

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE HOUSE BILL 2913**

61st Legislature  
2010 Regular Session

Passed by the House February 13, 2010  
Yeas 95 Nays 0

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**Speaker of the House of Representatives**

Passed by the Senate March 3, 2010  
Yeas 45 Nays 0

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2913** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE HOUSE BILL 2913**

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Passed Legislature - 2010 Regular Session

**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)  
33 of 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.

--- END ---