government and are part of a regional
- 23 tourism plan approved by the local and regional tourism organizations.
- 24 Industrial projects must be approved by the local government and the
- 25 associate development organization.
- 26 (5) Publicly owned projects may be financed under this section upon
- 27 proof by the applicant that the public project is a necessary component
- 28 of, or constitutes in whole, a tourism project.

- 1 (6) Applications must demonstrate local match and participation.
- 2 Such match may include: Land donation, other public or private funds
- 3 or both, or other means of local commitment to the project.
- 4 (7) Board financing for feasibility studies shall not exceed
- 5 twenty-five thousand dollars per study. Board funds for feasibility
- 6 studies may be provided as a grant and require a dollar for dollar
- 7 match with up to one-half in-kind match allowed.
- 8 (8) Board financing for tourism projects shall not exceed two
- 9 hundred fifty thousand dollars. Other public facility projects under
- 10 this section shall not exceed five hundred thousand dollars. Loans
- 11 with flexible terms and conditions to meet the needs of the applicants
- 12 shall be provided. Grants may also be authorized, but only when, and to
- 13 the extent that, a loan is not reasonably possible, given the limited
- 14 resources of the political subdivision.
- 15 (9) The board shall develop guidelines for allowable local match
- 16 and feasibility studies.
- 17 (10) Applications under this section need not demonstrate evidence
- 18 that specific private development or expansion is ready to occur or
- 19 will occur if funds are provided.
- 20 (11) The board shall establish guidelines for making grants and
- 21 loans under this section to ensure that the requirements of this
- 22 chapter are complied with. The guidelines shall include:
- 23 (a) A process to equitably compare and evaluate applications from
- 24 competing communities.
- 25 (b) Criteria to ensure that approved projects will have a high
- 26 probability of success and are likely to provide long-term economic
- 27 benefits to the community. The criteria shall include: (i) A minimum
- 28 amount of local participation, determined by the board per application,
- 29 to verify community support for the project; (ii) an analysis that
- 30 establishes the project is feasible using standard economic principles;

- 1 and (iii) an explanation from the applicant regarding how the project
- 2 is consistent with the communities' economic strategy and goals.
- 3 (c) A method of evaluating the impact of the loans or grants on the
- 4 economy of the community and whether the loans or grants achieved their
- 5 purpose.
- 6 Sec. 24. RCW 43.160.076 and 1985 c 446 s 6 are each amended to
- 7 read as follows:
- 8 (1) Except as authorized to the contrary under subsection (2) of
- 9 this section, from all funds available to the board for loans and
- 10 grants, the board shall spend at least ((twenty)) fifty percent for
- 11 grants and loans for projects in distressed counties or timber impact
- 12 <u>areas</u>. For purposes of this section, the term "distressed counties"
- 13 includes any county, in which the average level of unemployment for the
- 14 three years before the year in which an application for a loan or grant
- 15 is filed, exceeds the average state employment for those years by
- 16 twenty percent.
- 17 (2) If at any time during the last six months of a biennium the
- 18 board finds that the actual and anticipated applications for qualified
- 19 projects in distressed counties or timber impact areas are clearly
- 20 insufficient to use up the ((twenty)) fifty percent allocation, then
- 21 the board shall estimate the amount of the insufficiency and during the
- 22 remainder of the biennium may use that amount of the allocation for
- 23 loans and grants for projects not located in distressed counties or
- 24 <u>timber impact areas</u>.
- NEW SECTION. Sec. 25. A new section is added to chapter 43.160
- 26 RCW to read as follows:
- 27 (1) Except as authorized to the contrary under subsection (2) of
- 28 this section, from all funds available to the board for loans and

- 1 grants, the board shall spend at least twenty percent for grants and
- 2 loans for projects in distressed counties. For purposes of this
- 3 section, the term "distressed counties" includes any county, in which
- 4 the average level of unemployment for the three years before the year
- 5 in which an application for a loan or grant is filed, exceeds the
- 6 average state employment for those years by twenty percent.
- 7 (2) If at any time during the last six months of a biennium the
- 8 board finds that the actual and anticipated applications for qualified
- 9 projects in distressed counties are clearly insufficient to use up the
- 10 twenty percent allocation, then the board shall estimate the amount of
- 11 the insufficiency and during the remainder of the biennium may use that
- 12 amount of the allocation for loans and grants for projects not located
- 13 in distressed counties.
- 14 <u>NEW SECTION.</u> **Sec. 26.** (1) For the period beginning July 1,
- 15 1991, and ending June 30, 1993, in timber impact areas the public works
- 16 board may award low-interest or interest-free loans to local
- 17 governments for construction of new public works facilities that
- 18 stimulate economic growth or diversification.
- 19 (2) For the purposes of this section and section 27 of this act:
- 20 (a) "Public facilities" means bridge, road and street, domestic
- 21 water, sanitary sewer, and storm sewer systems.
- (b) "Timber impact area" means a county having a population of less
- 23 than five hundred thousand, or a city or town located within a county
- 24 having a population of less than five hundred thousand, and meeting two
- 25 of the following three criteria, as determined by the employment
- 26 security department, for the most recent year such data is available:
- 27 (i) A lumber and wood products employment location quotient at or above
- 28 the state average; (ii) projected or actual direct lumber and wood
- 29 products job losses of one hundred positions or more, except counties

- 1 having a population greater than two hundred thousand but less than
- 2 five hundred thousand must have direct lumber and wood products job
- 3 losses of one thousand positions or more; or (iii) an annual
- 4 unemployment rate twenty percent or more above the state average.
- 5 (3) The loans may have a deferred payment of up to five years but
- 6 shall be repaid within twenty years. The public works board may
- 7 require other terms and conditions and may charge such rates of
- 8 interest on its loans as it deems appropriate to carry out the purposes
- 9 of this section. Repayments shall be made to the public works
- 10 assistance account.
- 11 (4) The board may make such loans irrespective of the annual loan
- 12 cycle and reporting required in RCW 43.155.070.
- 13 <u>NEW SECTION.</u> **Sec. 27.** (1) As authorized by section 26 of this
- 14 act, the board shall establish criteria for awarding loans to local
- 15 governments in timber impact areas including, but not limited to, the
- 16 following:
- 17 (a) If a county or city, the local government must be imposing the
- 18 tax authorized by chapter 82.46 RCW at a rate of at least one-quarter
- 19 of one percent;
- 20 (b) The local government must have in place a capital improvement
- 21 plan meeting standards established by the board and an economic
- 22 development plan meeting standards established by the department;
- 23 (c) The local economy must have experienced or be about to
- 24 experience employment losses due to the timber economy;
- 25 (d) The proposed project must provide an opportunity to create or
- 26 retain jobs within the local economy. Priority may be given to those
- 27 projects that provide an opportunity to retain or create jobs for the
- 28 pool of local workers affected by the timber economy;

- 1 (e) The local government must provide reasonable assurances of its
- 2 ability to repay the debt; and
- 3 (f) The local government must meet any additional guidelines and
- 4 criteria established by the board for awarding loan funds.
- 5 (2) Existing debt or other financial obligations of the local
- 6 government shall not be refinanced under this section and section 26 of
- 7 this act.
- 8 (3) The board shall award loans only to those projects that meet
- 9 the criteria and will fulfill the purpose of this section and section
- 10 26 of this act. Any funds not obligated at the close of the biennium
- 11 shall be returned to the public works assistance account.
- 12 Sec. 28. RCW 43.17.065 and 1990 1st ex.s. c 17 s 77 are each
- 13 amended to read as follows:
- 14 (1) Where power is vested in a department to issue permits,
- 15 licenses, certifications, contracts, grants, or otherwise authorize
- 16 action on the part of individuals, businesses, local governments, or
- 17 public or private organizations, such power shall be exercised in an
- 18 expeditious manner. All departments with such power shall cooperate
- 19 with officials of the business assistance center of the department of
- 20 trade and economic development, and any other state officials, when
- 21 such officials request timely action on the part of the issuing
- 22 department.
- 23 (2) After August 1, 1991, any agency to which subsection (1) of
- 24 this section applies shall, with regard to any permits or other actions
- 25 that are necessary for economic development in timber impact areas, as
- 26 <u>defined in section 2 of this act, respond to any completed application</u>
- 27 within forty-five days of its receipt; any response, at a minimum,
- 28 <u>shall include:</u>

- 1 (a) The specific steps that the applicant needs to take in order to
- 2 have the application approved; and
- 3 (b) The assistance that will be made available to the applicant by
- 4 the agency to expedite the application process.
- 5 (3) The agency timber task force established in section 4 of this
- 6 act shall oversee implementation of this section.
- 7 (4) Each agency shall define what constitutes a completed
- 8 application and make this definition available to applicants.
- 9 **Sec. 29.** RCW 53.36.030 and 1990 c 254 s 1 are each amended to read
- 10 as follows:
- 11 ((A)) (1)(a) Except as provided in (b) of this subsection, a port
- 12 district may at any time contract indebtedness or borrow money for
- 13 district purposes and may issue general obligation bonds therefor not
- 14 exceeding an amount, together with any existing indebtedness of the
- 15 district not authorized by the voters, of one-fourth of one percent of
- 16 the value of the taxable property in the district((; and,)).
- 17 (b) Port districts having less than eight hundred million dollars
- 18 in value of taxable property may at any time contract indebtedness or
- 19 borrow money for port district purposes and may issue general
- 20 obligation bonds therefor not exceeding an amount, combined with
- 21 existing indebtedness of the district not authorized by the voters, of
- 22 three-eighths of one percent of the value of the taxable property in
- 23 the district. Prior to contracting for any indebtedness authorized by
- 24 this subsection (1)(b), the port district must have a comprehensive
- 25 plan for harbor improvements or industrial development and a long-term
- 26 financial plan approved by the department of community development.
- 27 The department of community development is immune from any liability
- 28 for its part in reviewing or approving port district's improvement or
- 29 development plans, or financial plans. Any indebtedness authorized by

- 1 this subsection (1)(b) may be used only to acquire or construct a
- 2 facility, and, prior to contracting for such indebtedness, the port
- 3 <u>district must have a lease contract for a minimum of five years for the</u>
- 4 facility to be acquired or constructed by the debt.
- 5 (2) With the assent of three-fifths of the voters voting thereon at
- 6 a general or special port election called for that purpose, a port
- 7 <u>district</u> may contract indebtedness or borrow money for district
- 8 purposes and may issue general obligation bonds therefor provided the
- 9 total indebtedness of the district at any such time shall not exceed
- 10 three-fourths of one percent of the value of the taxable property in
- 11 the district((: PROVIDED FURTHER, That)).
- 12 (3) In addition to the indebtedness authorized under subsections
- 13 (1) and (2) of this section, port districts having less than two
- 14 hundred million dollars in value of taxable property and operating a
- 15 municipal airport may at any time contract indebtedness or borrow money
- 16 for airport capital improvement purposes and may issue general
- 17 obligation bonds therefor not exceeding an additional one-eighth of one
- 18 percent of the value of the taxable property in the district without
- 19 authorization by the voters; and, with the assent of three-fifths of
- 20 the voters voting thereon at a general or special port election called
- 21 for that purpose, may contract indebtedness or borrow money for airport
- 22 capital improvement purposes and may issue general obligation bonds
- 23 therefor for an additional three-eighths of one percent provided the
- 24 total indebtedness of the district for all port purposes at any such
- 25 time shall not exceed one and one-fourth percent of the value of the
- 26 taxable property in the district.
- 27 (4) Any port district may issue general district bonds evidencing
- 28 any indebtedness, payable at any time not exceeding fifty years from
- 29 the date of the bonds. ((Such)) Any contract for indebtedness or
- 30 borrowed money authorized by RCW 53.36.030(1)(b) shall not exceed

- 1 twenty-five years. The bonds shall be issued and sold in accordance
- 2 with chapter 39.46 RCW.
- 3 (5) Elections required under this section shall be held as provided
- 4 in RCW 39.36.050.
- 5 (6) For the purpose of this section, "indebtedness of the district"
- 6 shall not include any debt of a county-wide district with a population
- 7 less than twenty-five hundred people when the debt is secured by a
- 8 mortgage on property leased to the federal government; and the term
- 9 "value of the taxable property" shall have the meaning set forth in RCW
- 10 39.36.015.
- 11 ((Such bonds shall be issued and sold in accordance with chapter
- 12 39.46 RCW.))
- 13 <u>NEW SECTION.</u> **Sec. 30.** A new section is added to chapter 43.31 RCW
- 14 to read as follows:
- 15 (1)(a) Subject to funding for this subsection, the department shall
- 16 contract with the small business export finance assistance center,
- 17 created in chapter 43.210 RCW, to assist businesses in timber impact
- 18 areas obtain financing for the export of their products. The
- 19 department shall assist the small business export finance assistance
- 20 center to ensure the services available under this subsection are
- 21 understood and accessible in timber impact areas.
- 22 (b) Subject to funding for the necessary reserve funds, the
- 23 Washington economic development finance authority, created in chapter
- 24 43.163 RCW, shall provide financing for export transactions where the
- 25 product being exported is produced in a timber impact area.
- 26 (2) The department may make rules that are necessary to carry out
- 27 this section and to coordinate the service described in this section
- 28 and to prioritize the services based on greatest negative impact from
- 29 the harvest reductions.

- 1 (3) For purposes of this section, the definitions of "timber impact
- 2 area" is the same as section 2 of this act.
- 3 <u>NEW SECTION.</u> **Sec. 31.** (1) Sections 2 through 10 of this act
- 4 are each added to chapter 43.31 RCW.
- 5 (2) Sections 11 through 14 of this act are each added to chapter
- 6 43.210 RCW.
- 7 NEW SECTION. Sec. 32. RCW 43.160.076 and 1991 c -- s 24
- 8 (section 24 of this act) & 1985 c 446 s 6 are each repealed effective
- 9 June 30, 1993.
- 10 <u>NEW SECTION.</u> **Sec. 33.** Section 23 of this act expires June 30,
- 11 1993.
- 12 <u>NEW SECTION.</u> **Sec. 34.** Section 25 of this act shall take
- 13 effect July 1, 1993.
- 14 NEW SECTION. Sec. 35. Section 20 of this act is necessary for
- 15 the immediate preservation of the public peace, health, or safety, or
- 16 support of the state government and its existing public institutions,
- 17 and shall take effect immediately.
- 18 <u>NEW SECTION.</u> **Sec. 36.** If specific funding for the purposes of
- 19 section 5 of this act, referencing this act by section and bill number,
- 20 is not provided by June 30, 1991, in the omnibus appropriations act,
- 21 section 5 of this act shall be null and void.
- 22 <u>NEW SECTION.</u> **Sec. 37.** If specific funding for the purposes of
- 23 section 7 of this act, referencing this act by section and bill number,

- 1 is not provided by June 30, 1991, in the omnibus appropriations act,
- 2 section 7 of this act shall be null and void.
- 3 <u>NEW SECTION.</u> **Sec. 38.** If specific funding for the purposes of
- 4 section 8 of this act, referencing this act by section and bill number,
- 5 is not provided by June 30, 1991, in the omnibus appropriations act,
- 6 section 8 of this act shall be null and void.
- 7 <u>NEW SECTION.</u> **Sec. 39.** If specific funding for the purposes of
- 8 section 9 of this act, referencing this act by section and bill number,
- 9 is not provided by June 30, 1991, in the omnibus appropriations act,
- 10 section 9 of this act shall be null and void.
- 11 <u>NEW SECTION.</u> **Sec. 40.** If specific funding for the purposes of
- 12 sections 11 through 18 of this act, referencing this act by section and
- 13 bill numbers, is not provided by June 30, 1991, in the omnibus
- 14 appropriations act, sections 11 through 18 of this act shall be null
- 15 and void.
- 16 <u>NEW SECTION.</u> **Sec. 41.** If specific funding for the purposes of
- 17 section 30 of this act, referencing this act by section and bill
- 18 number, is not provided by June 30, 1991, in the omnibus appropriations
- 19 act, section 30 of this act shall be null and void.

Passed the House April 28, 1991. Passed the Senate April 28, 1991. Approved by the Governor May 21, 1991. Filed in Office of Secretary of State May 21, 1991.