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HOUSE BILL 1423

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State of Washington                      63rd Legislature                      2013 Regular Session

By Representatives Haigh, Fagan, Seaquist, Magendanz, and Hargrove

Read first time 01/25/13. Referred to Committee on Education.

1            AN ACT Relating to online learning; amending RCW 28A.150.325,  
2 28A.150.262, 28A.250.010, 28A.250.070, 28A.225.225, 28A.150.100,  
3 28A.520.020, 28A.525.162, and 28A.525.166; reenacting and amending RCW  
4 28A.225.220; adding new sections to chapter 28A.250 RCW; creating a new  
5 section; and recodifying RCW 28A.150.262.

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

7            NEW SECTION.    **Sec. 1.** The legislature finds that online learning  
8 is subject to two forms of state oversight in addition to the standard  
9 oversight of public schools: The state approval process established in  
10 2009 through the office of the superintendent of public instruction,  
11 and also the regulations and stipulations directed at alternative  
12 learning experience programs. The legislature finds that such  
13 duplicative regulation is unnecessary and confusing for schools and  
14 school districts seeking to offer online learning for students. A  
15 single, consistent set of laws, rules, and procedures should suffice to  
16 assure accountability while encouraging innovation and opportunities.

17            **Sec. 2.** RCW 28A.150.325 and 2011 1st sp.s. c 34 s 2 are each  
18 amended to read as follows:

1 (1) For purposes of this chapter, "alternative learning experience  
2 program" means a course or set of courses that is:

3 (a) Provided in whole or in part independently from a regular  
4 classroom setting or schedule, but may include some components of  
5 direct instruction;

6 (b) Supervised, monitored, assessed, evaluated, and documented by  
7 a certificated teacher employed by the school district or under  
8 contract as permitted by applicable rules; and

9 (c) Provided in accordance with a written student learning plan  
10 that is implemented pursuant to the school district's policy and rules  
11 adopted by the superintendent of public instruction for alternative  
12 learning experiences.

13 (2) The broad categories of alternative learning experience  
14 programs include, but are not limited to((÷

15 ~~(a) Online programs as defined in RCW 28A.150.262;~~

16 ~~(b))~~, parent partnership programs that include significant  
17 participation and partnership by parents and families in the design and  
18 implementation of a student's learning experience((÷)) and

19 ~~((÷))~~ contract-based learning programs. Online courses and  
20 online school programs as defined in RCW 28A.250.010 that are delivered  
21 by an online provider approved under RCW 28A.250.020 are not considered  
22 alternative learning experience programs.

23 (3) School districts that offer alternative learning experience  
24 programs may not provide any compensation, reimbursement, gift, reward,  
25 or gratuity to any parents, guardians, or students for participation.  
26 School district employees are prohibited from receiving any  
27 compensation or payment as an incentive to increase student enrollment  
28 of out-of-district students in an alternative learning experience  
29 program. This prohibition includes, but is not limited to, providing  
30 funds to parents, guardians, or students for the purchase of  
31 educational materials, supplies, experiences, services, or  
32 technological equipment. A district may purchase educational  
33 materials, equipment, or other nonconsumable supplies for students' use  
34 in alternative learning experience programs if the purchase is  
35 consistent with the district's approved curriculum, conforms to  
36 applicable laws and rules, and is made in the same manner as such  
37 purchases are made for students in the district's regular instructional  
38 program. Items so purchased remain the property of the school district

1 upon program completion. School districts may not purchase or contract  
2 for instructional or cocurricular experiences and services that are  
3 included in an alternative learning experience written student learning  
4 plan, including but not limited to lessons, trips, and other  
5 activities, unless substantially similar experiences and services are  
6 available to students enrolled in the district's regular instructional  
7 program. School districts that purchase or contract for such  
8 experiences and services for students enrolled in an alternative  
9 learning experience program must submit an annual report to the office  
10 of the superintendent of public instruction detailing the costs and  
11 purposes of the expenditures. These requirements extend to contracted  
12 providers of alternative learning experience programs, and each  
13 district shall be responsible for monitoring the compliance of its  
14 providers with these requirements. (~~However, nothing in this section  
15 shall prohibit school districts from contracting with online providers  
16 approved by the office of the superintendent of public instruction  
17 pursuant to chapter 28A.250 RCW.~~)

18 (4) Part-time enrollment in alternative learning experiences is  
19 subject to the provisions of RCW 28A.150.350.

20 (5) The superintendent of public instruction shall adopt rules  
21 defining minimum requirements and accountability for alternative  
22 learning experience programs.

23 **Sec. 3.** RCW 28A.150.262 and 2011 1st sp.s. c 34 s 3 are each  
24 amended to read as follows:

25 Under RCW 28A.150.260, the superintendent of public instruction  
26 shall revise the definition of a full-time equivalent student to  
27 include students who receive instruction through (~~alternative learning  
28 experience~~) online courses or online school programs. (~~As used in  
29 this section and RCW 28A.150.325, an "alternative learning experience  
30 online program" is a set of online courses or an online school program  
31 as defined in RCW 28A.250.010 that is delivered to students in whole or  
32 in part independently from a regular classroom schedule.~~) Beginning  
33 in the 2013-14 school year, (~~alternative learning experience~~) online  
34 courses and online school programs must be offered by an online  
35 provider approved by the superintendent of public instruction under RCW  
36 28A.250.020 to meet the definition in this section. The rules shall  
37 include but not be limited to the following:

1 (1) Defining a full-time equivalent student under RCW 28A.150.260  
2 or part-time student under RCW 28A.150.350 based upon the district's  
3 estimated average weekly hours of learning activity as identified in  
4 the student's learning plan, as long as the student is found, through  
5 monthly evaluation, to be making satisfactory progress((+)). The  
6 monthly progress evaluation must be conducted as provided under section  
7 4 of this act. The rules shall require districts providing programs  
8 under this section to nonresident students to establish procedures that  
9 address, at a minimum, the coordination of student counting for state  
10 funding so that no student is counted for more than one full-time  
11 equivalent in the aggregate;

12 (2) Requiring the board of directors of a school district offering,  
13 or contracting under RCW 28A.150.305 to offer, an ((~~alternative~~  
14 ~~learning experience~~)) online course or online school program to adopt  
15 and annually review written policies for each ((~~program and program~~))  
16 course, program, and online provider and to receive an annual report on  
17 its ((~~digital alternative learning experience online~~)) courses and  
18 programs from its staff;

19 (3) Requiring each school district offering or contracting to offer  
20 an ((~~alternative learning experience~~)) online course or online school  
21 program to report annually to the superintendent of public instruction  
22 on the types of programs and course offerings, and number of students  
23 participating;

24 (4) Requiring completion of a program self-evaluation;

25 (5) Requiring documentation of the district of the student's  
26 physical residence;

27 (6) Requiring that supervision, monitoring, assessment, and  
28 evaluation of the ((~~alternative learning experience~~)) online course or  
29 online school program be provided by a certificated teacher;

30 (7) Requiring each school district offering online courses or  
31 online school programs to identify the ratio of certificated  
32 instructional staff to full-time equivalent students enrolled in such  
33 courses or programs, and to include a description of their ratio as  
34 part of the reports required under subsections (2) and (3) of this  
35 section;

36 (8) Requiring reliable methods to verify a student is doing his or  
37 her own work; the methods may include proctored examinations or

1 projects, including the use of web cams or other technologies.  
2 "Proctored" means directly monitored by an adult authorized by the  
3 school district;

4 (9) Requiring, for each student receiving instruction in an  
5 (~~alternative learning experience~~) online course or online school  
6 program, a learning plan that includes a description of course  
7 objectives and information on the requirements a student must meet to  
8 successfully complete the program or courses. The rules shall allow  
9 course syllabi and other additional information to be used to meet the  
10 requirement for a learning plan;

11 (10) Requiring that the district assess the educational progress of  
12 enrolled students at least annually, using, for full-time students, the  
13 state assessment for the student's grade level and using any other  
14 annual assessments required by the school district. Part-time students  
15 shall also be assessed at least annually. However, part-time students  
16 who are either receiving home-based instruction under chapter 28A.200  
17 RCW or who are enrolled in an approved private school under chapter  
18 28A.195 RCW are not required to participate in the assessments required  
19 under chapter 28A.655 RCW. The rules shall address how students who  
20 reside outside the geographic service area of the school district are  
21 to be assessed;

22 (11) Requiring that each student enrolled in the program have  
23 direct personal contact with a certificated teacher at least weekly  
24 until the student completes the course objectives or the requirements  
25 in the learning plan. Direct personal contact is for the purposes of  
26 instruction, review of assignments, testing, evaluation of student  
27 progress, or other learning activities. Direct personal contact may  
28 include the use of telephone, e-mail, instant messaging, interactive  
29 video communication, or other means of digital communication. The  
30 superintendent may not adopt a rule specifying a minimum duration of  
31 weekly personal contact;

32 (12) Requiring state-funded public schools or public school  
33 programs whose primary purpose is to provide (~~alternative learning~~  
34 ~~experience online learning~~) online courses or online school programs  
35 to receive accreditation through the Northwest accreditation commission  
36 or another national, regional, or state accreditation program listed by  
37 the office of the superintendent of public instruction after  
38 consultation with the Washington coalition for online learning;

1 (13) Requiring state-funded public schools or public school  
2 programs whose primary purpose is to provide (~~alternative learning~~  
3 ~~experience online learning~~) online courses or online school programs  
4 to provide information to students and parents on whether or not the  
5 courses or programs: Cover one or more of the school district's  
6 learning goals or of the state's essential academic learning  
7 requirements or whether they permit the student to meet one or more of  
8 the state's or district's graduation requirements; and

9 (14) Requiring that a school district that provides one or more  
10 (~~alternative learning experience~~) online courses to a student provide  
11 the parent or guardian of the student, prior to the student's  
12 enrollment, with a description of any difference between home-based  
13 education as described in chapter 28A.200 RCW and the enrollment option  
14 selected by the student. The parent or guardian shall sign  
15 documentation attesting to his or her understanding of the difference  
16 and the documentation shall be retained by the district and made  
17 available for audit.

18 NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.250  
19 RCW to read as follows:

20 (1) For students whose previous monthly evaluation indicated  
21 satisfactory progress and who are meeting the requirement for weekly  
22 personal contact, a progress evaluation may be based only on the  
23 student's performance on the learning goals and performance objectives  
24 defined in the written student learning plan.

25 (2) For students whose previous monthly evaluation did not indicate  
26 satisfactory progress or who are not meeting the requirement for weekly  
27 personal contact, a progress evaluation must include the student's  
28 performance on the learning goals and performance objectives defined in  
29 the written student learning plan, a documented conference based on  
30 direct personal contact between the teacher and the student about what  
31 action or achievement by the student is needed to demonstrate  
32 satisfactory progress, and at least one of the following items to be  
33 included in an intervention plan:

34 (a) A plan for increased frequency and duration of communication  
35 between the teacher and the student;

36 (b) A change in the prescribed manner of direct personal contact;

- 1 (c) Modification of the goals and objectives of the student
- 2 learning plan;
- 3 (d) A requirement that the student engage in synchronous learning;
- 4 or
- 5 (e) Modification of course work or course content.

6 **Sec. 5.** RCW 28A.250.010 and 2011 1st sp.s. c 34 s 5 are each  
7 amended to read as follows:

8 The definitions in this section apply throughout this chapter  
9 unless the context clearly requires otherwise.

10 (1)(a) "Multidistrict online provider" means:

11 (i) A private or nonprofit organization that enters into a contract  
12 with a school district to provide online courses or programs to K-12  
13 students from more than one school district;

14 (ii) A private or nonprofit organization that enters into contracts  
15 with multiple school districts to provide online courses or programs to  
16 K-12 students from those districts; or

17 (iii) Except as provided in (b) of this subsection, a school  
18 district that provides online courses or programs to students who  
19 reside outside the geographic boundaries of the school district.

20 (b) "Multidistrict online provider" does not include a school  
21 district online learning program in which fewer than ten percent of the  
22 students enrolled in the program are from other districts under the  
23 interdistrict student transfer provisions of RCW 28A.225.225.  
24 "Multidistrict online provider" also does not include regional online  
25 learning programs that are jointly developed and implemented by two or  
26 more school districts or an educational service district through an  
27 interdistrict cooperative program agreement that addresses, at minimum,  
28 how the districts share student full-time equivalency for state basic  
29 education funding purposes and how categorical education programs,  
30 including special education, are provided to eligible students.

31 (2)(a) "Online course" means a course where:

32 (i) More than half of the course content is delivered  
33 electronically using the internet or other computer-based methods; and

34 (ii) More than half of the teaching is conducted from a remote  
35 location through an online course learning management system or other  
36 online or electronic tools.

37 (b) "Online school program" means a school program that:

1 (i) Offers courses or grade-level coursework that is delivered  
2 primarily electronically using the internet or other computer-based  
3 methods;

4 (ii) Offers courses or grade-level coursework that is (~~taught~~)  
5 facilitated by a teacher primarily from a remote location using online  
6 or other electronic tools. Students enrolled in an online program may  
7 have access to the teacher synchronously, asynchronously, or both;

8 (iii) Offers a sequential set of online courses or grade-level  
9 coursework that may be taken in a single school term or throughout the  
10 school year in a manner that could provide a full-time basic education  
11 program if so desired by the student. Students may enroll in the  
12 program as part-time or full-time students; and

13 (iv) Has an online component of the program with online lessons and  
14 tools for student and data management.

15 (c) An online course or online school program may be delivered to  
16 students at school as part of the regularly scheduled school day. An  
17 online course or online school program also may be delivered to  
18 students, in whole or in part, independently from a regular classroom  
19 schedule, but such courses or programs must comply with RCW 28A.150.262  
20 (as recodified by this act) to qualify for state basic education  
21 funding.

22 (3) "Online provider" means any provider of an online course or  
23 program, including multidistrict online providers, all school district  
24 online learning programs, and all regional online learning programs.

25 NEW SECTION. **Sec. 6.** A new section is added to chapter 28A.250  
26 RCW to read as follows:

27 (1) School districts that offer or contract to offer online courses  
28 or online school programs may not provide any compensation,  
29 reimbursement, gift, reward, or gratuity to any parents, guardians, or  
30 students for participation. School district employees are prohibited  
31 from receiving any compensation or payment as an incentive to increase  
32 student enrollment of out-of-district students in an online course or  
33 online school program. This prohibition includes, but is not limited  
34 to, providing funds to parents, guardians, or students for the purchase  
35 of educational materials, supplies, experiences, services, or  
36 technological equipment. A district may purchase educational  
37 materials, equipment, or other nonconsumable supplies for students' use



1 in online courses or online school programs if the purchase is  
2 consistent with the district's approved curriculum, conforms to  
3 applicable laws and rules, and is made in the same manner as such  
4 purchases are made for students in the district's regular instructional  
5 program. Items so purchased remain the property of the school district  
6 upon program completion.

7 (2) School districts may not purchase or contract for instructional  
8 or cocurricular experiences and services that are included in an online  
9 student's written student learning plan, including but not limited to  
10 lessons, trips, and other activities, unless substantially similar  
11 experiences and services are available to students enrolled in the  
12 district's regular instructional program. School districts that  
13 purchase or contract for such experiences and services for students  
14 enrolled in online courses or online school programs must submit an  
15 annual report to the office of the superintendent of public instruction  
16 detailing the costs and purposes of the expenditures. These  
17 requirements extend to contracted providers of online courses and  
18 online school programs, and each district shall be responsible for  
19 monitoring the compliance of its providers with these requirements.

20 NEW SECTION. **Sec. 7.** A new section is added to chapter 28A.250  
21 RCW to read as follows:

22 An online school program may request a waiver from the office of  
23 the superintendent of public instruction to administer one or more  
24 sections of the statewide student assessment for grades three through  
25 eight for some or all students enrolled in the program on alternate  
26 days or on an alternate schedule, as long as the administration is  
27 within the testing period established by the office. The office may  
28 deny a request for a waiver if the online school program's proposal  
29 does not maintain adequate test security or would reduce the  
30 reliability of the assessment results by providing an inequitable  
31 advantage for some students.

32 **Sec. 8.** RCW 28A.250.070 and 2009 c 542 s 8 are each amended to  
33 read as follows:

34 Nothing in this chapter is intended to diminish the rights of  
35 students to attend a nonresident school district in accordance with RCW  
36 28A.225.220 through 28A.225.230 for the purposes of enrolling in online

1 courses or online school programs. The office of online learning under  
2 RCW 28A.250.030 shall develop a standard form, which must be used by  
3 all school districts, for releasing a student to a nonresident school  
4 district for the purposes of enrolling in an online course or online  
5 school program.

6 **Sec. 9.** RCW 28A.225.220 and 1995 c 335 s 602 and 1995 c 52 s 2 are  
7 each reenacted and amended to read as follows:

8 (1) Any board of directors may make agreements with adults choosing  
9 to attend school, and may charge the adults reasonable tuition.

10 (2) A district is strongly encouraged to honor the request of a  
11 parent or guardian for his or her child to attend a school in another  
12 district or the request of a parent or guardian for his or her child to  
13 transfer as a student receiving home-based instruction.

14 (3) A district shall release a student to a nonresident district  
15 that agrees to accept the student if:

16 (a) A financial, educational, safety, or health condition affecting  
17 the student would likely be reasonably improved as a result of the  
18 transfer; or

19 (b) Attendance at the school in the nonresident district is more  
20 accessible to the parent's place of work or to the location of child  
21 care; or

22 (c) There is a special hardship or detrimental condition; or

23 (d) The purpose of the transfer is for the student to enroll in an  
24 online course or online school program offered by an online provider  
25 approved under RCW 28A.250.020.

26 (4) A district may deny the request of a resident student to  
27 transfer to a nonresident district if the release of the student would  
28 adversely affect the district's existing desegregation plan. A school  
29 district may not refuse to establish an interlocal agreement with a  
30 nonresident school district for students to enroll in an online course  
31 or online school program on a part-time basis in the nonresident school  
32 district.

33 (5) For the purpose of helping a district assess the quality of its  
34 education program, a resident school district may request an optional  
35 exit interview or questionnaire with the parents or guardians of a  
36 child transferring to another district. No parent or guardian may be  
37 forced to attend such an interview or complete the questionnaire.

1 (6) Beginning with the 1993-94 school year, school districts may  
2 not charge transfer fees or tuition for nonresident students enrolled  
3 under subsection (3) of this section and RCW 28A.225.225.  
4 Reimbursement of a high school district for cost of educating high  
5 school pupils of a nonhigh school district shall not be deemed a  
6 transfer fee as affecting the apportionment of current state school  
7 funds.

8 **Sec. 10.** RCW 28A.225.225 and 2009 c 380 s 7 are each amended to  
9 read as follows:

10 (1) Except for students who reside out-of-state and students under  
11 RCW 28A.225.217, a district shall accept applications from nonresident  
12 students who are the children of full-time certificated and classified  
13 school employees, and those children shall be permitted to enroll:

14 (a) At the school to which the employee is assigned;

15 (b) At a school forming the district's K through 12 continuum which  
16 includes the school to which the employee is assigned; or

17 (c) At a school in the district that provides early intervention  
18 services pursuant to RCW 28A.155.065 or preschool services pursuant to  
19 RCW 28A.155.070, if the student is eligible for such services.

20 (2) A district may reject applications under this section if:

21 (a) The student's disciplinary records indicate a history of  
22 convictions for offenses or crimes, violent or disruptive behavior, or  
23 gang membership;

24 (b) The student has been expelled or suspended from a public school  
25 for more than ten consecutive days. Any policy allowing for  
26 readmission of expelled or suspended students under this subsection  
27 (2)(b) must apply uniformly to both resident and nonresident  
28 applicants; (~~or~~)

29 (c) Enrollment of a child under this section would displace a child  
30 who is a resident of the district, except that if a child is admitted  
31 under subsection (1) of this section, that child shall be permitted to  
32 remain enrolled at that school, or in that district's kindergarten  
33 through twelfth grade continuum, until he or she has completed his or  
34 her schooling; or

35 (d) The student has repeatedly failed to comply with requirements  
36 for participation in an online school program, such as participating in  
37 weekly direct contact with the teacher or monthly progress evaluations.

1 (3) Except as provided in subsection (1) of this section, all  
2 districts accepting applications from nonresident students or from  
3 students receiving home-based instruction for admission to the  
4 district's schools shall consider equally all applications received.  
5 Each school district shall adopt a policy establishing rational, fair,  
6 and equitable standards for acceptance and rejection of applications by  
7 June 30, 1990. The policy may include rejection of a nonresident  
8 student if:

9 (a) Acceptance of a nonresident student would result in the  
10 district experiencing a financial hardship;

11 (b) The student's disciplinary records indicate a history of  
12 convictions for offenses or crimes, violent or disruptive behavior, or  
13 gang membership; or

14 (c) The student has been expelled or suspended from a public school  
15 for more than ten consecutive days. Any policy allowing for  
16 readmission of expelled or suspended students under this subsection  
17 (3)(c) must apply uniformly to both resident and nonresident  
18 applicants.

19 For purposes of subsections (2)(a) and (3)(b) of this section,  
20 "gang" means a group which: (i) Consists of three or more persons;  
21 (ii) has identifiable leadership; and (iii) on an ongoing basis,  
22 regularly conspires and acts in concert mainly for criminal purposes.

23 (4) A student who has been accepted to enroll in an online course  
24 or online school program offered by an online provider approved under  
25 RCW 28A.250.020 in a nonresident school district may remain enrolled in  
26 that district in subsequent school years without being required to  
27 reapply, unless the nonresident district determines that the student  
28 has lost eligibility for enrollment due to one of the factors  
29 enumerated in this section.

30 (5) The district shall provide to applicants written notification  
31 of the approval or denial of the application in a timely manner. If  
32 the application is rejected, the notification shall include the reason  
33 or reasons for denial and the right to appeal under RCW 28A.225.230(3).

34 **Sec. 11.** RCW 28A.150.100 and 2011 1st sp.s. c 34 s 10 are each  
35 amended to read as follows:

36 (1) For the purposes of this section and RCW 28A.150.410 and  
37 28A.400.200, "basic education certificated instructional staff" means

1 all full-time equivalent classroom teachers, teacher librarians,  
2 guidance counselors, certificated student health services staff, and  
3 other certificated instructional staff in the following programs as  
4 defined for statewide school district accounting purposes: Basic  
5 education, secondary vocational education, general instructional  
6 support, and general supportive services.

7 (2) Each school district shall maintain a ratio of at least forty-  
8 six basic education certificated instructional staff to one thousand  
9 annual average full-time equivalent students. This requirement does  
10 not apply to that portion of a district's annual average full-time  
11 equivalent enrollment that is enrolled in alternative learning  
12 experience programs as defined in RCW 28A.150.325 or in online courses  
13 or online school programs as provided in RCW 28A.150.262 (as recodified  
14 by this act).

15 **Sec. 12.** RCW 28A.520.020 and 2011 c 278 s 1 are each amended to  
16 read as follows:

17 (1) There shall be a fund known as the federal forest revolving  
18 account. The state treasurer, who shall be custodian of the revolving  
19 account, shall deposit into the revolving account the funds for each  
20 county received by the state in accordance with Title 16, section 500,  
21 United States Code. The state treasurer shall distribute these moneys  
22 to the counties according to the determined proportional area. The  
23 county legislative authority shall expend fifty percent of the money  
24 for the benefit of the public roads and other public purposes as  
25 authorized by federal statute or public schools of such county and not  
26 otherwise. Disbursements by the counties of the remaining fifty  
27 percent of the money shall be as authorized by the superintendent of  
28 public instruction, or the superintendent's designee, and shall occur  
29 in the manner provided in subsection (2) of this section.

30 (2) No later than thirty days following receipt of the funds from  
31 the federal government, the superintendent of public instruction shall  
32 apportion moneys distributed to counties for schools to public school  
33 districts in the respective counties in proportion to the number of  
34 resident full-time equivalent students enrolled in each public school  
35 district to the number of resident full-time equivalent students  
36 enrolled in public schools in the county. In apportioning these funds,

1 the superintendent of public instruction shall utilize the October  
2 enrollment count.

3 (3) If the amount received by any public school district pursuant  
4 to subsection (2) of this section is less than the basic education  
5 allocation to which the district would otherwise be entitled, the  
6 superintendent of public instruction shall apportion to the district,  
7 in the manner provided by RCW 28A.510.250, an amount which shall be the  
8 difference between the amount received pursuant to subsection (2) of  
9 this section and the basic education allocation to which the district  
10 would otherwise be entitled.

11 (4) All federal forest funds shall be expended in accordance with  
12 the requirements of Title 16, section 500, United States Code, as now  
13 existing or hereafter amended.

14 (5) The definition of resident student for purposes of this section  
15 shall be based on rules adopted by the superintendent of public  
16 instruction, which shall consider and address the impact of alternative  
17 learning experience students and students enrolled in online courses or  
18 online school programs as provided in RCW 28A.150.262 (as recodified by  
19 this act) on federal forest funds distribution.

20 **Sec. 13.** RCW 28A.525.162 and 2012 c 244 s 2 are each amended to  
21 read as follows:

22 (1) Funds appropriated to the superintendent of public instruction  
23 from the common school construction fund shall be allotted by the  
24 superintendent of public instruction in accordance with this chapter.

25 (2) No allotment shall be made to a school district until such  
26 district has provided local funds equal to or greater than the  
27 difference between the total approved project cost and the amount of  
28 state funding assistance to the district for financing the project  
29 computed pursuant to RCW 28A.525.166, with the following exceptions:

30 (a) The superintendent of public instruction may waive the local  
31 requirement for state funding assistance for districts which have  
32 provided funds for school building construction purposes through the  
33 authorization of bonds or through the authorization of excess tax  
34 levies or both in an amount equivalent to two and one-half percent of  
35 the value of its taxable property, as defined in RCW 39.36.015.

36 (b) No such local funds shall be required as a condition to the  
37 allotment of funds from the state for the purpose of making major or

1 minor structural changes to existing school facilities in order to  
2 bring such facilities into compliance with the barrier free access  
3 requirements of section 504 of the federal rehabilitation act of 1973  
4 (29 U.S.C. Sec. 706) and rules implementing the act.

5 (3) For the purpose of computing the state funding assistance  
6 percentage under RCW 28A.525.166 when a school district is granted  
7 authority to enter into contracts, adjusted valuation per pupil shall  
8 be calculated using headcount student enrollments from the most recent  
9 October enrollment reports submitted by districts to the superintendent  
10 of public instruction, adjusted as follows:

11 (a) In the case of projects for which local bonds were approved  
12 after May 11, 1989:

13 (i) For districts which have been designated as serving high school  
14 districts under RCW 28A.540.110, students residing in the nonhigh  
15 district so designating shall be excluded from the enrollment count if  
16 the student is enrolled in any grade level not offered by the nonhigh  
17 district;

18 (ii) The enrollment of nonhigh school districts shall be increased  
19 by the number of students residing within the district who are enrolled  
20 in a serving high school district so designated by the nonhigh school  
21 district under RCW 28A.540.110, including only students who are  
22 enrolled in grade levels not offered by the nonhigh school district;  
23 and

24 (iii) The number of preschool students with disabilities included  
25 in the enrollment count shall be multiplied by one-half;

26 (b) In the case of construction or modernization of high school  
27 facilities in districts serving students from nonhigh school districts,  
28 the adjusted valuation per pupil shall be computed using the combined  
29 adjusted valuations and enrollments of each district, each weighted by  
30 the percentage of the district's resident high school students served  
31 by the high school district;

32 (c) The number of kindergarten students included in the enrollment  
33 count shall be counted as one headcount student; and

34 (d) The number of students residing outside the school district who  
35 are enrolled in alternative learning experience programs under RCW  
36 28A.150.325 or are enrolled in online courses or online school programs  
37 as provided in RCW 28A.150.262 (as recodified by this act) shall be  
38 excluded from the total.

1 (4) In lieu of the exclusion in subsection (3)(d) of this section,  
2 a district may submit an alternative calculation for excluding students  
3 enrolled in alternative learning experience programs. The alternative  
4 calculation must show the student headcount use of district classroom  
5 facilities on a regular basis for a regular duration by out-of-district  
6 alternative learning experience program students subtracted by the  
7 headcount of in-district alternative learning experience program  
8 students not using district classroom facilities on a regular basis for  
9 a reasonable duration. The alternative calculation must be submitted  
10 in a form approved by the office of the superintendent of public  
11 instruction. The office of the superintendent of public instruction  
12 must develop rules to define "regular basis" and "reasonable duration."

13 (5) The superintendent of public instruction, considering policy  
14 recommendations from the school facilities citizen advisory panel,  
15 shall prescribe such rules as are necessary to equate insofar as  
16 possible the efforts made by school districts to provide capital funds  
17 by the means aforesaid.

18 (6) For the purposes of this section, "preschool students with  
19 disabilities" means children of preschool age who have developmental  
20 disabilities who are entitled to services under RCW 28A.155.010 through  
21 28A.155.100 and are not included in the kindergarten enrollment count  
22 of the district.

23 **Sec. 14.** RCW 28A.525.166 and 2012 c 244 s 3 are each amended to  
24 read as follows:

25 Allocations to school districts of state funds provided by RCW  
26 28A.525.162 through 28A.525.180 shall be made by the superintendent of  
27 public instruction and the amount of state funding assistance to a  
28 school district in financing a school plant project shall be determined  
29 in the following manner:

30 (1) The boards of directors of the districts shall determine the  
31 total cost of the proposed project, which cost may include the cost of  
32 acquiring and preparing the site, the cost of constructing the building  
33 or of acquiring a building and preparing the same for school use, the  
34 cost of necessary equipment, taxes chargeable to the project, necessary  
35 architects' fees, and a reasonable amount for contingencies and for  
36 other necessary incidental expenses: PROVIDED, That the total cost of



1 the project shall be subject to review and approval by the  
2 superintendent.

3 (2) The state funding assistance percentage for a school district  
4 shall be computed by the following formula:

5 The ratio of the school district's adjusted valuation per pupil  
6 divided by the ratio of the total state adjusted valuation per pupil  
7 shall be subtracted from three, and then the result of the foregoing  
8 shall be divided by three plus (the ratio of the school district's  
9 adjusted valuation per pupil divided by the ratio of the total state  
10 adjusted valuation per pupil).

11

$$\begin{array}{rcccl} & \text{District adjusted} & \text{Total state} & & \\ & \text{3-valuation} & \text{adjusted valuation} & \div & \\ & \text{per pupil} & \text{per pupil} & & \text{State} \\ \text{Computed} & & & & \\ \text{Ratio} & = & \frac{\text{District adjusted}}{\text{3+valuation}} & - & \frac{\text{Total state}}{\text{adjusted valuation}} = - \% \text{ Funding} \\ & & \text{per pupil} & & \text{Assistance} \end{array}$$

12  
13  
14  
15  
16  
17

18 PROVIDED, That in the event the state funding assistance percentage to  
19 any school district based on the above formula is less than twenty  
20 percent and such school district is otherwise eligible for state  
21 funding assistance under RCW 28A.525.162 through 28A.525.180, the  
22 superintendent may establish for such district a state funding  
23 assistance percentage not in excess of twenty percent of the approved  
24 cost of the project, if the superintendent finds that such additional  
25 assistance is necessary to provide minimum facilities for housing the  
26 pupils of the district.

27 (3) In addition to the computed state funding assistance percentage  
28 developed in subsection (2) of this section, a school district shall be  
29 entitled to additional percentage points determined by the average  
30 percentage of growth for the past three years. One percent shall be  
31 added to the computed state funding assistance percentage for each  
32 percent of growth, with a maximum of twenty percent.

33 (4) In computing the state funding assistance percentage in  
34 subsection (2) of this section and adjusting the percentage under  
35 subsection (3) of this section, students residing outside the school  
36 district who are enrolled in alternative learning experience programs  
37 under RCW 28A.150.325 or are enrolled in online courses or online  
38 school programs as provided in RCW 28A.150.262 (as recodified by this

1 act) shall be excluded from the count of total pupils. In lieu of the  
2 exclusion in this subsection, a district may submit an alternative  
3 calculation for excluding students enrolled in alternative learning  
4 experience programs. The alternative calculation must show the student  
5 headcount use of district classroom facilities on a regular basis for  
6 a reasonable duration by out-of-district alternative learning  
7 experience program students subtracted by the headcount of in-district  
8 alternative learning experience program students not using district  
9 classroom facilities on a regular basis for a reasonable duration. The  
10 alternative calculation must be submitted in a form approved by the  
11 office of the superintendent of public instruction. The office of the  
12 superintendent of public instruction must develop rules to define  
13 "regular basis" and "reasonable duration."

14 (5) The approved cost of the project determined in the manner  
15 prescribed in this section multiplied by the state funding assistance  
16 percentage derived as provided for in this section shall be the amount  
17 of state funding assistance to the district for the financing of the  
18 project: PROVIDED, That need therefor has been established to the  
19 satisfaction of the superintendent: PROVIDED, FURTHER, That additional  
20 state funding assistance may be allowed if it is found by the  
21 superintendent, considering policy recommendations from the school  
22 facilities citizen advisory panel that such assistance is necessary in  
23 order to meet (a) a school housing emergency resulting from the  
24 destruction of a school building by fire, the condemnation of a school  
25 building by properly constituted authorities, a sudden excessive and  
26 clearly foreseeable future increase in school population, or other  
27 conditions similarly emergent in nature; or (b) a special school  
28 housing burden resulting from projects of statewide significance or  
29 imposed by virtue of the admission of nonresident students into  
30 educational programs established, maintained and operated in conformity  
31 with the requirements of law; or (c) a deficiency in the capital funds  
32 of the district resulting from financing, subsequent to April 1, 1969,  
33 and without benefit of the state funding assistance provided by prior  
34 state assistance programs, the construction of a needed school building  
35 project or projects approved in conformity with the requirements of  
36 such programs, after having first applied for and been denied state  
37 funding assistance because of the inadequacy of state funds available  
38 for the purpose, or (d) a condition created by the fact that an

1 excessive number of students live in state owned housing, or (e) a need  
2 for the construction of a school building to provide for improved  
3 school district organization or racial balance, or (f) conditions  
4 similar to those defined under (a), (b), (c), (d), and (e) of this  
5 subsection, creating a like emergency.

6 NEW SECTION. **Sec. 15.** RCW 28A.150.262 is recodified as a section  
7 in chapter 28A.250 RCW.

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