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## SUBSTITUTE HOUSE BILL 1529

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State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Springer, Morton, Chappell, Holm, Campbell, King, Jones, Basich, Rayburn, Sheldon and Kessler; by request of Office of Financial Management)

Read first time 02/17/93.

- 1 AN ACT Relating to the reauthorization of timber programs under
- 2 chapters 314 and 315, Laws of 1991; amending RCW 50.22.090, 43.31.611,
- 3 43.31.621, 43.31.631, and 50.12.270; amending 1991 c 314 s 26
- 4 (uncodified); amending 1991 c 314 s 32 (uncodified); amending 1991 c
- 5 314 s 34 (uncodified); amending 1991 c 314 s 33 (uncodified); and
- 6 amending 1991 c 315 s 2 (uncodified).
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 **Sec. 1.** 1991 c 314 s 26 (uncodified) is amended to read as 9 follows:
- 10 (1) For the period beginning July 1, 1991, and ending June 30,
- 11  $((\frac{1993}{2}))$  1995, in timber impact areas the public works board may award
- 12 low-interest or interest-free loans to local governments including
- 13 local port districts when the port district project is in compliance
- 14 with local land use plans for construction of new public works
- 15 facilities that stimulate economic growth or diversification.
- 16 (2) For the purposes of this section and section 27, chapter 314,
- 17 Laws of 1991:
- 18 (a) "Public facilities" means bridge, road and street, domestic
- 19 water, sanitary sewer, and storm sewer systems.

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- (b) "Timber impact area" means a county having a population of less 1 2 than five hundred thousand, or a city or town located within a county having a population of less than five hundred thousand, and meeting two 3 4 of the following three criteria, as determined by the employment 5 security department, for the most recent year such data is available: (i) A lumber and wood products employment location quotient at or above 6 7 the state average; (ii) projected or actual direct lumber and wood 8 products job losses of one hundred positions or more, except counties having a population greater than two hundred thousand but less than 9 10 five hundred thousand must have direct lumber and wood products job losses of one thousand positions or more; or (iii) an annual 11 12 unemployment rate twenty percent or more above the state average.
- (3) The loans may have a deferred payment of up to five years but shall be repaid within twenty years. The public works board may require other terms and conditions and may charge such rates of interest on its loans as it deems appropriate to carry out the purposes of this section. Repayments shall be made to the public works assistance account.
- 19 (4) The board may make such loans irrespective of the annual loan 20 cycle and reporting required in RCW 43.155.070.
- 21 **Sec. 2.** 1991 c 314 s 32 (uncodified) is amended to read as 22 follows:
- 23 RCW 43.160.076 and 1991 c 314 s 24 and 1985 c 446 s 6 are each 24 repealed effective June 30,  $((\frac{1993}{2}))$   $\frac{1995}{2}$ .
- 25 **Sec. 3.** 1991 c 314 s 34 (uncodified) is amended to read as 26 follows:
- 27 RCW 43.160.210 shall take effect July 1, ((1993)) 1995.
- 28 **Sec. 4.** 1991 c 314 s 33 (uncodified) is amended to read as 29 follows:
- 30 RCW 43.160.200 expires June 30, ((<del>1993</del>)) <u>1995</u>.
- 31 **Sec. 5.** 1991 c 315 s 2 (uncodified) is amended to read as follows:
  32 (1) Coordination of the programs in this act shall be through the
  33 economic recovery ((coordination)) board created in RCW 43.31.631, the
  34 timber and impact area recovery coordinator created in RCW 43.31.611
- 34 timber and impact area recovery coordinator created in RCW 43.31.611,
- 35 and the agency timber task force created in RCW 43.31.621.

(2) This section shall expire June 30,  $((\frac{1993}{2}))$  1995.

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- 2 **Sec. 6.** RCW 50.22.090 and 1992 c 47 s 2 are each amended to read 3 as follows:
- 4 (1) An additional benefit period is established for counties 5 identified under subsection (2) of this section beginning on the first 6 Sunday after July 1, 1991, and for the forest products industry 7 beginning with the third week after the first Sunday after July 1, 8 1991. Benefits shall be paid as provided in subsection (3) of this 9 section to exhaustees eligible under subsection (4) of this section.
- (2) The additional benefit period applies to counties having a 10 11 population of less than five hundred thousand beginning with the third week after a week in which the commissioner determines that a county 12 meets two of the following three criteria, as determined by the 13 department, for the most recent year in which such data is available: 14 15 (a) A lumber and wood products employment location quotient at or above 16 the state average; (b) projected or actual direct lumber and wood products job losses of one hundred positions or more, except counties 17 18 having a population greater than two hundred thousand but less than 19 five hundred thousand must have direct lumber and wood products job losses of one thousand positions or more; or (c) an annual unemployment 20 rate twenty percent or more above the state average. The additional 21 benefit period for a county may end no sooner than fifty-two weeks 22 23 after the additional benefit period begins.
  - (3) Additional benefits shall be paid as follows:
  - (a) No new claims for additional benefits shall be accepted for weeks beginning after July ((3))  $\underline{1}$ , ((1993))  $\underline{1995}$ , but for claims established on or before July ((3))  $\underline{1}$ , ((1993))  $\underline{1995}$ , weeks of unemployment occurring after July ((3))  $\underline{1}$ , ((1993))  $\underline{1995}$ , shall be compensated as provided in this section.
  - (b) The total additional benefit amount shall be ((fifty-two times the individual's weekly benefit amount, reduced by the total amount of regular benefits and extended benefits paid, or deemed paid, with respect to the benefit year. Additional benefits shall not be payable for weeks more than one year beyond the end of the benefit year of the regular claim for an individual whose benefit year ends on or after July 27, 1991, and shall not be payable for weeks ending on or after one year after March 26, 1992, for individuals who become eligible as a result of chapter 47, Laws of 1992, and shall be payable for up to

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- 1 five weeks following the completion of the training required by this
- 2 section)) an amount equal to the length of the individual's approved
- 3 training plan plus an additional five weeks of benefits for job search
- 4 upon completion of training. The amount paid each week will be the
- 5 same as the individual's regular benefits.
- 6 (c) The weekly benefit amount shall be calculated as specified in 7 RCW 50.22.040.
- 8 (d) Benefits paid under this section shall be paid under the same
- 9 terms and conditions as regular benefits and shall not be charged to
- 10 the experience rating account of individual employers. The additional
- 11 benefit period shall be suspended with the start of an extended benefit
- 12 period, or any totally federally funded benefit program, with
- 13 eligibility criteria and benefits comparable to the program established
- 14 by this section, and shall resume the first week following the end of
- 15 the federal program.
- 16 (4) An additional benefit eligibility period is established for any
- 17 exhaustee who:
- 18 (a)(i) At the time of last separation from employment, resided in
- 19 or was employed in a county identified under subsection (2) of this
- 20 section; or
- 21 (ii) During his or her base year, earned wages in at least six
- 22 hundred eighty hours in the forest products industry, which shall be
- 23 determined by the department but shall include the industries assigned
- 24 the major group standard industrial classification codes "24" and "26"
- 25 and the industries involved in the harvesting and management of logs,
- 26 transportation of logs and wood products, processing of wood products,
- 27 and the manufacturing and distribution of wood processing and logging
- 28 equipment. The commissioner may adopt rules further interpreting the
- 29 industries covered under this subsection. For the purposes of this
- 30 subsection, "standard industrial classification code" means the code
- 31 identified in RCW 50.29.025(6)(c); and
- 32 (b)(i) Has received notice of termination or layoff; and
- 33 (ii) Is unlikely to return to employment in his or her principal
- 34 occupation or previous industry because of a diminishing demand within
- 35 his or her labor market for his or her skills in the occupation or
- 36 industry; and
- 37 (c)(i)(A) Is notified by the department of the requirements of this
- 38 section and develops an individual training program that is submitted
- 39 to the commissioner for approval not later than sixty days after the

- individual is notified of the requirements of this section, and enters the approved training program not later than ninety days after the date of the individual's termination or layoff, or ninety days after July 1, 1991, whichever is later, unless the department determines that the training is not available during the ninety-day period, in which case the individual shall enter training as soon as it is available; or
- 7 (B) Is unemployed as the result of a plant closure that occurs 8 after November 1, 1992, in a county identified under subsection (2) of 9 this section, did not comply with the requirements of (c)(i)(A) of this 10 subsection due to good cause as demonstrated to the department, such as ambiguity over possible sale of the plant, develops a training program 11 that is submitted to the commissioner for approval not later than sixty 12 13 days from a date determined by the department to accommodate the good cause, and enters the approved training program not later than ninety 14 15 days after the revised date established by the department, unless the 16 department determines that the training is not available during the ninety-day period, in which case the individual shall enter training as 17 soon as it is available; or 18
- 19 (ii) Is enrolled in training approved under this section on a full-20 time basis and maintains satisfactory progress in the training; and
- 21 (d) Does not receive a training allowance or stipend under the 22 provisions of any federal or state law.
  - (5) For the purposes of this section:
  - (a) "Training program" means:

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- (i) A remedial education program determined to be necessary after counseling at the educational institution in which the individual enrolls pursuant to his or her approved training program; or
- 28 (ii) A vocational training program at an educational institution 29 that:
  - (A) Is training for a labor demand occupation;
- 31 (B) Is likely to facilitate a substantial enhancement of the 32 individual's marketable skills and earning power; and
- 33 (C) Does not include on-the-job training or other training under 34 which the individual is paid by an employer for work performed by the 35 individual during the time that the individual receives additional 36 benefits under subsection (1) of this section.
- 37 (b) "Educational institution" means an institution of higher 38 education as defined in RCW 28B.10.016 or an educational institution as 39 defined in RCW 28C.04.410(3).

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- 1 (c) "Training allowance or stipend" means discretionary use, cash-
- 2 in-hand payments available to the individual to be used as the
- 3 individual sees fit, but does not mean direct or indirect compensation
- 4 for training costs, such as tuition or books and supplies.
- 5 (6) The commissioner shall adopt rules as necessary to implement
- 6 this section.
- 7 (7) For the purpose of this section, an individual who has a
- 8 benefit year beginning after January 1, 1989, and ending before July
- 9 27, 1991, shall be treated as if his or her benefit year ended on July
- 10 27, 1991.
- 11 **Sec. 7.** RCW 43.31.611 and 1991 c 314 s 3 are each amended to read
- 12 as follows:
- 13 (1) The governor shall appoint a timber recovery coordinator. The
- 14 coordinator shall coordinate the state and federal economic and social
- 15 programs targeted to timber impact areas.
- 16 (2) The coordinator's responsibilities shall include but not be
- 17 limited to:
- 18 (a) Serving as executive secretary of the economic recovery
- 19 coordination board and directing staff associated with the board.
- 20 (b) Chairing the agency timber task force and directing staff
- 21 associated with the task force.
- (c) Coordinating and maximizing the impact of state and federal
- 23 assistance to timber impact areas.
- 24 (d) Coordinating and expediting programs to assist timber impact
- 25 areas.
- 26 (e) Providing the legislature with a status and impact report on
- 27 the timber recovery program in January 1992.
- 28 (3) This section shall expire June 30,  $((\frac{1993}{2}))$  1995.
- 29 Sec. 8. RCW 43.31.621 and 1991 c 314 s 4 are each amended to read
- 30 as follows:
- 31 (1) There is established the agency timber task force. The task
- 32 force shall be chaired by the timber recovery coordinator. It shall be
- 33 the responsibility of the coordinator that all directives of chapter
- 34 314, Laws of 1991 are carried out expeditiously by the agencies
- 35 represented in the task force. The task force shall consist of the
- 36 directors, or representatives of the directors, of the following
- 37 agencies: The department of trade and economic development, department

- of community development, employment security department, department of 1 2 social and health services, state board for community college education, state board for vocational education, or its replacement 3 4 entity, department of natural resources, department of transportation, state energy office, department of wildlife, University of Washington 5 center for international trade in forest products, and department of 6 7 ecology. The task force may consult and enlist the assistance of the 8 following: The higher education coordinating board, University of 9 Washington college of forest resources, Washington State University 10 school of forestry, Northwest policy center, state superintendent of public instruction, the Evergreen partnership, Washington association 11 of counties, and rural development council. 12
- 13 (2) This section shall expire June 30,  $((\frac{1993}{}))$   $\underline{1995}$ .
- 14 **Sec. 9.** RCW 43.31.631 and 1991 c 314 s 6 are each amended to read 15 as follows:
- 16 (1) There is established the economic recovery coordination board consisting of one representative, appointed by the governor, from each 17 18 county that is a timber impact area. The timber recovery coordinator shall also be a member of the board. 19 Each associate development organization from counties that are timber 20 impact areas, consultation with the county legislative authority, shall submit to the 21 22 governor the names of three nominees representing different interests 23 in each county. Within sixty days after July 28, 1991, the governor 24 shall select one nominee from each list submitted by associate 25 development organizations. In making the appointments, the governor shall endeavor to ensure that the board represents a diversity of 26 backgrounds. Vacancies shall be filled in the same manner as the 27 28 original appointment.
  - (2) The board shall:

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- 30 (a) Advise the timber recovery coordinator and the agency timber 31 task force on issues relating to timber impact area economic and social 32 development, and review and provide recommendations on proposals for 33 the diversification of the timber impact areas presented to it by the 34 timber recovery coordinator.
- 35 (b) Respond to the needs and concerns of citizens at the local 36 level.
- 37 (c) Develop strategies for the economic recovery of timber impact 38 areas.

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- 1 (d) Provide recommendations to the governor, the legislature, and 2 congress on land management and economic and regulatory policies that 3 affect timber impact areas.
- 4 (e) Recommend to the legislature any changes or improvements in 5 existing programs designed to benefit timber impact areas.
- 6 (3) Members of the board and committees shall receive no 7 compensation but shall be reimbursed for travel expenses under RCW 8 43.03.050 and 43.03.060.
  - (4) This section shall expire June 30,  $((\frac{1993}{2}))$   $\frac{1995}{2}$ .

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- 10 **Sec. 10.** RCW 50.12.270 and 1991 c 315 s 3 are each amended to read 11 as follows:
- (1) Subject to the availability of state or federal funds, the 12 employment security department, as a member of the agency timber task 13 14 force and in consultation with the economic recovery coordination 15 board, shall consult with and may subcontract with local educational 16 institutions, local businesses, local labor organizations, local associate development organizations, local private industry councils, 17 18 local social service organizations, and local governments in carrying 19 out a program of training and services, including training through the self-employment and enterprise development (SEED) program, 20 for ((dislocated workers)) residents in timber impact areas. 21
- 22 (2) The department shall conduct a survey to determine the actual 23 future employment needs and jobs skills in timber impact areas.
  - (3) The department shall coordinate the services provided in this section with all other services provided by the department and with the other economic recovery efforts undertaken by state and local government agencies on behalf of the timber impact areas.
- 28 (4) The department shall make every effort to procure additional 29 federal and other moneys for the efforts enumerated in this section.
- 30 (5) For the purposes of this section, "timber impact area" means a county having a population of less than five hundred thousand, or a 31 city or town located within a county having a population of less than 32 33 five hundred thousand, and meeting two of the following three criteria, 34 as determined by the employment security department, for the most recent year such data is available: (a) A lumber and wood products 35 employment location quotient at or above the state average; (b) 36 projected or actual direct lumber and wood products job losses of one 37 hundred positions or more, except counties having a population greater 38

- 1 than two hundred thousand but less than five hundred thousand must have
- 2 direct lumber and wood products job losses of one thousand positions or
- 3 more; or (c) an annual unemployment rate twenty percent or more above
- 4 the state average.
- 5 <u>NEW SECTION.</u> **Sec. 11.** If any provision of this act or its
- 6 application to any person or circumstance is held invalid, the
- 7 remainder of the act or the application of the provision to other
- 8 persons or circumstances is not affected.

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