
SUBSTITUTE HOUSE BILL 1341

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.

1 AN ACT Relating to economic development; amending RCW 43.160.010,
2 43.160.020, 43.160.076, 43.160.080, and 43.17.065; adding new sections
3 to chapter 43.160 RCW; adding new sections to chapter 43.31 RCW; adding
4 a new section to chapter 43.06 RCW; creating new sections; making
5 appropriations; and declaring an emergency.

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

7 NEW SECTION. **Sec. 1.** FINDINGS AND INTENT. The legislature finds
8 that:

9 (1) The economic health and well-being of timber-dependent
10 communities is of substantial public concern. The significant
11 reduction in annual timber harvest levels likely will result in reduced
12 economic activity and persistent unemployment and underemployment over
13 time, which would be a serious threat to the safety, health, and
14 welfare of residents of the timber-dependent communities, decreasing

1 the value of private investments and jeopardizing the sources of public
2 revenue.

3 (2) The state is experiencing a dual economy, where growth is
4 occurring rapidly in some areas and is occurring slowly or not at all
5 in other areas. This uneven growth rate across the state is causing
6 some areas to suffer negative impacts from too much growth while
7 other areas experience difficulty in creating adequate economic
8 development. Inadequate economic development is a serious threat to
9 the public safety, health, and welfare of a community. The state has
10 an interest in encouraging growth state-wide, which reduces the
11 negative impacts of growth in rapidly growing areas and assists areas
12 of the state in need of economic development.

13 (3) Timber-dependent communities are most often located in areas
14 that are experiencing little or no economic growth, creating an even
15 greater risk to the health, safety, and welfare of these communities.
16 The ability to remedy problems caused by the substantial reduction in
17 harvest activity is beyond the power and control of the regulatory
18 process and influence of the state, and the ordinary operations of
19 private enterprise without additional governmental assistance are
20 insufficient to adequately remedy the resulting problems of poverty and
21 unemployment.

22 (4) The revitalization and diversification of the economies of
23 timber-dependent communities require the stimulation of private
24 investment, the development of new business ventures, the provision of
25 capital to ventures sponsored by local organizations and capable of
26 growth in the business markets, and assistance to viable, but
27 under-financed, small businesses in order to create and preserve jobs
28 that are sustainable in the local economy. Therefore, the legislature
29 declares there to be a substantial public purpose in providing capital
30 to promote economic development and job creation in distressed areas in

1 general and timber-dependent communities in particular. To accomplish
2 this purpose, it is the intent of the legislature to:

3 (a) Increase the public financing of infrastructure necessary for
4 economic development and make such financing more flexible;

5 (b) Increase and target the amount of public financing available to
6 businesses to better create or preserve jobs through formation or
7 expansion of viable enterprises;

8 (c) Provide tax incentives to encourage businesses to relocate to
9 or expand in distressed or timber-dependent communities;

10 (d) Provide technical and financial assistance to businesses to
11 increase the export of products from timber-dependent communities;

12 (e) Increase the resources available to associated development
13 organizations to provide economic and community development services in
14 timber-dependent communities and to provide resource and referral
15 services to the community regarding state and local economic and
16 community development services;

17 (f) Increase training and retraining services accessible to timber-
18 dependent communities; and

19 (g) Provide for coordination of noneconomic development services in
20 timber-dependent communities as economic development efforts will not
21 succeed unless social, housing, health, and other needs are addressed.

22 **Sec. 2.** RCW 43.160.010 and 1989 c 431 s 61 are each amended to
23 read as follows:

24 INFRASTRUCTURE FINANCING--CERB--INTENT. (1) The legislature finds
25 that it is the public policy of the state of Washington to direct
26 financial resources toward the fostering of economic development
27 through the stimulation of investment and job opportunities and the
28 retention of sustainable existing employment for the general welfare of
29 the inhabitants of the state. Reducing unemployment and reducing the

1 time citizens remain jobless is important for the economic welfare of
2 the state. A valuable means of fostering economic development is the
3 construction of public facilities which contribute to the stability and
4 growth of the state's economic base. Strengthening the economic base
5 through issuance of industrial development bonds, whether single or
6 umbrella, further serves to reduce unemployment. Consolidating issues
7 of industrial development bonds when feasible to reduce costs
8 additionally advances the state's purpose to improve economic vitality.
9 Expenditures made for these purposes as authorized in this chapter are
10 declared to be in the public interest, and constitute a proper use of
11 public funds. A community economic revitalization board is needed
12 which shall aid the development of economic opportunities. The general
13 objectives of the board should include:

14 (a) Strengthening the economies of areas of the state which have
15 experienced or are expected to experience chronically high unemployment
16 rates or below average growth in their economies;

17 (b) Encouraging the diversification of the economies of the state
18 and regions within the state in order to provide greater seasonal and
19 cyclical stability of income and employment;

20 (c) Encouraging wider access to financial resources for both large
21 and small industrial development projects;

22 (d) Encouraging new economic development or expansions to maximize
23 employment;

24 (e) Encouraging the retention of viable existing firms and
25 employment; and

26 (f) Providing incentives for expansion of employment opportunities
27 for groups of state residents that have been less successful relative
28 to other groups in efforts to gain permanent employment.

29 (2) The legislature also finds that the state's economic
30 development efforts can be enhanced by, in certain instances, providing

1 funds to improve state highways in the vicinity of new industries
2 considering locating in this state or existing industries that are
3 considering significant expansion.

4 (a) The legislature finds it desirable to provide a process whereby
5 the need for diverse public works improvements necessitated by planned
6 economic development can be addressed in a timely fashion and with
7 coordination among all responsible governmental entities.

8 (b) It is the intent of the legislature to create an economic
9 development account within the motor vehicle fund from which
10 expenditures can be made by the department of transportation for state
11 highway improvements necessitated by planned economic development. All
12 such improvements must first be approved by the state transportation
13 commission and the community economic revitalization board in
14 accordance with the procedures established by RCW 43.160.074 and
15 47.01.280. It is further the intent of the legislature that such
16 improvements not jeopardize any other planned highway construction
17 projects. The improvements are intended to be of limited size and
18 cost, and to include such items as additional turn lanes,
19 signalization, illumination, and safety improvements.

20 (3) The legislature also finds that the state's economic
21 development efforts can be enhanced by providing funds to improve
22 markets for those recyclable materials representing a large fraction of
23 the waste stream. The legislature finds that public facilities which
24 result in private construction of processing or remanufacturing
25 facilities for recyclable materials are eligible for consideration from
26 the board.

27 (4) The legislature finds that sharing economic growth state-wide
28 is important to the welfare of the state. Distressed areas and timber-
29 dependent communities do not share in the economic vitality of the
30 Puget Sound region. Infrastructure is one of several ingredients that

1 are critical for economic development. Distressed areas and timber-
2 dependent communities generally lack the infrastructure necessary to
3 diversify and revitalize their economies. It is, therefore, the intent
4 of the legislature to increase the availability of funds to help
5 provide infrastructure to distressed areas and timber-dependent
6 communities.

7 **Sec. 3.** RCW 43.160.020 and 1985 c 466 s 58 are each amended to
8 read as follows:

9 Unless the context clearly requires otherwise, the definitions in
10 this section apply throughout this chapter.

11 (1) "Board" means the community economic revitalization board.

12 (2) "Bond" means any bond, note, debenture, interim certificate, or
13 other evidence of financial indebtedness issued by the board pursuant
14 to this chapter.

15 (3) "Department" means the department of trade and economic
16 development or its successor with respect to the powers granted by this
17 chapter.

18 (4) "Financial institution" means any bank, savings and loan
19 association, credit union, development credit corporation, insurance
20 company, investment company, trust company, savings institution, or
21 other financial institution approved by the board and maintaining an
22 office in the state.

23 (5) "Industrial development facilities" means "industrial
24 development facilities" as defined in RCW 39.84.020.

25 (6) "Industrial development revenue bonds" means tax-exempt revenue
26 bonds used to fund industrial development facilities.

27 (7) "Local government" means any port district, county, city, or
28 town.

1 (8) "Sponsor" means any of the following entities which customarily
2 provide service or otherwise aid in industrial or other financing and
3 are approved as a sponsor by the board: A bank, trust company, savings
4 bank, investment bank, national banking association, savings and loan
5 association, building and loan association, credit union, insurance
6 company, or any other financial institution, governmental agency, or
7 holding company of any entity specified in this subsection.

8 (9) "Umbrella bonds" means industrial development revenue bonds
9 from which the proceeds are loaned, transferred, or otherwise made
10 available to two or more users under this chapter.

11 (10) "User" means one or more persons acting as lessee, purchaser,
12 mortgagor, or borrower under a financing document and receiving or
13 applying to receive revenues from bonds issued under this chapter.

14 (11) "Timber-dependent community" means a county, city, or town
15 located in a county meeting two of the following three criteria for the
16 most recent year such data is available: (a) A lumber and wood
17 products employment location quotient at or above the state average,
18 (b) a direct lumber and wood products job loss of one hundred or more,
19 or (c) an annual unemployment rate twenty percent above the state
20 average.

21 (12) "Small scale tourism project" means a project that where added
22 to the current facilities in the area attracts additional visitors for
23 overnight stays and will be used primarily by nonresidents of the
24 immediate area. A small scale tourism project may be a new project or
25 an expansion or refurbishment of an existing facility.

26 NEW SECTION. Sec. 4. A new section is added to chapter 43.160 RCW
27 to read as follows:

28 (1) The economic development account is created within the public
29 facilities construction loan revolving fund under RCW 43.160.080.

1 Moneys in the account may be spent only after appropriation.
2 Expenditures from the account may be used only for the purposes of RCW
3 43.160.010(4) and this section. The account is subject to allotment
4 procedures under chapter 43.88 RCW.

5 (2) Applications under this section for assistance from the
6 economic development account are subject to all of the applicable
7 criteria set forth under this chapter, as well as procedures and
8 criteria established by the board, except as otherwise provided.

9 (3) Eligible applicants under this section are limited to political
10 subdivisions of the state in timber-dependent communities that
11 demonstrate, to the satisfaction of the board, the local economy's
12 dependence on the forest products industry.

13 (4) Applicants must demonstrate that their request is part of an
14 economic development plan consistent with applicable state planning
15 requirements. Industrial projects must be approved by the local
16 government and the associate development organization. Applicants must
17 demonstrate that small scale tourism projects have been approved by the
18 local government and are part of a regional tourism plan approved by
19 the local and regional tourism organizations.

20 (5) Publicly owned projects may be financed under this section upon
21 proof by the applicant that the public project is a necessary component
22 of, or constitutes in whole, a small scale tourism project.

23 (6) Applications must demonstrate local match and participation.
24 Such match may include: Land donation, other public or private funds
25 or both, or other means of local commitment to the project.

26 (7) Board financing for feasibility studies shall not exceed
27 twenty-five thousand dollars per study. Board funds for feasibility
28 studies may be provided as a grant and require a dollar for dollar
29 match with up to one-half in-kind match allowed.

1 (8) Board financing for small scale tourism projects shall not
2 exceed two hundred fifty thousand dollars. Other public facility
3 projects under this section shall not exceed five hundred thousand
4 dollars. Loans with flexible terms and conditions to meet the needs of
5 the applicants shall be provided. Grants may also be authorized, but
6 only when, and to the extent that, a loan is not reasonably possible,
7 given the limited resources of the political subdivision.

8 (9) The board shall develop guidelines for allowable local match
9 and feasibility studies.

10 (10) Applications under this section need not demonstrate evidence
11 that specific private development or expansion is ready to occur or
12 will occur if funds are provided.

13 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.160 RCW
14 to read as follows:

15 The board shall establish guidelines for making grants and loans to
16 ensure that the requirements of this chapter are complied with. The
17 guidelines shall include:

18 (1) A process to equitably compare and evaluate applications from
19 competing communities.

20 (2) Criteria to ensure that approved projects will have a high
21 probability of success and are likely to provide long-term economic
22 benefits to the community. The criteria shall include: (a) A minimum
23 amount of local participation, determined by the board per application,
24 to verify community support for the project; (b) an analysis that
25 establishes the project is feasible using standard economic principles;
26 and (c) an explanation from the applicant regarding how the project is
27 consistent with the communities' economic strategy and goals.

1 (3) A method of evaluating the impact of the loans or grants on the
2 economy of the community and whether the loans or grants achieved their
3 purpose.

4 **Sec. 6.** RCW 43.160.076 and 1985 c 446 s 6 are each amended to read
5 as follows:

6 INFRASTRUCTURE FINANCING--CERB--PRIORITY TO TIMBER AND DISTRESSED
7 COMMUNITIES. (1) Except as authorized to the contrary under subsection
8 (2) of this section, from all funds available to the board for loans
9 and grants, the board shall spend at least (~~twenty~~) fifty percent for
10 grants and loans for projects in distressed counties or timber-
11 dependent communities. For purposes of this section, the term
12 "distressed counties" includes timber-dependent communities or any
13 county(~~(7)~~) in which the average level of unemployment for the three
14 years before the year in which an application for a loan or grant is
15 filed(~~(7)~~) 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-dependent communities are
20 clearly insufficient to use up the (~~twenty~~) fifty percent allocation,
21 then the board shall estimate the amount of the insufficiency and
22 during the remainder of the biennium may use that amount of the
23 allocation for loans and grants for projects not located in distressed
24 counties or timber-dependent communities.

25 **Sec. 7.** RCW 43.160.080 and 1987 c 422 s 6 are each amended to read
26 as follows:

27 INFRASTRUCTURE--CERB--REVOLVING LOAN FUND REPAYMENTS. There shall
28 be a fund known as the public facilities construction loan revolving

1 fund, which shall consist of all moneys collected under this chapter,
2 except moneys of the board collected in connection with the issuance of
3 industrial development revenue bonds, and any moneys appropriated to it
4 by law(~~(: PROVIDED, That seventy five percent of all principal and~~
5 ~~interest payments on loans made with the proceeds deposited in the fund~~
6 ~~under section 901, chapter 57, Laws of 1983 1st ex. sess. shall be~~
7 ~~deposited in the general fund as reimbursement for debt service~~
8 ~~payments on the bonds authorized in RCW 43.83.184))~~). The state
9 treasurer shall be custodian of the revolving fund. Disbursements from
10 the revolving fund shall be on authorization of the board. In order to
11 maintain an effective expenditure and revenue control, the public
12 facilities construction loan revolving fund shall be subject in all
13 respects to chapter 43.88 RCW, but no appropriation is required to
14 permit expenditures and payment of obligations from the fund.

15 Moneys in this fund not needed to meet the current expenses and
16 obligations of the board shall be invested in the manner authorized for
17 moneys in revolving funds. Any interest earned shall be deposited in
18 this fund and shall be used for the purposes specified in this chapter.
19 The state treasurer shall render reports to the board advising of the
20 status of any funds invested, the market value of the assets as of the
21 date the statement is rendered, and the income received from the
22 investments during the period covered by the report.

23 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.31 RCW
24 to read as follows:

25 INCREASING EXPORTS FROM TIMBER-DEPENDENT COMMUNITIES. (1)
26 Marketing is a vital element in expanding the economies of timber-
27 dependent communities. The export of products produced in timber-
28 dependent areas contributes substantial economic benefits to these

1 communities, including an increase in jobs and an increase in tax
2 revenues to the state and local governments.

3 (2)(a) Subject to funding for this subsection, the department shall
4 contract with the small business export finance assistance center,
5 created in chapter 43.210 RCW, to assist businesses in timber-dependent
6 communities obtain financing for the export of their products. The
7 department shall assist the small business export finance assistance
8 center to ensure the services available under this subsection are
9 understood and accessible in timber-dependent communities.

10 (b) Subject to funding for the necessary reserve funds, the
11 Washington economic development finance authority, created in chapter
12 43.163 RCW, shall provide financing for export transactions where the
13 product being exported is produced in timber-dependent communities.

14 (3) The department may make rules that are necessary to carry out
15 this section and to coordinate the services described in this section
16 and to prioritize the services based on greatest negative impact from
17 the harvest reductions.

18 (4) For purposes of this section, the definition of "timber-
19 dependent community" is the same as RCW 43.160.020.

20 **Sec. 9.** RCW 43.17.065 and 1990 1st ex.s. c 17 s 77 are each
21 amended to read as follows:

22 EXPEDITING PERMITS IN TIMBER-DEPENDENT COMMUNITIES. (1) Where
23 power is vested in a department to issue permits, licenses,
24 certifications, contracts, grants, or otherwise authorize action on the
25 part of individuals, businesses, local governments, or public or
26 private organizations, such power shall be exercised in an expeditious
27 manner. All departments with such power shall cooperate with officials
28 of the business assistance center of the department of trade and

1 economic development, and any other state officials, when such
2 officials request timely action on the part of the issuing department.

3 (2)(a) The legislature finds that timber-dependent communities and
4 distressed counties, as defined in RCW 43.160.020, are located
5 predominately in areas characterized by little or no growth. These
6 areas impact the environment less than areas of high growth. These
7 timber-dependent communities and distressed counties need sites for
8 industrial and economic development with infrastructure in place as
9 soon as possible to help revitalize their local economies.

10 (b) Any state agency in which subsection (1) of this section
11 applies shall adopt, by August 1, 1991, an expedited process for the
12 fast and efficient processing of any permits or other actions that are
13 necessary for economic development in timber-dependent communities and
14 distressed counties.

15 NEW SECTION. Sec. 10. A new section is added to chapter 43.31 RCW
16 to read as follows:

17 (1) The Washington wood products competitiveness commission is
18 created. The commission shall have nine members as follows:

19 (a) One representative each from the departments of trade and
20 economic development, community development, natural resources, and the
21 employment security department appointed by the directors or the
22 commissioners of the respective departments;

23 (b) One representative of the office of financial management, who
24 shall chair the commission, appointed by the governor;

25 (c) One representative of the Washington hardwoods commission
26 appointed by the hardwoods commission;

27 (d) One member representing primary wood products manufacturers
28 appointed by the director of the department; and

1 (e) Two members representing secondary wood products manufacturers
2 appointed by the director of the department.

3 (2) Since the best hope for quickly replacing some of the jobs
4 being lost in primary manufacturing may be in value-added and secondary
5 manufacturing, the legislature intends that the commission design a
6 set of programs to stimulate the growth of value-added and secondary
7 wood products manufacturing in Washington and increase the involvement
8 of the wood products industry in value-added products and business
9 networks.

10 (3) The legislature also intends that after two years, the
11 commission become industry supported and industry operated.

12 (4) Members not representing state government shall serve a term of
13 three years, with the initial members serving staggered terms of one
14 year, two years, and three years as determined by the director of the
15 department.

16 (5) Travel expenses may be reimbursed under RCW 43.03.050 and
17 43.03.060.

18 (6) Staff support for the commission shall be provided by the
19 department.

20 NEW SECTION. **Sec. 11.** A new section is added to chapter 43.31 RCW
21 to read as follows:

22 The Washington wood products competitiveness commission shall:

23 (1) Gather, analyze, and disseminate information about the
24 competitiveness of the wood products industry in this state and make
25 that information available to the wood products industry, state
26 government, and the general public.

27 (2) Encourage cooperation among wood products firms through the
28 formation of business networks to develop solutions to technology and
29 product development problems, acquire and disseminate marketing

1 information, promote and market wood products of this state, and
2 address other common industry problems. In carrying out activities to
3 encourage cooperation among firms to promote further utilization of
4 wood resources of this state and to increase the value added to wood
5 products by firms in this state, the commission shall provide network
6 cooperation grants in amounts not to exceed fifteen thousand dollars
7 per grant and to not fewer than three firms per grant, and operate a
8 network broker training program, consisting of classroom instruction,
9 practical application of concepts of flexible manufacturing networks,
10 wood technology, wood products, and such other information as the
11 commission considers appropriate.

12 (3) Assist the department in the department's efforts to increase
13 the competitiveness of the industry and increase the production of
14 value-added products by providing grants for feasibility studies and
15 product research and development. The grants under this subsection
16 shall:

17 (a) Be of general benefit to the industry rather than intended to
18 benefit a specific firm;

19 (b) Be for such activities as identifying options, assessing
20 markets, evaluating business and financial risks, addressing production
21 issues, and assessing new technologies; and

22 (c) Be less than thirty five thousand dollars unless seventy-five
23 percent of the commission authorizes up to fifty thousand dollars.

24 (4) Work with state agencies, wood products firms, wood products
25 industry associations, and institutions of higher education in this
26 state to assure close coordination of all efforts to improve the
27 competitiveness of the wood products industry in this state.

28 (5) Report periodically to the governor, the legislature, the wood
29 products industry, and the general public on the competitive position
30 of the wood products industry in this state, and make such

1 recommendations as the commission determines appropriate for public or
2 private actions needed to improve the competitiveness of the wood
3 products industry in this state. The commission shall recommend, by
4 January 1, 1992, how to change this public commission into a commodity-
5 style industry commission, and recommend a fair method of assessment
6 for the industry to fund the commission.

7 NEW SECTION. **Sec. 12.** A new section is added to chapter 43.31 RCW
8 to read as follows:

9 The Washington wood products competitiveness commission may:

10 (1) Engage, with private sector funds only, in informational and
11 promotional activities to increase the awareness and recognition of the
12 value of wood products in this state and of the contribution of wood
13 products to the economy of this state.

14 (2) Contract for research activities to develop and apply new
15 technologies for wood products manufacture related to the commission's
16 and the department's efforts to make value-added wood products
17 industries more competitive. Any public funds used for this subsection
18 shall be matched at least dollar for dollar by private funds. In
19 carrying out research for development and application of new
20 manufacture technologies, the commission may promote activities
21 including, but not limited to:

22 (a) Improved utilization of wood wastes;

23 (b) Improved utilization of lower grade and underutilized lumber;

24 (c) Alternative uses for underutilized species of softwood and
25 hardwood;

26 (d) New and improved utilization of select and clear grade lumber
27 to produce high quality and high value-added wood products in
28 Washington;

1 (e) Identifying unique properties and characteristics of wood
2 species of this state and determining products particularly suited to
3 those properties and characteristics; or

4 (f) Providing access to testing facilities and services for wood
5 products firms in this state.

6 NEW SECTION. **Sec. 13.** The Washington wood products
7 competitiveness commission account is created in the custody of the
8 state treasurer. All receipts of the Washington wood products
9 competitiveness commission shall be deposited into the account.
10 Expenditures from the account may be used only for the purposes under
11 sections 10 through 12 of this act. Only the chair of the commission
12 or the chair's designee may authorize expenditures from the account.
13 The account is subject to allotment procedures under chapter 43.88 RCW,
14 but no appropriation is required for expenditures.

15 NEW SECTION. **Sec. 14.** A new section is added to chapter 43.06 RCW
16 to read as follows:

17 COORDINATION OF STATE AND LOCAL SERVICES. (1) The governor, or the
18 governor's designee, shall coordinate state noneconomic development
19 related assistance provided to timber-dependent communities to ensure
20 state services are delivered effectively and efficiently and
21 coordinated locally with minimal duplication and maximum local access.

22 (2) Associate development organizations located in timber-dependent
23 communities shall assist the governor in coordinating the delivery of
24 state economic development related services locally. The associate
25 development organization, as the primary local coordinating
26 organization for state and local economic development services, shall
27 provide resource and referral services to ensure state and local

1 economic development services are delivered effectively and efficiently
2 with minimal duplication and maximum local access.

3 NEW SECTION. **Sec. 15.** APPROPRIATION--INFRASTRUCTURE. (1) There
4 is hereby appropriated for the biennium ending June 30, 1993, eight
5 million dollars to the public facilities construction loan revolving
6 account from the general fund for the purposes of this act.

7 (2) There is hereby appropriated for the biennium ending June 30,
8 1993, eight million dollars to the economic development account created
9 in section 4 of this act from the state building construction account
10 for the purposes of section 4 of this act.

11 (3) There is hereby appropriated for the biennium ending June 30,
12 1993, three million dollars to the department of community development
13 from the general fund to switch with federal community development
14 block grant funds. The department of community development shall
15 deposit the federal funds in the development loan fund for timber-
16 dependent communities.

17 NEW SECTION. **Sec. 16.** APPROPRIATION--PROGRAM ENHANCEMENTS. (1)
18 There is hereby appropriated for the biennium ending June 30, 1993, an
19 additional one hundred fifty thousand dollars from the general fund to
20 the department of trade and economic development for the marketplace
21 program to assist the export of products from timber-dependent
22 communities to urban areas through import substitution and rural-urban
23 links.

24 (2) There is hereby appropriated for the biennium ending June 30,
25 1993, an additional two hundred thousand dollars from the general fund
26 to the department of trade and economic development to contract with
27 the small business export finance assistance center to provide export

1 financing assistance to businesses in timber-dependent communities
2 under section 8(2)(a) of this act.

3 (3) There is hereby appropriated for the biennium ending June 30,
4 1993, two hundred fifty thousand dollars from the general fund--federal
5 to the Washington economic development finance authority for a reserve
6 fund to provide financing for the export of products from timber-
7 dependent communities under section 8(2)(b) of this act.

8 (4) There is hereby appropriated for the biennium ending June 30,
9 1993, one million five hundred thousand dollars from the general fund
10 to the department of social and health services, in consultation with
11 the office of financial management, to provide social, housing, health,
12 and other support assistance when necessary to allow individuals
13 engaged in education, training, and employment programs to continue
14 their programs, and to provide grants for the coordination of health,
15 social, and welfare services in timber-dependent communities through
16 community councils, family support centers, reemployment centers, or
17 other local agencies.

18 (5) There is hereby appropriated for the biennium ending June 30,
19 1993, an additional three hundred seventy-five thousand dollars from
20 the general fund to the department of trade and economic development to
21 contract with associate development organizations in timber-dependent
22 communities to provide additional coordination and resources under
23 section 14(2) of this act. For purposes of this subsection, "timber-
24 dependent community" means a distressed county, as defined in RCW
25 43.160.020, that meets at least one of the following two criteria for
26 the most recent year such data is available: (a) A lumber and wood
27 products employment location quotient at or above the state average or
28 (b) a direct lumber and wood products job loss of one hundred or more.
29 Associate development organizations shall provide representation on

1 their board of directors of cities, counties, businesses, and
2 community-based public service organizations.

3 (6) There is appropriated for the biennium ending June 30, 1993,
4 two million five hundred thousand dollars from the general fund to the
5 state board for community college education for the purposes of
6 training and retraining in timber-dependent communities as follows:

7 (a) Two million dollars for disbursement to individual community
8 colleges for supplemental slots in cases where enrollment demand
9 exceeds allocation; and

10 (b) Five hundred thousand dollars for two pilot projects on
11 innovative approaches to literacy and employment training.

12 (7) There is hereby appropriated for the biennium ending June 30,
13 1993, three hundred fifty thousand dollars from the general fund to the
14 department of trade and economic development to contract with the small
15 business development center to provide services through the Grays
16 Harbor Community College and Peninsula Community College.

17 (8) One million five hundred thousand dollars to the department of
18 trade and economic development for the forest product division's value-
19 added programs;

20 (9) Five hundred thousand dollars is appropriated to the Washington
21 wood products competitiveness commission account, under section 13 of
22 this act, for the purposes of sections 10 through 12 of this act;

23 (10) Nine hundred seventy thousand dollars to the department of
24 community development for its timber assistance program, grants to
25 timber-dependent communities, and community development finance
26 technical assistance;

27 (11) Seventy thousand dollars to the department of community
28 development for enhancements to reemployment centers in timber-
29 dependent communities; and

1 (12) Five hundred thousand dollars to the employment security
2 department for a self-employment and enterprise development (SEED)
3 program in timber-dependent communities.

4 (13) For purposes of this section, "timber-dependent community"
5 means a county, city or town located in a county that meets two of the
6 following three criteria for the most recent year such data is
7 available: (a) A lumber and wood products employment location quotient
8 at or above the state average, (b) a direct lumber and wood products
9 job loss of one hundred or more, or (c) an annual unemployment rate
10 twenty percent above the state average.

11 NEW SECTION. **Sec. 17.** TITLE. This act may be referred to as "the
12 omnibus timber community assistance act."

13 NEW SECTION. **Sec. 18.** SECTION HEADINGS ARE NOT LAW. Section
14 headings as used in this act do not constitute any part of the law.

15 NEW SECTION. **Sec. 19.** If any provision of this act or its
16 application to any person or circumstance is held invalid, the
17 remainder of the act or the application of the provision to other
18 persons or circumstances is not affected.

19 NEW SECTION. **Sec. 20.** This act is necessary for the immediate
20 preservation of the public peace, health, or safety, or support of the
21 state government and its existing public institutions, and shall take
22 effect immediately.