junior high or middle school level teacher, and one must be a secondary level teacher. Teachers shall include educational staff associates;

- (b) ((Three)) Five principals or administrators from ((each congressional district of)) the state;
 - (c) One school district superintendent from the state; and
 - (d) One school district board of directors from the state.

Not more than three teachers and three principals or administrators from each congressional district and one superintendent and one school board from the state may be recognized and receive awards in any school year.

- (2) The awards for teachers and principals or administrators shall include certificates presented by the governor and the superintendent of public instruction at a public ceremony or ceremonies in appropriate locations.
- (3) In addition to certificates under subsection (2) of this section, awards for teachers and principals or administrators shall include:
- (a) A waiver of tuition and fees under RCW 28B.15.547 and a stipend not to exceed one thousand dollars to cover costs incurred in taking courses for which the tuition and fees have been waived under this subsection and RCW 28B.15.547. The stipend shall not be considered compensation for the purposes of RCW 28A.58.0951; or
- (b) Teachers and principals or administrators, at their discretion, may elect to forego the waiver of tuition and fees and the stipend under subsection (3) of this section and apply for a grant not to exceed one thousand dollars, which grant shall be awarded under the provisions of RCW 28A-03.535. Within one year of receiving the award for excellence in education, teachers and principals or administrators shall notify the superintendent of public instruction in writing of their decision to apply for a grant or to receive the waiver of tuition and fees and the stipend under subsection (3) of this section.

Passed the House March 14, 1989. Passed the Senate April 4, 1989. Approved by the Governor April 19, 1989. Filed in Office of Secretary of State April 19, 1989.

CHAPTER 76

[House Bill No. 1162]
FIRE PROTECTION DISTRICTS—ANNEXATION OF CITIES

AN ACT Relating to annexation of cities and towns by fire protection districts; amending RCW 35.02.190 and 35.02.200; and adding a new section to chapter 52.04 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 52.04 RCW to read as follows:

When any city, code city, or town is annexed to a fire protection district under RCW 52.04.061 and 52.04.071, thereafter, any territory annexed by the city shall also be annexed and be a part of the fire protection district.

Sec. 2. Section 35.13.247, chapter 7, Laws of 1965 as last amended by section 18, chapter 234, Laws of 1986 and RCW 35.02.190 are each amended to read as follows:

If a portion of a fire protection district including at least sixty percent of the assessed valuation of the real property of the district is annexed to or incorporated into a city or town, ownership of all of the assets of the district shall be vested in the city or town, or, if the city or town has been annexed by another fire protection district, in the other fire protection district, upon payment in cash, properties or contracts for fire protection services to the district within one year, of a percentage of the value of said assets equal to the percentage of the value of the real property in entire district remaining outside the incorporated or annexed area. The fire protection district may elect, by a vote of a majority of the persons residing outside the annexed or incorporated area who vote on the proposition, to require the annexing or incorporating city or town or fire protection district to assume responsibility for the provision of fire protection, and for the operation and maintenance of the district's property, facilities, and equipment throughout the district and to pay the city or town or fire protection district a reasonable fee for such fire protection, operation, and maintenance.

If all of a fire protection district is included in a area that incorporates as a city or town or is annexed to a city or town or fire protection district, all of the assets and liabilities of the fire protection district shall be transferred to the newly incorporated city or town upon its official date of incorporation or to the city or town or fire protection district upon the annexation.

- Sec. 3. Section 35.13.248, chapter 7, Laws of 1965 as last amended by section 19, chapter 234, Laws of 1986 and RCW 35.02.200 are each amended to read as follows:
- (1) If a portion of a fire protection district including less than sixty percent of the assessed value of the real property of the district is annexed to or incorporated into a city or town, the ownership of all assets of the district shall remain in the district and the district shall pay to the city or town, or, if the city or town has been annexed by another fire protection district, to the other fire protection district within one year or within such period of time as the district continues to collect taxes in such incorporated or annexed areas, in cash, properties or contracts for fire protection services, a percentage of the value of said assets equal to the percentage of the value of the real property in the entire district lying within the area so incorporated or annexed: PROVIDED, That if the area annexed or incorporated includes less than five percent of the assessed value of the real property of

the district, no payment shall be made to the city or town or fire protection district.

- (2) As provided in RCW 35.02.210, the fire protection district from which territory is removed as a result of an incorporation or annexation shall provide fire protection to the incorporated or annexed area for such period as the district continues to collect taxes levied in such annexed or incorporated area.
- (3) For the purposes of this section, the word "assets" shall mean the total assets of the fire district, reduced by its liabilities, including bonded indebtedness, the same to be determined by usual and accepted accounting methods. The amount of said liability shall be determined by reference to the fire district's balance sheet, produced in the regular course of business, which is nearest in time to the certification of the annexation of fire district territory by the city or town.

Passed the House February 8, 1989.

Passed the Senate April 4, 1989.

Approved by the Governor April 19, 1989.

Filed in Office of Secretary of State April 19, 1989.

CHAPTER 77

[Substitute Senate Bill No. 5531]
EXCELLENCE IN EDUCATION AWARDS—GRANTS AND STIPENDS

AN ACT Relating to the award for excellence in education program; amending RCW 28A.03.523 and 28A.03.535; creating a new section; and repealing RCW 28B.15.547.

Be it enacted by the Legislature of the State of Washington:

- Sec. 1. Section 2, chapter 147, Laws of 1986 as last amended by section 1, chapter 251, Laws of 1988 and RCW 28A.03.523 are each amended to read as follows:
- (1) The superintendent of public instruction shall establish an annual award program for excellence in education to recognize teachers, principals, administrators, school district superintendents, and school boards for their leadership, contributions, and commitment to education. The program shall recognize annually:
- (a) Three teachers from each congressional district of the state. One individual must be an elementary level teacher, one must be a junior high or middle school level teacher, and one must be a secondary level teacher. Teachers shall include educational staff associates;
- (b) Three principals or administrators from each congressional district of the state;
 - (c) One school district superintendent from the state; and
 - (d) One school district board of directors from the state.