
ENGROSSED SUBSTITUTE HOUSE BILL 2913

State of Washington

61st Legislature

2010 Regular Session

By House Education Appropriations (originally sponsored by Representatives Haigh, Priest, Quall, Haler, Kessler, Kagi, Nealey, Finn, Maxwell, Sullivan, and Kenney)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to authorizing innovative interdistrict cooperative
2 high school programs; amending RCW 28A.225.200, 28A.225.200,
3 28A.545.040, 28A.545.120, 84.52.0531, and 84.52.0531; adding new
4 sections to chapter 28A.340 RCW; creating new sections; providing
5 effective dates; and providing expiration dates.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that the availability
8 of technology, online learning, and field and project-based curricula
9 offer new opportunities for school districts to design innovative
10 programs for high school students. However, the legislature also finds
11 that while small, rural school districts desire to offer innovative
12 learning options for students in their communities, they are
13 constrained by state laws and rules that appear to prohibit nonhigh
14 school districts from creating options for their high school students
15 in cooperation with other nonhigh school districts. Therefore, the
16 legislature intends to authorize and encourage innovative, cooperative
17 high school programs for students from very small school districts.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.340
2 RCW to read as follows:

3 (1) Two or more nonhigh school districts may form an interdistrict
4 cooperative, to offer an innovation academy cooperative, as defined in
5 section 3 of this act and subject to the approval of the office of the
6 superintendent of public instruction under section 4 of this act, for
7 high school students residing in the participating nonhigh school
8 districts.

9 (2) Enrollment in an innovation academy cooperative is optional for
10 students. For students residing in a participating nonhigh school
11 district who enroll in a high school district rather than the
12 innovation academy cooperative, the provisions of RCW 28A.540.110 and
13 chapter 28A.545 RCW apply to the nonhigh school district.

14 (3) Each innovation academy cooperative shall designate one of the
15 participating nonhigh school districts to report enrolled students for
16 funding purposes. The reporting district shall claim the monthly full-
17 time equivalent students enrolled in the innovation academy cooperative
18 and receive state funding allocations, including basic education
19 allocations that are based on the small high school allocation under
20 the appropriations act to the extent the number of students enrolled in
21 the innovation academy cooperative meets the criteria for a small high
22 school.

23 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.340
24 RCW to read as follows:

25 (1) For the purposes of sections 2 through 4 of this act, an
26 innovation academy cooperative is a high school program with one or
27 more of the following characteristics:

28 (a) Interdisciplinary curriculum and instruction organized into
29 subject-focused themes or academies. Programs are encouraged to
30 provide an initial focus on academies in science, technology,
31 engineering, and mathematics;

32 (b) A combination of instructional service delivery models,
33 including alternative learning experiences, online learning, work-based
34 learning, experiential and field-based learning, and direct classroom
35 instruction at multiple and varying locations;

36 (c) Intensive and accelerated learning to enable students to
37 complete high school credits in a short time period; and

1 (d) Creative scheduling and use of existing school or community
2 facilities in innovative ways to minimize facility and transportation
3 costs and maximize access for students who may be geographically
4 dispersed.

5 (2) Participating nonhigh school districts shall work with local
6 community and technical colleges and four-year institutions of higher
7 education to expand the learning options available for students in an
8 innovation academy cooperative.

9 NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.340
10 RCW to read as follows:

11 Nonhigh school districts proposing to enter an interdistrict
12 agreement to offer an innovation academy cooperative shall submit a
13 copy of the proposed agreement and operating and instructional plans
14 for the cooperative to the office of the superintendent of public
15 instruction for technical review. The purpose of the review is for the
16 office to provide technical assistance and advice to assure that the
17 cooperative addresses issues identified under RCW 28A.225.250 and to
18 assure that the proposed instructional program will offer courses and
19 learning experiences that enable students to earn high school credit
20 and complete a high school diploma. The office of the superintendent
21 of public instruction must approve agreements and plans before an
22 innovation academy cooperative begins operation.

23 **Sec. 5.** RCW 28A.225.200 and 1990 c 33 s 234 are each amended to
24 read as follows:

25 (1) A local district may be authorized by the educational service
26 district superintendent to transport and educate its pupils in other
27 districts for one year, either by payment of a compensation agreed upon
28 by such school districts, or under other terms mutually satisfactory to
29 the districts concerned when this will afford better educational
30 facilities for the pupils and when a saving may be effected in the cost
31 of education: PROVIDED, That notwithstanding any other provision of
32 law, the amount to be paid by the state to the resident school district
33 for apportionment purposes and otherwise payable pursuant to RCW
34 28A.150.100, 28A.150.250 through 28A.150.290, 28A.150.350 through
35 28A.150.410, 28A.160.150 through 28A.160.200, (~~28A.160.220~~)
36 28A.300.035, 28A.300.170, and 28A.500.010 shall not be greater than the

1 regular apportionment for each high school student of the receiving
2 district. Such authorization may be extended for an additional year at
3 the discretion of the educational service district superintendent.

4 (2) Subsection (1) of this section shall not apply to districts
5 participating in a cooperative project established under RCW
6 28A.340.030 which exceeds two years in duration or to nonhigh school
7 districts participating in an interdistrict cooperative under sections
8 2 through 4 of this act.

9 **Sec. 6.** RCW 28A.225.200 and 2009 c 548 s 706 are each amended to
10 read as follows:

11 (1) A local district may be authorized by the educational service
12 district superintendent to transport and educate its pupils in other
13 districts for one year, either by payment of a compensation agreed upon
14 by such school districts, or under other terms mutually satisfactory to
15 the districts concerned when this will afford better educational
16 facilities for the pupils and when a saving may be effected in the cost
17 of education. Notwithstanding any other provision of law, the amount
18 to be paid by the state to the resident school district for
19 apportionment purposes and otherwise payable pursuant to RCW
20 28A.150.250 through 28A.150.290, 28A.150.350 through 28A.150.410,
21 28A.160.150 through 28A.160.200, 28A.300.035, and 28A.300.170 shall not
22 be greater than the regular apportionment for each high school student
23 of the receiving district. Such authorization may be extended for an
24 additional year at the discretion of the educational service district
25 superintendent.

26 (2) Subsection (1) of this section shall not apply to districts
27 participating in a cooperative project established under RCW
28 28A.340.030 which exceeds two years in duration or to nonhigh school
29 districts participating in an interdistrict cooperative under sections
30 2 through 4 of this act.

31 **Sec. 7.** RCW 28A.545.040 and 1995 c 77 s 25 are each amended to
32 read as follows:

33 The term "student residing in a nonhigh school district" and its
34 equivalent as used in RCW 28A.545.030 through 28A.545.110 and
35 84.52.0531 shall mean any common school age person with or without
36 disabilities who resides within the boundaries of a nonhigh school

1 district that does not conduct the particular kindergarten through
2 grade twelve grade which the person has not yet successfully completed
3 and is eligible to enroll in, not including students enrolled in an
4 innovation academy cooperative established under sections 2 through 4
5 of this act.

6 **Sec. 8.** RCW 28A.545.120 and 2006 c 263 s 325 are each amended to
7 read as follows:

8 (1) The superintendent of public instruction, with recommendations
9 from the school facilities citizen advisory panel under RCW
10 28A.525.025, shall adopt rules governing the establishment in any
11 existing nonhigh school district of any secondary program or any new
12 grades in grades nine through twelve. Before any such program or any
13 new grades are established, the district must obtain prior approval of
14 the superintendent of public instruction.

15 (2) This section does not apply to innovation academy cooperatives
16 established under sections 2 through 4 of this act.

17 NEW SECTION. **Sec. 9.** The office of the superintendent of public
18 instruction shall review the implementation of sections 2 through 4 of
19 this act to identify keys to success and any barriers to successful
20 implementation of innovation academy cooperatives and submit a report
21 to the education committees of the legislature by January 1, 2013.

22 **Sec. 10.** RCW 84.52.0531 and 2009 c 4 s 908 are each amended to
23 read as follows:

24 The maximum dollar amount which may be levied by or for any school
25 district for maintenance and operation support under the provisions of
26 RCW 84.52.053 shall be determined as follows:

27 (1) For excess levies for collection in calendar year 1997, the
28 maximum dollar amount shall be calculated pursuant to the laws and
29 rules in effect in November 1996.

30 (2) For excess levies for collection in calendar year 1998 and
31 thereafter, the maximum dollar amount shall be the sum of (a) plus or
32 minus (b) (~~and~~), (c), and (d) of this subsection minus (~~(d)~~) (e) of
33 this subsection:

34 (a) The district's levy base as defined in subsections (3) and (4)

1 of this section multiplied by the district's maximum levy percentage as
2 defined in subsection (5) of this section;

3 (b) For districts in a high/nonhigh relationship, the high school
4 district's maximum levy amount shall be reduced and the nonhigh school
5 district's maximum levy amount shall be increased by an amount equal to
6 the estimated amount of the nonhigh payment due to the high school
7 district under RCW 28A.545.030(3) and 28A.545.050 for the school year
8 commencing the year of the levy;

9 (c) Except for nonhigh districts under (d) of this subsection, for
10 districts in an interdistrict cooperative agreement, the nonresident
11 school district's maximum levy amount shall be reduced and the resident
12 school district's maximum levy amount shall be increased by an amount
13 equal to the per pupil basic education allocation included in the
14 nonresident district's levy base under subsection (3) of this section
15 multiplied by:

16 (i) The number of full-time equivalent students served from the
17 resident district in the prior school year; multiplied by:

18 (ii) The serving district's maximum levy percentage determined
19 under subsection (5) of this section; increased by:

20 (iii) The percent increase per full-time equivalent student as
21 stated in the state basic education appropriation section of the
22 biennial budget between the prior school year and the current school
23 year divided by fifty-five percent;

24 (d) The levy bases of nonhigh districts participating in an
25 innovation academy cooperative established under section 2 of this act
26 shall be adjusted by the office of the superintendent of public
27 instruction to reflect each district's proportional share of student
28 enrollment in the cooperative;

29 (e) The district's maximum levy amount shall be reduced by the
30 maximum amount of state matching funds for which the district is
31 eligible under RCW 28A.500.010.

32 (3) For excess levies for collection in calendar year 2005 and
33 thereafter, a district's levy base shall be the sum of allocations in
34 (a) through (c) of this subsection received by the district for the
35 prior school year and the amounts determined under subsection (4) of
36 this section, including allocations for compensation increases, plus
37 the sum of such allocations multiplied by the percent increase per full
38 time equivalent student as stated in the state basic education

1 appropriation section of the biennial budget between the prior school
2 year and the current school year and divided by fifty-five percent. A
3 district's levy base shall not include local school district property
4 tax levies or other local revenues, or state and federal allocations
5 not identified in (a) through (c) of this subsection.

6 (a) The district's basic education allocation as determined
7 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

8 (b) State and federal categorical allocations for the following
9 programs:

10 (i) Pupil transportation;

11 (ii) Special education;

12 (iii) Education of highly capable students;

13 (iv) Compensatory education, including but not limited to learning
14 assistance, migrant education, Indian education, refugee programs, and
15 bilingual education;

16 (v) Food services; and

17 (vi) Statewide block grant programs; and

18 (c) Any other federal allocations for elementary and secondary
19 school programs, including direct grants, other than federal impact aid
20 funds and allocations in lieu of taxes.

21 (4) For levy collections in calendar years 2005 through 2011, in
22 addition to the allocations included under subsection (3)(a) through
23 (c) of this section, a district's levy base shall also include the
24 following:

25 (a) The difference between the allocation the district would have
26 received in the current school year had RCW 84.52.068 not been amended
27 by chapter 19, Laws of 2003 1st sp. sess. and the allocation the
28 district received in the current school year pursuant to RCW 84.52.068.
29 The office of the superintendent of public instruction shall offset the
30 amount added to a district's levy base pursuant to this subsection
31 (4)(a) by any additional per student allocations included in a
32 district's levy base pursuant to the enactment of an initiative to the
33 people subsequent to June 10, 2004; and

34 (b) The difference between the allocations the district would have
35 received the prior school year had RCW 28A.400.205 not been amended by
36 chapter 20, Laws of 2003 1st sp. sess. and the allocations the district
37 actually received the prior school year pursuant to RCW 28A.400.205.
38 The office of the superintendent of public instruction shall offset the

1 amount added to a district's levy base pursuant to this subsection
2 (4)(b) by any additional salary increase allocations included in a
3 district's levy base pursuant to the enactment of an initiative to the
4 people subsequent to June 10, 2004.

5 (5) A district's maximum levy percentage shall be twenty-two
6 percent in 1998 and twenty-four percent in 1999 and every year
7 thereafter; plus, for qualifying districts, the grandfathered
8 percentage determined as follows:

9 (a) For 1997, the difference between the district's 1993 maximum
10 levy percentage and twenty percent; and

11 (b) For 1998 and thereafter, the percentage calculated as follows:

12 (i) Multiply the grandfathered percentage for the prior year times
13 the district's levy base determined under subsection (3) of this
14 section;

15 (ii) Reduce the result of (b)(i) of this subsection by any levy
16 reduction funds as defined in subsection (6) of this section that are
17 to be allocated to the district for the current school year;

18 (iii) Divide the result of (b)(ii) of this subsection by the
19 district's levy base; and

20 (iv) Take the greater of zero or the percentage calculated in
21 (b)(iii) of this subsection.

22 (6) "Levy reduction funds" shall mean increases in state funds from
23 the prior school year for programs included under subsections (3) and
24 (4) of this section: (a) That are not attributable to enrollment
25 changes, compensation increases, or inflationary adjustments; and (b)
26 that are or were specifically identified as levy reduction funds in the
27 appropriations act. If levy reduction funds are dependent on formula
28 factors which would not be finalized until after the start of the
29 current school year, the superintendent of public instruction shall
30 estimate the total amount of levy reduction funds by using prior school
31 year data in place of current school year data. Levy reduction funds
32 shall not include moneys received by school districts from cities or
33 counties.

34 (7) For the purposes of this section, "prior school year" means the
35 most recent school year completed prior to the year in which the levies
36 are to be collected.

37 (8) For the purposes of this section, "current school year" means
38 the year immediately following the prior school year.

1 (9) Funds collected from transportation vehicle fund tax levies
2 shall not be subject to the levy limitations in this section.

3 (10) The superintendent of public instruction shall develop rules
4 and regulations and inform school districts of the pertinent data
5 necessary to carry out the provisions of this section.

6 (11) For calendar year 2009, the office of the superintendent of
7 public instruction shall recalculate school district levy authority to
8 reflect levy rates certified by school districts for calendar year
9 2009.

10 **Sec. 11.** RCW 84.52.0531 and 1997 c 259 s 2 are each amended to
11 read as follows:

12 The maximum dollar amount which may be levied by or for any school
13 district for maintenance and operation support under the provisions of
14 RCW 84.52.053 shall be determined as follows:

15 (1) For excess levies for collection in calendar year 1997, the
16 maximum dollar amount shall be calculated pursuant to the laws and
17 rules in effect in November 1996.

18 (2) For excess levies for collection in calendar year 1998 and
19 thereafter, the maximum dollar amount shall be the sum of (a) plus or
20 minus (b) (~~and~~), (c), and (d) of this subsection minus (~~(d)~~) (e) of
21 this subsection:

22 (a) The district's levy base as defined in subsection (3) of this
23 section multiplied by the district's maximum levy percentage as defined
24 in subsection (4) of this section;

25 (b) For districts in a high/nonhigh relationship, the high school
26 district's maximum levy amount shall be reduced and the nonhigh school
27 district's maximum levy amount shall be increased by an amount equal to
28 the estimated amount of the nonhigh payment due to the high school
29 district under RCW 28A.545.030(3) and 28A.545.050 for the school year
30 commencing the year of the levy;

31 (c) Except for nonhigh districts under (d) of this subsection, for
32 districts in an interdistrict cooperative agreement, the nonresident
33 school district's maximum levy amount shall be reduced and the resident
34 school district's maximum levy amount shall be increased by an amount
35 equal to the per pupil basic education allocation included in the
36 nonresident district's levy base under subsection (3) of this section
37 multiplied by:

1 (i) The number of full-time equivalent students served from the
2 resident district in the prior school year; multiplied by:

3 (ii) The serving district's maximum levy percentage determined
4 under subsection (4) of this section; increased by:

5 (iii) The percent increase per full-time equivalent student as
6 stated in the state basic education appropriation section of the
7 biennial budget between the prior school year and the current school
8 year divided by fifty-five percent;

9 (d) The levy bases of nonhigh districts participating in an
10 innovation academy cooperative established under section 2 of this act
11 shall be adjusted by the office of the superintendent of public
12 instruction to reflect each district's proportional share of student
13 enrollment in the cooperative;

14 (e) The district's maximum levy amount shall be reduced by the
15 maximum amount of state matching funds for which the district is
16 eligible under RCW 28A.500.010.

17 (3) For excess levies for collection in calendar year 1998 and
18 thereafter, a district's levy base shall be the sum of allocations in
19 (a) through (c) of this subsection received by the district for the
20 prior school year, including allocations for compensation increases,
21 plus the sum of such allocations multiplied by the percent increase per
22 full time equivalent student as stated in the state basic education
23 appropriation section of the biennial budget between the prior school
24 year and the current school year and divided by fifty-five percent. A
25 district's levy base shall not include local school district property
26 tax levies or other local revenues, or state and federal allocations
27 not identified in (a) through (c) of this subsection.

28 (a) The district's basic education allocation as determined
29 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

30 (b) State and federal categorical allocations for the following
31 programs:

32 (i) Pupil transportation;

33 (ii) Special education;

34 (iii) Education of highly capable students;

35 (iv) Compensatory education, including but not limited to learning
36 assistance, migrant education, Indian education, refugee programs, and
37 bilingual education;

38 (v) Food services; and

1 (vi) Statewide block grant programs; and

2 (c) Any other federal allocations for elementary and secondary
3 school programs, including direct grants, other than federal impact aid
4 funds and allocations in lieu of taxes.

5 (4) A district's maximum levy percentage shall be twenty-two
6 percent in 1998 and twenty-four percent in 1999 and every year
7 thereafter; plus, for qualifying districts, the grandfathered
8 percentage determined as follows:

9 (a) For 1997, the difference between the district's 1993 maximum
10 levy percentage and twenty percent; and

11 (b) For 1998 and thereafter, the percentage calculated as follows:

12 (i) Multiply the grandfathered percentage for the prior year times
13 the district's levy base determined under subsection (3) of this
14 section;

15 (ii) Reduce the result of (b)(i) of this subsection by any levy
16 reduction funds as defined in subsection (5) of this section that are
17 to be allocated to the district for the current school year;

18 (iii) Divide the result of (b)(ii) of this subsection by the
19 district's levy base; and

20 (iv) Take the greater of zero or the percentage calculated in
21 (b)(iii) of this subsection.

22 (5) "Levy reduction funds" shall mean increases in state funds from
23 the prior school year for programs included under subsection (3) of
24 this section: (a) That are not attributable to enrollment changes,
25 compensation increases, or inflationary adjustments; and (b) that are
26 or were specifically identified as levy reduction funds in the
27 appropriations act. If levy reduction funds are dependent on formula
28 factors which would not be finalized until after the start of the
29 current school year, the superintendent of public instruction shall
30 estimate the total amount of levy reduction funds by using prior school
31 year data in place of current school year data. Levy reduction funds
32 shall not include moneys received by school districts from cities or
33 counties.

34 (6) For the purposes of this section, "prior school year" means the
35 most recent school year completed prior to the year in which the levies
36 are to be collected.

37 (7) For the purposes of this section, "current school year" means
38 the year immediately following the prior school year.

1 (8) Funds collected from transportation vehicle fund tax levies
2 shall not be subject to the levy limitations in this section.

3 (9) The superintendent of public instruction shall develop rules
4 and regulations and inform school districts of the pertinent data
5 necessary to carry out the provisions of this section.

6 NEW SECTION. **Sec. 12.** Section 5 of this act expires September 1,
7 2011.

8 NEW SECTION. **Sec. 13.** Section 6 of this act takes effect
9 September 1, 2011.

10 NEW SECTION. **Sec. 14.** Section 10 of this act expires January 1,
11 2012.

12 NEW SECTION. **Sec. 15.** Section 11 of this act takes effect January
13 1, 2012.

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