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SIXTY-FIRST LEGISLATURE - REGULAR SESSION

SIXTIETH DAY

House Chamber, Olympia, Thursday, March 12, 2009

The House was called to order at 10:00 a.m. by the Speaker (Representative Morris presiding). The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Rafael Madera and Sam Margolis. The Speaker (Representative Morris presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Jaime Herrera.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

MESSAGE FROM THE SENATE

March 11, 2009

Mr. Speaker:

The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5513,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5682,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5809,
ENGROSSED SENATE BILL NO. 5894,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5943,

and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House advanced to the fifth order of business.

REPORTS OF STANDING COMMITTEES

March 10, 2009

SB 5164 Prime Sponsor, Senator Berkey: Placing restrictions on check cashers' and sellers' communications when collecting delinquent small loans. Reported by Committee on Financial Institutions & Insurance

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Hurst; McCoy; Nelson; Rodne; Santos and Simpson.

Passed to Committee on Rules for second reading.

March 10, 2009

SSB 5417 Prime Sponsor, Committee on Financial Institutions, Housing & Insurance: Requiring the disclosure of information on flood insurance coverage. Reported by Committee on Financial Institutions & Insurance

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Hurst; McCoy; Nelson; Rodne; Santos and Simpson.

Passed to Committee on Rules for second reading.

March 10, 2009

ESSB 5671 Prime Sponsor, Committee on Financial Institutions, Housing & Insurance: Determining the suitability of annuities sold in Washington. Reported by Committee on Financial Institutions & Insurance

MAJORITY recommendation: Do pass as amended:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The purpose of this act is to permit and set standards for producers and insurers selling annuity products issued after the effective date of this section that ensure consumers purchase annuities suitable to their financial and insurance needs and life circumstances.

NEW SECTION. Sec. 2. A new section is added to chapter 48.23 RCW to read as follows:

(1) For the purposes of this section:

(a) "Annuity" means a fixed annuity or variable annuity that is individually solicited, whether the product is classified as an individual or group annuity.

(b) "Recommendation" means advice provided by an insurance producer, or an insurer when no producer is involved, to an individual consumer that results in a purchase or exchange of an annuity in accordance with that advice.

(2) Insurers and insurance producers must comply with the following requirements in recommending and executing a purchase or exchange of an annuity:

(a) In recommending the purchase of an annuity or the exchange of an annuity that results in another insurance transaction or series of insurance transactions to a consumer, the insurance producer, or the insurer when no producer is involved, must have reasonable grounds for believing that the recommendation is suitable for the consumer on the basis of the facts disclosed by the consumer about their investments and other insurance products and as to their financial situation and needs.

(b) Prior to the execution of a purchase or exchange of an annuity resulting from a recommendation, an insurance producer, or an insurer when no producer is involved, shall make reasonable efforts to obtain information concerning:

(i) The consumer's financial status;

(ii) The consumer's tax status;

(iii) The consumer's investment objectives; and

(iv) Other information used or considered to be reasonable by the insurance producer, or the insurer when no producer is involved, in making recommendations to the consumer.

(3) An insurer or insurance producer's recommendation must be reasonable under all circumstances actually known to the insurer or

insurance producer at the time of the recommendation. Neither an insurance producer nor an insurer when no producer is involved, has any obligation to a consumer under subsection (2) of this section related to any recommendation if a consumer:

(a) Refuses to provide relevant information requested by the insurer or insurance producer;

(b) Decides to enter into an insurance transaction that is not based on a recommendation of the insurer or insurance producer; or

(c) Fails to provide complete or accurate information.

(4) An insurer must assure that a system to supervise recommendations, reasonably designed to achieve compliance with this section, is established and maintained. The system must include, but is not limited to, written procedures and conducting periodic review of its records that are reasonably designed to assist in detecting and preventing violations of this section.

(a) An insurer may contract with a third party, including insurance producers, a general agent, or independent agency, to establish and maintain a system of supervision as required in this subsection with respect to insurance producers under contract with or employed by the third party. An insurer must make reasonable inquiry to assure that the third party is performing the functions required in this subsection and must take action as is reasonable under the circumstances to enforce the contractual obligation to perform the functions. An insurer may comply with its obligation to make reasonable inquiry by doing all of the following:

(i) Annually obtaining a certification from a third party senior manager with responsibility for the delegated functions that the manager has a reasonable basis to represent, and does represent, that the third party is performing the required functions; and

(ii) Based on reasonable selection criteria, periodically selecting third parties contracting under this subsection for a review to determine whether the third parties are performing the required functions. The insurer shall perform those procedures to conduct the review that are reasonable under the circumstances.

(b) An insurer, or the contracted third party if a general agent or independent agency, is not required to:

(i) Review, or provide for review of, all insurance producer solicited transactions; or

(ii) Include in its system of supervision an insurance producer's recommendations to consumers of products other than the annuities offered by the insurer, general agent, or independent agency.

(c) A general agent or independent agency contracting with an insurer to supervise compliance with this section shall promptly, when requested by the insurer, give a certification of compliance or give a clear statement that it is unable to meet the certification criteria. A person may not provide a certification unless the person:

(i) Is a senior manager with responsibility for the delegated functions; and

(ii) Has a reasonable basis for making the certification.

(5) Compliance with the financial industry regulatory authority conduct rules pertaining to suitability satisfies the requirements under this section for the recommendation of annuities registered under the securities act of 1933 (15 U.S.C. Sec. 77(a) et seq. or as hereafter amended). The insurance commissioner must notify the appropriate committees of the house of representatives and senate if there are changes regarding the registration of annuities under the securities act of 1933 that affect the application of this subsection. This subsection does not limit the insurance commissioner's ability to enforce this section.

(6) The commissioner may order an insurer, an insurance producer, or both, to take reasonably appropriate corrective action for

any consumer harmed by the insurer's or insurance producer's violation of this section.

(a) Any applicable penalty under this or other sections of Title 48 RCW may be reduced or eliminated by the commissioner if corrective action for the consumer was taken promptly after a violation was discovered.

(b) This subsection does not limit the commissioner's ability to enforce this section or other applicable sections of Title 48 RCW.

(7) Insurers and insurance producers must maintain or be able to make available to the commissioner records of the information collected from the consumer and other information used in making the recommendations that were the basis for the insurance transaction for five years after the insurance transaction is completed by the insurer, or for five years after the annuity begins paying benefits, whichever is longer. An insurer is permitted, but is not required, to maintain documentation on behalf of an insurance producer. This section does not relieve an insurance producer of the obligation to maintain records of insurance transactions as required by RCW 48.17.470.

(8) The commissioner may adopt rules to implement and administer this section.

(9) Unless otherwise specifically included, this section does not apply to recommendations involving:

(a) Direct response solicitations when there is no recommendation based on information collected from the consumer under this section; or

(b) Contracts used to fund:

(i) An employee pension or welfare benefit plan that is covered by the employment and income security act;

(ii) A plan described by sections 401(a), 401(k), 403(b), 408(k), or 408(p) of the internal revenue code, as amended, if established or maintained by an employer;

(iii) A government or church plan defined in section 414 of the internal revenue code, a government or church welfare benefit plan or a deferred compensation plan of a state or local government or tax exempt organization under section 457 of the internal revenue code;

(iv) A nonqualified deferred compensation arrangement established or maintained by an employer or plan sponsor;

(v) Settlements of or assumptions of liabilities associated with personal injury litigation or any dispute or claim resolution process; or

(vi) Formal prepaid funeral contracts.

(10) This section does not affect the application of chapter 21.20 RCW."

Correct the title.

Signed by Representatives Kirby, Chair; Kelley, Vice Chair; Bailey, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Hurst; McCoy; Nelson; Rodne; Santos and Simpson.

Passed to Committee on Rules for second reading.

There being no objection, the bills listed on the day's committee reports under the fifth order of business were referred to the committees so designated.

SECOND READING

HOUSE BILL NO. 1571, by Representatives Blake and Chandler

Regarding the adjudication of water rights.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1571 was substituted for House Bill No. 1571 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1571 was read the second time.

Representative Blake moved the adoption of amendment (387):

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 90.03.110 and 1987 c 109 s 72 are each amended to read as follows:

(1) Upon the filing of a petition with the department by a planning unit or by one or more persons claiming the right to (~~divert~~) any waters within the state or when, after investigation, in the judgment of the department, the (~~interest of the public will be subserved by a determination of the rights thereto, it shall be the duty of the department to~~) public interest will be served by a determination of the rights thereto, the department shall prepare a statement of the facts, together with a plan or map of the locality under investigation, and file such statement and plan or map in the superior court of the county in which said water is situated, or, in case such water flows or is situated in more than one county, in the county which the department shall determine to be the most convenient to the parties interested therein. Such a statement shall (~~contain substantially the following matter, to wit:~~

~~(1) The names of all known persons claiming the right to divert said water, the right to the diversion of which is sought to be determined; and~~

~~(2) A brief statement of the facts in relation to such water, and the necessity for a determination of the rights thereto);~~

(a) For an adjudication, either (i) identify each person or entity owning real property situated within the area to be adjudicated but outside the boundaries of a city, town, or special purpose district that provides water to property within its service area; (ii) identify all known persons claiming a right to the water sought to be determined; or (iii) identify both; and

(b) Include a brief statement of the facts in relation to such water, and the necessity for a determination of the rights thereto.

(2) Prior to filing an adjudication under this chapter, the department shall:

(a) For an adjudication, consult with the administrative office of the courts to determine whether sufficient judicial resources are available to commence and to prosecute the adjudication in a timely manner; and

(b) For an adjudication, report to the appropriate committees of the legislature on the estimated budget needs for the court and the department to conduct the adjudication.

Sec. 2. RCW 90.03.120 and 1987 c 109 s 73 are each amended to read as follows:

(1) Upon the filing of the statement and map as provided in RCW 90.03.110 the judge of such superior court shall make an order directing summons to be issued, and fixing the return day thereof, which shall be not less than (~~sixty~~) one hundred nor more than (~~ninety~~) one hundred thirty days, after the making of such order: PROVIDED, That for good cause, the court, at the request of the department, may modify said time period.

(2) A summons issued under this section shall (~~thereupon~~) be issued out of said superior court, signed and attested by the clerk thereof, in the name of the state of Washington, as plaintiff, against all known persons (~~claiming the right to divert the water involved and also all persons unknown claiming the right to divert the water involved, which said~~) identified by the department under RCW 90.03.110. The summons shall contain a brief statement of the objects and purpose of the proceedings and shall require the defendants to appear on the return day thereof, and make and file (~~a statement of~~) an adjudication claim to, or interest in, the water involved and a statement that unless they appear at the time and place fixed and assert such right, judgment will be entered determining their rights according to the evidence: PROVIDED, HOWEVER, That any persons claiming the right to (~~the use of~~) water by virtue of a contract with a claimant to the right to divert the same, shall not be necessary parties to the proceeding.

(3) To the extent consistent with court rules and subject to the availability of funds provided either by direct appropriation or funded through the administrative office of the courts for this specific adjudicative proceeding, the court is encouraged to conduct the water rights adjudication employing innovative practices and technologies appropriate to large scale and complex cases, such as: (a) Electronic filing of documents, including notice and claims; (b) appearance via teleconferencing; (c) prefiling of testimony; and (d) other practices and technologies consistent with court rules and emerging technologies.

NEW SECTION. Sec. 3. A new section is added to chapter 90.03 RCW to read as follows:

(1) A judge in a water right adjudication filed under this chapter may be partially or fully disqualified from hearing the adjudication. Partial disqualification means disqualification from hearing specified claims. Full disqualification means disqualification from hearing any aspect of the adjudication.

(a) A judge is partially disqualified when the judge's impartiality might reasonably be questioned and the apparent or actual partiality is limited to specified claims.

(b) A judge is fully disqualified when the judge's impartiality might reasonably be questioned and the apparent or actual partiality extends beyond limited claims such that the judge should not hear any part of the adjudication.

(2) A judge may recuse himself or herself under this section or a party may file a motion for disqualification. A motion for disqualification must state whether the remedy being sought is full or partial disqualification.

(3)(a) For parties who are named in the original pleadings, a motion for disqualification is timely if it is filed before the judge issues a discretionary order or ruling in the adjudication.

(b) For a party who is joined in the adjudication after the original pleadings have been filed, a motion for disqualification is timely if it is filed within the earliest of either (i) thirty days of being joined in the adjudication; or (ii) after the joinder of the party, before the judge issues a discretionary order or ruling relating to the joined party.

(c) When a motion for disqualification is untimely filed under this subsection (3), the motion will be granted only when necessary to correct a substantial injustice.

(d) For purposes of this section, "discretionary order or ruling" has the same meaning as "order or ruling involving discretion" in RCW 4.12.050.

(4) A party filing a motion for disqualification under this section has the burden of proving by a preponderance of the evidence that the

judge should be disqualified under the standards of subsection (1) of this section.

(5) The motion for disqualification may not be heard by the judge against whom the motion is filed. Subject to this limitation, the court may assign the disqualification motion to any superior court judge of the judicial district in which the adjudication was filed or to a visiting superior court judge under RCW 2.56.040.

(6) Except as stated in subsection (3)(d) of this section, RCW 4.12.040 and 4.12.050, which otherwise govern the disqualification of superior court judges, do not apply to water right adjudications filed under this chapter. The standards set forth in RCW 2.28.030, which govern the disqualification of judicial officers generally, may be grounds for disqualification under this section.

NEW SECTION. Sec. 4. A new section is added to chapter 90.03 RCW to read as follows:

Upon expiration of the filing period established under RCW 90.03.120(2), the department shall file a motion for default against defendants who have been served but who have failed to file an adjudication claim under RCW 90.03.140. A party in default may file a late claim under the same circumstances the party could respond or defend under court rules on default judgments.

NEW SECTION. Sec. 5. A new section is added to chapter 90.03 RCW to read as follows:

If an adjudication claim is for a use for which a statement of claim was required to be filed under chapter 90.14 RCW and no such claim was filed, the department may move that the adjudication claim be denied. The court shall grant the department's motion unless the claimant shows good cause why the motion should not be granted.

Sec. 6. RCW 90.03.130 and 1987 c 109 s 74 are each amended to read as follows:

Service of said summons shall be made in the same manner and with the same force and effect as service of summons in civil actions commenced in the superior courts of the state: PROVIDED, That ~~((for good cause, the court, at the request of the department, as an alternative to personal service, may authorize service of summons to be))~~ as an alternative to personal service, service may be made by certified mail, with return receipt signed and dated by defendant, a spouse of a defendant, or another person authorized to accept service. If the defendants, or either of them, cannot be found within the state of Washington, of which the return of the sheriff of the county in which the proceeding is pending or the failure to sign a receipt for certified mail shall be prima facie evidence, upon the filing of an affidavit by the department, or its attorney, in conformity with the statute relative to the service of summons by publication in civil actions, such service may be made by publication in a newspaper of general circulation in the county in which such proceeding is pending, and also publication of said summons in a newspaper of general circulation in each county in which any portion of the water is situated, once a week for six consecutive weeks (six publications). ~~((In cases where personal service can be had, such summons shall be served at least twenty days before the return day thereof.))~~ The summons by publication shall state that ~~((statements of))~~ adjudication claims must be filed within ~~((twenty))~~ sixty days after the last publication or before the return date, whichever is later. In cases where personal service or service by certified mail is had, summons must be served at least sixty days before the return day thereof. For summons by certified mail, completion of service occurs upon the date of receipt by the defendant.

Personal service of summons may be made by department of ecology employees for actions pertaining to water rights.

Sec. 7. RCW 90.03.140 and 1987 c 109 s 75 are each amended to read as follows:

~~(1) On or before the ((return day of such summons, each defendant shall file in the office of the clerk of said court a statement, and therewith a copy thereof for the department, containing substantially the following:~~

~~(1) The name and post office address of defendant.~~

~~(2) The full nature of the right, or use, on which the claim is based.~~

~~(3) The time of initiation of such right and commencement of such use.~~

~~(4) The date of beginning and completion of construction.~~

~~(5) The dimensions and capacity of all ditches existing at the time of making said statement.~~

~~(6) The amount of land under irrigation and the maximum quantity of water used thereon prior to the date of said statement and if for power, or other purposes, the maximum quantity of water used prior to date of said statement.~~

~~(7) The legal description of the land upon which said water has been, or may be, put to beneficial use, and the legal description of the subdivision of land on which the point of diversion is located.~~

Such statement)) date specified in the summons, each defendant shall file with the clerk of the superior court an adjudication claim on a form and in a manner provided by the department, and mail or electronically mail a copy to the department. The department shall provide information that will assist claimants of small uses of water in completing their adjudication claims. The adjudication claim must contain substantially the following, except that when the legal basis for the claimed right is a federally reserved right, the information must be filed only as applicable:

(a) The name, mailing address, and telephone contact number of each defendant on the claim, and e-mail address, if available;

(b) The purpose or purposes of use of the water and the annual and instantaneous quantities of water put to beneficial use;

(c) For each use, the date the first steps were taken under the law to put the water to beneficial use;

(d) The date of beginning and completion of the construction of wells, ditches, or other works to put the water to use;

(e) The maximum amount of land ever under irrigation and the maximum annual and instantaneous quantities of water ever used thereon prior to the date of the statement and if for power, or other purposes, the maximum annual and instantaneous quantities of water ever used prior to the date of the adjudication claim;

(f) The dates between which water is used annually;

(g) If located outside the boundaries of a city, town, or special purpose district that provides water to property within its service area, the legal description and county tax parcel number of the land upon which the water as presently claimed has been, or may be, put to beneficial use;

(h) The legal description and county tax parcel number of the subdivision of land on which the point of diversion or withdrawal is located as well as land survey and geographic positioning coordinates of the same if available;

(i) Whether a right to surface or groundwater, or both, is claimed and the source of the surface water and the location and depth of all wells;

(j) The legal basis for the claimed right;

(k) Whether a statement of claim relating to the water right was filed under chapter 90.14 RCW or whether a declaration relating to the water right was filed under chapter 90.44 RCW and, if so, the claim or declaration number, and whether the right is documented by a permit or certificate and, if so, the permit number or certificate number. When the source is a well, the well log number must be provided, when available;

(1) The amount of land and the annual and instantaneous quantities of water used thereon, or used for power or other purposes, that the defendant claims as a present right.

(2) The adjudication claim shall be verified on oath by the defendant (, and in the discretion of the court may be amended). The department shall furnish the form for the adjudication claim. A claimant may file an adjudication claim electronically if authorized under state and local court rules. The department may assist claimants in their effort by making the department's pertinent records and information accessible electronically or by other means and through conferring with claimants.

NEW SECTION. Sec. 8. A new section is added to chapter 90.03 RCW to read as follows:

Within the date set by the court for filing evidence, each claimant shall file with the court evidence to support the claimant's adjudication claims. The court is encouraged to set a date for filing evidence that is reasonable and fair for the timely processing of the adjudication. The evidence may include, without limitation, permits or certificates of water right, statements of claim made under chapter 90.14 RCW, deeds, documents related to issuance of a land patent, aerial photographs, decrees of previous water rights adjudications, crop records, records of livestock purchases and sales, records of power use, metering records, declarations containing testimonial evidence, records of diversion, withdrawal or storage and delivery by irrigation districts or ditch companies, and any other evidence to support that a water right was obtained and was not thereafter abandoned or relinquished. The evidence filed may include matters that are outside the original adjudication claim filed, and within the date set by the court for filing evidence, the claimant may amend the adjudication claim to conform to the evidence filed. Thereafter, except for good cause shown, a claimant may not file additional evidence to support the claim.

NEW SECTION. Sec. 9. A new section is added to chapter 90.03 RCW to read as follows:

(1) Upon the receipt of adjudication claims and the filing of claimants' evidence, the department shall conduct a preliminary investigation for the purpose of examining:

(a) The uses of the subject waters by and any physical works in connection with the persons to whom the adjudication applies; and

(b) The uses for which a statement of claim has been filed under chapter 90.14 RCW or for which the department has a permit or certificate of water right on record.

(2)(a) The examination may include, as the department deems appropriate:

(i) An estimation of the amount of water that is reasonably necessary to accomplish various beneficial uses within the area;

(ii) The measurement of stream flows;

(iii) The measurement of any diversion or withdrawal rates;

(iv) An estimation of storage capacity and the amount of water stored;

(v) The types and numbers of stock watered;

(vi) The number of residences served;

(vii) The location and size of any irrigated land areas; and

(viii) Any other information pertinent to the determination of water rights in an adjudication under this chapter.

(b) The department may also take other necessary steps and gather other data and information as may be essential to the proper understanding of the water uses and associated rights of the affected water users, including review of each claimant's adjudication claim and evidence the claimant filed to support the claim. The claimants and the department are encouraged to confer as may be beneficial to clarify the factual and legal basis for the claim. To the extent

consistent with court rules, the court may deem it appropriate to encourage claimants and the department to work closely together to reach agreement on a claimed water right that may result in timely settlement of water rights, reduced costs for the parties, greater equity and general public service, and better information that may be used for overall water management.

(3) The department shall file with the court the department's report of findings as to each adjudication claim filed timely under RCW 90.03.140. The department may divide its report of findings into two or more segments, covering particular drainages, uses, or other appropriate bases for dividing the report on adjudication claims. Based on the evidence filed by claimants and the department's report of findings, the department shall file with the superior court either or both of the following motions:

(a) A motion for a partial decree in favor of all stated claims under RCW 90.03.140 that the department finds to be substantiated with factual evidence; or

(b) A motion seeking determination of contested claims before the court.

Sec. 10. RCW 90.03.160 and 1989 c 80 s 1 are each amended to read as follows:

(1) Upon ((the completion of the service of summons as hereinbefore provided, the superior court in which said proceeding is pending shall make an order referring said proceeding to the department to take testimony by its duly authorized designee, as referee, and the designee shall report to and file with the superior court of the county in which such cause is pending a transcript of such testimony for adjudication thereon by such court. The superior court may, in any complex case with more than one thousand named defendants, including the United States, retain for hearing and further processing such portions of the proceeding as pertain to a discrete class or classes of defendants or claims of water rights if the court determines that: (1) Resolution of claims of such classes appear to involve significant issues of law, either procedural or substantive; and (2) such a retention will both expedite the conclusion of the case and reduce the overall expenditures of the plaintiff, defendants, and the court)) filing of the department's motion or motions under section 9(3) of this act, any party with a claim filed under RCW 90.03.140 for the appropriation of water or waters of the subject adjudication may file and serve a response to the department's motion or motions within the time set by the court for such a response. Objections must include specific information in regard to the particular disposition against which the objection is being made. Objections must also state the underlying basis of the objection being made, including general information about the forms of evidence that support the objection. Any party may file testimony with the court and serve it on other parties. If a party intends to cross-examine a claimant or witness based on another party's prefiled testimony, the party intending to cross-examine shall file a notice of intent to cross-examine no later than fifteen days in advance of the hearing. If no notice of intent to cross-examine based on the prefiled testimony is given, then the claimant or witness is not required to appear at the hearing. Any party may present evidence in support of or in response to an objection.

(2) The superior court may appoint a referee or other judicial officer to assist the court.

(3) The superior court may adopt special rules of procedure for an adjudication of water rights under this chapter, including simplified procedures for claimants of small uses of water. The rules of procedure for a superior court apply to an adjudication of water rights under this chapter unless superseded by special rules of the court under this subsection. The superior court is encouraged to

consider entering, after notice and hearing and as the court determines appropriate, pretrial orders from an adjudication commenced on October 12, 1977.

NEW SECTION. Sec. 11. A new section is added to chapter 90.03 RCW to read as follows:

(1) The legislature finds that early settlement of contested claims is needed for a fair and efficient adjudication of water rights. Therefore, the department and other parties should identify opportunities for settlement following the date set by the court for filing evidence for all parties. To the extent consistent with court rules, the court as it deems beneficial is encouraged to urge as many parties to the adjudication as possible to reach timely agreement on claimed water rights in a manner that limits costs to the public, claimants, counties, courts, and the department. Further, at appropriate times throughout the process the court as it deems beneficial is encouraged to direct parties to utilize alternative methods of dispute resolution, including informal meetings, negotiation, mediation, or other methods to reach agreement on disputed claims.

(2) Any time after the filing of all claims under RCW 90.03.140, the department or another party may move the superior court to allow parties to meet for settlement discussions for a set length of time, either before an appointed mediator or without a mediator. For good cause shown, the court may extend the length of time for settlement discussions. The costs of mediation must be equitably borne by the parties to the mediation.

(3) If the department and a claimant reach agreement on settlement, the department shall file a motion to approve the settlement pursuant to section 9(3)(a) of this act and shall disclose the terms of the settlement to other parties to the adjudication. The court shall conduct a hearing prior to approving a settlement and any party to the adjudication may object or offer modifications to the settlement.

Sec. 12. RCW 90.03.180 and 1995 c 292 s 21 are each amended to read as follows:

At the time of filing the ~~((statement))~~ adjudication claim as provided in RCW 90.03.140, each defendant, except the United States or an Indian tribe under 43 U.S.C. Sec. 666, shall pay to the clerk of the superior court a fee as set under RCW ~~((36.18.020))~~ 36.18.016.

Sec. 13. RCW 90.03.210 and 2001 c 220 s 5 are each amended to read as follows:

(1) During the pendency of such adjudication proceedings prior to judgment or upon review by an appellate court, the stream or other water involved shall be regulated or partially regulated according to the schedule of rights specified in the department's report upon an order of the court authorizing such regulation: PROVIDED, Any interested party may file a bond and obtain an order staying the regulation of said stream as to him, in which case the court shall make such order regarding the regulation of the stream or other water as he may deem just. The bond shall be filed within five days following the service of notice of appeal in an amount to be fixed by the court and with sureties satisfactory to the court, conditioned to perform the judgment of the court.

(2) Any appeal of a decision of the department on an application to change or transfer a water right subject to ~~((a general))~~ an adjudication that is being litigated actively ~~((and was commenced before October 13, 1977;))~~ shall be conducted as follows:

(a) The appeal shall be filed with the court conducting the adjudication and served under RCW 34.05.542(3). The content of the notice of appeal shall conform to RCW 34.05.546. Standing to

appeal shall be based on the requirements of RCW 34.05.530 and is not limited to parties to the adjudication.

(b) If the appeal includes a challenge to the portion of the department's decision that pertains to tentative determinations of the validity and extent of the water right, review of those tentative determinations shall be conducted by the court consistent with the provisions of RCW 34.05.510 through 34.05.598, except that the review shall be de novo.

(c) If the appeal includes a challenge to any portion of the department's decision other than the tentative determinations of the validity and extent of the right, the court must certify to the pollution control hearings board for review and decision those portions of the department's decision. Review by the pollution control hearings board shall be conducted consistent with chapter 43.21B RCW and the board's implementing regulations, except that the requirements for filing, service, and content of the notice of appeal shall be governed by (a) of this subsection. Any party to an appeal may move the court to certify portions of the appeal to the pollution control hearings board, but the appellant must file a motion for certification no later than ninety days after the appeal is filed under this section.

(d) Appeals shall be scheduled to afford all parties full opportunity to participate before the superior court and the pollution control hearings board.

(e) Any person wishing to appeal the decision of the board made under (c) of this subsection shall seek review of the decision in accordance with chapter 34.05 RCW, except that the petition for review must be filed with the superior court conducting the adjudication.

(3) Nothing in this section shall be construed to affect or modify any treaty or other federal rights of an Indian tribe, or the rights of any federal agency or other person or entity arising under federal law. Nothing in this section is intended or shall be construed as affecting or modifying any existing right of a federally recognized Indian tribe to protect from impairment its federally reserved water rights in federal court.

Sec. 14. RCW 90.03.240 and 1987 c 109 s 82 are each amended to read as follows:

Upon the court's final determination of the rights to ~~((the diversion of))~~ water ~~((it shall be the duty of))~~, the department ~~((to))~~ shall issue to each person entitled to ~~((the diversion of))~~ a water right by such a determination, a certificate ~~((under his official seal))~~ of adjudicated water right, setting forth the name and ~~((post-office))~~ mailing address of record with the court of such person; the priority and purpose of the right; the period during which said right may be exercised, the point of diversion or withdrawal, and the place of use; the land to which said water right is appurtenant ~~((and when applicable))~~; the maximum ~~((quantity))~~ annual and instantaneous quantities of water allowed; and specific provisions or limitations or both under which the water right has been confirmed.

The department shall provide notice to the water right holder that the certificate has been prepared for issuance and that fees for the issuance of the certificate are due in accordance with RCW 90.03.470 and any other applicable fee schedule. If the water right holder fails to submit the required fees within one year from the date the notice was issued by the department, the department may move the court for sanctions for violation of the court's order in the final decree requiring payment.

Sec. 15. RCW 90.03.243 and 1982 c 15 s 1 are each amended to read as follows:

The expenses incurred by the state in a proceeding to determine rights to water initiated under RCW 90.03.110 or 90.44.220 or upon appeal of such a determination shall be borne by the state. Subject

to the availability of state funding provided either by direct appropriation or funded through the administrative office of the courts for this specific purpose, the county in which an adjudication or a suit to administer an adjudication is being held must be provided the extraordinary costs imposed on the superior court of that county due to the adjudication.

Sec. 16. RCW 90.44.220 and 1987 c 109 s 119 are each amended to read as follows:

((In its discretion or upon the application of any party claiming right to the withdrawal and use of public groundwater, the department may file a petition)) Upon the filing of a petition with the department by a planning unit or by one or more persons claiming a right to any waters within the state or when, after investigation, in the judgment of the department, the public interest will be served by a determination of the rights thereto, the department shall file a petition to conduct an adjudication with the superior court of the county for the determination of the rights of appropriators of any particular groundwater body and all the provisions of RCW 90.03.110 through 90.03.240 ((as heretofore amended)) and sections 3 through 5, 8, 9, and 11 of this act, shall govern and apply to the adjudication and determination of such groundwater body and to the ownership thereof. Hereafter, in any proceedings for the adjudication and determination of water rights--either rights to the use of surface water or to the use of groundwater, or both--pursuant to chapter 90.03 RCW ((as heretofore amended)), all or part of the appropriators of groundwater or of surface water in the particular basin or area may be included as parties to such adjudication, as ((pertinent)) set forth in chapter 90.03 RCW.

Sec. 17. RCW 43.21B.110 and 2003 c 393 s 19 are each amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, and the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, or local health departments:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and 90.56.330.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 90.14.130, 90.48.120, and 90.56.330.

(c) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.

(d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.

(g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a

particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.

(c) ~~((Proceedings conducted by the department, or the department's designee, under RCW 90.03.160 through 90.03.210 or 90.44.220.)) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.~~

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

(e) Appeals of decisions by the department as provided in chapter 43.21L RCW.

(3) Review of rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the Administrative Procedure Act, chapter 34.05 RCW.

NEW SECTION. Sec. 18. This act applies only to adjudications initiated after the effective date of this section.

NEW SECTION. Sec. 19. The following acts or parts of acts are each repealed:

(1) RCW 90.03.170 (Determination of water rights--Hearing--Notice-- Prior rights preserved) and 1987 c 109 s 77 & 1917 c 117 s 20; and

(2) RCW 90.03.190 (Determination of water rights--Transcript of testimony--Filing--Notice of hearing) and 1987 c 109 s 78 & 1917 c 117 s 22."

Correct the title.

Representatives Blake and Warnick spoke in favor of the adoption of the amendment.

Amendment (387) was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Blake, McCoy, Smith, Cox and Schmick spoke in favor of the passage of the bill.

Representatives Chandler, Haler, Klippert and Ericksen spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1571.

MOTION

On motion of Representative Santos, Representative Flannigan was excused.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1571 and the bill passed the House by the following vote: Yeas, 84; Nays, 12; Absent, 0; Excused, 1.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chase, Clibborn, Cody, Conway, Cox, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Finn, Goodman, Green, Haigh, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Kagi, Kelley, Kenney, Kessler, Kirby, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Warnick, White, Williams, Wood and Mr Speaker.

Voting nay: Representatives Chandler, Condotta, Ericksen, Grant-Herriot, Haler, Herrera, Hinkle, Johnson, Klippert, Ross, Wallace and Walsh.

Excused: Representative Flannigan.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1571, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on ENGROSSED SUBSTITUTE HOUSE BILL NO. 1571.

JAIME HERRERA, 18th District

SECOND READING

HOUSE BILL NO. 2252, by Representatives Hunter and Goodman

Funding for arts and heritage programs, regional centers, human services, low-income housing, and community development in a county with a population of one million five hundred thousand or more.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2252 was substituted for House Bill No. 2252 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2252 was read the second time.

Representative Orcutt moved the adoption of amendment (179):

Beginning on page 7, line 30, strike all of section 3

Renumber the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representatives Orcutt, Parker, Johnson, Condotta, Shea, Hinkle, Herrera, Rodne, Haler, Angel and Bailey spoke in favor of the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (179) to Substitute House Bill No. 2252.

ROLL CALL

The Clerk called the roll on the adoption of amendment (179) to Substitute House Bill No. 2252 and the amendment was not adopted by the following vote: Yeas, 38; Nays, 58; Absent, 0; Excused, 1.

Voting yea: Representatives Alexander, Anderson, Angel, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Ericksen, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Rolfes, Ross, Schmick, Shea, Short, Smith, Springer, Walsh, and Warnick.

Voting nay: Representatives Appleton, Armstrong, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Cox, Darneille, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Finn, Goodman, Grant-Herriot, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Liias, Linville, Maxwell, McCoy, Miloscia, Moeller, Morrell, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Santos, Seaquist, Sells, Simpson, Sullivan, Takko, Upthegrove, Van De Wege, Wallace, White, Williams, Wood and Mr. Speaker.

Excused: Representative Flannigan.

Amendment (179) was not adopted.

Representative Santos moved the adoption of amendment (266):

On page 9, line 36, strike "community development" and insert "deposit into the community preservation and development authority account created in RCW 43.167.040"

On page 10, line 11, strike "community development" and insert "deposit into the community preservation and development authority account created in RCW 43.167.040"

On page 10, line 22, strike "community development" and insert "deposit into the community preservation and development authority account created in RCW 43.167.040"

Representative Santos spoke in favor of the adoption of the amendment.

Representative Orcutt spoke against the adoption of the amendment.

The Speaker (Representative Morris presiding) divided the House. The result was 60 – YEA; 36 – NAY.

Amendment (414) was adopted.

With the consent of the House, amendment (284) was withdrawn.

Representative Hunter moved the adoption of amendment (420):

On page 10, beginning on line 1, after "dollars" strike all material through "2009" on line 3 and insert "each year for distributions to nonprofit organizations or public housing authorities for affordable workforce housing near or at transit stations."

On page 10, beginning on line 13, after "years for" strike all material through "2009" on line 3 and insert "distributions to

nonprofit organizations or public housing authorities for affordable workforce housing near or at transit stations."

On page 10, beginning on line 24, after "years for" strike all material through "2009" on line 3 and insert "distributions to nonprofit organizations or public housing authorities for affordable workforce housing near or at transit stations."

On page 10, after line 26, insert the following:

"(3) For the purposes of this section, "affordable workforce housing" means housing for a single person, family, or unrelated persons living together whose income is at or below one hundred twenty percent of the median income, adjusted for household size, for the county where the housing is located."

Representative Hunter spoke in favor of the adoption of the amendment.

Representative Orcutt spoke against the adoption of the amendment.

Amendment (420) was adopted.

Representative Bailey moved the adoption of amendment (414):

On page 10, beginning on line 27, strike all of section 5
Correct the title.

Representatives Bailey and Hunter spoke in favor of adoption of the amendment.

Amendment (414) was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hunter spoke in favor of the passage of the bill.

Representatives Orcutt, Rodne, Pearson, Condotta, Short, Smith and Ross spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2252.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2252 and the bill passed the House by the following vote: Yeas, 54; Nays, 42; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Finn, Goodman, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Liias, Linville, Maxwell, McCoy, Miloscia, Moeller, Morrell, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Priest, Quall, Roberts, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, White, Williams, Wood and Mr Speaker.

Voting nay: Representatives Alexander, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Cox, Crouse, Dammeier, DeBolt, Ericksen, Grant-Herriot, Green, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Orcutt, Parker, Pearson, Probst, Roach, Rodne, Rolfes, Ross, Santos,

Schmick, Shea, Short, Smith, Van De Wege, Wallace, Walsh and Warnick.

Excused: Representative Flannigan.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2252, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2299, by Representatives Klippert, Driscoll, Haler, Kenney and Grant-Herriot

Concerning formation, operation, and nonstate funding of public facilities districts.

The bill was read the second time.

Representative Klippert moved the adoption of amendment (304):

On page 7, line 12, after "obligations." insert "A public facilities district that imposes a tax under this subsection is responsible for the payment of any costs incurred for the purpose of administering the provisions of this subsection, RCW 35.57.010(1) (e) and (d) and 35.57.020(1)(b), including any administrative costs associated with the imposition of a tax under this subsection incurred by either the department of revenue or local government, or both."

Representatives Klippert and Hunter spoke in favor of the adoption of the amendment.

Amendment (304) was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Klippert and Grant-Herriot spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2299.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2299 and the bill passed the House by the following vote: Yeas, 93; Nays, 3; Absent, 0; Excused, 1.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Finn, Goodman, Grant-Herriot, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Sullivan, Takko, Upthegrove, Wallace, Walsh, Warnick, White, Williams, Wood and Mr Speaker.

Voting nay: Representatives Hunt, Simpson and Van De Wege.
Excused: Representative Flannigan.

ENGROSSED HOUSE BILL NO. 2299, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1836, by Representatives Ormsby, Wood, Dunshee, Campbell, Moeller, Van De Wege, Simpson, Driscoll, Chase and Conway

Regarding public works involving off-site prefabrication.

The bill was read the second time.

Representative Ormsby moved the adoption of amendment (254):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 39.12 RCW to read as follows:

(1) (a) The specifications for every contract to perform public work estimated to cost over one million dollars must contain a provision requiring the prime contractor, all subcontractors and their subcontractors, and employers who are not required to register as contractors under chapter 18.27 RCW to submit a certified list of any off-site, prefabricated, nonstandard, project-specific items produced under the terms of each respective contract and produced outside Washington. The list must be submitted to the awarding agency and to the department of labor and industries within ten days of delivery of the item under the respective contract. The list must provide:

(i) A general description of the item;

(ii) The name and address of the contractor, subcontractor, or employer;

(iii) The name and address of the contractor, subcontractor, or employer that produced the item if other than the contractor, subcontractor, or employer; and

(iv) The federal employer identification number of the contractor, subcontractor, or employer that produced the item.

(b) If the awarding agency is aware of incidences of noncompliance with the requirement to submit a list under (a) of this subsection, the awarding agency must report such incidences to the department of labor and industries. The failure to file a certified list required under (a) of this subsection constitutes the failure to file a record required to be filed under this chapter and subjects the contractor, subcontractor, or employer to the penalties in RCW 39.12.050.

(2) (a) The specifications for every contract to perform public work estimated to cost over one million dollars must contain a provision requiring that all contracts entered into by the prime contractor, all subcontractors and their subcontractors, and employers who are not required to register as contractors under chapter 18.27 RCW for the production of off-site, prefabricated, nonstandard, project-specific items which are produced outside Washington contain a requirement for the production of certified copies of payroll records as provided in subsection (3) of this section. The contract must also state that the contractor or employer producing the items consents to the jurisdiction of Washington for the enforcement of subsection (3) of this section.

(b) If the director of the department of labor and industries determines after a hearing under chapter 34.05 RCW that a prime contractor, subcontractor, or employer has failed to comply with this subsection, the prime contractor, subcontractor, or employer is subject to a civil penalty of one thousand dollars for each failure to

comply. Civil penalties shall be deposited into the public works administration account. The civil penalty does not apply to a violation determined by the director to be an inadvertent error.

(3) Within ten days of receipt of a request by an interested party, contractors, subcontractors, and employers producing the items identified in subsection (2)(a) of this section outside Washington must file with the awarding agency and the department of labor and industries certified copies of payroll records. The payroll records must contain the number of labor hours expended producing the items and the hourly rate of wages paid to the workers in each trade or occupation used in producing the items. If the awarding agency is aware of incidences of noncompliance with the requirement to submit payroll records under this subsection, the awarding agency must report such incidences to the department of labor and industries. The failure to produce the certified copies constitutes the failure to file a record required to be filed under this chapter and subjects the contractor, subcontractor, or employer to the penalties in RCW 39.12.050.

(4) This section does not apply to entities responsible for supplying the materials to the manufacturers, fabricators, or employers that will be used to complete, construct, or assemble the items prior to their delivery to the public works site.

(5) (a) The required lists, payroll records, and certifications under this section must be submitted on forms made available by the department of labor and industries.

(b) The department of general administration shall develop standard contract language to meet the requirements of subsections (1)(a) and (2)(a) of this section and make the language available on its website.

(6) For purposes of this section, "off-site, prefabricated, nonstandard, project-specific items" means products or items that are: (a) Made primarily of architectural or structural precast concrete, fabricated steel, pipe and pipe systems, or sheet metal and sheet metal duct work; (b) produced specifically for the public work and not considered to be regularly available shelf items; (c) produced or manufactured by labor expended to assemble or modify standard items; and (d) produced at an off-site location.

(7) This section applies to contracts entered into on or after September 1, 2009, and expires December 31, 2011.

"NEW SECTION. Sec. 2. The expiration of section 1 of this act does not affect any request or proceeding instituted prior to the expiration of section 1 of this act."

Correct the title.

Representative Ormsby moved the adoption of amendment (279) to amendment (254):

On page 1, beginning on line 6, after "(a)" strike all material through "dollars" on line 7 and insert "For any public work estimated to cost over one million dollars, the contract"

On page 1, line 8, after "requiring" insert "all contracts entered into by"

On page 2, beginning on line 4, after "(a)" strike all material through "dollars" on line 5 and insert "For any public work estimated to cost over one million dollars, the contract"

Representatives Ormsby and Condotta spoke in favor of the adoption of the amendment to amendment (254).

Amendment (279) to amendment (254) was adopted.

Representative Ormsby moved the adoption of amendment (413) to amendment (254):

On page 2, line 3 of the amendment, after "RCW 39.12.050." insert "However, no penalty may be imposed for a first violation if the contractor, subcontractor, or employer files the certified list within a reasonable time as determined by the department of labor and industries."

On page 2, line 20 of the amendment, after "for each" insert "second or subsequent"

Representative Ormsby spoke in favor of the adoption of the amendment to amendment (254).

Representative Condotta spoke against the adoption of the amendment to amendment (254).

Amendment (413) to amendment (254) was adopted.

Representative Condotta moved the adoption of amendment (338) to amendment (254):

On page 1, beginning on line 4, after "**Sec. 1.**" strike all material through "act." on page 3, line 29 and insert "A new section is added to chapter 39.04 RCW to read as follows:

(1) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Off-site nonstandard item" means any item that is prefabricated off-site and which is nonstandard and project-specific under the terms of the respective contract and which is: (i) Made primarily of architectural or structural precast concrete, fabricated steel, pipe and pipe systems, or sheet metal and sheet metal duct work; (ii) produced specifically for the public work and not considered to be a regularly available shelf item; (iii) produced or manufactured by labor expended to assemble or modify a standard item; and (iv) produced at an off-site location. "Off-site nonstandard item" does not include the materials supplied to manufacturers, fabricators, or employers that will be used to complete, construct, or assemble the final product, products, or items prior to their delivery to the public works site.

(b) "Off-site fabricator" means a company or entity that manufactures or fabricates an off-site nonstandard item.

(2)(a) Except as provided in (b) of this subsection, every contract to perform public work as defined in RCW 39.04.010 which is estimated to cost over five million dollars and every contract arising thereunder between the prime contractor, subcontractors, and their subcontractors must contain the following provision:

"By entering into this contract you hereby acknowledge and agree to provide a list to the awarding agency which shall describe off-site nonstandard items you procure. An "off-site nonstandard item" is any item that is prefabricated off-site and which is nonstandard and project-specific under the terms of the respective contract and which is: (i) Made primarily of architectural or structural precast concrete, fabricated steel, pipe and pipe systems, or sheet metal and sheet metal duct work; (ii) produced specifically for the public work and not considered to be a regularly available shelf item; (iii) produced or manufactured by labor expended to assemble or modify a standard item; and (iv) produced at an off-site location. "Off-site nonstandard item" does not include the materials supplied to manufacturers, fabricators, or employers that will be used to complete, construct, or assemble the final product, products, or items prior to their delivery to the public works site."

(b) The list shall not be required for any off-site nonstandard items that are produced within Washington.

(c) The list must identify:

(i) The name and address of the contractor or subcontractor supplying the list;

(ii) The name and address of each off-site fabricator;

(iii) A general description of the off-site nonstandard items that will be procured from each off-site fabricator; and

(iv) The total sum cost of the off-site nonstandard items which will be procured from each off-site fabricator.

(3) The list required under this section must be submitted on forms made available by the awarding agency.

(4) The failure of a contractor or subcontractor to provide the list required by subsection (2) of this section shall not be a condition precedent to nor affect the release of retained funds by the awarding agency to the prime contractor.

(5) This section expires December 31, 2011."

Correct the title.

Representative Condotta spoke in favor of the adoption of the amendment to amendment (254).

Representative Conway spoke against the adoption of the amendment to amendment (254).

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (338) to amendment (254) to House Bill No. 1836.

ROLL CALL

The Clerk called the roll on the adoption of amendment (338) to amendment (254) to House Bill No. 1836 and the amendment was not adopted by the following vote: Yeas, 43; Nay, 54; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Cox, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Grant-Herriot, Haler, Herrera, Hinkle, Hope, Johnson, Kelley, Kenney, Klippert, Kretz, Kristiansen, Maxwell, McCoy, McCune, Morrell, Orcutt, Parker, Pearson, Pedersen, Priest, Roach, Rodne, Ross, Schmick, Shea, Short, Smith, Walsh, and Warnick.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Finn, Flannigan, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jacks, Kagi, Kessler, Kirby, Lias, Linville, Miloscia, Moeller, Morris, Nelson, O'Brien, Ormsby, Orwall, Pettigrew, Probst, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Wallace, White, Williams, Wood and Mr. Speaker.

Amendment (338) to amendment (254) was not adopted.

Amendment (254) as amended was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Ormsby spoke in favor of the passage of the bill.

Representative Condotta spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1836.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1836 and the bill passed the House by the following vote: Yeas, 61; Nays, 36; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Blake, Campbell, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Finn, Flannigan, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jacks, Kagi, Kelley, Kenney, Kessler, Kirby, Lias, Linville, Maxwell, McCoy, Miloscia, Moeller, Morrell, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Wallace, White, Williams, Wood and Mr Speaker.

Voting nay: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Chandler, Condotta, Cox, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Grant-Herriot, Haler, Herrera, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Orcutt, Parker, Pearson, Priest, Roach, Rodne, Ross, Schmick, Shea, Short, Smith, Walsh and Warnick.

ENGROSSED HOUSE BILL NO. 1836, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on ENGROSSED HOUSE BILL NO. 1836.

RICHARD DEBOLT, 20th District

SECOND READING

HOUSE BILL NO. 2242, by Representatives Kenney, Probst, Maxwell, Hunt, Lias, Ormsby, Kelley, Sullivan, Hasegawa, Quall, White and Chase

Creating a department of commerce.

The bill was read the second time.

With the consent of the House, amendment (354) was withdrawn.

Representative Kenney moved the adoption of amendment (424):

On page 3, after line 3, insert the following:

"NEW SECTION. Sec. 4. A new section is added to chapter 43.330 RCW to read as follows:

(1) By November 1, 2009, the director shall develop recommendations for the governor and the appropriate legislative committees regarding:

(a) The mission, goals, organizational structure and responsibilities of the department, with particular emphasis on promoting innovation, statewide economic and business development, sustainability of existing businesses, international

trade, and other factors that will improve the effectiveness of the state's competitiveness climate;

(b) Existing programs provided within and outside the department of community, trade and economic development that might best serve the state's economic development mission by being aligned within the department; and

(c) Alternative service delivery mechanisms, collaborations, and partnerships that might best serve the state's economic development goals.

(2) The legislature recognizes that the department of community, trade and economic development contains a number of important existing programs that deliver essential services to communities and individuals. The director shall recommend options for locating these vital services outside the department, including the possible need for a separate new department for critical programs such as community services, capital programs, and housing.

(3) In developing these recommendations, the director shall collaborate with the office of the governor, the office of financial management, the chairs and ranking minority members of the community and economic development and trade committee of the house of representatives and the economic development, trade and innovation committee of the senate.

(4) The director and the officials listed in subsection (3) of this section shall identify, and seek expert input from, representatives of business, labor, professional associations of economic development practitioners, local governments, housing organizations, and other key economic and community development stakeholders."

Renumber the sections consecutively and correct any internal references accordingly. Correct the title.

Representatives Kenney and Smith spoke in favor of the adoption of the amendment.

Amendment (424) was adopted.

Representative Bailey moved the adoption of amendment (285):

On page 62, beginning on line 1, strike all of section 58
Correct the title.

Representatives Bailey and Kenney spoke in favor of the adoption of the amendment.

Amendment (285) was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kenney and Smith spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2242.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2242 and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Cox, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Finn, Flannigan, Goodman, Grant-Herriot, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr Speaker.

Voting nay: Representative Morris.

ENGROSSED HOUSE BILL NO. 2242, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1487, by Representatives Hunter, Anderson, Kessler, Wallace and Eddy

Regarding resident student classification.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hunter, Anderson and Angel spoke in favor of the passage of the bill.

Representative Hasegawa spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of House Bill No. 1487.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1487 and the bill passed the House by the following vote: Yeas, 59; Nays, 38; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Clibborn, Condotta, Conway, Cox, Crouse, Dammeier, DeBolt, Eddy, Ericks, Ericksen, Flannigan, Goodman, Haigh, Haler, Herrera, Hinkle, Hudgins, Hunt, Hunter, Jacks, Johnson, Kagi, Kessler, Kirby, Kretz, Maxwell, McCoy, McCune, Miloscia, Morris, O'Brien, Pedersen, Pettigrew, Priest, Probst, Rodne, Ross, Santos, Schmick, Sells, Shea, Smith, Springer, Sullivan, Wallace, Walsh, Warnick and White.

Voting nay: Representatives Chase, Cody, Darneille, Dickerson, Driscoll, Dunshee, Finn, Grant-Herriot, Green, Hasegawa, Hope, Hurst, Kelley, Kenney, Klippert, Kristiansen, Liias, Linville, Moeller, Morrell, Nelson, Orcutt, Ormsby, Orwall, Parker, Pearson, Quall, Roach, Roberts, Rolfes, Seaquist, Short, Simpson, Takko, Upthegrove, Van De Wege, Williams, Wood and Mr Speaker.

HOUSE BILL NO. 1487, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2261, by Representatives Sullivan, Priest, Hunter, Anderson, Maxwell, White, Quall, Liias, Dammeier, Rodne, Wallace, Pedersen, Kelley, Goodman, Springer, Hope, Nelson, Miloscia, Carlyle, Hunt, Morris, Morrell, Probst, Pettigrew, Eddy, Simpson, Kenney, Moeller, Smith, Condotta, McCoy, Kagi, Chase, Rolfes, Clibborn, Ormsby, Haler and Cox

Concerning the state's education system.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2261 was substituted for House Bill No. 2261 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2261 was read the second time.

With the consent of the House, amendments (377) and (348) were withdrawn.

Representative Sullivan moved the adoption of amendment (333):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1 INTENT. (1) In enacting this legislation, the legislature intends to fulfill its obligation under Article IX of the Washington state Constitution to define and fund a program of basic education for children residing in the state and attending public schools. This act defines the educational opportunities that school districts shall provide and for which the state shall allocate funding.

(2) The legislature also intends that the policies and allocation formulas in this act fulfill the legislature's obligation under Article IX to establish a general and uniform system of public schools. The legislature finds that in some instances providing general and uniform educational opportunity requires tailoring basic education allocations to reflect certain needs and circumstances of each school district, including district size, certain student characteristics, and regional labor market differences. It is the intent of the legislature that these allocation formulas address these differences in order to promote equity and uniformity of educational opportunity.

(3) Public education in Washington State has evolved since the enactment of the Washington basic education act of 1977. Student demographics, educational technology, data, and standards-based learning and assessment are only a few examples of factors affecting education that have changed in the last thirty years. Decisions by the courts have played a part in this evolution, as have studies and research about education practices and education funding. The legislature finds ample evidence of a need to redefine the program of basic education that is funded by the state and delivered by school districts to better align with the stated goals of a basic education and to improve the transparency and accountability of how the state meets its constitutional obligation under Article IX.

(4) For practical and educational reasons, wholesale change of the program of basic education and the funding formulas to support it cannot occur instantaneously. Financial experts must develop the details of the funding formulas. New systems of educator certification, evaluation, mentoring, and compensation must be developed and implemented. Data and accountability systems must be created. Significant increases in resources for staffing and class

size reduction will have detrimental impact on student learning if school districts hire unprepared teachers and lack facilities to house them. The legislature intends to adopt a schedule for the concurrent implementation of the redefined program of basic education and the resources necessary to support it, beginning in the 2011-12 school year and phased in over a six-year time period.

NEW SECTION. Sec. 2. INTENT TO MAKE NECESSARY CORRECTIONS. It is the intent of the legislature that the policies and allocation formulas adopted under this act, including the implementation schedule for these formulas, constitute the legislature's definition of basic education under Article IX of the state Constitution. It is the further intent of the legislature that these policies, formulas, and schedules should not be revised or delayed other than for educational reasons. The legislature intends, however, to continue to review and revise the formulas and schedules and may make revisions for technical purposes and consistency in the event of mathematical or other technical errors.

NEW SECTION. Sec. 3. STEERING COMMITTEE TO OVERSEE IMPLEMENTATION. (1) The basic education steering committee is established to monitor and oversee implementation of the new definition of basic education. The steering committee shall be composed of the following members:

(a) Four members of the house of representatives, with two members representing each of the major caucuses and appointed by the speaker of the house of representatives;

(b) Four members of the senate, with two members representing each of the major caucuses and appointed by the president of the senate; and

(c) One representative each from the office of the governor, office of the superintendent of public instruction, state board of education, professional educator standards board, and department of early learning.

(2) The chair or cochair of the steering committee shall be selected by the members of the committee.

(3) The steering committee shall monitor and oversee the following technical working groups:

(a) The finance and compensation working group under section 111 of this act;

(b) The early learning working group under section 112 of this act; and

(c) The achievement gap working group under section 4 of this act.

(4) Each of the working groups shall submit a preliminary report to the steering committee by November 15, 2009, and a final report by September 1, 2010. The steering committee may also request updates and progress reports from the office of the superintendent of public instruction, the state board of education, the professional educator standards board, and the department of early learning on the implementation of this act. The steering committee shall also monitor and request updates and progress reports from groups or agencies developing comprehensive education data systems.

(5) The steering committee shall submit an initial report to the governor and the legislature by January 1, 2010, detailing its recommendations based on analysis of reports from the working groups and state agencies, including recommendations for resolving issues or decisions requiring legislative action during the 2010 legislative session, and recommendations for any funding necessary to continue development and implementation of this act. The initial report from the steering committee shall also contain a recommended schedule for the concurrent phase-in of any changes in the instructional program of basic education and the implementation of the funding formulas and allocations to support the instructional

program of basic education. The objective of the schedule is to assure that increases in funding allocations occur concurrently with increases in program and instructional requirements.

(6) The steering committee shall submit subsequent reports to the governor and the legislature by November 15, 2010, and annually thereafter, ending November 15, 2016.

(7) Staff support for the basic education steering committee shall be provided by the state agencies with representatives on the committee, the senate committee services, and the office of program research of the house of representatives. Legislative members of the steering committee shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(8) This section expires June 30, 2017.

NEW SECTION. Sec. 4. ACHIEVEMENT GAP WORKING GROUP. (1) The legislature finds compelling evidence from five commissioned studies that additional progress must be made to address the achievement gap. Many students are in demographic groups that are overrepresented in measures such as school disciplinary sanctions; failure to meet state academic standards; failure to graduate; enrollment in special education and underperforming schools; enrollment in advanced placement courses, honors programs, and college preparatory classes; and enrollment in and completion of college. The studies contain specific recommendations that are data-driven and drawn from education research, as well as the personal, professional, and cultural experience of those who contributed to the studies. The legislature finds there is no better opportunity to make a strong commitment to closing the achievement gap than in legislation affirming the state's constitutional obligation to provide opportunities to learn for all students without distinction or preference on account of race, ethnicity, socioeconomic status, or gender.

(2) An achievement gap working group is created to synthesize the findings and recommendations from the 2008 achievement gap studies into a single implementation plan that recommends specific policies and strategies to address the academic achievement gap in at least the following areas:

(a) Supporting and facilitating parent and community involvement and outreach;

(b) Enhancing the cultural competency of current and future educators and the cultural relevance of curriculum and instruction;

(c) Expanding pathways and strategies to prepare and recruit diverse teachers and administrators;

(d) Identifying data elements and systems needed to monitor progress in closing the gap;

(e) Making closing the achievement gap part of the school and school district improvement process; and

(f) Exploring innovative school models that have shown success in closing the achievement gap.

(3) The achievement gap working group shall be composed of ten members appointed by the governor, with two members to represent each of the following groups: African-Americans, Asian-Americans, Pacific Islander Americans, Hispanic Americans, and Native Americans. The chair or cochair of the working group shall be selected by the members of the group. Staff support for the working group shall be provided within available funds by the office of the superintendent of public instruction through the center for the improvement of student learning.

(4) The achievement gap working group shall be monitored and overseen by the basic education steering committee under section 3 of this act.

PROGRAM AND FUNDING OF BASIC EDUCATION

Sec. 101. RCW 28A.150.200 and 1990 c 33 s 104 are each amended to read as follows:

~~PROGRAM OF EDUCATION. ((This 1977 amendatory act shall be known and may be cited as "The Washington Basic Education Act of 1977." The program evolving from the Basic Education Act shall include (1) the goal of the school system as defined in RCW 28A.150.210, (2) those program requirements enumerated in RCW 28A.150.220, and (3) the determination and distribution of state resources as defined in RCW 28A.150.250 and 28A.150.260.~~

~~The requirements of the Basic Education Act are)) (1) The program of basic education established under this chapter is deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution, which states that "It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex," and ((are)) is adopted pursuant to Article IX, section 2 of the state Constitution, which states that "The legislature shall provide for a general and uniform system of public schools."~~

~~(2) The legislature defines the program of basic education under this chapter as:~~

~~(a) The instructional program of basic education the minimum components of which are described in RCW 28A.150.220;~~

~~(b) The program of education provided by chapter 28A.190 RCW for students in residential schools as defined by RCW 28A.190.020 and for juveniles in detention facilities as identified by RCW 28A.190.010;~~

~~(c) The program of education provided by chapter 28A.193 RCW for individuals under the age of eighteen who are incarcerated in adult correctional facilities; and~~

~~(d) Transportation and transportation services to and from school for eligible students as provided under RCW 28A.160.150 through 28A.160.180.~~

NEW SECTION. Sec. 102. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Basic education goal" means the student learning goals and the student knowledge and skills described under RCW 28A.150.210.

(2) "Certificated administrative staff" means all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4).

(3) "Certificated employee" as used in this chapter and RCW 28A.195.010, 28A.405.100, 28A.405.210, 28A.405.240, 28A.405.250, 28A.405.300 through 28A.405.380, and chapter 41.59 RCW, means those persons who hold certificates as authorized by rule of the Washington professional educator standards board.

(4) "Certificated instructional staff" means those persons employed by a school district who are nonsupervisory certificated employees within the meaning of RCW 41.59.020(8).

(5) "Class size" means an instructional grouping of students where, on average, the ratio of students to teacher is the number specified.

(6) "Classified employee" means a person who does not hold a certificate authorized by rule of the Washington professional educator standards board or is employed in a position that does not require such a certificate.

(7) "Classroom teacher" means a certificated instructional staff person who is employed in a position that requires certification and

whose primary duty is the daily educational instruction of students. In exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision, but the hiring of such classified people shall not occur during a labor dispute, and such classified people shall not be hired to replace certificated employees during a labor dispute.

(8) "Instructional hours" means those hours students are provided the opportunity to engage in educational activity planned by and under the direction of school district staff, as directed by the administration and board of directors of the district, inclusive of intermissions for class changes, recess, and teacher/parent-guardian conferences that are planned and scheduled by the district for the purpose of discussing students' educational needs or progress, and exclusive of time actually spent for meals.

(9) "Instructional program of basic education" means the minimum program required to be provided by school districts and includes instructional hour requirements and other components under RCW 28A.150.220.

(10) "Program of basic education" means the overall program under RCW 28A.150.200 and deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution.

(11) "School day" means each day of the school year on which pupils enrolled in the common schools of a school district are engaged in academic and career and technical instruction planned by and under the direction of the school.

(12) "School year" includes the minimum number of school days required under RCW 28A.150.220 and begins on the first day of September and ends with the last day of August, except that any school district may elect to commence the annual school term in the month of August of any calendar year and in such case the operation of a school district for such period in August shall be credited by the superintendent of public instruction to the succeeding school year for the purpose of the allocation and distribution of state funds for the support of such school district.

(13) "Teacher planning period" means a period of a school day as determined by the administration and board of the directors of the district that may be used by teachers for instruction-related activities including but not limited to preparing instructional materials; reviewing student performance; recording student data; consulting with other teachers, instructional assistants, mentors, instructional coaches, administrators, and parents; or participating in professional development.

Sec. 103. RCW 28A.150.220 and 1993 c 371 s 2 are each amended to read as follows:

INSTRUCTIONAL PROGRAM. (1) Satisfaction of the basic education ~~((program requirements))~~ goal identified in RCW 28A.150.210 shall be considered to be implemented by the following instructional program:

(a) Each school district shall make available to students enrolled in kindergarten at least a total instructional offering of four hundred fifty hours, which shall be increased to a minimum of one thousand hours according to the implementation schedule under RCW 28A.150.315. The program shall include instruction in the essential academic learning requirements under RCW ~~((28A.630.885))~~ 28A.655.070 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such program;

(b) Each school district shall make available to students enrolled in grades one through twelve, at least a district-wide annual average total instructional hour offering of one thousand hours. The state

board of education may define alternatives to classroom instructional time for students in grades nine through twelve enrolled in alternative learning experiences. The state board of education shall establish rules to determine annual average instructional hours for districts including fewer than twelve grades. The program shall include the essential academic learning requirements under RCW ((28A.630.885)) 28A.655.070 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such group;

(c) If the essential academic learning requirements include a requirement of languages other than English, the requirement may be met by students receiving instruction in one or more American Indian languages;

(d) Supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(e) Supplemental instruction and services for eligible and enrolled students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080; and

(f) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020.

(2) Nothing contained in subsection (1) of this section shall be construed to require individual students to attend school for any particular number of hours per day or to take any particular courses.

(3) Each school district's kindergarten through twelfth grade basic educational program shall be accessible to all students who are five years of age, as provided by RCW 28A.225.160, and less than twenty-one years of age and shall consist of a minimum of one hundred eighty school days per school year in such grades as are conducted by a school district, and one hundred eighty half-days of instruction, or equivalent, in kindergarten ~~((PROVIDED, That))~~, to be increased to a minimum of one hundred eighty school days per school year according to the implementation schedule under RCW 28A.150.315. However, effective May 1, 1979, a school district may schedule the last five school days of the one hundred and eighty day school year for noninstructional purposes in the case of students who are graduating from high school, including, but not limited to, the observance of graduation and early release from school upon the request of a student, and all such students may be claimed as a full time equivalent student to the extent they could otherwise have been so claimed for the purposes of RCW 28A.150.250 and 28A.150.260.

(4) The state board of education shall adopt rules to implement and ensure compliance with the program requirements imposed by this section, RCW 28A.150.250 and 28A.150.260, and such related supplemental program approval requirements as the state board may establish.

Sec. 104. RCW 28A.150.250 and 1990 c 33 s 107 are each amended to read as follows:

FUNDING OF BASIC EDUCATION INSTRUCTIONAL ALLOCATION. (1) From those funds made available by the legislature for the current use of the common schools, the superintendent of public instruction shall distribute annually as provided in RCW 28A.510.250 to each school district of the state operating a basic education instructional program approved by the state board of education an ((amount which, when combined with an appropriate portion of such locally available revenues, other than)) allocation based on the formulas provided in RCW 28A.150.260, 28A.150.390, and section 107 of this act. The basic education instructional allocation shall be net of receipts from federal forest revenues distributed to school districts pursuant to RCW

28A.520.010 and 28A.520.020 ~~((as the superintendent of public instruction may deem appropriate for consideration in computing state equalization support, excluding excess property tax levies, will constitute a basic education allocation in dollars for each annual average full-time equivalent student enrolled, based upon one full school year of one hundred eighty days, except that for kindergartens one full school year shall be one hundred eighty half days of instruction, or the equivalent as provided in RCW 28A.150.220)).~~

(2) The instructional program of basic education shall be considered to be fully funded by those amounts of dollars appropriated by the legislature pursuant to RCW ((28A.150.250 and)) 28A.150.260, 28A.150.390, and section 107 of this act to fund those program requirements identified in RCW 28A.150.220 in accordance with the formula and ratios provided in RCW 28A.150.260 and those amounts of dollars appropriated by the legislature to fund the salary requirements of RCW ((28A.150.100 and)) 28A.150.410.

~~((Operation of a program approved by the state board of education, for the purposes of this section, shall include a finding that the ratio of students per classroom teacher in grades kindergarten through three is not greater than the ratio of students per classroom teacher in grades four and above for such district: PROVIDED, That for the purposes of this section, "classroom teacher" shall be defined as an instructional employee possessing at least a provisional certificate, but not necessarily employed as a certificated employee, whose primary duty is the daily educational instruction of students: PROVIDED FURTHER, That the state board of education shall adopt rules and regulations to insure compliance with the student/teacher ratio provisions of this section, and such rules and regulations shall allow for exemptions for those special programs and/or school districts which may be deemed unable to practicably meet the student/teacher ratio requirements of this section by virtue of a small number of students:))~~

(3) If a school district's basic education program fails to meet the basic education requirements enumerated in RCW ((28A.150.250,)) 28A.150.260((;)) and 28A.150.220, the state board of education shall require the superintendent of public instruction to withhold state funds in whole or in part for the basic education allocation until program compliance is assured ~~((PROVIDED, That))~~. However, the state board of education may waive this requirement in the event of substantial lack of classroom space.

Sec. 105. RCW 28A.150.260 and 2006 c 263 s 322 are each amended to read as follows:

ALLOCATION FOR INSTRUCTIONAL PROGRAM OF BASIC EDUCATION. ~~((The basic education allocation for each annual average full-time equivalent student shall be determined in accordance with the following procedures))~~ The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under RCW 28A.150.220. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula ~~((based on a ratio of students to staff))~~ for the distribution of a basic education instructional allocation for each ~~((annual average full-time equivalent student enrolled in a))~~ common school district. ~~((The distribution formula shall have the primary objective of equalizing educational opportunities and shall provide appropriate recognition of the following costs among the various districts within the state:~~

- ~~— (a) Certificated instructional staff and their related costs;~~
- ~~— (b) Certificated administrative staff and their related costs;~~
- ~~— (c) Classified staff and their related costs;~~
- ~~— (d) Nonsalary costs;~~

(c) Extraordinary costs, including school facilities, of remote and necessary schools as judged by the superintendent of public instruction, with recommendations from the school facilities citizen advisory panel under RCW 28A.525.025, and small high schools, including costs of additional certificated and classified staff; and

(f) The attendance of students pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district;))

(2)((a)) The distribution formula under this section shall be for allocation purposes only. Except as may be required under chapter 28A.165, 28A.180, or 28A.155 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(3)(a) The distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school staff. Funding allocations to school districts shall be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) For the purposes of this section, prototypical schools are defined as follows:

(i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;

(ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and

(iii) A prototypical elementary school has four hundred average annual full-time equivalent students in grades kindergarten through six.

(c) The minimum allocation for each level of prototypical school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours under RCW 28A.150.220 and provide at least one teacher planning period per school day, and based on an average class size as specified in the omnibus appropriations act. The omnibus appropriations act shall specify:

(i) Basic average class size;

(ii) Basic average class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals;

(iii) Average class size for exploratory and preparatory career and technical education, laboratory science, advanced placement, and international baccalaureate courses; and

(iv) Average class size in grades kindergarten through three.

(d) The minimum allocation for each level of prototypical school shall include allocations for the following types of staff in addition to classroom teachers:

(i) Principals, including assistant principals and other certificated building-level administrators;

(ii) Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs;

(iii) Student health services, a function that includes school nurses and social workers;

(iv) Guidance counselors, a function that includes parent outreach and graduation advisor;

(v) Professional development coaches;

(vi) Office support and other staff providing noninstructional support services;

(vii) Custodians and other maintenance; and

(viii) Classified staff providing student and staff safety.

(4)(a) The minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following materials, supplies, and operating costs: Student technology; utilities; curriculum, textbooks, library materials, and instructional supplies; instructional professional development; other building-level costs including maintenance, custodial, and security; and central office administration.

(b) The annual average full-time equivalent student amounts in (a) of this subsection shall be enhanced based on full-time equivalent student enrollment in exploratory career and technical education courses for students in grades seven through twelve; laboratory science courses for students in grades nine through twelve; preparatory career and technical education courses for students in grades nine through twelve offered in a high school; and preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center.

(5) The allocations provided under subsections (3) and (4) of this section shall be enhanced as follows to provide additional allocations for classroom teachers and maintenance, supplies, and operating costs:

(a) To provide supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the percent of students in each school who are eligible for free and reduced-price meals. The minimum allocation for the learning assistance program shall provide an extended school day and extended school year for each level of prototypical school and a per student allocation for maintenance, supplies, and operating costs.

(b) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080. The minimum allocation for each level of prototypical school shall provide for supplemental instruction based on percent of the school day a student is assumed to receive supplemental instruction and a per student allocation for maintenance, supplies, and operating costs.

(6) The allocations under subsections (3) through (5) of this section shall be enhanced as provided under RCW 28A.150.390 on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(7) The distribution formula shall include allocations to school districts to support certificated and classified staffing of central office administration. The minimum allocation shall be calculated as a percentage, identified in the omnibus appropriations act, of the total

allocations for staff under subsection (3) of this section for all schools in the district.

(8)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (3) and (5) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (3) and (4) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(9)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature. ~~((The formula shall be for allocation purposes only. While the legislature intends that the allocations for additional instructional staff be used to increase the ratio of such staff to students, nothing in this section shall require districts to reduce the number of administrative staff below existing levels.~~

~~(b) The formula adopted by the legislature shall reflect the following ratios at a minimum: (i) Forty-nine certificated instructional staff to one thousand annual average full-time equivalent students enrolled in grades kindergarten through three; (ii) forty-six certificated instructional staff to one thousand annual average full-time equivalent students in grades four through twelve; (iii) four certificated administrative staff to one thousand annual average full-time equivalent students in grades kindergarten through twelve; and (iv) sixteen and sixty-seven one-hundredths classified personnel to one thousand annual average full-time equivalent students enrolled in grades kindergarten through twelve.~~

~~(c)) (b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect((: PROVIDED, That the distribution formula developed pursuant to this section shall be for state apportionment and equalization purposes only and shall not be construed as mandating specific operational functions of local school districts other than those program requirements identified in RCW 28A.150.220 and 28A.150.100)).~~

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month ~~((and shall exclude full-time equivalent students with disabilities recognized for the purposes of allocation of state funds for programs under RCW 28A.155.010 through 28A.155.100)), including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction((: PROVIDED, That the definition)) and shall be included as part of the superintendent's biennial budget request((: PROVIDED, FURTHER, That)). The definition shall be based on the minimum instructional hour offerings required under RCW 28A.150.220. Any revision of the present definition shall not take effect until approved by the house appropriations committee and the senate ways and means committee((: PROVIDED, FURTHER, That)).~~

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

~~((3)(a) Certificated instructional staff shall include those persons employed by a school district who are nonsupervisory employees within the meaning of RCW 41.59.020(8): PROVIDED, That in exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision: PROVIDED, FURTHER, That the hiring of such classified people shall not occur during a labor dispute and such classified people shall not be hired to replace certificated employees during a labor dispute.~~

~~(b) Certificated administrative staff shall include all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4):)~~

Sec. 106. RCW 28A.150.390 and 1995 c 77 s 6 are each amended to read as follows:

SPECIAL EDUCATION EXCESS COST ALLOCATION. (1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for students with disabilities and shall take account of state funds accruing through RCW ~~((28A.150.250;))~~ 28A.150.260~~(;)~~ (3) through (5) and federal medical assistance and private funds accruing under RCW 74.09.5249 through 74.09.5253 and 74.09.5254 through 74.09.5256~~(, and other state and local funds, excluding special excess levies)).~~

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten who are eligible for and enrolled in special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.15; and

(b) A district's annual average full-time equivalent basic education enrollment, multiplied by the district's funded enrollment percent, multiplied by the district's base allocation per full-time equivalent student, multiplied by 0.9309.

(3) As used in this section:

(a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (3) through (5), to be divided by the district's full-time equivalent enrollment.

(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.

(c) "Enrollment percent" means the district's resident special education annual average enrollment, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

(d) "Funded enrollment percent" means the lesser of the district's actual enrollment percent or twelve and seven-tenths percent.

NEW SECTION. Sec. 107. SPECIAL EDUCATION SAFETY NET. (1) To the extent necessary, funds shall be made

available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state and federal revenues related to services for special education students and federal impact aid.

(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (1)(c) shall be adjusted to reflect amounts awarded under (b) of this subsection.

(d) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(e) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

(f) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(2) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(3) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the

survey results and those changes made to the safety net process as a result of the school district feedback.

(4) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

Sec. 108. RCW 28A.150.380 and 2001 c 3 s 10 are each amended to read as follows:

LEGISLATURE TO APPROPRIATE FUNDS. (1) The state legislature shall, at each regular session in an odd-numbered year, appropriate ~~((from the state general fund))~~ for the current use of the common schools such amounts as needed for state support to ~~((the common schools))~~ school districts during the ensuing biennium ~~((as provided in this chapter, RCW 28A.160.150 through 28A.160.210, 28A.300.170, and 28A.500.010))~~ for the program of basic education under RCW 28A.150.200.

(2) In addition to those state funds provided to school districts for basic education, the legislature may appropriate funds to be distributed to school districts for other factors and for other special programs to enhance or enrich the program of basic education.

(3) The state legislature shall also, at each regular session in an odd-numbered year, appropriate from the student achievement fund and education construction fund solely for the purposes of and in accordance with the provisions of the student achievement act during the ensuing biennium.

Sec. 109. RCW 28A.150.315 and 2007 c 400 s 2 are each amended to read as follows:

PHASE-IN ALL-DAY KINDERGARTEN. (1) Beginning with the 2007-08 school year, funding for voluntary all-day kindergarten programs shall be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. Once a school receives funding for the all-day kindergarten program, that school shall remain eligible for funding in subsequent school years regardless of changes in the school's percentage of students eligible for free and reduced-price lunches as long as other program requirements are fulfilled. Additionally, schools receiving all-day kindergarten program support shall agree to the following conditions:

(a) Provide at least a one thousand-hour instructional program;

(b) Provide a curriculum that offers a rich, varied set of experiences that assist students in:

(i) Developing initial skills in the academic areas of reading, mathematics, and writing;

(ii) Developing a variety of communication skills;

(iii) Providing experiences in science, social studies, arts, health and physical education, and a world language other than English;

(iv) Acquiring large and small motor skills;

(v) Acquiring social and emotional skills including successful participation in learning activities as an individual and as part of a group; and

(vi) Learning through hands-on experiences;

(c) Establish learning environments that are developmentally appropriate and promote creativity;

(d) Demonstrate strong connections and communication with early learning community providers; and

(e) Participate in kindergarten program readiness activities with early learning providers and parents.

(2) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate one or more school districts to serve as resources and examples of best practices in designing and operating a high-quality all-day kindergarten program. Designated school districts shall serve as lighthouse programs and provide technical assistance to other school districts in the initial stages of implementing an all-day kindergarten program. Examples of topics addressed by the technical assistance include strategic planning, developing the instructional program and curriculum, working with early learning providers to identify students and communicate with parents, and developing kindergarten program readiness activities.

~~((3) Any funds allocated to support all-day kindergarten programs under this section shall not be considered as basic education funding.))~~

Sec. 110. RCW 28A.230.090 and 2006 c 114 s 3 are each amended to read as follows:

GRADUATION REQUIREMENTS. (1) The state board of education shall establish high school graduation requirements or equivalencies for students, except those equivalencies established by local high schools or school districts under RCW 28A.230.097.

(a) Any course in Washington state history and government used to fulfill high school graduation requirements shall consider including information on the culture, history, and government of the American Indian peoples who were the first inhabitants of the state.

(b) The certificate of academic achievement requirements under RCW 28A.655.061 or the certificate of individual achievement requirements under RCW 28A.155.045 are required for graduation from a public high school but are not the only requirements for graduation.

(c) Any decision on whether a student has met the state board's high school graduation requirements for a high school and beyond plan shall remain at the local level.

(2)(a) In recognition of the statutory authority of the state board of education to establish and enforce minimum high school graduation requirements, the state board shall periodically reevaluate the graduation requirements and shall report such findings to the legislature in a timely manner as determined by the state board.

~~(b) The state board shall reevaluate the graduation requirements for students enrolled in vocationally intensive and rigorous career and technical education programs, particularly those programs that lead to a certificate or credential that is state or nationally recognized. The purpose of the evaluation is to ensure that students enrolled in these programs have sufficient opportunity to earn a certificate of academic achievement, complete the program and earn the program's certificate or credential, and complete other state and local graduation requirements. ((The board shall reports [report] its findings and recommendations for additional flexibility in graduation requirements, if necessary, to the legislature by December 1, 2007.))~~

(c) The state board shall forward any proposed changes to the high school graduation requirements to the education committees of the legislature for review, and the legislature shall have the opportunity to act during a regular legislative session before the changes are adopted through administrative rule by the state board. Changes that have a fiscal impact on school districts, as identified by a fiscal analysis prepared by the office of the superintendent of public instruction, shall take effect only if formally authorized by the legislature through the omnibus appropriations act or other enacted legislation.

(3) Pursuant to any requirement for instruction in languages other than English established by the state board of education or a local school district, or both, for purposes of high school graduation, students who receive instruction in American sign language or one or more American Indian languages shall be considered to have satisfied the state or local school district graduation requirement for instruction in one or more languages other than English.

(4) If requested by the student and his or her family, a student who has completed high school courses before attending high school shall be given high school credit which shall be applied to fulfilling high school graduation requirements if:

(a) The course was taken with high school students, if the academic level of the course exceeds the requirements for seventh and eighth grade classes, and the student has successfully passed by completing the same course requirements and examinations as the high school students enrolled in the class; or

(b) The academic level of the course exceeds the requirements for seventh and eighth grade classes and the course would qualify for high school credit, because the course is similar or equivalent to a course offered at a high school in the district as determined by the school district board of directors.

(5) Students who have taken and successfully completed high school courses under the circumstances in subsection (4) of this section shall not be required to take an additional competency examination or perform any other additional assignment to receive credit.

(6) At the college or university level, five quarter or three semester hours equals one high school credit.

NEW SECTION. Sec. 111. FINANCE AND COMPENSATION WORKING GROUP. (1) The funding formulas under RCW 28A.150.260 to support the instructional program shall be implemented beginning in the 2011-12 school year and are intended to be phased in over a six-year period according to an implementation schedule to be adopted by the legislature. The object of the schedule is to assure that increases in funding allocations are timely, predictable, and occur concurrently with any increases in program or instructional requirements.

(2) The office of financial management and the office of the superintendent of public instruction shall convene a technical working group to:

(a) Develop the details of the funding formulas under RCW 28A.150.260;

(b) Recommend an implementation schedule for phasing-in any increased program or instructional requirements concurrently with increases in funding for adoption by the legislature;

(c) Examine possible sources of revenue to support increases in funding allocations and present options to the steering committee for consideration;

(d) Recommend options for a compensation system that provides support for effective teaching and recruitment and retention of high quality staff, including:

(i) Developing options and cost estimates for a salary allocation schedule for new certificated instructional staff into which current staff have the option to transfer. At a minimum, the schedules shall align with the educator certification system developed by the professional educator standards board;

(ii) Updating the comparable wage and regional wage analysis conducted by the Washington state institute for public policy in 2008 and developing options and cost estimates for a regional wage adjustment schedule that could be applied to state salary allocations for certificated instructional, administrative, and classified staff;

(iii) Developing options and cost estimates for allocations for administrative and classified staff through the funding formulas in RCW 28A.150.260; and

(iv) Collecting and analyzing detailed data on supplemental contracts for time, responsibilities, or incentives; and

(e) Develop options for a new system of supplemental school funding through local school levies and local effort assistance. The working group shall take into consideration the impact on overall school district revenues of the new funding formulas established under RCW 28A.150.260 and recommend a phase-in plan that reduces reliance on local school levies concurrently with increased state funding and assures that no district suffers a decrease in overall funding from one school year to the next due to implementation of the new systems.

(3) The working group shall include representatives of the state board of education, the professional educator standards board, the legislative evaluation and accountability program committee, school district and educational service district financial managers, the Washington association of school business officers, the Washington education association, the Washington association of school administrators, the association of Washington school principals, the Washington state school directors' association, classified school employees, parents, higher education, and other interested persons with expertise in education finance. The working group may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders. The office of financial management and the office of the superintendent of public instruction may divide the working group into subgroups to focus on the funding formulas, compensation, revenue, and supplemental school funding.

(4) The working group shall be monitored and overseen by the basic education steering committee under section 3 of this act.

NEW SECTION. Sec. 112. BASIC EDUCATION PROGRAM OF EARLY LEARNING. (1) The legislature finds that a critical factor in the eventual successful outcome of a K-12 education is for students to begin school ready, both intellectually and socially, to learn. The legislature also finds that, due to a variety of factors, disadvantaged young children need supplemental instruction in preschool to assure that they have the opportunity to meaningfully participate and reach the necessary levels of achievement in the regular program of basic education. Therefore the legislature intends to establish a program of early learning for at-risk children and intends to include this program within the overall program of basic education.

(2) The department of early learning and the office of the superintendent of public instruction shall convene a working group to develop the basic education program of early learning. The early learning working group shall be composed of representatives from head start and early childhood education and assistance program providers, school districts, thrive by five of Washington, and other stakeholders with expertise in early learning. The working group may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders.

(3) The early learning working group shall continue the preliminary work of the department of early learning under RCW 43.215.125 to develop a proposal for a statewide Washington head start program. The working group shall:

(a) Recommend student eligibility criteria that focus on children aged three and four considered most at-risk;

(b) Develop options for a service delivery system that includes school districts, educational service districts, community and technical colleges, and public and private nonsectarian organizations;

(c) Develop options for shared governance that include the superintendent of public instruction and the department of early learning each with appropriate supervisory and administrative responsibilities;

(d) Develop recommended parameters and minimum standards for the program; and

(e) Continue development of a statewide kindergarten assessment process.

(4) The early learning working group shall be monitored and overseen by the basic education steering committee under section 3 of this act.

PART II EFFECTIVE TEACHING

NEW SECTION. Sec. 201. INTENT. The legislature finds that in order to offer all students the opportunity to achieve the basic education goal, school districts must provide effective teaching and instruction. Teachers should be provided opportunities to gain the knowledge and skills that will enable them to be effective. Designing a system that clearly defines, supports, measures, and recognizes effective teaching is one of the most important investments to be made in improving student learning.

NEW SECTION. Sec. 202. A new section is added to chapter 28A.410 RCW to read as follows:

CERTIFICATION. (1) By January 1, 2010, the professional educator standards board shall adopt a set of teacher knowledge, skill, and performance standards for effective teaching that are documented in high-quality research as being associated with improved student learning and articulated on a career continuum.

(2) By January 1, 2010, the professional educator standards board shall submit to the governor and the education and fiscal committees of the legislature:

(a) An update on the status of implementation of the professional certificate external and uniform assessment authorized in RCW 28A.410.210;

(b) A proposal for a valid and reliable classroom-based means of evaluating teacher effectiveness as a culminating measure for residency certification that involves multiple measures of teacher performance in classrooms and a role for state-trained evaluators;

(c) Estimated costs and statutory authority needed for further development and implementation of the assessments in this subsection (2); and

(d) Recommendations for other modifications to residency, professional, and ongoing professional certification that focus on demonstrated performance and professional growth rather than enrollment in certification programs or continuing education.

(3) By January 1, 2011, the professional educator standards board shall submit recommendations to the governor and the education committees of the legislature providing definitions for voluntary master-level certification for teachers and educational staff associates. Within the definition established by the board, individuals certified through the national board for professional teaching standards shall be considered to have achieved master-level certification.

NEW SECTION. Sec. 203. A new section is added to chapter 28A.410 RCW to read as follows:

MATH AND SCIENCE TEACHERS. (1) The Washington professional educator standards board shall serve as the lead agency

in a coordinated approach with school districts, institutions of higher education, the office of the superintendent of public instruction, local and national nonprofit organizations, and the business community to create an adequate supply of well-qualified mathematics and science teachers for Washington's public schools. In fulfilling this role, the board shall:

(a) Work with institutions of higher education, including community colleges, to build stronger connections and partnerships with school districts and to craft innovative teacher preparation programs, particularly in rural areas;

(b) Work with in-state and national organizations to identify barriers and craft solutions to improved recruitment, hiring, preparation, and retention of mathematics and science teachers;

(c) Expand information to students and counselors, from middle school through college, about teacher preparation options and opportunities;

(d) Seek private and federal support for innovations and initiatives; and

(e) Set goals, collect and analyze data, and monitor progress toward achieving the goals.

(2) Strategies overseen and coordinated by the board to achieve the objectives of this section include but are not limited to the following:

(a) Building pipelines to mathematics and science teaching, beginning in middle school and through college using the recruiting Washington teachers program under RCW 28A.415.370, the pipeline for paraeducators conditional scholarship program under RCW 28A.660.042, and the Washington teach initiative under section 204 of this act;

(b) Streamlining teacher preparation and improving the geographic distribution of mathematics and science teachers through the retooling to teach mathematics and science conditional scholarship program under RCW 28A.660.045 and alternative route to teacher certification programs under RCW 28A.660.040;

(c) Shifting and building capacity in public four-year institutions of higher education to prepare mathematics and science teachers through institutional priority initiatives under section 204 of this act; and

(d) Attracting individuals to careers in mathematics and science teaching, including through the future teachers conditional scholarship and loan repayment program under chapter 28B.102 RCW.

NEW SECTION. Sec. 204. A new section is added to chapter 28B.10 RCW to read as follows:

WASHINGTON TEACH INITIATIVE. (1) Each public four-year institution of higher education with a teacher preparation program approved by the professional educator standards board to offer a residency teaching certificate and subject area endorsements in middle level mathematics or science, or secondary mathematics or science, including any of the branch campuses under RCW 28B.45.014, shall develop a plan for a Washington teach initiative for recruitment and development of mathematics and science teachers from within the student population of the institution and among high school students in partnering school districts. Each institution shall submit a preliminary plan and strategies for its Washington teach initiative to the professional educator standards board by October 30, 2009, and an updated plan with any progress to report by October 31, 2010. The plan must include:

(a) Evidence of a commitment by the institution to make development of mathematics and science teachers an institutional priority;

(b) Collaboration between institutional leadership, the college of education, and the mathematics and science departments of the college of arts and sciences;

(c) Proposed targeted outreach, student advising, and recruitment efforts;

(d) Proposed streamlined course requirements to enable students to obtain both a mathematics or science major and residency certification within four years of study;

(e) Development of opportunities for classroom experiences early in the students' academic careers;

(f) Evidence of increased collaboration and partnership with school districts, including districts outside the immediate geographic vicinity of the institution and including exploration of opportunities for alternative route programs; and

(g) Measurable goals and objectives, including the estimated shift in enrollment under the institutional priority initiative under subsection (3) of this section.

(2) Each institution under this section shall begin exploring opportunities for partnerships with one or more school districts to provide one or more of the alternative route programs under RCW 28A.660.040 using routes two, three, or four to offer candidates a postbaccalaureate residency teaching certificate in middle level mathematics or science or secondary mathematics or science. In the plans and updates required under subsection (1) of this section, each institution shall identify possible partner school districts, describe prospects and barriers for partnership, and provide an analysis of the opportunities and progress in developing an alternative route program.

(3) Each institution under this section shall include in its Washington teach initiative a specific plan to reduce admittance and enrollment of students seeking residency teacher certification with an endorsement in elementary education and increase enrollment capacity for students seeking residency teacher certification with an endorsement in middle level mathematics or science, or secondary mathematics or science.

PART III CONTINUOUS SCHOOL IMPROVEMENT

NEW SECTION. Sec. 301. INTENT. (1) The legislature finds that comprehensive education finance reform and the increased investment of public resources necessary to implement that reform must be accompanied by an equally comprehensive and transparent system of continuous school and school district improvement.

(2) However, the legislature also finds that the state and school districts share responsibility for continuous improvement and achieving state educational standards. It is the state's responsibility to provide schools and districts with the tools necessary for continuous improvement. These tools include the necessary accounting and data reporting systems, assessment systems to monitor student achievement, and a system of general support, targeted assistance, recognition, and, if necessary, intervention. It is also the state's responsibility to take into account the capacity of the school system to implement changes and meet new requirements, and adjust expectations accordingly.

(3) The legislature intends to maintain a single system of continuous school improvement under both state and federal law. The legislature intends that a new state system be implemented only if Washington receives authorization from the United States department of education to use the state system for federal accountability purposes under P.L. 107-110, the no child left behind act of 2001.

Sec. 302. RCW 28A.305.130 and 2008 c 27 s 1 are each amended to read as follows:

STATE BOARD OF EDUCATION AUTHORITY. The purpose of the state board of education is to provide advocacy and strategic oversight of public education; implement a standards-based accountability system to improve student academic achievement; provide leadership in the creation of a system that personalizes education for each student and respects diverse cultures, abilities, and learning styles; and promote achievement of the goals of RCW 28A.150.210. In addition to any other powers and duties as provided by law, the state board of education shall:

(1) Hold regularly scheduled meetings at such time and place within the state as the board shall determine and may hold such special meetings as may be deemed necessary for the transaction of public business;

(2) Form committees as necessary to effectively and efficiently conduct the work of the board;

(3) Seek advice from the public and interested parties regarding the work of the board;

(4) For purposes of statewide accountability:

(a) Adopt and revise performance improvement goals in reading, writing, science, and mathematics, by subject and grade level, once assessments in these subjects are required statewide; academic and technical skills, as appropriate, in secondary career and technical education programs; and student attendance, as the board deems appropriate to improve student learning. The goals shall be consistent with student privacy protection provisions of RCW 28A.655.090(7) and shall not conflict with requirements contained in Title I of the federal elementary and secondary education act of 1965, or the requirements of the Carl D. Perkins vocational education act of 1998, each as amended: The goals may be established for all students, economically disadvantaged students, limited English proficient students, students with disabilities, and students from disproportionately academically underachieving racial and ethnic backgrounds. The board may establish school and school district goals addressing high school graduation rates and dropout reduction goals for students in grades seven through twelve. The board shall adopt the goals by rule. However, before each goal is implemented, the board shall present the goal to the education committees of the house of representatives and the senate for the committees' review and comment in a time frame that will permit the legislature to take statutory action on the goal if such action is deemed warranted by the legislature;

(b) Identify the scores students must achieve in order to meet the standard on the Washington assessment of student learning and, for high school students, to obtain a certificate of academic achievement. The board shall also determine student scores that identify levels of student performance below and beyond the standard. The board shall consider the incorporation of the standard error of measurement into the decision regarding the award of the certificates. The board shall set such performance standards and levels in consultation with the superintendent of public instruction and after consideration of any recommendations that may be developed by any advisory committees that may be established for this purpose. The initial performance standards and any changes recommended by the board in the performance standards for the tenth grade assessment shall be presented to the education committees of the house of representatives and the senate by November 30th of the school year in which the changes will take place to permit the legislature to take statutory action before the changes are implemented if such action is deemed warranted by the legislature. The legislature shall be advised of the initial performance standards and any changes made to the

elementary level performance standards and the middle school level performance standards;

(c) Adopt objective, systematic criteria based on multiple outcomes and indicators to identify successful schools and school districts ~~((and recommend to the superintendent of public instruction schools and districts to be recognized for two types of accomplishments, student achievement and improvements in student achievement. Recognition for improvements in student achievement shall include consideration of one or more of the following accomplishments:~~

~~— (i) An increase in the percent of students meeting standards. The level of achievement required for recognition may be based on the achievement goals established by the legislature and by the board under (a) of this subsection;~~

~~— (ii) Positive progress on an improvement index that measures improvement in all levels of the assessment; and~~

~~— (iii) Improvements despite challenges such as high levels of mobility, poverty, English as a second language learners, and large numbers of students in special populations as measured by either the percent of students meeting the standard, or the improvement index. When determining the baseline year or years for recognizing individual schools, the board may use the assessment results from the initial years the assessments were administered, if doing so with individual schools would be appropriate;~~

~~— (d) Adopt objective, systematic criteria to identify schools and school districts), those in need of assistance, and those in which significant numbers of students persistently fail to meet state standards((- In its deliberations, the board shall consider the use of all statewide mandated criterion-referenced and norm-referenced standardized tests));~~

(d) Recommend to the superintendent of public instruction ways for exemplary schools and districts to be recognized for student achievement and improvements in student achievement;

(e) Identify schools and school districts in which state ~~((intervention measures))~~ support and assistance will be needed and recommend to the legislature a range of appropriate intervention strategies, which may be implemented only after the legislature has authorized a set of intervention strategies. After the legislature has authorized a set of intervention strategies, at the request of the board, the superintendent shall intervene in the school or school district and take corrective actions. This chapter does not provide additional authority for the board or the superintendent of public instruction to intervene in a school or school district;

(f) Identify performance incentive systems that have improved or have the potential to improve student achievement;

(g) Annually review the assessment reporting system to ensure fairness, accuracy, timeliness, and equity of opportunity, especially with regard to schools with special circumstances and unique populations of students, and a recommendation to the superintendent of public instruction of any improvements needed to the system; and

(h) Include in the biennial report required under RCW 28A.305.035, information on the progress that has been made in achieving goals adopted by the board;

(5) Accredite, subject to such accreditation standards and procedures as may be established by the state board of education, all private schools that apply for accreditation, and approve, subject to the provisions of RCW 28A.195.010, private schools carrying out a program for any or all of the grades kindergarten through twelve: PROVIDED, That no private school may be approved that operates a kindergarten program only: PROVIDED FURTHER, That no private schools shall be placed upon the list of accredited schools so

long as secret societies are knowingly allowed to exist among its students by school officials;

(6) Articulate with the institutions of higher education, workforce representatives, and early learning policymakers and providers to coordinate and unify the work of the public school system;

(7) Hire an executive director and an administrative assistant to reside in the office of the superintendent of public instruction for administrative purposes. Any other personnel of the board shall be appointed as provided by RCW 28A.300.020. The board may delegate to the executive director by resolution such duties as deemed necessary to efficiently carry on the business of the board including, but not limited to, the authority to employ necessary personnel and the authority to enter into, amend, and terminate contracts on behalf of the board. The executive director, administrative assistant, and all but one of the other personnel of the board are exempt from civil service, together with other staff as now or hereafter designated as exempt in accordance with chapter 41.06 RCW; and

(8) Adopt a seal that shall be kept in the office of the superintendent of public instruction.

NEW SECTION. Sec. 303. A new section is added to chapter 28A.305 RCW to read as follows:

SYSTEM OF SUPPORT AND ASSISTANCE. In consultation with the superintendent of public instruction, the state board of education shall:

(1) Develop a comprehensive system of voluntary support and assistance for schools and school districts where the level of intensity of support and assistance for continuous school improvement increases based on objective, systematic criteria. The superintendent of public instruction shall implement the system to the extent funds are available;

(2) Develop a proposal for support and assistance for schools and school districts that have not demonstrated sufficient improvement through a voluntary system. The proposal shall be implemented only if formally authorized by the legislature through enacted legislation; and

(3) Develop a methodology for using the prototypical school funding model under RCW 28A.150.260 as an analytic tool for comparing funding allocation assumptions and the actual use and distribution of resources, as well as outcomes, at the school and district level.

NEW SECTION. Sec. 304. PROGRESS REPORTS. (1) The state board of education and the superintendent of public instruction shall seek approval from the United States department of education for use of the objective criteria and the state system of support, assistance, and intervention to replace the federal accountability system under P.L. 107-110, the no child left behind act of 2001.

(2) The state board of education and the superintendent of public instruction shall submit a progress report on the implementation of RCW 28A.305.130 and section 303 of this act to the education and fiscal committees of the legislature by December 1, 2009, and a final report with proposals and recommendations by December 1, 2010.

NEW SECTION. Sec. 305. A new section is added to chapter 28A.655 RCW to read as follows:

EDUCATION DATA SYSTEM. It is the legislature's intent to establish comprehensive K-12 education data systems for financial, student, and educator data. The objective of the systems is to monitor student progress, assure educator quality, monitor and analyze the costs of programs, provide for financial integrity and accountability, and have the capacity to link across these various data components by student, by school, by district, and statewide. Education data systems must be flexible and able to adapt to evolving needs for information,

but there must be an objective and orderly process for determining when changes are needed and how to implement them. The first priority for any new data systems should be financial, budgeting, and accounting systems necessary to support the new K-12 financial models and funding formulas. The benefits of significant increases in the amount of data available for analysis must be carefully weighed against the costs to school districts to enter, update, maintain, and submit the data and to implement new software and data management systems.

PART IV OTHER FINANCE

NEW SECTION. Sec. 401. A new section is added to chapter 28A.500 RCW to read as follows:

NEW LEVY/LEA SYSTEM--INTENT. (1) The legislature finds that while the state has the responsibility to provide for a general and uniform system of public schools, there is also a need for some diversity in the public school system. A successful system of public education must permit some variation among school districts outside the basic education provided for by the state to respond to and reflect the unique desires of local communities. The opportunity for local communities to invest in enriched education programs promotes support for local public schools. Further, the ability of local school districts to experiment with enriched programs can inform the legislature's long-term evolution of the definition of basic education. Therefore, local levy authority remains an important component of the overall finance system in support of the public schools even though it is outside the state's obligation for basic education.

(2) However, the value of permitting local levies must be balanced with the value of equity and fairness to students and to taxpayers, neither of whom should be unduly disadvantaged due to differences in the tax bases used to support local levies. Equity and fairness require both an equitable basis for supplemental funding outside basic education and a mechanism for property tax-poor school districts to fairly access supplemental funding. As such, local effort assistance, while also outside the state's obligation for basic education, is another important component of school finance.

NEW SECTION. Sec. 402. A new section is added to chapter 43.79 RCW to read as follows:

GROWTH IN REVENUE. (1) The basic education account is created in the state treasury. Moneys in the account may be spent only after appropriation and only for the purposes of RCW 28A.150.260. All receipts from subsection (2) of this section shall be deposited into the account.

(2) By September 30, 2011, and by September 30th of each odd-numbered year thereafter, if general state revenues from the prior fiscal biennium exceed the revenues from the fiscal biennium immediately preceding the prior fiscal biennium by more than five percent, the state treasurer shall transfer fifty percent of the amount over five percent to the basic education account.

(3) For the purposes of this section, "general state revenues" shall be as defined by Article VIII, section 1 of the state Constitution.

Sec. 403. RCW 28A.160.150 and 1996 c 279 s 1 are each amended to read as follows:

PUPIL TRANSPORTATION. Funds allocated for transportation costs shall be in addition to the basic education allocation. The distribution formula developed in RCW 28A.160.150 through 28A.160.180 shall be for allocation purposes only and shall not be construed as mandating specific levels of pupil transportation services by local districts. Operating costs as determined under RCW

28A.160.150 through 28A.160.180 shall be funded at one hundred percent or as close thereto as reasonably possible for transportation of an eligible student to and from school as defined in RCW 28A.160.160(3). In addition, funding shall be provided for transportation services for students living within ~~((one radius mile from))~~ the school walk area as determined under RCW ~~((28A.160.180(2)))~~ 28A.160.160(5).

Sec. 404. RCW 28A.160.160 and 1996 c 279 s 2 are each amended to read as follows:

PUPIL TRANSPORTATION. For purposes of RCW 28A.160.150 through 28A.160.190, except where the context shall clearly indicate otherwise, the following definitions apply:

(1) "Eligible student" means any student served by the transportation program of a school district or compensated for individual transportation arrangements authorized by RCW 28A.160.030 whose route stop is ~~((more than one radius mile from the))~~ outside the walk area for a student's school, except if the student to be transported is disabled under RCW 28A.155.020 and is either not ambulatory or not capable of protecting his or her own welfare while traveling to or from the school or agency where special education services are provided, in which case no mileage distance restriction applies.

(2) "Superintendent" means the superintendent of public instruction.

(3) "To and from school" means the transportation of students for the following purposes:

(a) Transportation to and from route stops and schools;

(b) Transportation to and from schools pursuant to an interdistrict agreement pursuant to RCW 28A.335.160;

(c) Transportation of students between schools and learning centers for instruction specifically required by statute; and

(d) Transportation of students with disabilities to and from schools and agencies for special education services.

Academic extended day transportation for the instructional program of basic education under RCW 28A.150.220 shall ((not)) be considered part of transportation of students "to and from school" for the purposes of ((chapter 61, Laws of 1983 1st ex. sess)) this section. Transportation for field trips may not be considered part of transportation of students "to and from school" under this section.

(4) "Transportation services" for students living within ~~((one radius mile from))~~ the school walk area means school transportation services including the use of buses, funding of crossing guards, and matching funds for local and state transportation projects intended to mitigate hazardous walking conditions. Priority for transportation services shall be given to students in grades kindergarten through five.

(5) The "walk area" means that area around a school with an adequate roadway configuration to provide students access to school with a walking distance of less than one mile. Mileage must be measured along the shortest roadway or maintained public walkway where hazardous conditions do not exist. The hazardous conditions must be documented by a process established in rule by the superintendent of public instruction and must include roadway, environmental, and social conditions. Each elementary school shall identify walk routes within the walk area.

Sec. 405. RCW 28A.160.170 and 2007 c 139 s 1 are each amended to read as follows:

PUPIL TRANSPORTATION. Each district shall submit three times each year to the superintendent of public instruction during October, February, and May of each year a report containing the following:

(1)(a) The number of eligible students transported to and from school as provided for in RCW 28A.160.150 ~~((for the current school year and the number of miles estimated to be driven for pupil transportation services)),~~ along with ~~((a map describing student route))~~ identification of stop locations and school locations, and (b) the number of miles driven for pupil transportation services as authorized in RCW 28A.160.150 the previous school year; and

(2) Other operational data and descriptions as required by the superintendent to determine allocation requirements for each district. The superintendent shall require that districts separate the costs of operating the program for the transportation of eligible students to and from school as defined by RCW 28A.160.160(3) from non-to-and-from-school pupil transportation costs in the annual financial statement. The cost, quantity, and type of all fuel purchased by school districts for use in to-and-from-school transportation shall be included in the annual financial statement.

Each district shall submit the information required in this section on a timely basis as a condition of the continuing receipt of school transportation moneys.

Sec. 406. RCW 28A.160.180 and 1996 c 279 s 3 are each amended to read as follows:

PUPIL TRANSPORTATION. Each district's annual student transportation allocation shall be ~~((based on differential rates))~~ determined by the superintendent of public instruction in the following manner:

(1) The superintendent shall annually calculate ~~((a standard student mile allocation rate for determining))~~ the transportation allocation for those services provided for in RCW 28A.160.150. ~~((("Standard student mile allocation rate," as used in this chapter, means the per-mile allocation rate for transporting an eligible student.))~~ The ~~((standard student mile))~~ allocation ((rate)) formula may be adjusted to include such additional differential factors as ~~((distance, restricted))~~ basic and special passenger ~~((load; circumstances that require use of special types of transportation vehicles; student with disabilities load; and small fleet maintenance))~~ counts as defined by the superintendent of public instruction, average distance to school, and number of locations served.

(2) ~~((For transportation services for students living within one radius mile from school;))~~ The allocation shall be based on a regression analysis of the number of basic and special students ((in grades kindergarten through five living within one radius mile as specified in the biennial appropriations act)) transported and as many other site characteristics that are identified as being statistically significant.

(3) ~~((The superintendent of public instruction shall annually calculate allocation rate(s), which shall include vehicle amortization, for determining))~~ The transportation allocation for transporting students in district-owned passenger cars, as defined in RCW 46.04.382, pursuant to RCW 28A.160.010 for services provided for in RCW 28A.160.150 if a school district deems it advisable to use such vehicles after the school district board of directors has considered the safety of the students being transported as well as the economy of utilizing a district-owned passenger car in lieu of a school bus is the private vehicle reimbursement rate in effect on September 1st of each school year. Students transported in district-owned passenger cars must be included in the corresponding basic or special passenger counts.

(4) Prior to June 1st of each year the superintendent shall submit to the office of financial management, and the education and fiscal committees ((on education and ways and means of the senate and house of representatives)) of the legislature, a report outlining the methodology and rationale used in determining the statistical

coefficients for each site characteristic used to determine the allocation ((rates to be used)) for the following year.

Sec. 407. RCW 28A.160.190 and 1990 c 33 s 145 are each amended to read as follows:

PUPIL TRANSPORTATION. The superintendent shall notify districts of their student transportation allocation before January 15th. ~~((If the number of eligible students in a school district changes ten percent or more from the October report, and the change is maintained for a period of twenty consecutive school days or more, the district may submit revised eligible student data to the superintendent of public instruction.))~~ The superintendent shall ~~((to the extent funds are available,))~~ recalculate and prorate the district's allocation for the transportation of pupils to and from school.

The superintendent shall make the student transportation allocation in accordance with the apportionment payment schedule in RCW 28A.510.250. Such allocation payments may be based on ~~((estimated amounts))~~ the prior school year's ridership report for payments to be made in September, October, November, December, and January.

NEW SECTION. Sec. 408. A new section is added to chapter 28A.160 RCW to read as follows:

PUPIL TRANSPORTATION. The superintendent of public instruction shall ensure that the allocation formula results in adequate appropriation for low enrollment districts, nonhigh districts, districts involved in cooperative transportation agreements, and cooperative special transportation services operated by educational service districts. If necessary, the superintendent shall develop a separate process to adjust the allocation of the districts.

NEW SECTION. Sec. 409. A new section is added to chapter 28A.160 RCW to read as follows:

PUPIL TRANSPORTATION. The superintendent of public instruction shall encourage efficient use of state resources by providing a linear programming process that compares school district transportation operations. If a school district's operation is calculated to be less than ninety percent efficient, the regional transportation coordinators shall provide an individual review to determine what measures are available to the school district to improve efficiency. The evaluation shall include such measures as:

- (1) Efficient routing of buses;
- (2) Efficient use of vehicle capacity; and
- (3) Reasonable controls on compensation costs.

The superintendent shall submit to the fiscal and education committees of the legislature no later than December 1st of each year a report summarizing the efficiency reviews and the resulting changes implemented by school districts in response to the recommendations of the regional transportation coordinators.

NEW SECTION. Sec. 410. A new section is added to chapter 28A.160 RCW to read as follows:

PUPIL TRANSPORTATION. (1) The superintendent of public instruction shall phase-in implementation of the new distribution formula for allocating state funds to school districts for transportation of students to and from school, beginning with the 2011-12 school year.

(a) The formula must be developed and revised on an ongoing basis using the major cost factors in student transportation, including basic and special student loads, school district land area, average distance to school, roadway miles, and number of locations served. Factors will include all those site characteristics that are statistically significant after analysis of the data required by the revised reporting process.

(b) The formula must allocate funds to school districts based on the average predicted costs of transporting students to and from school, using a regression analysis.

(2) During the phase-in period, funding provided to school districts for student transportation operations shall be distributed on the following basis:

(a) Annually, each school district shall receive the lesser of the previous school year's pupil transportation operations allocation, or the total of allowable pupil transportation expenditures identified on the previous school year's final expenditure report to the state plus district indirect expenses using the state recovery rate identified by the superintendent; and

(b) Annually, any funds appropriated by the legislature in excess of the maintenance level funding amount for student transportation shall be distributed among school districts on a prorated basis using the difference between the amount identified in (a) of this subsection and the amount determined under the formula in RCW 28A.160.180.

(3) The superintendent shall develop, implement, and provide a copy of the rules specifying the student transportation reporting requirements to the legislature and school districts no later than December 1, 2009.

(4) Beginning in December 2009, and continuing until December 2014, the superintendent shall provide quarterly updates and progress reports to the fiscal committees of the legislature on the implementation and testing of the distribution formula.

PART V GENERAL PROVISIONS-- PROGRAM OF BASIC EDUCATION

Sec. 501. RCW 28A.150.410 and 2007 c 403 s 1 are each amended to read as follows:

SALARY ALLOCATION MODEL. (1) The legislature shall establish for each school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only, to be used to distribute funds for basic education certificated instructional staff salaries under RCW 28A.150.260. For the purposes of this section, beginning in the 2011-12 school year, the staff allocations for classroom teachers, librarians, professional development coaches, student health services staff, and guidance counselors under RCW 28A.150.260 are allocations for certificated instructional staff.

(2) Salary allocations for state-funded ~~((basic education))~~ certificated instructional staff shall be calculated by the superintendent of public instruction by determining the district's average salary for all certificated instructional staff, using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act.

(3) Beginning January 1, 1992, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:

- (a) The employee has a masters degree; or
- (b) The credits were used in generating state salary allocations before January 1, 1992.

(4) Beginning in the 2007-08 school year, the calculation of years of service for occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 RCW may include experience in schools and other nonschool positions as

occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, or psychologists. The calculation shall be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two years of nonschool service. Nonschool years of service included in calculations under this subsection shall not be applied to service credit totals for purposes of any retirement benefit under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement system benefits.

Sec. 502. RCW 28A.165.005 and 2004 c 20 s 1 are each amended to read as follows:

LAP ADJUSTMENTS. ~~((The learning assistance program requirements in))~~ This chapter ~~((are))~~ is designed to: (1) Promote the use of assessment data when developing programs to assist underachieving students; and (2) guide school districts in providing the most effective and efficient practices when implementing ~~((programs))~~ supplemental instruction and services to assist underachieving students. ~~((Further, this chapter provides the means by which a school district becomes eligible for learning assistance program funds and the distribution of those funds.))~~

Sec. 503. RCW 28A.165.015 and 2004 c 20 s 2 are each amended to read as follows:

LAP ADJUSTMENTS. Unless the context clearly indicates otherwise the definitions in this section apply throughout this chapter.

(1) "Approved program" means a program submitted to and approved by the office of the superintendent of public instruction and conducted pursuant to the plan that addresses the required elements as provided for in this chapter.

(2) "Basic skills areas" means reading, writing, and mathematics as well as readiness associated with these skills.

(3) "Participating student" means a student in kindergarten through grade ~~((eleven who scores below standard for his or her grade level on the statewide assessments and who is identified in the approved plan to receive services. Beginning with the 2007-2008 school year, "participating student" means a student in kindergarten through grade))~~ twelve who scores below standard for his or her grade level on the statewide assessments and who is identified in the approved plan to receive services.

(4) "Statewide assessments" means one or more of the several basic skills assessments administered as part of the state's student assessment system, and assessments in the basic skills areas administered by local school districts.

(5) "Underachieving students" means students with the greatest academic deficits in basic skills as identified by the statewide assessments.

Sec. 504. RCW 28A.165.055 and 2008 c 321 s 10 are each amended to read as follows:

LAP ADJUSTMENTS. ~~((+))~~ Each school district with an approved program is eligible for state funds provided for the learning assistance program. The funds shall be appropriated for the learning assistance program in accordance with RCW 28A.150.260 and the ((biennial)) omnibus appropriations act. The distribution formula is for school district allocation purposes only, but funds appropriated for the learning assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065. ~~((The distribution formula shall be based on one or more family income factors measuring economic need.~~

~~((2) In addition to the funds allocated to eligible school districts on the basis of family income factors, enhanced funds shall be allocated for school districts where more than twenty percent of students are eligible for and enrolled in the transitional bilingual instruction program under chapter 28A.180 RCW as provided in this~~

~~subsection. The enhanced funding provided in this subsection shall take effect beginning in the 2008-09 school year.~~

~~—(a) If, in the prior school year, a district's percent of October headcount student enrollment in grades kindergarten through twelve who are enrolled in the transitional bilingual instruction program, based on an average of the program headcount taken in October and May, exceeds twenty percent, twenty percent shall be subtracted from the district's percent transitional bilingual instruction program enrollment and the resulting percent shall be multiplied by the district's kindergarten through twelve annual average full-time equivalent enrollment for the prior school year.~~

~~—(b) The number calculated under (a) of this subsection shall be the number of additional funded students for purposes of this subsection, to be multiplied by the per-funded student allocation rates specified in the omnibus appropriations act.~~

~~—(c) School districts are only eligible for the enhanced funds under this subsection if their percentage of October headcount enrollment in grades kindergarten through twelve eligible for free or reduced-price lunch exceeded forty percent in the prior school year.)~~

Sec. 505. RCW 28A.180.010 and 1990 c 33 s 163 are each amended to read as follows:

TBIP ADJUSTMENTS. RCW 28A.180.010 through 28A.180.080 shall be known and cited as "the transitional bilingual instruction act." The legislature finds that there are large numbers of children who come from homes where the primary language is other than English. The legislature finds that a transitional bilingual education program can meet the needs of these children. Pursuant to the policy of this state to insure equal educational opportunity to every child in this state, it is the purpose of RCW 28A.180.010 through 28A.180.080 to provide for the implementation of transitional bilingual education programs in the public schools ~~((, and to provide supplemental financial assistance to school districts to meet the extra costs of these programs)).~~

Sec. 506. RCW 28A.180.080 and 1995 c 335 s 601 are each amended to read as follows:

TBIP ADJUSTMENTS. ~~((The superintendent of public instruction shall prepare and submit biennially to the governor and the legislature a budget request for bilingual instruction programs.))~~ Moneys appropriated by the legislature for the purposes of RCW 28A.180.010 through 28A.180.080 shall be allocated by the superintendent of public instruction to school districts for the sole purpose of operating an approved bilingual instruction program ~~((; priorities for funding shall exist for the early elementary grades. No moneys shall be allocated pursuant to this section to fund more than three school years of bilingual instruction for each eligible pupil within a district. PROVIDED, That such moneys may be allocated to fund more than three school years of bilingual instruction for any pupil who fails to demonstrate improvement in English language skills adequate to remove impairment of learning when taught only in English. The superintendent of public instruction shall set standards and approve a test for the measurement of such English language skills)).~~

Sec. 507. RCW 28A.225.200 and 1990 c 33 s 234 are each amended to read as follows:

EDUCATION BY OTHER DISTRICTS. (1) A local district may be authorized by the educational service district superintendent to transport and educate its pupils in other districts for one year, either by payment of a compensation agreed upon by such school districts, or under other terms mutually satisfactory to the districts concerned when this will afford better educational facilities for the pupils and when a saving may be effected in the cost of education ~~((; PROVIDED, That)).~~ Notwithstanding any other provision of law,

the amount to be paid by the state to the resident school district for apportionment purposes and otherwise payable pursuant to RCW (~~28A.150.100;~~) 28A.150.250 through 28A.150.290, 28A.150.350 through 28A.150.410, 28A.160.150 through 28A.160.200, (~~28A.160.220~~) 28A.300.035, and 28A.300.170(~~(, and 28A.500.010)~~) shall not be greater than the regular apportionment for each high school student of the receiving district. Such authorization may be extended for an additional year at the discretion of the educational service district superintendent.

(2) Subsection (1) of this section shall not apply to districts participating in a cooperative project established under RCW 28A.340.030 which exceeds two years in duration.

NEW SECTION. Sec. 508. The following acts or parts of acts are each repealed:

(1) RCW 28A.150.030 (School day) and 1971 ex.s. c 161 s 1 & 1969 ex.s. c 223 s 28A.01.010;

(2) RCW 28A.150.060 (Certificated employee) and 2005 c 497 s 212, 1990 c 33 s 102, 1977 ex.s. c 359 s 17, 1975 1st ex.s. c 288 s 21, & 1973 1st ex.s. c 105 s 1;

(3) RCW 28A.150.100 (Basic education certificated instructional staff--Definition--Ratio to students) and 1990 c 33 s 103 & 1987 1st ex.s. c 2 s 203;

(4) RCW 28A.150.040 (School year--Beginning--End) and 1990 c 33 s 101, 1982 c 158 s 5, 1977 ex.s. c 286 s 1, 1975-'76 2nd ex.s. c 118 s 22, & 1969 ex.s. c 223 s 28A.01.020;

(5) RCW 28A.150.370 (Additional programs for which legislative appropriations must or may be made) and 1995 c 335 s 102, 1995 c 77 s 5, 1990 c 33 s 114, 1982 1st ex.s. c 24 s 1, & 1977 ex.s. c 359 s 7;

(6) RCW 28A.155.180 (Safety net funds--Application--Technical assistance--Annual survey) and 2007 c 400 s 8; and

(7) RCW 28A.150.205 (Definition) and 1992 c 141 s 502.

PART VI MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 601. Part headings and captions used in this act are not any part of the law.

NEW SECTION. Sec. 602. Sections 3, 102, and 107 of this act are each added to chapter 28A.150 RCW.

NEW SECTION. Sec. 603. Sections 101 through 109, 402 through 408, and 501 through 508 of this act take effect September 1, 2011.

NEW SECTION. Sec. 604. Section 409 of this act takes effect September 1, 2013.

NEW SECTION. Sec. 605. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

Representative Pettigrew moved the adoption of amendment (407) to amendment (333):

On page 4, line 25 of the striking amendment, after "created to" insert "provide oversight and accountability in the development of policies to close the achievement gap. The working group shall"

On page 4, line 36 of the striking amendment, after "(d)" insert "Recommending current programs and resources that should be redirected to narrow the gap;

(e)"

Renumber the remaining subsections consecutively.

On page 5, beginning on line 5 of the striking amendment, after "composed of" strike all material through "African-Americans," on line 7 and insert "three members appointed by the superintendent of public instruction and twelve members appointed by the governor, with two governor-appointed members to represent each of the following groups: African-Americans, African-American immigrants,"

Representatives Pettigrew and Priest spoke in favor of the adoption of the amendment to amendment (333).

Amendment (407) to amendment (333) was adopted.

Representative Anderson moved the adoption of amendment (344) to amendment (333):

On page 5, after line 15 of the striking amendment, insert the following:

"NEW SECTION. Sec. 5. A new section is added to chapter 44.04 RCW to read as follows:

Under Article IX, section 1 of the state Constitution, it is the paramount duty of the state to make ample provision for the education of all of Washington's children. According to the state supreme court, this constitutional provision requires that the legislature define and fully fund a program of K-12 basic education before the legislature funds any other statutory programs. For these reasons, it is the intent of the legislature to require that all appropriations for K-12 basic education, together with appropriations for other K-12 education programs, be enacted into law before the legislature takes executive action on other omnibus appropriations legislation.

Sec. 6. RCW 28A.150.380 and 2001 c 3 s 10 are each amended to read as follows:

(1) The state legislature shall, at each regular session in an odd-numbered year, appropriate from the state general fund for the current use of the common schools such amounts as needed for state support to the common schools during the ensuing biennium as provided in this chapter, RCW 28A.160.150 through 28A.160.210, 28A.300.170, and 28A.500.010.

(2) The state legislature shall also, at each regular session in an odd-numbered year, appropriate from the student achievement fund and education construction fund solely for the purposes of and in accordance with the provisions of the student achievement act during the ensuing biennium.

(3) Beginning with the 2011-2013 fiscal biennium and thereafter, appropriations for the purposes of this section and other K-12 education purposes must be made in legislation that is separate from the omnibus operating appropriations act. Such appropriations must be enacted into law before it is in order for either house of the legislature to take executive action on omnibus operating appropriations legislation.

NEW SECTION. Sec. 7. A new section is added to chapter 44.04 RCW to read as follows:

Beginning with the 2011-2013 fiscal biennium and thereafter, appropriations for the purposes of RCW 28A.150.380 and other K-12 education purposes must be enacted into law before it is in order for either house of the legislature to take executive action on omnibus operating or transportation appropriations legislation.

The house of representatives and senate, jointly or separately, may adopt rules or resolutions to implement their respective responsibilities under this section."

On page 48, after line 29 of the striking amendment, insert the following:

"NEW SECTION, Sec. 605. Sections 5 through 7 of this act take effect January 1, 2010, if the proposed amendment to Article IX of the state Constitution HJR 4203 is validly submitted to and is approved and ratified by the voters at the next general election. If the proposed amendment is not approved and ratified, sections 5 through 7 of this act are void in their entirety."

Renumber the remaining section consecutively.

Representatives Anderson, Priest and Cox spoke in favor of the adoption of amendment (344) to amendment (333).

Representative Linville spoke against the adoption of amendment (344) to amendment (333).

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (344) to amendment (333) to Substitute House Bill No. 2261.

ROLL CALL

The Clerk called the roll on the adoption of amendment (344) to amendment (333) to Substitute House Bill No. 2261 was not adopted by the following vote: Yeas: 39; Nays: 58; Absent: 0; Excused: 0

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Cox, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Finn, Haler, Herrera, Hinkle, Hope, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Morris, Orcutt, Parker, Pearson, Priest, Roach, Rodne, Ross, Schmick, Shea, Short, Smith, Walsh, and Warnick.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Flannigan, Goodman, Grant-Herriot, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jacks, Kagi, Kenney, Kessler, Kirby, Lias, Linville, Maxwell, McCoy, Miloscia, Moeller, Morrell, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Wallace, White, Williams, Wood and Mr. Speaker.

Representative Hunter moved the adoption of amendment (346) to amendment (333):

On page 8, beginning on line 9 of the striking amendment, after "**Sec. 103.**" strike all material through "group" on line 34 and insert the following:

"RCW 28A.150.210 and 2007 c 400 s 1 are each amended to read as follows:

BASIC EDUCATION GOAL. ~~((The goal of the basic education act for the schools of the state of Washington set forth in this chapter shall be to))~~ A basic education is an evolving program of instruction that provides students with the opportunity to become responsible and respectful global citizens, to contribute to their economic well-being and that of their families and communities, to explore and understand different perspectives, and to enjoy productive and satisfying lives. ~~((Additionally,))~~ The state of Washington intends to provide for a public school system that is able to evolve and adapt in order to better focus on strengthening the educational achievement of all students, which includes high expectations for all students and

gives all students the opportunity to achieve personal and academic success. A basic education must also provide all students with the opportunity to graduate from high school with a meaningful high school diploma, ready for success in postsecondary education, gainful employment, and citizenship. To these ends, the goals of each school district, with the involvement of parents and community members, shall be to provide opportunities for every student to develop the knowledge and skills essential to:

(1) Read with comprehension, write effectively, and communicate successfully in a variety of ways and settings and with a variety of audiences;

(2) Know and apply the core concepts and principles of mathematics; social, physical, and life sciences; civics and history, including different cultures and participation in representative government; geography; arts; and health and fitness;

(3) Think analytically, logically, and creatively, and to integrate different experiences and knowledge to form reasoned judgments and solve problems; and

(4) Understand the importance of work and finance and how performance, effort, and decisions directly affect future career and educational opportunities.

Sec. 104. RCW 28A.150.220 and 1993 c 371 s 2 are each amended to read as follows:

INSTRUCTIONAL PROGRAM. (1) ~~((Satisfaction of the basic education program requirements identified in RCW 28A.150.210 shall be considered to be implemented by the following program:~~

~~—(a) Each school district shall make available to students enrolled in kindergarten at least a total instructional offering of four hundred fifty hours. The program shall include instruction in the essential academic learning requirements under *RCW 28A.630.885 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such program;~~

~~—(b) Each school district shall make available to students enrolled in grades one through twelve, at least a district-wide annual average total instructional hour offering of one thousand hours. The state board of education may define alternatives to classroom instructional time for students in grades nine through twelve enrolled in alternative learning experiences. The state board of education shall establish rules to determine annual average instructional hours for districts including fewer than twelve grades. The program shall include the essential academic learning requirements under *RCW 28A.630.885 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such group))~~ In order for students to have the opportunity to develop the basic education knowledge and skills under RCW 28A.150.210, school districts must provide instruction of sufficient quantity and quality and give students the opportunity to complete graduation requirements that are intended to prepare them for postsecondary education, gainful employment, and citizenship. The program established under this section shall be the minimum instructional program of basic education offered by school districts.

(2) Each school district shall make available to students the following minimum instructional offering each school year:

(a) For students enrolled in grades one through twelve, at least a district-wide annual average of one thousand hours, which shall be increased to at least one thousand eighty instructional hours for students enrolled in each of grades seven through twelve and at least one thousand instructional hours for students in each of grades one through six according to an implementation schedule adopted by the legislature; and

(b) For students enrolled in kindergarten, at least four hundred fifty instructional hours, which shall be increased to at least one thousand instructional hours according to the implementation schedule under RCW 28A.150.315.

(3) The instructional program of basic education provided by each school district shall include:

(a) Instruction in the essential academic learning requirements under RCW 28A.655.070;

(b) Instruction that provides students the opportunity to complete twenty-four credits for high school graduation, with course distribution requirements established by the state board of education under RCW 28A.230.090 and that may be subject to a phased-in implementation of the twenty-four credits as adopted by the board"

Renumber the sections consecutively and correct any internal references accordingly. Correct the title.

On page 9, at the beginning of line 13 of the striking amendment, strike "(2) Nothing contained in subsection (1) of" and insert "~~((2))~~(4) Nothing contained in ~~((subsection (1) of))~~"

On page 9, at the beginning of line 16 of the striking amendment, strike "(3)" and insert "~~((3))~~(4)"

On page 9, at the beginning of line 33 of the striking amendment, strike "(4)" and insert "~~((4))~~ (5)"

On page 48, line 26 of the striking amendment, after "101 through" strike "109" and insert "110"

Representatives Hunter and Priest spoke in favor of the adoption of amendment (346) to the amendment.

Amendment (346) to amendment (333) was adopted.

Representative Carlyle moved the adoption of amendment (332) to amendment (333):

On page 9, line 9 of the striking amendment, after "28A.180.080;" strike "and"

On page 9, line 12 of the striking amendment, after "28A.155.020" insert "; and

(g) Programs for highly capable students under RCW 28A.185.010 through 28A.185.030"

On page 15, line 1 of the striking amendment, after "~~(6)~~" insert "The allocations provided under subsections (3) and (4) of this section shall be enhanced to provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, based on two percent of each school district's full-time equivalent enrollment. The minimum allocation for the programs shall provide an extended school day and extended school year for each level of prototypical school and a per student allocation for maintenance, supplies, and operating costs.

~~(7)~~"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 47, after line 15 of the striking amendment, insert the following:

"**Sec. 507.** RCW 28A.185.010 and 1984 c 278 s 12 are each amended to read as follows:

Pursuant to rules ~~((and regulations))~~ adopted by the superintendent of public instruction for the administration of this chapter, the superintendent of public instruction shall carry out a program for highly capable students. Such program may include conducting, coordinating and aiding in research (including pilot programs), disseminating information to local school districts,

providing statewide staff development, and allocating to school districts supplementary funds for additional costs of district programs, as provided by RCW ~~((28A.185.020))~~28A.150.260.

Sec. 508. RCW 28A.185.020 and 1990 c 33 s 168 are each amended to read as follows:

(1) The legislature finds that, for highly capable students, access to accelerated learning and enhanced instruction is access to a basic education. There are multiple definitions of highly capable, from intellectual to academic to artistic. The research literature strongly supports using multiple criteria to identify highly capable students, and therefore, the legislature does not intend to prescribe a single method. Instead, the legislature intends to allocate funding based on two percent of each school district's population and authorize school districts to identify through the use of multiple, objective criteria those students most highly capable and eligible to receive accelerated learning and enhanced instruction in the program offered by the district. Access to accelerated learning and enhanced instruction through the program for highly capable students does not constitute an individual entitlement for any particular student.

(2) Supplementary funds ~~((as may be))~~ provided by the state for ~~((this program, in accordance with RCW 28A.150.370;))~~the program for highly capable students under RCW 28A.150.260 shall be categorical funding ~~((on an excess cost basis based upon a per student amount not to exceed three percent of any district's full-time equivalent enrollment))~~to provide services to highly capable students as determined by a school district under RCW 28A.185.030."

Renumber the sections consecutively and correct any internal references accordingly.

On page 48, line 27 of the striking amendment, after "through" strike "508" and insert "510"

Representatives Carlyle and Priest spoke in favor of the adoption of amendment (332) to amendment (333).

Amendment (332) to amendment (333) was adopted.

Representative Cox moved the adoption of amendment (427) to amendment (333):

On page 30, after line 20 of the striking amendment, insert the following:

"**Sec. 205.** RCW 28A.400.205 and 2003 1st sp.s. c 20 s 1 are each amended to read as follows:

(1) School district employees shall be provided an annual salary cost-of-living increase in accordance with this section.

(a) The cost-of-living increase shall be calculated by applying the rate of the yearly increase in the cost-of-living index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the 2001-02 school year, and for each subsequent school year, except for the 2003-04 and 2004-05 school years, each school district shall be provided a cost-of-living allocation sufficient to grant this cost-of-living increase, except as provided in subsection (3) of this section.

(b) A school district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) Any funded cost-of-living increase shall be included in the salary base used to determine cost-of-living increases for school

employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual cost-of-living increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation schedule established under RCW 28A.150.410 and to any other salary models used to recognize school district personnel costs.

(2) For the purposes of this section, "cost-of-living index" means, for any school year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

(3) For school districts that have historically received teacher salary allocations in excess of the statewide salary schedule under RCW 28A.150.410 or whose salary allocations for certificated administrative or classified staff authorized in the omnibus appropriations act exceed the salary allocations provided to other school districts, the legislature shall provide a cost-of-living increase under this section at fifty percent of the amount that would otherwise be calculated under this section for those salary allocations that are in excess, until salary allocations have been equalized across all districts."

Representative Cox spoke in favor of the adoption of amendment (427) to amendment (333).

Representative Haigh spoke against the adoption of amendment (427) to amendment (333).

Amendment (427) to amendment (333) was not adopted.

Representative Miloscia moved the adoption of amendment (363) to amendment (333):

On page 35, line 13 of the striking amendment, after "legislation;" strike "and"

On page 35, line 17 of the striking amendment, after "level" insert "; and"

(4) Examine opportunities for and the feasibility of incorporating a system of quality management, accountability, and performance improvement such as the Baldrige national quality program into the overall state system continuous school improvement."

Representatives Miloscia and Armstrong spoke in favor of the adoption of amendment (363) to amendment (333).

Amendment (363) to amendment (333) was adopted.

Representative Cox moved the adoption of amendment (388) to amendment (333):

On page 1, line 3 of the striking amendment, after "**Sec. 1.**" strike all material through "2013." on page 48, line 29 and insert "The legislature finds that the fundamental methods of allocating funding to support basic education do not require wholesale revision. The overall finance structure is sound to the extent that it is driven by student enrollment and staffing ratios and attempts to address special needs. However, there is a need to correct some structural flaws that

have been identified and to update the funding formulas to reflect how schools operate in terms of the costs of doing business and the types of staff that are needed. Allocations must also be adjusted to improve equity among districts and, in some cases, to create a rational basis for the amounts provided. Therefore, the legislature intends to make necessary adjustments and implement them beginning with the 2009-10 school year.

Sec. 2. RCW 28A.150.220 and 1993 c 371 s 2 are each amended to read as follows:

(1) In order for students to have the opportunity to develop the basic education knowledge and skills under RCW 28A.150.210, school districts must provide instruction of sufficient quantity and quality and give students the opportunity to complete graduation requirements that are intended to prepare them for postsecondary education, gainful employment, and citizenship. Satisfaction of the basic education (~~(program requirements)~~) goal identified in RCW 28A.150.210 shall be considered to be implemented by the following instructional program:

(a) Each school district shall make available to students enrolled in kindergarten at least a total instructional offering of four hundred fifty hours. The program shall include instruction in the essential academic learning requirements under RCW (~~(28A.630.885)~~) 28A.655.070 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such program;

(b) Each school district shall make available to students enrolled in grades one through (~~(twelve)) eight~~, at least a district-wide annual average total instructional hour offering of one thousand hours. Each school district shall make available to students enrolled in grades nine through twelve, at least a district-wide annual average total instructional hour offering of one thousand eighty hours. The state board of education may define alternatives to classroom instructional time for students in grades nine through twelve enrolled in alternative learning experiences. The state board of education shall establish rules to determine annual average instructional hours for districts including fewer than twelve grades. The program shall include the essential academic learning requirements under RCW (~~(28A.630.885)~~) 28A.655.070 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such group;

(c) If the essential academic learning requirements include a requirement of languages other than English, the requirement may be met by students receiving instruction in one or more American Indian languages.

(2) Nothing contained in subsection (1) of this section shall be construed to require individual students to attend school for any particular number of hours per day or to take any particular courses.

(3) Each school district's kindergarten through twelfth grade basic educational program shall be accessible to all students who are five years of age, as provided by RCW 28A.225.160, and less than twenty-one years of age and shall consist of a minimum of one hundred eighty school days per school year in such grades as are conducted by a school district, and one hundred eighty half-days of instruction, or equivalent, in kindergarten(~~(- PROVIDED, That))~~, However, effective May 1, 1979, a school district may schedule the last five school days of the one hundred and eighty day school year for noninstructional purposes in the case of students who are graduating from high school, including, but not limited to, the observance of graduation and early release from school upon the request of a student, and all such students may be claimed as a full time equivalent student to the extent they could otherwise have been so claimed for the purposes of RCW 28A.150.250 and 28A.150.260.

(4) The state board of education shall adopt rules to implement and ensure compliance with the program requirements imposed by this section, RCW 28A.150.250 and 28A.150.260, and such related supplemental program approval requirements as the state board may establish.

Sec. 3. RCW 28A.150.260 and 2006 c 263 s 322 are each amended to read as follows:

The basic education allocation for each annual average full time equivalent student shall be determined in accordance with the following procedures:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula based on a ratio of students to staff for the distribution of a basic education allocation for each annual average full time equivalent student enrolled in a common school. The distribution formula shall have the primary objective of equalizing educational opportunities and shall provide appropriate recognition of the following costs among the various districts within the state:

- (a) Certificated instructional staff and their related costs;
- (b) Certificated administrative staff and their related costs;
- (c) Classified staff and their related costs;
- (d) Nonsalary costs;

(e) Extraordinary costs, including school facilities, of remote and necessary schools as judged by the superintendent of public instruction, with recommendations from the school facilities citizen advisory panel under RCW 28A.525.025, and small high schools, including costs of additional certificated and classified staff; and

(f) The attendance of students pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district.

~~(2)~~~~((a))~~ This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. In addition, the superintendent of public instruction shall review and analyze the various funding formulas as compared to trends in school district expenditures and staffing patterns and report biennially to the legislature on the results of the analysis. The recommended formula shall be subject to approval, amendment or rejection by the legislature. The formula shall be for allocation purposes only. While the legislature intends that the allocations for additional instructional staff be used to increase the ratio of such staff to students, nothing in this section shall require districts to reduce the number of administrative staff below existing levels.

~~((b))~~ (3) The formula adopted by the legislature shall reflect the following ratios at a minimum: ~~(i) Forty-nine certificated instructional staff to one thousand annual average full time equivalent students enrolled in grades kindergarten through three; (ii) forty-six certificated instructional staff to one thousand annual average full time equivalent students in grades four through twelve; (iii) four certificated administrative staff to one thousand annual average full time equivalent students in grades kindergarten through twelve; and (iv) sixteen and sixty-seven one-hundredths classified personnel to one thousand annual average full time equivalent students enrolled in grades kindergarten through twelve.~~

~~((c))~~, which are stated as the number of staff units allocated per one thousand annual average full-time equivalent students:

- (a) Certificated instructional staff units:

(i) Thirty-nine and seventy-five one-hundredths classroom teachers for students enrolled in grades kindergarten through three, calculated as provided under subsection (4) of this section;

(ii) Thirty-six and seventy-five one-hundredths classroom teachers for students enrolled in grades four through twelve, calculated as provided under subsection (4) of this section;

(iii) Four counselors for students in grades kindergarten through twelve;

(iv) Four teacher-librarians for students in grades kindergarten through twelve;

(v) One and twenty-five one-hundredths school nurses for students in grades kindergarten through twelve;

(b) Four certificated administrative staff units for students in grades kindergarten through twelve; and

(c) Seventeen and two one-hundredths classified staff units for students in grades kindergarten through twelve.

(4) The legislature intends to incorporate into the distribution formula an assumption of one teacher planning period per day and sufficient funds for school districts to increase instructional hours to the levels required under this section. Solely for purposes of calculating certificated instructional staff units for classroom teachers, the formula shall assume that one unit equals eight hundred thirty-five hours of instruction per year. The formula shall allocate a sufficient number of units to provide the minimum instructional hour requirements under this section, provide one teacher planning period per day, and result in the ratio of classroom teachers per one thousand full-time equivalent students specified under subsection (3)(a)(i) and (ii) of this section.

(5) The formula shall include an allocation for nonemployee-related costs of at least twenty-seven percent of the allocation for salary costs for the staff allocated under subsection (3) of this section.

(6) The formula shall include additional funds for twelve substitute days for each certificated instructional staff unit, which shall be calculated using the salary allocation schedule of the district under RCW 28A.150.410.

(7) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect: PROVIDED, That the distribution formula developed pursuant to this section shall be for state apportionment and equalization purposes only and shall not be construed as mandating specific operational functions of local school districts other than those program requirements identified in RCW 28A.150.220 and 28A.150.100. The enrollment of any district shall be the annual average number of full time equivalent students and part time students as provided in RCW 28A.150.350, enrolled on the first school day of each month and shall exclude full time equivalent students with disabilities recognized for the purposes of allocation of state funds for programs under RCW 28A.155.010 through 28A.155.100. The definition of full time equivalent student shall be determined by rules of the superintendent of public instruction: PROVIDED, That the definition shall be included as part of the superintendent's biennial budget request: PROVIDED, FURTHER, That any revision of the present definition shall not take effect until approved by the house appropriations committee and the senate ways and means committee: PROVIDED, FURTHER, That the office of financial management shall make a monthly review of the superintendent's reported full time equivalent students in the common schools in conjunction with RCW 43.62.050.

((8)) (8)(a) Certificated instructional staff shall include those persons employed by a school district who are nonsupervisory employees within the meaning of RCW 41.59.020(8): PROVIDED, That in exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision: PROVIDED, FURTHER, That the hiring of such classified people shall not occur during a labor dispute and such classified people shall not be hired to replace certificated employees during a labor dispute.

(b) Certificated administrative staff shall include all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4).

Sec. 4. RCW 28A.150.410 and 2007 c 403 s 1 are each amended to read as follows:

(1) The legislature shall establish for each school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only, to be used to distribute funds for basic education certificated instructional staff salaries under RCW 28A.150.260.

(2) Salary allocations for state-funded basic education certificated instructional staff shall be calculated by the superintendent of public instruction by determining the district's average salary for certificated instructional staff, using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act.

(3) Beginning January 1, 1992, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(4) Beginning in the 2007-08 school year, the calculation of years of service for occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 RCW may include experience in schools and other nonschool positions as occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, or psychologists. The calculation shall be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two years of nonschool service. Nonschool years of service included in calculations under this subsection shall not be applied to service credit totals for purposes of any retirement benefit under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement system benefits.

(5) The legislature shall establish in the omnibus appropriations act for each school year a salary allocation per certificated administrative staff unit allocated under RCW 28A.150.260. The allocation for the 2009-10 school year shall be not less than seventy thousand dollars and shall be annually adjusted as provided under RCW 28A.400.205. If a school district's allocation exceeds the minimum allocation under this section, the provisions of RCW 28A.400.205(3) apply.

(6) The legislature shall establish in the omnibus appropriations act for each school year a salary allocation per classified staff unit allocated under RCW 28A.150.260. The allocation for the 2009-10 school year shall be not less than thirty-four thousand dollars and shall be annually adjusted as provided under RCW 28A.400.205. If a school district's allocation exceeds the minimum allocation under this section, the provisions of RCW 28A.400.205(3) apply.

Sec. 5. RCW 28A.400.205 and 2003 1st sp.s. c 20 s 1 are each amended to read as follows:

(1) School district employees shall be provided an annual salary cost-of-living increase in accordance with this section.

(a) The cost-of-living increase shall be calculated by applying the rate of the yearly increase in the cost-of-living index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the 2001-02 school

year, and for each subsequent school year, except for the 2003-04 and 2004-05 school years, each school district shall be provided a cost-of-living allocation sufficient to grant this cost-of-living increase, except as provided in subsection (3) of this section.

(b) A school district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) Any funded cost-of-living increase shall be included in the salary base used to determine cost-of-living increases for school employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual cost-of-living increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation schedule established under RCW 28A.150.410 and to any other salary models used to recognize school district personnel costs.

(2) For the purposes of this section, "cost-of-living index" means, for any school year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section. The cost-of-living index used in any fiscal biennium for the purposes of this section shall be the estimated index as of the adoption of the omnibus appropriations act establishing the state budget for the next fiscal biennium. The index shall not be adjusted thereafter during the biennium.

(3) For school districts that have historically received teacher salary allocations in excess of the statewide salary schedule under RCW 28A.150.410 or whose salary allocations for certificated administrative and classified staff exceed the minimums established under RCW 28A.150.410, the legislature shall provide a cost-of-living increase under this section at fifty percent of the amount that would otherwise be calculated under this section until salary allocations have been equalized across all districts.

NEW SECTION. Sec. 6. A new section is added to chapter 28A.400 RCW to read as follows:

(1) The legislature shall provide funding for ten learning improvement days through the salary schedule under RCW 28A.150.410 as provided in this section. The additional days shall not be part of basic education.

(2) A school district is eligible to receive the additional funds if the learning improvement days have been added to the one hundred eighty day contract year established by the district. If fewer days are added, the additional learning improvement allocation shall be adjusted accordingly. The length of a learning improvement day shall not be less than the length of a full school day under the base contract.

(3) The additional days shall be limited to specific activities identified in the state-required school improvement plan related to improving student learning that are consistent with education reform implementation. The principal in each school shall assure that the days are used to provide schoolwide professional development for all teachers and other instructional staff that is tied directly to the school improvement plan. The principal of each school and the

superintendent of the school district shall maintain documentation of their approval of the activities.

(4) The superintendent of public instruction shall adopt rules and take such other steps as necessary to assure that school districts comply with the intent and purposes of this section.

Sec. 7. RCW 28A.400.200 and 2002 c 353 s 2 are each amended to read as follows:

(1) Every school district board of directors shall fix, alter, allow, and order paid salaries and compensation for all district employees in conformance with this section.

(2)(a) Salaries for certificated instructional staff shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a baccalaureate degree and zero years of service; and

(b) Salaries for certificated instructional staff with a masters degree shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a masters degree and zero years of service;

(3)(a) The actual average salary paid to certificated instructional staff shall not exceed the district's average certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to RCW 28A.150.410.

(b) Fringe benefit contributions for certificated instructional staff shall be included as salary under (a) of this subsection only to the extent that the district's actual average benefit contribution exceeds the amount of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. For purposes of this section, fringe benefits shall not include ~~((payment for unused leave for illness or injury under RCW 28A.400.210;))~~ employer contributions for old age survivors insurance, workers' compensation, unemployment compensation, and retirement benefits under the Washington state retirement system; or employer contributions for health benefits in excess of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. A school district may not use state funds to provide employer contributions for such excess health benefits.

(c) Salary and benefits for certificated instructional staff in programs other than basic education shall be consistent with the salary and benefits paid to certificated instructional staff in the basic education program.

(4)(a) Salaries and benefits for certificated instructional staff may exceed the limitations in subsection (3) of this section only by separate contract for additional time ~~((additional responsibilities, or incentives))~~ worked outside the regular school day or school year.

(b) Supplemental contracts shall specify the minimum amount of additional time required and the purpose or purposes of the additional time using standard terms and definitions established by the office of the superintendent of public instruction. Nothing in this section prohibits a supplemental contract that pays a stipend rather than a per-unit amount for the additional time. School districts shall annually submit the information required under this subsection to the office of the superintendent of public instruction in a common reporting format established by the office and disaggregated for each individual receiving a supplemental contract.

(c) Supplemental contracts shall not cause the state to incur any present or future funding obligation. Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380. No district may enter

into a supplemental contract under this subsection for the provision of services which are a part of the basic education program required by Article IX, section 3 of the state Constitution.

(5) Employee benefit plans offered by any district shall comply with RCW 28A.400.350 and 28A.400.275 and 28A.400.280.

NEW SECTION. Sec. 8. A new section is added to chapter 41.59 RCW to read as follows:

Nothing in chapter . . ., Laws of 2009 (this act) is intended to alter or affect existing collective bargaining agreements. Chapter . . ., Laws of 2009 (this act) applies only to collective bargaining agreements ratified on or after the effective date of this section.

Sec. 9. RCW 84.52.067 and 2001 c 3 s 7 are each amended to read as follows:

All property taxes levied by the state for the support of common schools shall be paid into the general fund of the state treasury as provided in RCW 84.56.280 ~~((except for the amounts collected under RCW 84.52.068 which shall be directly deposited into the student achievement fund and distributed to school districts as provided in RCW 84.52.068)).~~

Sec. 10. RCW 83.100.230 and 2008 c 329 s 924 are each amended to read as follows:

The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for ~~((deposit into the student achievement fund and for))~~ supporting K-12 basic education, expanding access to higher education through funding for new enrollments and financial aid, and other K-12 or higher educational improvement efforts. ~~((During the 2007-2009 fiscal biennium;))~~ Moneys in the account may also be transferred into the state general fund.

NEW SECTION. Sec. 11. The following acts or parts of acts are each repealed:

(1) RCW 28A.505.210 (Student achievement funds--Use and accounting of funds--Public hearing--Report) and 2005 c 497 s 105 & 2001 c 3 s 3;

(2) RCW 28A.505.220 (Student achievement funds--Allocations) and 2009 c 4 s 901, 2008 c 170 s 401, & 2005 c 514 s 1103;

(3) RCW 28A.150.380 (Appropriations by legislature) and 2001 c 3 s 10, 1995 c 335 s 103, 1990 c 33 s 115, 1980 c 6 s 3, & 1969 ex.s. c 223 s 28A.41.050;

(4) RCW 84.52.068 (State levy--Distribution to school districts) and 2005 c 514 s 1104, 2003 1st sp.s. c 19 s 1, & 2001 c 3 s 5;

(5) RCW 28A.400.210 (Employee attendance incentive program--Remuneration or benefit plan for unused sick leave) and 2000 c 231 s 1, 1997 c 13 s 9, 1992 c 234 s 12, 1991 c 92 s 2, 1989 c 69 s 2, & 1983 c 275 s 2; and

(6) RCW 28A.400.212 (Employee attendance incentive program--Effect of early retirement) and 1993 c 519 s 14, 1993 c 86 s 8, & 1992 c 234 s 13.

NEW SECTION. Sec. 12. Sections 9 through 11 of this act take effect September 1, 2009."

Renumber the remaining section consecutively and correct the title.

Representative Cox spoke in favor of the adoption of amendment (388) to amendment (333).

Representative Sullivan spoke against the adoption of amendment (388) to amendment (333).

Amendment (388) to amendment (333) was not adopted.

Representative Anderson moved the adoption of amendment (403) to amendment (333):

On page 1 of the striking amendment, strike all material after line 2 and insert the following:

"NEW SECTION. Sec. 1. INTENT. (1) In enacting this legislation, the legislature intends to fulfill its obligation under Article IX of the Washington state Constitution to define and fund a program of basic education for children residing in the state and attending public schools. This act defines the educational opportunities that school districts shall provide and for which the state shall allocate funding.

(2) The legislature also intends that the policies and allocation formulas in this act fulfill the legislature's obligation under Article IX to establish a general and uniform system of public schools. The legislature finds that in some instances providing general and uniform educational opportunity requires tailoring basic education allocations to reflect certain needs and circumstances of each school district, including district size, certain student characteristics, and regional labor market differences. It is the intent of the legislature that these allocation formulas address these differences in order to promote equity and uniformity of educational opportunity.

(3) Public education in Washington State has evolved since the enactment of the Washington basic education act of 1977. Student demographics, educational technology, data, and standards-based learning and assessment are only a few examples of factors affecting education that have changed in the last thirty years. Decisions by the courts have played a part in this evolution, as have studies and research about education practices and education funding. The legislature finds ample evidence of a need to redefine the program of basic education that is funded by the state and delivered by school districts to better align with the stated goals of a basic education and to improve the transparency and accountability of how the state meets its constitutional obligation under Article IX.

(4) For practical and educational reasons, wholesale change of the program of basic education and the funding formulas to support it cannot occur instantaneously. Financial experts must develop the details of the funding formulas. New systems of educator certification, evaluation, mentoring, and compensation must be developed and implemented. Data and accountability systems must be created. Significant increases in resources for staffing and class size reduction will have detrimental impact on student learning if school districts hire unprepared teachers and lack facilities to house them. The legislature intends to adopt a schedule for implementation of the redefined program of basic education and the resources necessary to support it, beginning in the 2011-12 school year and phased in over a six-year time period.

NEW SECTION. Sec. 2. INTENT TO MAKE NECESSARY CORRECTIONS. It is the intent of the legislature that the policies and allocation formulas adopted under this act, including the implementation schedule for these formulas, constitute the legislature's definition of basic education under Article IX of the state Constitution. It is the further intent of the legislature that these policies, formulas, and schedules should not be revised or delayed other than for educational reasons. The legislature intends, however, to continue to review and revise the formulas and schedules and may make revisions for technical purposes and consistency in the event of mathematical or other technical errors.

NEW SECTION. Sec. 3. STEERING COMMITTEE TO OVERSEE IMPLEMENTATION. (1) The basic education steering committee is established to monitor and oversee implementation of

the new definition of basic education. The steering committee shall be composed of the following members:

(a) Four members of the house of representatives, with two members representing each of the major caucuses and appointed by the speaker of the house of representatives;

(b) Four members of the senate, with two members representing each of the major caucuses and appointed by the president of the senate; and

(c) One representative each from the office of the governor, office of the superintendent of public instruction, state board of education, professional educator standards board, and department of early learning.

(2) The chair or cochairs of the steering committee shall be selected by the members of the committee.

(3) The responsibility of the steering committee is to monitor and oversee implementation of the new definition of basic education, including the funding formulas, systems of educator compensation and accountability, the program of early learning, and a supplemental finance system from levies and local effort assistance. The steering committee shall monitor and oversee the following technical working groups:

(a) The funding formulas working group under section 114 of this act that develops the financial model and funding formulas for the basic education instructional allocation;

(b) The compensation working group under section 206 of this act that develops options for a new statewide salary model and bonuses for certificated instructional staff;

(c) The early learning working group under section 111 of this act that develops a proposal for a basic education program of early learning and examines options for preschool early learning for at-risk children from birth to age three;

(d) The local funding working group under section 402 of this act that develops options for a new system of supplemental school funding through local school levies and local effort assistance; and

(e) The data working group under section 311 of this act designing comprehensive accountability systems for financial, student, and educator data.

(4) The steering committee may also request updates and progress reports from the office of the superintendent of public instruction, the state board of education, the professional educator standards board, and the department of early learning on the implementation of this act.

(5) The steering committee shall submit an initial report to the governor and the legislature by January 1, 2010, detailing its recommendations based on analysis of reports from the working groups and state agencies, including recommendations for resolving issues or decisions requiring legislative action during the 2010 legislative session, and recommendations for any funding necessary to continue development and implementation of this act.

(6) The steering committee shall submit subsequent reports to the governor and the legislature by November 15, 2010, and annually thereafter, ending November 15, 2016.

(7) Staff support for the basic education steering committee shall be provided by the state agencies with representatives on the committee, the senate committee services, and the office of program research of the house of representatives. Legislative members of the steering committee shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(8) This section expires June 30, 2017.

PART I PROGRAM OF BASIC EDUCATION

Sec. 101. RCW 28A.150.200 and 1990 c 33 s 104 are each amended to read as follows:

~~PROGRAM OF EDUCATION. ((This 1977 amendatory act shall be known and may be cited as "The Washington Basic Education Act of 1977." The program evolving from the Basic Education Act shall include (1) the goal of the school system as defined in RCW 28A.150.210, (2) those program requirements enumerated in RCW 28A.150.220, and (3) the determination and distribution of state resources as defined in RCW 28A.150.250 and 28A.150.260.~~

~~The requirements of the Basic Education Act are)) (1) The program of basic education established under this chapter is deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution, which states that "It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex," and ((are)) is adopted pursuant to Article IX, section 2 of the state Constitution, which states that "The legislature shall provide for a general and uniform system of public schools."~~

(2) The legislature defines the program of basic education under this chapter as:

(a) The instructional program of basic education the minimum components of which are described in section 104 of this act;

(b) The program of early learning for at-risk children under section 110 of this act;

(c) The program of education provided by chapter 28A.190 RCW for students in residential schools as defined by RCW 28A.190.020 and for juveniles in detention facilities as identified by RCW 28A.190.010;

(d) The program of education provided by chapter 28A.193 RCW for individuals under the age of eighteen who are incarcerated in adult correctional facilities; and

(e) Transportation and transportation services to and from school for eligible students as provided under RCW 28A.160.150 through 28A.160.180.

(3) Therefore, basic education shall be considered to be fully funded by those amounts of dollars appropriated by the legislature for the following purposes:

(a) Amounts appropriated pursuant to sections 106 through 108 of this act to fund the instructional program requirements identified in section 104 of this act;

(b) Amounts appropriated to fund the salary requirements of sections 204, 207, and 209 of this act;

(c) Amounts appropriated to support the program of early learning for at-risk children under section 110 of this act;

(d) Amounts appropriated to support the programs of education provided by chapters 28A.190 and 28A.193 RCW; and

(e) Amounts appropriated for pupil transportation as provided under RCW 28A.160.150 through 28A.160.180.

NEW SECTION. Sec. 102. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Basic education core instructional allocation" means the funding allocation to school districts under section 106 (3), (4), and (7) of this act to support school staffing; maintenance, supplies, and operating costs; and central office administration.

(2) "Basic education goal" means the student learning goals and the student knowledge and skills described under section 103 of this act.

(3) "Certificated administrative staff" means all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4).

(4) "Certificated employee" as used in this chapter and RCW 28A.195.010, 28A.405.100, 28A.405.210, 28A.405.240, 28A.405.250, 28A.405.300 through 28A.405.380, and chapter 41.59 RCW, means those persons who hold certificates as authorized by rule of the Washington professional educator standards board.

(5) "Certificated instructional staff" means those persons employed by a school district who are nonsupervisory certificated employees within the meaning of RCW 41.59.020(8).

(6) "Class size" means an instructional grouping of students where, on average, the ratio of students to teacher is the number specified.

(7) "Classroom teacher" means a certificated instructional staff person whose primary duty is the daily educational instruction of students. In exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision, but the hiring of such classified people shall not occur during a labor dispute, and such classified people shall not be hired to replace certificated employees during a labor dispute.

(8) "Instructional hours" means those hours students are provided the opportunity to engage in academic and career and technical instruction planned by and under the direction of school district staff, as directed by the administration and board of directors of the district, inclusive of teacher/parent-guardian conferences that are planned and scheduled by the district for the purpose of discussing students' educational needs or progress, and exclusive of time actually spent for meals, intermissions for class changes, or recess.

(9) "Instructional program of basic education" means the minimum program required to be provided by school districts and includes instructional hour requirements and other components under section 104 of this act.

(10) "Program of basic education" means the overall program deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution, full funding of which is described under section 101 of this act.

(11) "School day" means each day of the school year on which pupils enrolled in the common schools of a school district are engaged in academic and career and technical instruction planned by and under the direction of the school.

(12) "School year" includes the minimum number of school days required under section 104 of this act and begins on the first day of September and ends with the last day of August, except that any school district may elect to commence the annual school term in the month of August of any calendar year and in such case the operation of a school district for such period in August shall be credited by the superintendent of public instruction to the succeeding school year for the purpose of the allocation and distribution of state funds for the support of such school district.

(13) "Teacher planning period" means a period of a school day as determined by the administration and board of the directors of the district that may be used by teachers for instruction-related activities including but not limited to preparing instructional materials; reviewing student performance; recording student data; consulting with other teachers, instructional aides, mentors, instructional coaches, administrators, and parents; or participating in professional development.

Sec. 103. RCW 28A.150.210 and 2007 c 400 s 1 are each amended to read as follows:

BASIC EDUCATION GOAL. ~~((The goal of the basic education act for the schools of the state of Washington set forth in this chapter shall be to))~~ A basic education is an evolving program of instruction that provides students with the opportunity to become responsible and respectful global citizens, to contribute to their economic well-being and that of their families and communities, to explore and understand different perspectives, and to enjoy productive and satisfying lives. ~~((Additionally,))~~ The state of Washington intends to provide for a public school system that is able to evolve and adapt in order to better focus on strengthening the educational achievement of all students, which includes high expectations for all students and gives all students the opportunity to achieve personal and academic success. To these ends, the goals of each school district, with the involvement of parents and community members, shall be to provide opportunities for every student to develop the knowledge and skills essential to:

(1) Read with comprehension, write effectively, and communicate successfully in a variety of ways and settings and with a variety of audiences;

(2) Know and apply the core concepts and principles of mathematics; social, physical, and life sciences; civics and history, including different cultures and participation in representative government; geography; arts; and health and fitness;

(3) Think analytically, logically, and creatively, and to integrate different experiences and knowledge to form reasoned judgments and solve problems; and

(4) Understand the importance of work and finance and how performance, effort, and decisions directly affect future career and educational opportunities.

Sec. 104. RCW 28A.150.220 and 1993 c 371 s 2 are each amended to read as follows:

INSTRUCTIONAL PROGRAM. (1) ~~((Satisfaction of the basic education program requirements identified in RCW 28A.150.210 shall be considered to be implemented by the following program:~~

~~—(a) Each school district shall make available to students enrolled in kindergarten at least a total instructional offering of four hundred fifty hours. The program shall include instruction in the essential academic learning requirements under RCW 28A.630.885 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such program;~~

~~—(b) Each school district shall make available to students enrolled in grades one through twelve, at least a district-wide annual average total instructional hour offering of one thousand hours. The state board of education may define alternatives to classroom instructional time for students in grades nine through twelve enrolled in alternative learning experiences. The state board of education shall establish rules to determine annual average instructional hours for districts including fewer than twelve grades. The program shall include the essential academic learning requirements under RCW 28A.630.885 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such group;~~

~~—(c) If the essential academic learning requirements include a requirement of languages other than English, the requirement may be met by students receiving instruction in one or more American Indian languages.~~

~~—(2) Nothing contained in subsection (1) of this section shall be construed to require individual students to attend school for any particular number of hours per day or to take any particular courses.~~

~~—(3)) In order for students to have the opportunity to develop the basic education knowledge and skills under section 103 of this act, school districts must provide instruction of sufficient quantity and quality and give students the opportunity to complete graduation requirements that are intended to prepare them for postsecondary education, gainful employment, lifelong learning, and citizenship. The program established under this section, supported by the resources allocated under sections 106 through 108 of this act, shall be the minimum instructional program of basic education offered by school districts.~~

(2) Each school district's kindergarten through twelfth grade basic educational program shall be accessible to all students who are five years of age, as provided by RCW 28A.225.160, and less than twenty-one years of age and shall consist of a minimum of one hundred eighty school days per school year in such grades as are conducted by a school district, and one hundred eighty half-days of instruction, or equivalent, in kindergarten~~((PROVIDED, That effective May 1, 1979)), to be increased to a minimum of one hundred eighty school days per school year no later than the 2016-17 school year and according to the implementation schedules under sections 109 and 113 of this act.~~ However, a school district may schedule the last five school days of the one hundred~~((and))~~ eighty day school year for noninstructional purposes in the case of students who are graduating from high school, including, but not limited to, the observance of graduation and early release from school upon the request of a student, and all such students may be claimed as~~((a))~~ full-time equivalent students to the extent they could otherwise have been so claimed for the purposes of~~((RCW 28A.150.250 and 28A.150.260.~~

~~—(4)) section 106 of this act. The minimum one hundred eighty day school year requirement may be waived by the state board of education as provided under section 115 of this act.~~

(3) Each school district shall make available to students the following minimum instructional offering each school year:

(a) For students enrolled in grades seven through twelve, at least a district-wide annual average of one thousand hours for students enrolled in grades one through twelve, which shall be increased to one thousand eighty instructional hours by the 2016-17 school year according to the implementation schedules under section 113 of this act;

(b) For students enrolled in grades one through six, at least a district-wide annual average of one thousand hours for students enrolled in grades one through twelve, which shall be increased to one thousand instructional hours by the 2016-17 school year according to the implementation schedules under section 113 of this act; and

(c) For students enrolled in kindergarten, at least four hundred fifty instructional hours, which shall be increased to at least one thousand instructional hours by the 2016-17 school year according to the implementation schedules under sections 109 and 113 of this act.

(4) The instructional program of basic education provided by each school district shall include:

(a) Instruction in the essential academic learning requirements under RCW 28A.655.070;

(b) Instruction that provides students the opportunity to complete twenty-four credits for high school graduation, with course distribution requirements established by the state board of education under RCW 28A.230.090 and that may be subject to a phased-in implementation of the twenty-four credits as adopted by the board;

(c) Supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(d) Supplemental instruction and services for eligible and enrolled students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080; and

(e) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020.

(5) Nothing in this section precludes a school district from enriching the instructional program of basic education, such as offering additional instruction in other subjects or providing additional services, programs, or activities that the school district determines to be appropriate for the education of the school district's students.

(6) Nothing in this section requires individual students to attend school for any particular number of hours per day or to take any particular courses.

(7) The state board of education shall adopt rules to implement and ((ensure)) assure compliance with the ((program requirements imposed by this section, RCW 28A.150.250 and 28A.150.260, and such related supplemental program approval requirements as the state board may establish)) minimum instructional hours and school days required under this section and to assure that school districts provide the components of the basic education instructional program under this section. If a school district's basic education instructional program fails to meet the requirements of this section, the state board of education shall require the superintendent of public instruction to withhold state funds in whole or in part for the basic education allocation until program compliance is assured. The state board shall periodically examine the effectiveness of different instructional strategies and schedules used by school districts to meet the requirements of this section, communicate identified concerns to districts, and disseminate to other districts information about effective innovations.

Sec. 105. RCW 28A.150.250 and 1990 c 33 s 107 are each amended to read as follows:

FUNDING OF BASIC EDUCATION INSTRUCTIONAL ALLOCATION. From those funds made available by the legislature for the current use of the common schools, the superintendent of public instruction shall distribute annually as provided in RCW 28A.510.250 to each school district of the state operating a basic education instructional program approved by the state board of education an ((amount which, when combined with an appropriate portion of such locally available revenues, other than)) allocation based on the formulas provided in sections 106 through 108 of this act. The basic education instructional allocation shall be net of receipts from federal forest revenues distributed to school districts pursuant to RCW 28A.520.010 and 28A.520.020((, as the superintendent of public instruction may deem appropriate for consideration in computing state equalization support, excluding excess property tax levies, will constitute a basic education allocation in dollars for each annual average full-time equivalent student enrolled, based upon one full school year of one hundred eighty days, except that for kindergartens one full school year shall be one hundred eighty half days of instruction, or the equivalent as provided in RCW 28A.150.220.

Basic education shall be considered to be fully funded by those amounts of dollars appropriated by the legislature pursuant to RCW 28A.150.250 and 28A.150.260 to fund those program requirements identified in RCW 28A.150.220 in accordance with the formula and

ratios provided in RCW 28A.150.260 and those amounts of dollars appropriated by the legislature to fund the salary requirements of RCW 28A.150.100 and 28A.150.410.

Operation of a program approved by the state board of education, for the purposes of this section, shall include a finding that the ratio of students per classroom teacher in grades kindergarten through three is not greater than the ratio of students per classroom teacher in grades four and above for such district: PROVIDED, That for the purposes of this section, "classroom teacher" shall be defined as an instructional employee possessing at least a provisional certificate, but not necessarily employed as a certificated employee, whose primary duty is the daily educational instruction of students: PROVIDED FURTHER, That the state board of education shall adopt rules and regulations to insure compliance with the student/teacher ratio provisions of this section, and such rules and regulations shall allow for exemptions for those special programs and/or school districts which may be deemed unable to practicably meet the student/teacher ratio requirements of this section by virtue of a small number of students.

If a school district's basic education program fails to meet the basic education requirements enumerated in RCW 28A.150.250, 28A.150.260, and 28A.150.220, the state board of education shall require the superintendent of public instruction to withhold state funds in whole or in part for the basic education allocation until program compliance is assured: PROVIDED, That the state board of education may waive this requirement in the event of substantial lack of classroom space).

Sec. 106. RCW 28A.150.260 and 2006 c 263 s 322 are each amended to read as follows:

ALLOCATION FOR INSTRUCTIONAL PROGRAM OF BASIC EDUCATION. ((The basic education allocation for each annual average full-time equivalent student shall be determined in accordance with the following procedures)) The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under section 104 of this act. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula ((based on a ratio of students to staff)) for the distribution of a basic education instructional allocation for each ((annual average full-time equivalent student enrolled in a)) common school district. ((The distribution formula shall have the primary objective of equalizing educational opportunities and shall provide appropriate recognition of the following costs among the various districts within the state:

- (a) Certificated instructional staff and their related costs;
- (b) Certificated administrative staff and their related costs;
- (c) Classified staff and their related costs;
- (d) Nonsalary costs;

— (e) Extraordinary costs, including school facilities, of remote and necessary schools as judged by the superintendent of public instruction, with recommendations from the school facilities citizen advisory panel under RCW 28A.525.025, and small high schools, including costs of additional certificated and classified staff; and

— (f) The attendance of students pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district.))

(2)((a)) The distribution formula under this section shall be for allocation purposes only. Except as may be required under chapter 28A.165, 28A.180, or 28A.155 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular

instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(3)(a) The distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school staff. Funding allocations to school districts shall be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) For the purposes of this section, prototypical schools are defined as follows:

(i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;

(ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and

(iii) A prototypical elementary school has four hundred average annual full-time equivalent students in grades kindergarten through six.

(c) By the 2016-17 school year, the minimum allocation for a prototypical high school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over one thousand eighty annual instructional hours and provide at least one teacher planning period per school day, with the following average class size:

<u>Average</u> <u>Class Size</u>	
Basic class size.....	<u>25.0</u>
Basic class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals, adjusted as provided under subsection (8) of this section	<u>22.0</u>
For exploratory career and technical education courses.....	<u>19.0</u>
For laboratory science, advanced placement, and international baccalaureate courses.....	<u>19.0</u>
For preparatory career and technical education courses, including those offered through a skill center.....	<u>16.0</u>

(d) By the 2016-17 school year, the minimum allocation for a prototypical middle school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over one thousand eighty instructional hours and provide at least one teacher planning period per school day, with the following average class size:

<u>Average</u> <u>Class Size</u>	
Basic class size.....	<u>25.0</u>

Basic class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals, adjusted as provided under subsection (8) of this section

For exploratory career and technical education courses..... 19.0
(e) By the 2016-17 school year, the minimum allocation for a prototypical elementary school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over one thousand instructional hours and provide at least one teacher planning period per school day, with the following average class size:

<u>Average</u> <u>Class Size</u>	
Basic class size.....	<u>25.0</u>
Basic class size in schools where more than fifty percent of the students are eligible for free and reduced-priced meals.....	<u>22.0</u>
Class size in grades kindergarten through three.....	<u>15.0</u>

(f) By the 2016-17 school year, the minimum allocation for each prototypical school shall include allocations for the following types and number of full-time equivalent staff in addition to classroom teachers:

	<u>High</u> <u>School</u>	<u>Middle</u> <u>School</u>	<u>Elementary</u> <u>School</u>
Principals, including assistant principals and other certificated building-level administrators	<u>1.8</u>	<u>1.3</u>	<u>1.2</u>
Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs	<u>1</u>	<u>1</u>	<u>1</u>
Student health services, a function that includes school nurses and social workers	<u>1</u>	<u>1</u>	<u>1</u>
Guidance counselors, a function that includes parent outreach and graduation advisor	<u>1.5</u>	<u>1</u>	<u>0</u>
Professional development coaches	<u>0.75</u>	<u>0.5</u>	<u>0.5</u>
Office support and noninstructional aides	<u>3</u>	<u>3</u>	<u>3</u>
Custodians and other maintenance	<u>4</u>	<u>4</u>	<u>4</u>
Student and staff safety	<u>1</u>	<u>1</u>	<u>1</u>

(4)(a) The minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following materials, supplies, and operating costs. The amounts in this subsection are based on 2007-08 dollars and shall be adjusted annually for inflation with the amounts allocated for each school year specified in the omnibus appropriations act and subject to the implementation schedule in section 113 of this act. The amounts may be inflated differentially by category.

<u>Per annual average</u> <u>full-time equivalent student</u>	
Student technology.....	<u>\$200</u>
Utilities.....	<u>\$216</u>
Curriculum, textbooks, library materials, and instructional supplies.....	<u>\$155</u>
Instructional professional development	<u>\$103</u>
Other building-level costs including maintenance, custodial, and security.....	<u>\$102</u>
Central office administration.....	<u>\$310</u>

(b) The per annual average full-time equivalent student amounts in (a) of this subsection shall be enhanced as follows based on full-time equivalent student enrollment in the following courses:

<u>Per annual average full-time equivalent student amount enhancement</u>	
<u>Exploratory career and technical education courses for students in grades seven through twelve.</u>	6.0%
<u>Laboratory science courses for students in grades nine through twelve.</u>	6.0%
<u>Preparatory career and technical education courses for students in grades nine through twelve offered in a high school</u>	10.0%
<u>Preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center</u>	12.0%

(5) By the 2016-17 school year, the allocations provided under subsections (3) and (4) of this section shall be enhanced as follows to provide additional allocations for classroom teachers and maintenance, supplies, and operating costs:

(a) To provide supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the percent of students in each school who are eligible for free and reduced-price meals, adjusted as provided under subsection (8) of this section.

(i) The minimum allocation for the learning assistance program shall provide an extended school day for a prototypical school as follows:

	<u>High School</u>	<u>Middle School</u>	<u>Elementary School</u>
<u>Instructional hours per week</u>	<u>2.0</u>	<u>2</u>	<u>2</u>
<u>Average class size</u>	<u>5</u>	<u>5</u>	<u>5</u>

(ii) The minimum allocation for the learning assistance program shall provide an extended school year for a prototypical school as follows:

	<u>High School</u>	<u>Middle School</u>	<u>Elementary School</u>
<u>Instructional hours per week</u>	<u>10</u>	<u>10</u>	<u>10</u>
<u>Number of weeks</u>	<u>4</u>	<u>4</u>	<u>4</u>
<u>Average class size</u>	<u>5</u>	<u>5</u>	<u>5</u>

(iii) The minimum allocation for the learning assistance program shall include a per student allocation for maintenance, supplies, and operating costs as provided in the omnibus appropriations act.

(b) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080.

(i) The minimum allocation for a prototypical school shall provide for supplemental instruction as follows:

	<u>High School</u>	<u>Middle School</u>	<u>Elementary School</u>
<u>Percent of school day in supplemental instruction</u>	<u>14.0%</u>	<u>14.0%</u>	<u>20.0%</u>
<u>Average class size</u>	<u>8</u>	<u>8.0</u>	<u>8.0</u>

(ii) The minimum allocation for the transitional bilingual instruction program shall include a per student allocation for maintenance,

supplies, and operating costs as provided in the omnibus appropriations act.

(6) The allocations under subsections (3) through (5) of this section shall be enhanced as provided under section 107 of this act on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(7) The distribution formula shall include allocations to school districts to support staffing of central office administration. The minimum allocation shall be calculated as a percentage, identified in the omnibus appropriations act, of the total allocations for staff under subsection (3) of this section for all schools in the district.

(8)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (3) and (5) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (3) and (4) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(9) Beginning in the 2012-13 school year, the distribution formula shall include allocations to school districts to support release time for state-certified mentors and new teachers and other costs to provide the mentoring and support program under section 203 of this act. The formula shall be based on the number of teachers in the district with five or fewer years of teaching experience, with the amount of release time significantly greater to support teachers in their first year of teaching service for whom the program is mandatory. School districts must use the allocations under this subsection to provide the mentoring and support program under section 203 of this act.

(10)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature. ~~((The formula shall be for allocation purposes only. While the legislature intends that the allocations for additional instructional staff be used to increase the ratio of such staff to students, nothing in this section shall require districts to reduce the number of administrative staff below existing levels.~~

(b) The formula adopted by the legislature shall reflect the following ratios at a minimum: (i) Forty-nine certificated instructional staff to one thousand annual average full time equivalent students enrolled in grades kindergarten through three; (ii) forty-six certificated instructional staff to one thousand annual average full time equivalent students in grades four through twelve; (iii) four certificated administrative staff to one thousand annual average full time equivalent students in grades kindergarten through twelve; and (iv) sixteen and sixty-seven one-hundredths classified personnel to one thousand annual average full time equivalent students enrolled in grades kindergarten through twelve.

~~(c))~~ (b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect. ~~(c) PROVIDED, That the distribution formula developed pursuant to this section shall be for state apportionment and equalization purposes only and shall not be construed as mandating specific operational functions of local school~~

districts other than those program requirements identified in RCW 28A.150.220 and 28A.150.100).

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month ~~((and shall exclude full-time equivalent students with disabilities recognized for the purposes of allocation of state funds for programs under RCW 28A.155.010 through 28A.155.100)), including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction ~~((= PROVIDED, That the definition))~~ and shall be included as part of the superintendent's biennial budget request ~~((= PROVIDED, FURTHER, That)). The definition shall be based on the minimum instructional hour offerings required under section 104 of this act. Any revision of the present definition shall not take effect until approved by the house appropriations committee and the senate ways and means committee ~~((= PROVIDED, FURTHER, That)).~~~~~~

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

~~((3)(a) Certificated instructional staff shall include those persons employed by a school district who are nonsupervisory employees within the meaning of RCW 41.59.020(8). PROVIDED, That in exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision. PROVIDED, FURTHER, That the hiring of such classified people shall not occur during a labor dispute and such classified people shall not be hired to replace certificated employees during a labor dispute.~~

~~((b) Certificated administrative staff shall include all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4).))~~

Sec. 107. RCW 28A.150.390 and 1995 c 77 s 6 are each amended to read as follows:

SPECIAL EDUCATION EXCESS COST ALLOCATION. (1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for students with disabilities and shall take account of state funds accruing through ~~((RCW 28A.150.250, 28A.150.260,))~~ section 106 (3) through (5) of this act and federal medical assistance and private funds accruing under RCW 74.09.5249 through 74.09.5253 and 74.09.5254 through 74.09.5256 ~~((, and other state and local funds, excluding special excess levies)).~~

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten who are eligible for and enrolled in special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.15; and

(b) A district's annual average full-time equivalent basic education enrollment, multiplied by the district's funded enrollment percent, multiplied by the district's base allocation per full-time equivalent student, multiplied by 0.9309.

(3) As used in this section:

(a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under section 106 (3) through (5) of this act, to be divided by the district's full-time equivalent enrollment.

(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.

(c) "Enrollment percent" means the district's resident special education annual average enrollment, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

(d) "Funded enrollment percent" means the lesser of the district's actual enrollment percent or twelve and seven-tenths percent.

NEW SECTION. Sec. 108. SPECIAL EDUCATION SAFETY NET. (1) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under section 107 of this act. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state and federal revenues related to services for special education students.

(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services. Safety net awards under this subsection (1)(c) shall be adjusted to reflect amounts awarded under (b) of this subsection.

(d) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(e) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

(f) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(2) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Before revising any

standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(3) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(4) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

Sec. 109. RCW 28A.150.315 and 2007 c 400 s 2 are each amended to read as follows:

PHASE-IN ALL-DAY KINDERGARTEN. (1) Beginning with the 2007-08 school year, funding for voluntary all-day kindergarten programs shall be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. Once a school receives funding for the all-day kindergarten program, that school shall remain eligible for funding in subsequent school years regardless of changes in the school's percentage of students eligible for free and reduced-price lunches as long as other program requirements are fulfilled. Additionally, schools receiving all-day kindergarten program support shall agree to the following conditions:

(a) Provide at least a one thousand-hour instructional program;

(b) Provide a curriculum that offers a rich, varied set of experiences that assist students in:

(i) Developing initial skills in the academic areas of reading, mathematics, and writing;

(ii) Developing a variety of communication skills;

(iii) Providing experiences in science, social studies, arts, health and physical education, and a world language other than English;

(iv) Acquiring large and small motor skills;

(v) Acquiring social and emotional skills including successful participation in learning activities as an individual and as part of a group; and

(vi) Learning through hands-on experiences;

(c) Establish learning environments that are developmentally appropriate and promote creativity;

(d) Demonstrate strong connections and communication with early learning community providers; and

(e) Participate in kindergarten program readiness activities with early learning providers and parents.

(2) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate one or more school districts to serve as resources and examples of best practices in designing and operating a high-quality all-day kindergarten program. Designated school districts shall serve as lighthouse programs and provide technical assistance to other school districts in the initial stages of implementing an all-day kindergarten program. Examples of topics addressed by the technical assistance include strategic planning, developing the instructional program and curriculum, working with early learning providers to identify students and communicate with parents, and developing kindergarten program readiness activities.

~~((3) Any funds allocated to support all-day kindergarten programs under this section shall not be considered as basic education funding.))~~

NEW SECTION. Sec. 110. BASIC EDUCATION PROGRAM OF EARLY LEARNING. (1) The legislature finds that disadvantaged young children do not have the opportunity to attain the goals or meaningfully participate or reach any reasonable level of achievement within the regular instructional program of basic education without supplemental instruction in preschool to prepare them for kindergarten and beyond. Therefore, the legislature intends to establish a basic education program of early learning for at-risk children that is part of the program of basic education under this chapter beginning in the 2011-12 school year, subject to the implementation schedule under section 113 of this act.

(2) The basis for the basic education program of early learning is the statewide Washington head start program required to be proposed by the department of early learning under RCW 43.215.125, which the legislature may modify before adopting. It is the intent of the legislature that the basic education program of early learning, which shall include the federal head start program as it applies to at-risk children, replace the early childhood education and assistance program under RCW 43.215.400 through 43.215.450 as it applies to at-risk children. The basic education program of early learning includes:

(a) Comprehensive services that focus on the needs of the child and include education, health, and family support services;

(b) Instruction to develop literacy, numeracy, reasoning, problem-solving, and decision-making skills that are the foundation of school readiness;

(c) A minimum of four hundred forty-eight instructional hours per year;

(d) Required family support services and parent conferences;

(e) Minimum staffing requirements and appropriate minimum qualifications for instructional staff;

(f) Data collection used for program planning; and

(g) Program quality and performance standards.

(3) For the purposes of this section and the basic education program of early learning, "at-risk children" means children aged three, four, and five who are not eligible for kindergarten and whose family income is at or below one hundred thirty percent of the federal poverty level, as published annually by the federal department of health and human services. Participation by an at-risk child in the basic education program of early learning is voluntary.

(4)(a) Beginning in the 2011-12 school year and subject to the implementation schedule under section 113 of this act, the legislature shall appropriate funds on a per-student basis to provide services for at-risk children who enroll in the basic education program of early learning. The per-student amount for the 2011-12 school year shall be equivalent to the amount provided for that year for the federal head start program and must be annually adjusted thereafter in the

omnibus appropriations act. The total allocation shall be net of receipts from the federal head start program that are to provide services for at-risk children.

(b) State and federal funds to support the program shall be distributed to school districts that may provide services directly or may contract with public or private nonsectarian organizations, including but not limited to educational service districts, community and technical colleges, local governments, or nonprofit organizations, to provide services.

(5) All programs are subject to approval by the department of early learning.

(6) The superintendent of public instruction shall assure that school districts and contractors comply with Article IX, section 4 of the state Constitution prohibiting sectarian control or influence of all schools maintained or supported wholly or in part by public funds.

(7) In cooperation with the department of early learning, the superintendent of public instruction shall require school districts to use a common, statewide kindergarten readiness assessment as a form of accountability for the basic education program of early learning.

NEW SECTION. Sec. 111. EARLY LEARNING WORKING GROUP. (1) The department of early learning and the office of the superintendent of public instruction shall convene a working group to develop the basic education program of early learning described under section 110 of this act. The early learning working group shall be composed of representatives from head start and early childhood education and assistance program providers, school districts, thrive by five of Washington, and other stakeholders with expertise in early learning.

(2) The early learning working group shall continue the preliminary work of the department of early learning under RCW 43.215.125 to develop a proposal for a statewide Washington head start program. The working group shall develop recommended parameters and minimum standards for the program.

(3) The early learning working group shall also examine service delivery, program, and funding options for providing preschool early learning services for at-risk children aged birth to three and examine the advantages, disadvantages, and implications of including services to this population of children as part of the program of basic education. A representative of the office of the attorney general shall be included as a participant in the early learning working group to assist with this examination.

(4) The work of the early learning working group shall be monitored and overseen by the basic education steering committee under section 3 of this act. The working group shall provide updates on its work as requested by the steering committee.

(5) The department of early learning and the office of the superintendent of public instruction shall submit a progress report on the development of the basic education program of early learning to the basic education steering committee by November 15, 2009. The progress report shall include recommendations for addressing any unresolved issues or decisions requiring legislative action during the 2010 legislative session to allow continued development of the program. A final report, including recommended legislation to authorize the superintendent of public instruction and the department of early learning to fulfill their responsibilities under section 110 of this act, shall be submitted to the steering committee by September 1, 2010.

Sec. 112. RCW 28A.150.370 and 1995 c 335 s 102 and 1995 c 77 s 5 are each reenacted and amended to read as follows:

LEGISLATURE TO APPROPRIATE FUNDS. (1) The legislature shall, at each regular session in an odd-numbered year, appropriate for the current use of the common schools such amounts

as needed for state support to school districts for the program of basic education defined under section 101 of this act, subject to the implementation schedule under section 113 of this act.

(2) In addition to those state funds provided to school districts for basic education, the legislature (~~(shall appropriate funds for pupil transportation, in accordance with this chapter, RCW 28A.160.150 through 28A.160.210, 28A.300.035, 28A.300.170, and 28A.500.010; and for special education programs for students with disabilities, in accordance with RCW 28A.155.010 through 28A.155.100.~~ The legislature)) may appropriate funds to be distributed to school districts for ((population)) other factors ((~~such as urban costs, enrollment fluctuations~~)) and for other special programs (~~(including but not limited to, vocational-technical institutes, compensatory programs, bilingual education, urban, rural, racial and disadvantaged programs, programs for gifted students, and other special programs))~~ to enhance or enrich the program of basic education.

NEW SECTION. Sec. 113. IMPLEMENTATION SCHEDULE. (1) By the 2016-17 school year, appropriations of state funds to support school districts in offering the minimum instructional program of basic education must be based on the factors and numeric values specified in sections 106 through 108 of this act.

Beginning with the 2011-12 school year, the legislature shall appropriate funds for the instructional program of basic education using the structure of the funding formulas under sections 106 through 108 of this act, but the legislature may incrementally phase-in the implementation of the numeric values in the formulas until full implementation is achieved in the 2016-17 school year.

(2) By the 2016-17 school year, appropriations of state funds to support the basic education program of early learning shall be sufficient to serve all enrolled at-risk children as defined in section 110 of this act. Beginning with the 2011-12 school year, the legislature may incrementally phase-in appropriations to support the basic education program of early learning until full implementation is achieved in the 2016-17 school year.

(3) For each school year beginning in 2011-12, the legislature shall specify in the omnibus appropriations act the numeric values of the funding formulas used to determine the appropriations and the assumed number of at-risk children served.

(4) Within the six-year time frame under this section, the priorities for phasing-in full implementation of the funding formulas shall be as follows:

(a) Full funding of allocations for maintenance, supplies, and operating costs and salary allocations for administrative and classified staff and certificated instructional staff;

(b) Phasing-in all-day kindergarten according to the schedule provided in section 109 of this act;

(c) Expansion of funding allocations for the learning assistance program and the transitional bilingual instructional program to make progress in closing the achievement gap;

(d) Increasing the number of at-risk children served under the basic education program of early learning; and

(e) Class size reduction in grades kindergarten through three.

(5) This section expires June 30, 2017.

NEW SECTION. Sec. 114. FUNDING FORMULAS WORKING GROUP. (1) The office of financial management shall convene a technical working group to develop the financial model and funding formulas for the distribution of the basic education instructional allocation and special education allocations under sections 106 through 108 of this act. Issues to be addressed by the funding formulas working group include but are not limited to:

(a) Minimum allocations or adjustments for small schools and small and remote school districts. The allocations or adjustments

should reflect a level of support for schools that are small because they are located in small school districts without providing an incentive for possible inefficiencies of small schools within larger school districts;

(b) Examination and analysis of the allocation to support central office administration to assure the adequacy of the allocation and consideration of whether adjustments are appropriate for small or large school districts;

(c) Examination of costs and other implications of basing allocations on a three-year rolling average of student enrollment;

(d) Examination of costs and other implications of using retrospective, current, or prospective enrollment numbers;

(e) An adjustment factor on the percent of students eligible for free and reduced-price meals to reflect underreporting of eligibility by middle and high school students;

(f) An allocation formula for the mentoring and support program;

(g) Rounding of nonwhole numbers of staff allocations; and

(h) Other issues that arise in the development and refinement of the financial model and funding formulas.

(2) The funding formulas working group shall include representatives of the office of the superintendent of public instruction, the legislative evaluation and accountability program committee, educational service district financial managers, the Washington association of school business officers, the Washington education association, the Washington association of school administrators, the Washington state school directors' association, and other interested stakeholders with expertise in education finance. The office of financial management may engage technical consultants as needed for computer programming and modeling.

(3) The superintendent of public instruction shall review the program of education provided by chapter 28A.190 RCW for students in residential schools and for juveniles in detention facilities, along with the funding formulas and assumptions to support the program, and shall make recommendations to the funding formulas working group for a revised funding formula for the distribution of the basic education allocation for the program. The recommendations shall assume a minimum instructional program of one thousand three hundred twenty instructional hours per school year. The superintendent shall also recommend any amendments to chapter 28A.190 RCW necessary to align with the funding formulas or the basic education instructional program under section 105 of this act.

(4) The work of the funding formulas working group shall be monitored and overseen by the basic education steering committee under section 3 of this act. The working group shall provide updates on its work as requested by the steering committee.

(5) The office of financial management shall submit a progress report on the development of the financial model and funding formulas to the basic education steering committee by November 15, 2009. The progress report shall include recommendations for addressing the issues identified in subsection (1) of this section, the funding formula under subsection (3) of this section, and other unresolved issues or decisions requiring legislative action during the 2010 legislative session to allow continued development of the financial model and funding formulas. A final report shall be submitted to the steering committee by September 1, 2010.

(6) The estimates and information submitted to the governor by the superintendent of public instruction under RCW 28A.300.170 and the governor's biennial budget request and budget bill submitted to the legislature under RCW 43.88.060 for the 2011-2013 biennium shall be based on the requirements of sections 105 through 108 and

113 of this act, and the funding formulas developed under this section, to be implemented beginning with the 2011-12 school year.

NEW SECTION. Sec. 115. WAIVERS. The state board of education may authorize waivers from the minimum one hundred eighty day school year required under section 104 of this act as provided in this section.

(1) A school district may apply for a waiver of the minimum school year if necessary to provide a specialized instructional program. The district's application must describe the educational advantages of offering the program for fewer than one hundred eighty days and demonstrate how the minimum annual instructional hour requirement will be maintained.

(2) The total waivers authorized by the board may not affect more than two percent of the overall statewide student population. Waivers shall be authorized for a one-year period only, and districts seeking to continue a previously authorized waiver must resubmit a full application.

(3) Waivers may not be granted for purposes of professional development or teacher-parent conferences.

Sec. 116. RCW 28A.230.090 and 2006 c 114 s 3 are each amended to read as follows:

GRADUATION REQUIREMENTS. (1) The state board of education shall establish high school graduation requirements or equivalencies for students, except those equivalencies established by local high schools or school districts under RCW 28A.230.097.

(a) Any course in Washington state history and government used to fulfill high school graduation requirements shall consider including information on the culture, history, and government of the American Indian peoples who were the first inhabitants of the state.

(b) The certificate of academic achievement requirements under RCW 28A.655.061 or the certificate of individual achievement requirements under RCW 28A.155.045 are required for graduation from a public high school but are not the only requirements for graduation.

(c) Any decision on whether a student has met the state board's high school graduation requirements for a high school and beyond plan shall remain at the local level.

(2)(a) In recognition of the statutory authority of the state board of education to establish and enforce minimum high school graduation requirements, the state board shall periodically reevaluate the graduation requirements and shall report such findings to the legislature in a timely manner as determined by the state board.

(b) The state board shall reevaluate the graduation requirements for students enrolled in vocationally intensive and rigorous career and technical education programs, particularly those programs that lead to a certificate or credential that is state or nationally recognized. The purpose of the evaluation is to ensure that students enrolled in these programs have sufficient opportunity to earn a certificate of academic achievement, complete the program and earn the program's certificate or credential, and complete other state and local graduation requirements. ~~((The board shall reports [report] its findings and recommendations for additional flexibility in graduation requirements, if necessary, to the legislature by December 1, 2007.))~~

(c) The state board shall forward any proposed changes to the high school graduation requirements to the education committees of the legislature for review, and the legislature shall have the opportunity to act during a regular legislative session before the changes are adopted through administrative rule by the state board. Changes that have a fiscal impact on school districts, as identified by a fiscal analysis prepared by the office of the superintendent of public instruction, shall take effect only if formally authorized by the

legislature through the omnibus appropriations act or other enacted legislation.

(3) Pursuant to any requirement for instruction in languages other than English established by the state board of education or a local school district, or both, for purposes of high school graduation, students who receive instruction in American sign language or one or more American Indian languages shall be considered to have satisfied the state or local school district graduation requirement for instruction in one or more languages other than English.

(4) If requested by the student and his or her family, a student who has completed high school courses before attending high school shall be given high school credit which shall be applied to fulfilling high school graduation requirements if:

(a) The course was taken with high school students, if the academic level of the course exceeds the requirements for seventh and eighth grade classes, and the student has successfully passed by completing the same course requirements and examinations as the high school students enrolled in the class; or

(b) The academic level of the course exceeds the requirements for seventh and eighth grade classes and the course would qualify for high school credit, because the course is similar or equivalent to a course offered at a high school in the district as determined by the school district board of directors.

(5) Students who have taken and successfully completed high school courses under the circumstances in subsection (4) of this section shall not be required to take an additional competency examination or perform any other additional assignment to receive credit.

(6) At the college or university level, five quarter or three semester hours equals one high school credit.

Sec. 117. RCW 28A.190.030 and 1995 c 77 s 19 are each amended to read as follows:

INSTITUTIONS' PROGRAMS OF EDUCATION. Each school district within which there is located a residential school shall, singly or in concert with another school district pursuant to RCW 28A.335.160 and 28A.225.250 or pursuant to chapter 39.34 RCW, conduct a program of education, including related student activities, for residents of the residential school. Except as otherwise provided for by contract pursuant to RCW 28A.190.050, the duties and authority of a school district and its employees to conduct such a program shall be limited to the following:

(1) The employment, supervision and control of administrators, teachers, specialized personnel and other persons, deemed necessary by the school district for the conduct of the program of education;

(2) The purchase, lease or rental and provision of textbooks, maps, audio-visual equipment, paper, writing instruments, physical education equipment and other instructional equipment, materials and supplies, deemed necessary by the school district for the conduct of the program of education;

(3) The development and implementation, in consultation with the superintendent or chief administrator of the residential school or his or her designee, of the curriculum;

(4) The conduct of a program of education, including related student activities, for residents who are three years of age and less than twenty-one years of age, and have not met high school graduation requirements as now or hereafter established by the state board of education and the school district which includes:

(a) Not less than one hundred and eighty school days and, by the 2016-17 school year, one thousand three hundred twenty instructional hours each school year;

(b) Special education pursuant to RCW 28A.155.010 through 28A.155.100, and vocational education, as necessary to address the unique needs and limitations of residents; and

(c) Such courses of instruction and school related student activities as are provided by the school district for nonresidential school students to the extent it is practical and judged appropriate for the residents by the school district after consultation with the superintendent or chief administrator of the residential school: **PROVIDED**, That a preschool special education program may be provided for residential school students with disabilities;

(5) The control of students while participating in a program of education conducted pursuant to this section and the discipline, suspension or expulsion of students for violation of reasonable rules of conduct adopted by the school district; and

(6) The expenditure of funds for the direct and indirect costs of maintaining and operating the program of education that are appropriated by the legislature and allocated by the superintendent of public instruction for the exclusive purpose of maintaining and operating residential school programs of education, and funds from federal and private grants, bequests and gifts made for the purpose of maintaining and operating the program of education.

PART II CERTIFICATION, EVALUATION, MENTORING, AND COMPENSATION

NEW SECTION. Sec. 201. **INTENT.** (1) The legislature finds that in order to offer all students the opportunity to achieve the basic education goal specified in section 103 of this act, school districts must provide effective teaching and instruction. Teachers should be provided opportunities to gain the knowledge and skills that will enable them to be effective, and should be evaluated and rewarded based on their effectiveness. Designing a system that clearly defines, supports, measures, and rewards effective teaching is one of the most important investments to be made in improving student learning.

(2) Therefore, the legislature intends to establish a comprehensive system of teacher certification, evaluation, and mentoring that is directly aligned with a revised system of compensation and focused on achievement of effective teaching. The certification, evaluation, mentoring, and compensation systems shall be implemented beginning with the 2012-13 school year.

NEW SECTION. Sec. 202. A new section is added to chapter 28A.410 RCW to read as follows:

CERTIFICATION. (1) By January 1, 2010, the professional educator standards board shall adopt a set of teacher knowledge, skill, and performance standards for effective teaching that are clear, measurable, meaningful, and documented in high-quality academic research as being associated with improved student learning. The standards shall focus on effective classroom instructional preparation and practice that can be documented and observed. The standards shall be calibrated for the stages of a teacher's career, with appropriate performance expectations for residency certification, professional certification, and continuing professional certification.

(2) By January 1, 2010, the professional educator standards board shall submit to the governor and the education and fiscal committees of the legislature a proposal for a system for rigorous, objective evaluation of teacher competency on the knowledge, skill, and performance standards along with the estimated costs and statutory authority needed for further development and implementation of the evaluation system. The system shall include:

(a) Peer evaluations for residency and professional certification to be conducted by state-certified evaluators who are teachers with endorsements in the same or similar subjects and who are not employed by the same school district as the teacher being evaluated or do not have a conflict of interest regarding the teacher being evaluated;

(b) A common and standardized evaluation process that involves multiple measures of teacher performance, including in-class visits and observations and review of artifacts such as lesson plans and student work. The evaluation shall include evidence of improved student learning from statewide student formative assessments and other sources of evidence;

(c) A common and standardized scoring rubric for determining whether a teacher meets the minimum level of performance;

(d) Standards, a training program, and a procedure for the professional educator standards board to certify evaluators; and

(e) Administration and management of the evaluation process and deployment of evaluators through regional networks operated through the educational service districts.

(3) To the extent that funds are appropriated for this purpose, the professional educator standards board shall develop the evaluation system and process throughout the remainder of the 2010-11 and 2011-12 school years.

(4) The professional educator standards board shall establish minimum levels of performance on the evaluation under this section for a residency teaching certificate, a professional teaching certificate, and continuing professional certification. The professional educator standards board shall adopt a definition of master teacher that requires certification from the national board for professional teaching standards.

(a) Educator preparation programs approved to offer the residency teaching certificate shall be required to demonstrate how the program is aligned with and requires demonstration of the standards for effective teaching adopted under this section. Beginning September 1, 2012, final evaluations for the award of the residency teaching certificate shall be conducted through the evaluation system established under this section.

(b) Beginning September 1, 2012, in addition to successfully completing an approved residency certification program, a teacher candidate must meet the minimum level of performance on the evaluation under this section to receive a residency certificate. Beginning September 1, 2012, a residency certificate issued to a teacher is valid for no more than five years of teaching service in a Washington public school, state-approved private school, educational service district, or state agency that provides educational services for students. A teacher must meet the minimum level of performance for and receive a professional certificate to continue being certified as a teacher.

(c) Beginning September 1, 2012, award of a professional certificate shall be based on a minimum of two years of successful teaching experience as defined by the board and on the results of the evaluation under this section and shall not require candidates to enroll in a professional certification program.

(d) The professional educator standards board shall adopt standards for continuing professional teaching certification that are based on the results of periodic, ongoing evaluations under this section and do not rely on continuing education credit hours. The standards shall apply beginning September 1, 2012, to all teachers holding professional teaching certification.

(5) By January 1, 2011, the professional educator standards board shall adopt definitions and criteria for master-level certification for educational staff associates. The criteria shall expect educational

staff associates to demonstrate a level of competency in their field comparable to the level of competency that national board certification expects from classroom teachers, with a comparable level of increased competency between professional and master level as between professional teaching certification and national board certification. The board shall submit the proposed definitions and criteria to the education committees of the legislature for review and must permit an opportunity for the legislature to act before final adoption of the definitions and criteria in rules.

NEW SECTION. Sec. 203. A new section is added to chapter 28A.415 RCW to read as follows:

MENTORING. (1) By January 1, 2010, the superintendent of public instruction, in consultation with the professional educator standards board, shall submit to the governor and the education and fiscal committees of the legislature a proposed system to provide high quality mentoring and support for new teachers after residency certification and leading to professional certification. The mentoring and support system shall include:

(a) A rigorous and structured program of professional development activities to assist teachers in meeting the standards for effective teaching adopted by the professional educator standards board. The program shall provide intensive support for teachers in their first year of teaching service and graduated levels of additional support depending on the needs of the teacher for up to five years or the teacher's attainment of professional certification;

(b) Mentoring and coaching from state-certified mentors who are teachers with an endorsement in the same or similar subject as the teacher being mentored, including minimum recommended standards for release time for mentors and new teachers and contact between mentors and new teachers. The standards should encourage mentors to remain actively engaged in classroom instruction to maintain their skills and provide students continued opportunities to receive instruction from highly effective teachers. School districts may select and assign mentors as long as the mentors are state-certified; however the legislature does not intend that teachers permanently assume the role of mentor on a full-time basis; and

(c) Standards, a training program, and a procedure for the superintendent of public instruction to certify mentors.

(2) To the extent that funds are appropriated for this purpose, the superintendent of public instruction shall develop the mentoring and support system throughout the remainder of the 2010-11 and 2011-12 school years.

(3) Beginning with the 2012-13 school year, teachers in their first year of teaching service in Washington public schools after receipt of a residency certificate must participate in the mentoring and support program developed under this section. Teachers may receive additional mentoring and support under this section as needed and as determined by the school district for up to five years until they achieve professional certification.

NEW SECTION. Sec. 204. NEW SALARY MODEL. (1) The legislature shall establish for each school year in the omnibus appropriations act, beginning with the 2012-13 school year, a statewide salary schedule for certificated instructional staff as provided in this section. The salary allocation schedule shall be used to distribute funds for the certificated instructional staff allocated under section 106 of this act.

(2) For the purposes of this section, the staff allocations for classroom teachers, teacher librarians, professional development coaches, student health services staff, and guidance counselors under section 106 of this act are allocations for certificated instructional staff.

(3) Salary allocations under this section shall be calculated by the superintendent of public instruction by determining the district's average salary for all certificated instructional staff in the district who are subject to this section, using the statewide salary schedule and related documents, conditions, and limitations established by the omnibus appropriations act.

(4) The statewide salary schedule under this section shall be based on three tiers of demonstrated performance that align with the three levels of certification as defined by the professional educator standards board: Residency, professional, and master. Each tier shall contain salary steps based on years of service. The salary schedule shall not provide increased salaries based on continuing education credits or academic degrees.

(5) By the 2016-17 school year, the statewide salary schedule under this section shall include the equivalent of ten learning improvement days, subject to the provisions of section 208 of this act and the implementation schedule under section 113 of this act.

(6) This section applies only to certificated instructional staff whose first employment with a school district commences with or after the 2012-13 school year or who have transferred to the compensation system with salary allocations established under this section as provided under section 205 of this act.

NEW SECTION. Sec. 205. TRANSFER TO NEW SYSTEM.

(1) Certificated instructional staff whose first employment with a school district commenced before the 2012-13 school year have the option to make an irrevocable transfer to the compensation system with salary allocations provided under section 204 of this act.

(2) An employee who wishes to transfer to the new compensation system in accordance with this section shall notify the employing school district no later than November 15th of the year prior to the school year when the transfer will take effect. The transfer shall take effect with the next subsequent school year after the notification regardless of whether the employee changes school districts, takes a leave of absence, or terminates employment before the beginning of the school year.

(3) Any employee subject to this section who has not transferred to the new compensation system by November 15, 2021, shall be automatically transferred effective September 1, 2022.

(4) This section expires December 31, 2022.

NEW SECTION. Sec. 206. DEVELOPMENT OF NEW COMPENSATION SYSTEM. (1) The office of financial management shall convene a compensation working group to include representatives of the office of the superintendent of public instruction, the professional educator standards board, the department of personnel, the Washington education association, the Washington association of school administrators, the Washington state school directors' association, and other interested stakeholders with expertise in educator compensation. The working group shall develop and analyze options for the statewide salary schedule for certificated instructional staff under section 204 of this act and for bonus amounts for certified mentors and evaluators to implement section 210 of this act.

(2) The compensation working group shall consider but not be limited to the following information and factors in developing the salary schedule:

(a) Results of the preliminary labor market survey and analysis conducted under this section and other information about average salaries for noneducators in comparable occupations in Washington, including noneducators at the beginning of their careers and various types of educational staff associates working in noneducational settings;

(b) The impact of recognizing nonschool experience in the placement of educational staff associates on the salary allocation schedule;

(c) The relative distribution of certificated staff on the current salary allocation schedule, in combination with current pay for additional time, responsibilities, and incentives, compared to the levels of compensation that would make transfer to a new system financially attractive for many individuals; and

(d) Significant recognition of effective teaching performance as staff advance on the three tiers of the salary schedule.

(3) The compensation working group shall consider but not be limited to the following factors in developing the recommended bonus amounts for mentors and evaluators:

(a) Time commitment and level of effort expected of mentors under the mentoring and support system proposed by the superintendent of public instruction;

(b) Varying bonus levels for part-time and full-time service as a mentor;

(c) Time commitment and level of effort expected of evaluators under the teacher evaluation system proposed by the professional educator standards board; and

(d) Amounts that, in combination with base salaries in the salary schedule, represent an incentive for experienced and effective teachers to serve as mentors and evaluators.

(4) The department of personnel shall conduct a preliminary comparative labor market survey and analysis as described under section 216 of this act and provide the results to the working group.

(5) The work of the compensation working group shall be monitored and overseen by the basic education steering committee under section 3 of this act. The working group shall provide updates on its work as requested by the steering committee.

(6) The office of financial management shall submit a preliminary analysis of the options developed under this section to the basic education steering committee by November 15, 2009. The analysis shall include preliminary fiscal estimates for implementing the schedule and recommendations for addressing any unresolved issues or decisions requiring legislative action during the 2010 legislative session to allow continued development of the schedule and bonus amounts. A final report shall be submitted to the steering committee by September 1, 2010.

(7) The estimates and information submitted to the governor by the superintendent of public instruction under RCW 28A.300.170 and the governor's biennial budget request and budget bill submitted to the legislature under RCW 43.88.060 for the 2011-2013 biennium shall include a proposed statewide salary schedule to implement section 204 of this act and proposed bonus amounts to implement section 210 of this act, to be implemented beginning with the 2012-13 school year.

Sec. 207. RCW 28A.150.410 and 2007 c 403 s 1 are each amended to read as follows:

OLD SALARY ALLOCATION MODEL. (1) The legislature shall establish for each school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only, to be used to distribute funds for basic education certificated instructional staff salaries under ~~((RCW 28A.150.260))~~ section 106 of this act. For the purposes of this section, beginning in the 2011-12 school year, the staff allocations for classroom teachers, librarians, professional development coaches, student health services staff, and guidance counselors under section 106 of this act are allocations for certificated instructional staff.

(2) Salary allocations for ~~((state-funded basic education))~~ certificated instructional staff under this section shall be calculated

by the superintendent of public instruction by determining the district's average salary for all certificated instructional staff who are subject to this section, using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act.

(3) Beginning January 1, 1992, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(4) Beginning in the 2007-08 school year, the calculation of years of service for occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 RCW may include experience in schools and other nonschool positions as occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, or psychologists. The calculation shall be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two years of nonschool service. Nonschool years of service included in calculations under this subsection shall not be applied to service credit totals for purposes of any retirement benefit under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement system benefits.

(5) By the 2016-17 school year, the statewide salary allocation schedule under this section shall include the equivalent of ten learning improvement days, subject to the provisions of section 208 of this act and the implementation schedule under section 113 of this act.

(6) Beginning in the 2012-13 school year, this section applies only to certificated instructional staff whose first employment with a school district commenced before the 2012-13 school year and who have not transferred under section 205 of this act to the compensation system with salary allocations provided under section 204 of this act.

(7) This section expires August 31, 2022.

NEW SECTION. Sec. 208. LID DAYS. (1) A school district is eligible to receive the additional funds for learning improvement days through the salary schedules under sections 204 and 207 of this act only if the learning improvement days have been added to the one hundred eighty day contract year established by the district. If fewer days are added, the additional learning improvement allocation shall be adjusted accordingly. The length of a learning improvement day shall not be less than the length of a full school day under the base contract.

(2) The additional days shall be limited to specific activities identified in the state-required school improvement plan related to improving student learning that are consistent with education reform implementation. The principal in each school shall assure that the days are used to provide schoolwide professional development for all teachers and other instructional staff that is tied directly to the school improvement plan. The principal of each school and the superintendent of the school district shall maintain documentation of their approval of the activities.

(3) The superintendent of public instruction shall adopt rules and take such other steps as necessary to assure that school districts comply with the intent and purposes of this section.

NEW SECTION. Sec. 209. ADMINISTRATOR / CLASSIFIED SALARY ALLOCATIONS. (1) Beginning with the

2011-12 school year, the legislature shall establish for each school year in the omnibus appropriations act statewide salary allocations, for allocation purposes only, to be used to distribute funds for the following basic education certificated administrators and classified staff allocated under section 106 of this act:

(a) Principals, including assistant principals and other certificated building-level administrators;

(b) Office support and noninstructional aides;

(c) Custodians and other maintenance; and

(d) Student and staff safety.

(2) The statewide salary allocations under this section for the 2011-12 school year shall be calculated by the superintendent of public instruction based on the statewide actual average salaries reported by school districts for the 2008-09 school year for the types of certificated and classified staff under subsection (1) of this section, increased by any subsequent across-the-board salary increases authorized by the legislature.

NEW SECTION. Sec. 210. A new section is added to chapter 28A.405 RCW to read as follows:

NEW BONUSSES. (1) In addition to salaries allocated under section 204 of this act, the legislature shall allocate the bonuses in accordance with this subsection beginning with the 2012-13 school year for qualified certificated instructional staff who are subject to this section.

(a) Teachers serving as state-certified mentors as provided under section 203 of this act shall receive a bonus in an amount specified in the omnibus appropriations act. A state-certified mentor is eligible for the mentor bonus only during periods of service as a mentor in the program under section 203 of this act.

(b) Teachers serving as state-certified evaluators as provided under section 202 of this act shall receive a bonus in an amount specified in the omnibus appropriations act. A state-certified evaluator is eligible for the evaluator bonus only during periods of service as an evaluator.

(c) Certificated instructional staff who have attained certification from the national board for professional teaching standards shall receive a bonus in the amount of five thousand dollars if the individual is in an instructional assignment in:

(i) A high school where at least fifty percent of the students in the school are eligible for federal free or reduced-price meals;

(ii) A middle school where at least sixty percent of the students in the school are eligible for federal free or reduced-price meals; or

(iii) An elementary school where at least seventy percent of the students in the school are eligible for federal free or reduced-price meals.

(2) The bonuses provided under this section are in addition to compensation received under a district's salary schedule adopted in accordance with RCW 28A.405.200 and shall not be included in calculations of a district's average salary and associated salary limitations under RCW 28A.400.200. The bonus under subsection (1)(c) of this section shall be adjusted annually for inflation and shall be paid in a lump sum amount.

(3) This section applies only to those certificated instructional staff whose first employment with a school district commences with or after the 2012-13 school year or who have transferred to the compensation system with salary allocations established under section 204 of this act as provided under section 205 of this act.

(4) The superintendent of public instruction shall adopt rules to implement this section, including assuring that certificated instructional staff who qualify for one or more bonus under this section for less than one full school year receive the bonus in a pro rata manner.

NEW SECTION. Sec. 211. A new section is added to chapter 28A.400 RCW to read as follows:

REGIONAL WAGE ADJUSTMENT. (1) The office of financial management shall develop a regional wage adjustment schedule for school districts based on the labor market analysis conducted under section 216 of this act. Each school district shall be placed in one of the regions in the schedule. The purpose of the schedule is to permit an adjustment of the salary allocations under sections 204, 207, and 209 of this act to recognize that school districts must compete with other nonschool employers in the region who tend to adapt their compensation policies for employees in comparable occupations to reflect different regional labor markets, including the cost of living in those markets. A school district shall distribute its regional wage adjustment allocation in accordance with the district's salary schedules, collective bargaining agreements, and compensation policies.

(2) The office of financial management shall submit the initial recommended regional wage adjustment and accompanying fiscal impact analysis to the superintendent of public instruction, the governor, and the education and fiscal committees of the legislature by August 1, 2010. The office of financial management shall update the recommended adjustment and fiscal impact analysis every four years by August 1st.

Sec. 212. RCW 28A.405.415 and 2008 c 175 s 2 are each amended to read as follows:

OLD NBPTS BONUS/PROFESSIONAL CERTIFICATION BONUS. (1) Certified instructional staff who have attained certification from the national board for professional teaching standards shall receive a bonus each year in which they maintain the certification. National board certified staff who become public school principals shall continue to receive the bonus for as long as they are principals and maintain the national board certification. The bonus shall be calculated as follows: The annual bonus shall be five thousand dollars in the 2007-08 school year. Thereafter, the annual bonus shall increase by inflation.

(2) Certified instructional staff who have attained certification from the national board for professional teaching standards shall be eligible for bonuses in addition to that provided by subsection (1) of this section if the individual is in an instructional assignment in ~~(a school in which at least seventy percent of the students qualify for the free and reduced-price lunch program)~~:

(a) A high school where at least fifty percent of the students in the school are eligible for federal free or reduced-price lunch;

(b) A middle school where at least sixty percent of the students in the school are eligible for federal free or reduced-price lunch; or

(c) An elementary school where at least seventy percent of the students in the school are eligible for federal free or reduced-price lunch.

(3) The amount of the additional bonus under subsection (2) of this section for those meeting the qualifications of subsection (2) of this section is five thousand dollars.

(4) Beginning in the 2012-13 school year, certified instructional staff who have attained professional level certification from the professional educator standards board shall be eligible for a one-time bonus of one thousand dollars. The bonus under this subsection shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(5) The bonuses provided under this section are in addition to compensation received under a district's salary schedule adopted in accordance with RCW 28A.405.200 and shall not be included in calculations of a district's average salary and associated salary limitations under RCW 28A.400.200.

~~((5))~~ (6) The bonuses provided under this section shall be paid in a lump sum amount.

(7) Beginning in the 2012-13 school year, this section applies only to certificated instructional staff whose first employment with a school district commenced before the 2012-13 school year and who have not transferred under section 205 of this act to the compensation system with salary allocations provided under section 204 of this act.

(8) This section expires August 31, 2022.

Sec. 213. RCW 28A.400.200 and 2002 c 353 s 2 are each amended to read as follows:

SALARY CONTROL AND SUPPLEMENTAL CONTRACTS.

(1) Every school district board of directors shall fix, alter, allow, and order paid salaries and compensation for all district employees in conformance with this section.

(2) For certificated instructional staff subject to the salary allocation schedule established under section 207 of this act:

(a) Salaries ~~((for certificated instructional staff))~~ shall not be less than the salary provided in the omnibus appropriations act in the statewide salary allocation schedule for an employee with a baccalaureate degree and zero years of service; ~~((and))~~

(b) Salaries for ~~((certificated instructional))~~ staff with a masters degree shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a masters degree and zero years of service; and

~~((3))~~ (c) The actual average salary paid to ((certificated instructional)) staff subject to this subsection (2) shall not exceed the district's average certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to ((RCW 28A.150.410)) section 207 of this act.

~~((b))~~ (3) For certificated instructional staff subject to the salary schedule established under section 204 of this act salaries shall be as provided in the statewide salary schedule in the omnibus appropriations act.

(4)(a) Fringe benefit contributions for certificated instructional staff shall be included as salary under ((a) of this) subsections (2) and (3) of this section only to the extent that the district's actual average benefit contribution exceeds the amount of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. For purposes of this section, fringe benefits shall not include payment for unused leave for illness or injury under RCW 28A.400.210; employer contributions for old age survivors insurance, workers' compensation, unemployment compensation, and retirement benefits under the Washington state retirement system; or employer contributions for health benefits in excess of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. A school district may not use state funds to provide employer contributions for such excess health benefits.

~~((e))~~ (b) Salary and benefits for certificated instructional staff in programs other than basic education shall be consistent with the salary and benefits paid to certificated instructional staff in the basic education program.

~~((4))~~ (5)(a) Salaries and benefits for certificated instructional staff may exceed the limitations in subsections ((3)) (2) through (4) of this section only by separate contract for additional time((; additional responsibilities, or incentives)) worked outside the regular school day or school year.

(b) Supplemental contracts shall specify the minimum amount of additional time required and the purpose or purposes of the additional time using standard terms and definitions established by the office of the superintendent of public instruction. Nothing in this

section prohibits a supplemental contract that pays a stipend rather than a per-unit amount for the additional time. School districts shall annually submit the information required under this subsection in a common reporting format established by the office of the superintendent of public instruction and disaggregated for each individual receiving a supplemental contract.

(c) Supplemental contracts shall not cause the state to incur any present or future funding obligation. Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380.

(d) No district may enter into a supplemental contract under this subsection (5) for the provision of services which are a part of the basic education program (~~required by Article IX, section 3 of the state Constitution~~) as defined in section 101 of this act.

~~((5))~~ (6) Employee benefit plans offered by any district shall comply with RCW 28A.400.350 and 28A.400.275 and 28A.400.280.

NEW SECTION. Sec. 214. A new section is added to chapter 41.59 RCW to read as follows:

COLLECTIVE BARGAINING AGREEMENTS. Nothing in chapter . . . , Laws of 2009 (this act) is intended to alter or affect existing collective bargaining agreements. Chapter . . . , Laws of 2009 (this act) applies to all collective bargaining agreements ratified after the effective date of this section.

Sec. 215. RCW 41.59.935 and 1990 c 33 s 571 are each amended to read as follows:

LIMITS TO SALARY BARGAINING. Nothing in this chapter shall be construed to grant employers or employees the right to reach agreements regarding salary or compensation increases in excess of those authorized in accordance with sections 204 and 207 of this act and RCW ((28A.150.410 and)) 28A.400.200.

NEW SECTION. Sec. 216. A new section is added to chapter 28A.400 RCW to read as follows:

LABOR MARKET ANALYSIS. (1)(a) The department of personnel shall conduct a comparative labor market survey and analysis every four years of salaries and other compensation for school district employees in Washington. The department of personnel shall consult with the office of financial management in the design of the analysis. The office of the superintendent of public instruction shall provide all necessary salary and compensation data regarding school district employees to the department for purposes of the analysis.

(b) The survey and analysis shall examine salaries and other compensation for teachers, other certificated instructional staff, principals and other building-level certificated administrators, office support and instructional aides, custodians and other maintenance staff, and student and staff safety personnel, as compared to salaries and other compensation for nonschool employees in comparable occupations. The analysis shall compare salaries and other compensation for a ten-month work year and a twelve-month work year.

(c) The survey and analysis shall be conducted at a statewide level and for metropolitan areas and other labor markets in Washington identified through the use of data from the United States bureau of the census and the bureau of labor statistics.

(d) The survey and analysis shall also include a comparison of salaries and other compensation to the appropriate labor market for at least the following subgroups of educators:

- (i) Beginning teachers;
- (ii) Mathematics and science teachers; and
- (iii) Types of educational staff associates.

(2) For the purposes of this section, "salaries and other compensation" includes average base salaries, average total salaries, average employee basic benefits as defined by RCW 28A.400.270, and retirement benefits.

(3) The department of personnel shall submit the results of the comparative labor market analysis to the office of financial management, the superintendent of public instruction, and the education and fiscal committees of the legislature by June 30, 2010, and every four years thereafter.

Sec. 217. RCW 28A.405.100 and 1997 c 278 s 1 are each amended to read as follows:

EMPLOYMENT EVALUATION. (1) The superintendent of public instruction, in consultation with the professional educator standards board, shall establish and may amend from time to time minimum criteria for the evaluation of the professional performance capabilities and development of certificated classroom teachers and certificated support personnel. For classroom teachers the criteria shall be ~~((developed in the following categories: Instructional skill; classroom management;))~~ based on the standards and scoring rubric for effective teaching adopted by the professional educator standards board. Additional minimum criteria include professional preparation and scholarship; effort toward improvement when needed; the handling of student discipline and attendant problems; and interest in teaching pupils and knowledge of subject matter.

Every board of directors shall, in accordance with procedure provided in RCW 41.59.010 through 41.59.170, 41.59.910 and 41.59.920, establish evaluative criteria and procedures for all certificated classroom teachers and certificated support personnel. The evaluative criteria must contain as a minimum the criteria established by the superintendent of public instruction pursuant to this section and must be prepared within six months following adoption of the superintendent of public instruction's minimum criteria. The district must certify to the superintendent of public instruction that evaluative criteria have been so prepared by the district.

Except as provided in subsection (5) of this section, it shall be the responsibility of a principal or his or her designee to evaluate all certificated personnel in his or her school. During each school year all classroom teachers and certificated support personnel, hereinafter referred to as "employees" in this section, shall be observed for the purposes of evaluation at least twice in the performance of their assigned duties. Total observation time for each employee for each school year shall be not less than sixty minutes. Following each observation, or series of observations, the principal or other evaluator shall promptly document the results of the observation in writing, and shall provide the employee with a copy thereof within three days after such report is prepared. New employees shall be observed at least once for a total observation time of thirty minutes during the first ninety calendar days of their employment period.

At any time after October 15th, an employee whose work is judged unsatisfactory based on district evaluation criteria shall be notified in writing of the specific areas of deficiencies along with a reasonable program for improvement. During the period of probation, the employee may not be transferred from the supervision of the original evaluator. Improvement of performance or probable cause for nonrenewal must occur and be documented by the original evaluator before any consideration of a request for transfer or reassignment as contemplated by either the individual or the school district. A probationary period of sixty school days shall be established. The establishment of a probationary period does not adversely affect the contract status of an employee within the meaning of RCW 28A.405.300. The purpose of the probationary

period is to give the employee opportunity to demonstrate improvements in his or her areas of deficiency. The establishment of the probationary period and the giving of the notice to the employee of deficiency shall be by the school district superintendent and need not be submitted to the board of directors for approval. During the probationary period the evaluator shall meet with the employee at least twice monthly to supervise and make a written evaluation of the progress, if any, made by the employee. The evaluator may authorize one additional certificated employee to evaluate the probationer and to aid the employee in improving his or her areas of deficiency; such additional certificated employee shall be immune from any civil liability that might otherwise be incurred or imposed with regard to the good faith performance of such evaluation. The probationer may be removed from probation if he or she has demonstrated improvement to the satisfaction of the principal in those areas specifically detailed in his or her initial notice of deficiency and subsequently detailed in his or her improvement program. Lack of necessary improvement during the established probationary period, as specifically documented in writing with notification to the probationer and shall constitute grounds for a finding of probable cause under RCW 28A.405.300 or 28A.405.210.

Immediately following the completion of a probationary period that does not produce performance changes detailed in the initial notice of deficiencies and improvement program, the employee may be removed from his or her assignment and placed into an alternative assignment for the remainder of the school year. This reassignment may not displace another employee nor may it adversely affect the probationary employee's compensation or benefits for the remainder of the employee's contract year. If such reassignment is not possible, the district may, at its option, place the employee on paid leave for the balance of the contract term.

(2) Every board of directors shall establish evaluative criteria and procedures for all superintendents, principals, and other administrators. It shall be the responsibility of the district superintendent or his or her designee to evaluate all administrators. Such evaluation shall be based on the administrative position job description. Such criteria, when applicable, shall include at least the following categories: Knowledge of, experience in, and training in recognizing good professional performance, capabilities and development; school administration and management; school finance; professional preparation and scholarship; effort toward improvement when needed; interest in pupils, employees, patrons and subjects taught in school; leadership; and ability and performance of evaluation of school personnel.

(3) Each certificated employee shall have the opportunity for confidential conferences with his or her immediate supervisor on no less than two occasions in each school year. Such confidential conference shall have as its sole purpose the aiding of the administrator in his or her assessment of the employee's professional performance.

(4) The failure of any evaluator to evaluate or supervise or cause the evaluation or supervision of certificated employees or administrators in accordance with this section, as now or hereafter amended, when it is his or her specific assigned or delegated responsibility to do so, shall be sufficient cause for the nonrenewal of any such evaluator's contract under RCW 28A.405.210, or the discharge of such evaluator under RCW 28A.405.300.

(5) After an employee has (~~four~~) five years of satisfactory evaluations under subsection (1) of this section, a school district may use a short form of evaluation, a locally bargained evaluation emphasizing professional growth, an evaluation under subsection (1) of this section, or any combination thereof. Any evaluation of a

classroom teacher under this subsection must include an evaluation based on the standards and scoring rubric for effective teaching adopted by the professional educator standards board. The short form of evaluation shall include either a thirty minute observation during the school year with a written summary or a final annual written evaluation based on the criteria in subsection (1) of this section and based on at least two observation periods during the school year totaling at least sixty minutes without a written summary of such observations being prepared. However, the evaluation process set forth in subsection (1) of this section shall be followed at least once every three years unless this time is extended by a local school district under the bargaining process set forth in chapter 41.59 RCW. The employee or evaluator may require that the evaluation process set forth in subsection (1) of this section be conducted in any given school year. No evaluation other than the evaluation authorized under subsection (1) of this section may be used as a basis for determining that an employee's work is unsatisfactory under subsection (1) of this section or as probable cause for the nonrenewal of an employee's contract under RCW 28A.405.210 unless an evaluation process developed under chapter 41.59 RCW determines otherwise.

Sec. 218. RCW 28A.405.220 and 1996 c 201 s 2 are each amended to read as follows:

PROVISIONAL STATUS. (1) Notwithstanding the provisions of RCW 28A.405.210, every person employed by a school district in a teaching or other nonsupervisory certificated position shall be subject to nonrenewal of employment contract as provided in this section during the first two years of employment by such district, unless the employee has previously completed at least two years of certificated employment in another school district in the state of Washington, in which case the employee shall be subject to nonrenewal of employment contract pursuant to this section during the first year of employment with the new district.

(2) Every person employed by a school district in a teaching position shall remain a provisional employee and subject to the nonrenewal of employment contract until the beginning of the next subsequent school year after the school year in which the employee receives professional teaching certification as provided under section 202 of this act.

(3) Employees as defined in this section shall hereinafter be referred to as "provisional employees".

(4) In the event the superintendent of the school district determines that the employment contract of any provisional employee should not be renewed by the district for the next ensuing term such provisional employee shall be notified thereof in writing on or before May 15th preceding the commencement of such school term, or if the omnibus appropriations act has not passed the legislature by May 15th, then notification shall be no later than June 1st, which notification shall state the reason or reasons for such determination. Such notice shall be served upon the provisional employee personally, or by certified or registered mail, or by leaving a copy of the notice at the place of his or her usual abode with some person of suitable age and discretion then resident therein. The determination of the superintendent shall be subject to the evaluation requirements of RCW 28A.405.100.

(5) Every such provisional employee so notified, at his or her request made in writing and filed with the superintendent of the district within ten days after receiving such notice, shall be given the opportunity to meet informally with the superintendent for the purpose of requesting the superintendent to reconsider his or her decision. Such meeting shall be held no later than ten days following the receipt of such request, and the provisional employee shall be

given written notice of the date, time and place of meeting at least three days prior thereto. At such meeting the provisional employee shall be given the opportunity to refute any facts upon which the superintendent's determination was based and to make any argument in support of his or her request for reconsideration.

(6) Within ten days following the meeting with the provisional employee, the superintendent shall either reinstate the provisional employee or shall submit to the school district board of directors for consideration at its next regular meeting a written report recommending that the employment contract of the provisional employee be nonrenewed and stating the reason or reasons therefor. A copy of such report shall be delivered to the provisional employee at least three days prior to the scheduled meeting of the board of directors. In taking action upon the recommendation of the superintendent, the board of directors shall consider any written communication which the provisional employee may file with the secretary of the board at any time prior to that meeting.

(7) The board of directors shall notify the provisional employee in writing of its final decision within ten days following the meeting at which the superintendent's recommendation was considered. The decision of the board of directors to nonrenew the contract of a provisional employee shall be final and not subject to appeal.

(8) This section applies to any person employed by a school district in a teaching or other nonsupervisory certificated position after ~~(June 25, 1976)~~ the effective date of this section. This section provides the exclusive means for nonrenewing the employment contract of a provisional employee and no other provision of law shall be applicable thereto, including, without limitation, RCW 28A.405.210 and chapter 28A.645 RCW.

PART III ACCOUNTABILITY

NEW SECTION. Sec. 301. INTENT. (1) The legislature finds that comprehensive education finance reform and the increased investment of public resources necessary to implement that reform must be accompanied by an equally comprehensive and transparent system of school and school district accountability. The focus of the accountability system is on continuous improvement of student achievement in all schools and all school districts.

(2) The legislature further finds that it is the state's responsibility to provide schools and districts with the tools necessary to be accountable. These tools include the necessary accounting and data reporting systems, assessment systems to monitor student achievement, and a system of general support, targeted assistance, recognition, and, if necessary, intervention.

Sec. 302. RCW 28A.305.130 and 2008 c 27 s 1 are each amended to read as follows:

STATE BOARD OF EDUCATION AUTHORITY. The purpose of the state board of education is to provide advocacy and strategic oversight of public education; implement a standards-based accountability system to improve student academic achievement; provide leadership in the creation of a system that personalizes education for each student and respects diverse cultures, abilities, and learning styles; and promote achievement of the goals of RCW 28A.150.210 (as recodified by this act). In addition to any other powers and duties as provided by law, the state board of education shall:

(1) Hold regularly scheduled meetings at such time and place within the state as the board shall determine and may hold such special meetings as may be deemed necessary for the transaction of public business;

(2) Form committees as necessary to effectively and efficiently conduct the work of the board;

(3) Seek advice from the public and interested parties regarding the work of the board;

(4) For purposes of statewide accountability:

(a) Adopt and revise performance improvement goals in reading, writing, science, and mathematics, by subject and grade level, once assessments in these subjects are required statewide; academic and technical skills, as appropriate, in secondary career and technical education programs; and student attendance, as the board deems appropriate to improve student learning. The goals shall be consistent with student privacy protection provisions of RCW 28A.655.090(7) and shall not conflict with requirements contained in Title I of the federal elementary and secondary education act of 1965, or the requirements of the Carl D. Perkins vocational education act of 1998, each as amended: The goals may be established for all students, economically disadvantaged students, limited English proficient students, students with disabilities, and students from disproportionately academically underachieving racial and ethnic backgrounds. The board may establish school and school district goals addressing high school graduation rates and dropout reduction goals for students in grades seven through twelve. The board shall adopt the goals by rule. However, before each goal is implemented, the board shall present the goal to the education committees of the house of representatives and the senate for the committees' review and comment in a time frame that will permit the legislature to take statutory action on the goal if such action is deemed warranted by the legislature;

(b) Identify the scores students must achieve in order to meet the standard on the Washington assessment of student learning and, for high school students, to obtain a certificate of academic achievement. The board shall also determine student scores that identify levels of student performance below and beyond the standard. The board shall consider the incorporation of the standard error of measurement into the decision regarding the award of the certificates. The board shall set such performance standards and levels in consultation with the superintendent of public instruction and after consideration of any recommendations that may be developed by any advisory committees that may be established for this purpose. The initial performance standards and any changes recommended by the board in the performance standards for the tenth grade assessment shall be presented to the education committees of the house of representatives and the senate by November 30th of the school year in which the changes will take place to permit the legislature to take statutory action before the changes are implemented if such action is deemed warranted by the legislature. The legislature shall be advised of the initial performance standards and any changes made to the elementary level performance standards and the middle school level performance standards;

(c) Adopt ~~((objective, systematic criteria))~~ an accountability index as provided in section 303 of this act to identify successful schools and school districts ~~((and recommend to the superintendent of public instruction schools and districts to be recognized for two types of accomplishments, student achievement and improvements in student achievement. Recognition for improvements in student achievement shall include consideration of one or more of the following accomplishments:~~

~~—(i) An increase in the percent of students meeting standards. The level of achievement required for recognition may be based on the achievement goals established by the legislature and by the board under (a) of this subsection;~~

~~(ii) Positive progress on an improvement index that measures improvement in all levels of the assessment; and~~

~~(iii) Improvements despite challenges such as high levels of mobility, poverty, English as a second language learners, and large numbers of students in special populations as measured by either the percent of students meeting the standard, or the improvement index. When determining the baseline year or years for recognizing individual schools, the board may use the assessment results from the initial years the assessments were administered, if doing so with individual schools would be appropriate;~~

~~(d) Adopt objective, systematic criteria to identify schools and school districts), those in need of assistance, and those in which significant numbers of students persistently fail to meet state standards(In its deliberations, the board shall consider the use of all statewide mandated criterion-referenced and norm-referenced standardized tests);~~

(d) Recommend to the superintendent of public instruction schools and districts to be recognized for student achievement and improvements in student achievement and recommend methods of recognition, including the team-based recognition bonus under section 304 of this act;

(e) Identify schools and school districts in which state support, assistance, and intervention measures will be needed ((and)); recommend a range of appropriate support, assistance, and intervention strategies ((after the legislature has authorized a set of intervention strategies. After the legislature has authorized a set of intervention strategies, at the request of the board, the superintendent shall intervene in the school or school district and take corrective actions. This chapter does not provide additional authority for the board or the superintendent of public instruction to intervene in a school or school district)); adopt criteria for and approve performance contracts under the innovation zone program as provided under section 305 of this act; approve schools and school districts on academic watch as provided under section 306 of this act; and review and approve academic watch action plans for schools and school districts, including requiring binding conditions in the plans as provided under section 306 of this act;

(f) Identify performance incentive systems that have improved or have the potential to improve student achievement;

(g) Annually review the assessment reporting system to ensure fairness, accuracy, timeliness, and equity of opportunity, especially with regard to schools with special circumstances and unique populations of students, and a recommendation to the superintendent of public instruction of any improvements needed to the system; and

(h) Include in the biennial report required under RCW 28A.305.035, information on the progress that has been made in achieving goals adopted by the board;

(5) Accredite, subject to such accreditation standards and procedures as may be established by the state board of education, all private schools that apply for accreditation, and approve, subject to the provisions of RCW 28A.195.010, private schools carrying out a program for any or all of the grades kindergarten through twelve: PROVIDED, That no private school may be approved that operates a kindergarten program only: PROVIDED FURTHER, That no private schools shall be placed upon the list of accredited schools so long as secret societies are knowingly allowed to exist among its students by school officials;

(6) Articulate with the institutions of higher education, workforce representatives, and early learning policymakers and providers to coordinate and unify the work of the public school system;

(7) Hire an executive director and an administrative assistant to reside in the office of the superintendent of public instruction for administrative purposes. Any other personnel of the board shall be appointed as provided by RCW 28A.300.020. The board may delegate to the executive director by resolution such duties as deemed necessary to efficiently carry on the business of the board including, but not limited to, the authority to employ necessary personnel and the authority to enter into, amend, and terminate contracts on behalf of the board. The executive director, administrative assistant, and all but one of the other personnel of the board are exempt from civil service, together with other staff as now or hereafter designated as exempt in accordance with chapter 41.06 RCW; and

(8) Adopt a seal that shall be kept in the office of the superintendent of public instruction.

NEW SECTION. Sec. 303. A new section is added to chapter 28A.655 RCW to read as follows:

ACCOUNTABILITY INDEX. (1) The state board of education shall adopt an accountability index to identify schools and school districts for recognition and for state support, assistance, and intervention.

(2) The accountability index shall measure school and district performance using multiple outcomes and indicators. The outcomes measured by the index shall include but not be limited to extended graduation rates and results from statewide assessments, including any statewide formative assessments. The indicators measured by the index shall include but not be limited to overall student achievement, student achievement compared to similar schools and districts, and improvement of student achievement.

(3) The state board of education shall develop a tiered system of categories for evaluating schools and school districts based on the results of the accountability index. The categories shall range from struggling to exemplary and shall be used as the basis for recognition and state support, assistance, and intervention.

(4) The superintendent of public instruction shall calculate the results of the accountability index annually and place each school and school district into one of the categories as defined by the state board. The superintendent shall post the results of the accountability index and the category for each school and district on the superintendent's web site, subject to the protections of student privacy required under RCW 28A.655.090.

(5) The superintendent of public instruction shall seek approval from the United States department of education for use of the accountability index and the state system of support, assistance, and intervention to replace the federal accountability system under P.L. 107-110, the no child left behind act of 2001.

NEW SECTION. Sec. 304. A new section is added to chapter 28A.655 RCW to read as follows:

TEAM-BASED RECOGNITION BONUS. (1) The legislature finds that a team-based recognition bonus for school staff is an integral part not only of the statewide accountability system but also the overall system of employee compensation in order to focus attention on the primary objective of a basic education: Improved student learning.

(2) Based on the results of the accountability index under section 303 of this act and other criteria established by the state board of education, the superintendent of public instruction shall annually recommend to the state board of education a subset of exemplary schools whose level of overall achievement and sustained improvement of student learning warrant a special recognition for the staff assigned to the school. The state board of education shall review the list of identified schools and designate the schools that are eligible for a team-based recognition bonus.

(3) To the extent that funds are appropriated for the purposes of this section, each school district employee assigned to a school designated by the state board under subsection (2) of this section is eligible for a team-based recognition bonus in an amount specified in the omnibus appropriations act. The bonuses provided under this section are in addition to compensation received under a district's salary schedule adopted in accordance with RCW 28A.405.200 and shall not be included in calculations of a district's average salary and associated salary limitations under RCW 28A.400.200. The bonuses shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10), 41.35.010(6), or 41.40.010(8). The bonuses shall be paid in a lump sum amount.

(4) By December 1, 2009, the state board of education shall submit a proposal for the team-based recognition bonus to the governor and the education and fiscal committees of the legislature, including the criteria for identifying qualifying schools and recommendations regarding the amount of the bonus, which shall be awarded on a per person basis to all staff assigned to the school but may be differentiated based on the type of staff in the school.

(5) By November 1, 2010, and annually thereafter, the state board of education shall submit a list of schools qualifying for the team-based recognition bonus to the superintendent of public instruction and the governor.

(6) The state board of education shall adopt rules to implement the team-based recognition bonus under this section.

NEW SECTION. Sec. 305. A new section is added to chapter 28A.655 RCW to read as follows:

SYSTEM OF SUPPORT AND ASSISTANCE/INNOVATION ZONE. (1) In consultation with the state board of education, the superintendent of public instruction shall develop and implement a comprehensive system of support and assistance to schools and school districts where the level of intensity of support and assistance for school improvement increases based on the results of the accountability index under section 303 of this act. General support and assistance for school improvement may include online professional learning and data collection tools, school and district improvement plan and management tools, regional and statewide professional development opportunities, and other forms of assistance made broadly available by the office of the superintendent of public instruction to all schools and districts. Targeted support and assistance may include the school improvement assistance program of the office of the superintendent of public instruction, the summit district improvement program, and other progressively more intensive collaborative and voluntary efforts by the school, school district, office of the superintendent of public instruction, and local community to improve student performance. For priority schools and priority school districts designated under this section, the superintendent of public instruction shall make intensive support and assistance available through the innovation zone program under subsection (3) of this section.

(2) Based on the results of the accountability index and other criteria established by the state board of education, the superintendent of public instruction shall annually recommend to the state board of education a subset of struggling schools and school districts whose level of achievement and sustained lack of improvement of student learning warrant designation as priority schools or priority school districts. Before making the recommendation, the superintendent shall conduct an intensive analysis using quantitative and qualitative data, including additional information supplied by the school or district. The state board of education shall review the list of identified schools and districts and designate priority schools and priority school districts.

(3)(a) Subject to funds appropriated for this purpose, the superintendent of public instruction shall develop and implement an innovation zone program for priority schools and priority school districts that apply and are designated by the state board of education to participate in the program. The state board of education shall adopt criteria for the performance contracts developed under the program, including identifying the strategies for significantly improving student achievement that must be included in a contract, and shall approve the contracts of participating schools and districts.

(b) The innovation zone program shall include:

(i) Performance contracts between the state board of education and school district boards of directors that include rigorous and demanding expectations, measurable objectives and benchmarks with a timeline against which a school or district is required to show progress, and a commitment to strategies for making operational changes in the school or district. Such strategies may include but not be limited to additional time for professional development or student learning, professional learning communities, supplemental learning opportunities and support for students, reallocation of financial resources to the extent authorized by law, personnel changes, implementation of data-driven instruction, changes in curriculum, waivers of state or federal rules or regulations to the extent authorized by law, changes to collective bargaining agreements that are agreed to by the parties to the agreements, enhanced connections between schools, parents, and local communities, and improved coordination of professional development and instruction;

(ii) To the extent that funds are appropriated or otherwise available for this purpose, supplemental resources and assistance provided by the office of the superintendent of public instruction to implement the performance contracts;

(iii) Systemic, district-wide reform initiatives that involve clusters of schools within a district or across districts; and

(iv) A focus on schools and districts that demonstrate a readiness to benefit from the program and a commitment to collaboration from key partners including the school board, school and district administration, teachers, school staff, and community leaders.

(d) Performance contracts under the innovation zone program shall be for a minimum two-year period of implementation, not including time to develop the contract and the plan for participating in the innovation zone program. If the superintendent of public instruction determines that the priority school or priority school district has demonstrated significant improvement after two years of a performance contract, the superintendent may recommend to the state board of education that supplemental resources and assistance to the school or district be continued for an additional two-year period.

(4) Priority schools and priority school districts that do not participate in the innovation zone program shall be offered strategic planning assistance for school improvement from the office of the superintendent of public instruction.

NEW SECTION. Sec. 306. A new section is added to chapter 28A.655 RCW to read as follows:

ACADEMIC WATCH. (1) The superintendent of public instruction shall recommend that the state board of education place priority schools or priority school districts, as designated by the state board of education under section 305 of this act, on academic watch as provided under this section if the school or district has not demonstrated sufficient improvement through voluntary support and assistance initiatives.

(2)(a) A priority school or priority school district that has participated in the innovation zone program under section 305 of this act shall be placed on academic watch if the school or district retains

priority designation by the state board of education after two years of support and assistance through a performance contract and a review by the state board of education of progress made under the contract.

(b) A priority school or priority school district that has not participated in the innovation zone program shall be placed on academic watch if the school or district retains priority designation by the state board of education two years after being so designated.

(3) The superintendent of public instruction shall conduct an academic performance audit of a school or school district on academic watch, using peer review teams of educators and experts in school improvement. The audit shall recommend specific corrective actions that must be undertaken to improve student learning in the school or district and any supplemental resources necessary to implement the corrective actions. With the assistance of the office of the superintendent of public instruction, a school district on academic watch or in which schools on academic watch are located shall develop an academic watch action plan to implement the corrective actions identified by the performance audit and submit the plan to the state board of education.

(4) The state board of education shall:

(a) Review academic watch action plans and recommend any changes the board deems appropriate;

(b) Direct the superintendent of public instruction to develop final academic watch action plans containing conditions, which shall be binding on the district, that the superintendent of public instruction determines are necessary to enable successful implementation of the plans;

(c) Approve final academic watch action plans with binding conditions; and

(d) To the extent funds are appropriated or otherwise available for this purpose, authorize the superintendent of public instruction to provide supplemental resources and assistance to implement academic watch action plans.

(5) If the state board of education determines that available supplemental resources are not sufficient to implement an academic watch action plan, the board shall not approve the plan.

(6) The superintendent of public instruction shall closely monitor implementation of academic watch action plans and make periodic status reports to the state board of education. If the superintendent determines that a plan is not being successfully implemented or the actions and binding conditions are not sufficient to achieve their intended results, the superintendent shall recommend a revised academic watch action plan for that school district, which shall be approved by the state board of education as provided under subsections (4) and (5) of this section. If the superintendent determines that a plan has been successfully implemented and achieved its intended results, the superintendent shall recommend that the state board of education remove the school or district from academic watch.

(7) Binding conditions contained in an academic action plan under this section may include but are not limited to reallocation of financial resources to the extent authorized by law, personnel changes, changes in curriculum and instructional practices, supplemental instruction and support for students, adoption of a teacher mentoring program, reduced class size, and adjustment of the school calendar including extension of the school day or school year. A binding condition may not alter or affect an existing collective bargaining agreement unless the agreement is modified by a new agreement bargained under the terms of chapter 41.59 or 41.56 RCW.

NEW SECTION. Sec. 307. A new section is added to chapter 28A.320 RCW to read as follows:

REQUIRED TO COMPLY WITH THE BINDING CONDITIONS. As provided under section 306 of this act, the board of directors of a school district on academic watch or in which schools on academic watch are located shall comply with the terms of an academic watch action plan with binding conditions developed by the superintendent of public instruction and approved by the state board of education.

Sec. 308. RCW 28A.505.120 and 1975-'76 2nd ex.s. c 118 s 12 are each amended to read as follows:

FAILURE TO MEET BINDING CONDITIONS. If a local school district fails to comply with any binding restrictions issued by the superintendent of public instruction or binding conditions in an academic watch action plan for schools and school districts on academic watch under section 306 of this act, the allocation of state funds for support of the local school district may be withheld, pending an investigation of the reason for such noncompliance by the office of the superintendent of public instruction. Written notice of the intent to withhold state funds, with reasons stated for this action, shall be made to the school district by the office of the superintendent of public instruction before any portion of the state allocation is withheld.

NEW SECTION. Sec. 309. A new section is added to chapter 28A.655 RCW to read as follows:

FORMATIVE ASSESSMENTS. (1) The superintendent of public instruction, in consultation with the state board of education and the professional educator standards board, shall issue a request for proposals for a system of formative assessments for use by schools and school districts to measure individual improvement in student learning throughout the school year and from one school year to the next. The formative assessments shall form the basis for a statewide system of monitoring student progress, monitoring and improving the effectiveness of supplemental instruction and strategies to support underachieving students, improving curriculum and instruction, measuring effective teaching, and monitoring overall school and district performance in meeting the goals of the basic education act.

(2) The formative assessments shall have the following minimum characteristics:

(a) Be reasonably aligned with the state essential academic learning requirements and grade level expectations;

(b) Reliably measure student progress toward meeting grade-level standards and progress within a grade level and from one grade to the next;

(c) Provide periodic information during the school year about an individual student's academic progress that is useful to parents and teachers in adapting instruction to meet the student's learning needs;

(d) To the maximum extent possible, be administered online and with immediate results; and

(e) Be available for statewide purchase and provision to school districts with minimal adaptation or supplementation.

(3) In developing the request for proposals and reviewing the responses, the superintendent of public instruction shall consult with advisory committees of teachers, principals, and school curriculum and assessment directors to assure the results of the formative assessments provide instructional benefit.

(4) The superintendent shall report to the governor and the education and fiscal committees of the legislature by November 15, 2010, identifying the recommended formative assessments and estimating the costs of implementing the assessments statewide, starting with the 2011-12 school year.

(5) The superintendent of public instruction, in consultation with the state board of education and the professional educator standards

board, shall adopt standards and a common format for schools and districts to report results from the assessments that protect student privacy as required under RCW 28A.655.090. Data from the assessments must be consistently reported by student, by teacher, and by school so that results may be used for the purposes identified in subsection (1) of this section.

(6) To the extent that funds are appropriated for this purpose, schools shall administer the formative assessments selected under this section and report results beginning in the 2011-12 school year.

NEW SECTION. Sec. 310. A new section is added to chapter 28A.655 RCW to read as follows:

EDUCATION DATA ACCOUNTABILITY SYSTEM. (1) It is the legislature's intent to establish comprehensive education data accountability systems for financial, student, and educator data. The objective of the systems is to monitor student progress, assure educator quality, monitor and analyze the costs of programs, provide for financial integrity and accountability, and have the capacity to link across these various data components by student, by school, by district, and statewide. Education data systems must be flexible and able to adapt to evolving needs for information, but there must be an objective and orderly process for determining when changes are needed and how to implement them.

(2) It is the legislature's intent that the education data accountability systems used by school districts and the state include but not be limited to the following information and functionality:

(a) Comprehensive educator assignment information, including grade level and courses taught, building or location, program, job assignment, years of experience, and compensation;

(b) Capacity to link educator assignment information with educator certification information such as certification number, type of certification, route to certification, certification program, and certification assessment or evaluation scores;

(c) Common coding of secondary courses and major areas of study at the elementary level;

(d) Complete student information, including but not limited to student characteristics, course and program enrollment, performance on statewide summative and formative assessments, and performance on college readiness tests;

(e) A subset of student information elements to serve as a dropout early warning system;

(f) Capacity to link educator information with student information;

(g) A common, standardized structure for reporting the costs of programs at the school and district level with a focus on financial accountability rather than accounting for expenditure inputs;

(h) Separate accounting of state, federal, and local revenues and costs;

(i) Alignment between state funding formulas and school district budgeting and accounting, including procedures for assuring that financial data is accurate and auditable; and

(j) Capacity to link program cost information with student information to gauge the cost-effectiveness of programs.

(3) It is the legislature's long-term goal that all school districts use a common software and data platform to support the education data accountability systems under this section, which shall be provided by the state. However, until this goal is fully implemented, school districts may use software and programs of their choosing as long as required information and functionality can be assured.

NEW SECTION. Sec. 311. **DATA WORKING GROUP.** (1) The office of the superintendent of public instruction shall convene a technical working group to propose a design and implementation time frame for the comprehensive data accountability

systems for financial, student, and educator data under section 310 of this act.

(2) The data working group shall include representatives of the office of financial management, the state auditor's office, the legislative evaluation and accountability program committee, the joint legislative audit and review committee, the professional educator standards board, the state board of education, the Washington state information processing cooperative, educational service districts, the Washington association of school business officers, the Washington education association, the Washington association of school administrators, the Washington state school directors' association, and other interested stakeholders with expertise in education data.

(3) The data working group shall:

(a) Create a comprehensive needs requirement document detailing the specific information and technical capacity needed by school districts and the state to meet the legislature's expectations for comprehensive data accountability systems as described under section 310 of this act;

(b) Conduct a gap analysis of current and planned information compared to the needs requirement document, including an analysis of the strengths and limitations of education data systems and programs currently used by school districts and the state and the extent to which these systems and programs have the capacity or can be modified to meet the needs requirement document;

(c) Focus on financial and cost data necessary to support the new financial models and funding formulas, including any necessary changes to school district budgeting and accounting, and on assuring the capacity to link data across financial, student, and educator systems; and

(d) Develop a proposal for a data governance structure that would be responsible for establishing a standard data dictionary, setting data collection priorities, establishing minimum mandatory standards for school data systems, and overseeing implementation of the comprehensive education data accountability systems.

(4) The work of the data working group shall be monitored and overseen by the basic education steering committee under section 3 of this act. The working group shall provide updates on its work as requested by the steering committee.

(5) The superintendent of public instruction shall submit a preliminary report to the basic education steering committee by November 15, 2009, including the analyses under subsection (3) of this section and preliminary options for addressing identified gaps. A final report, including a proposed phase-in plan and preliminary cost estimates for implementation of comprehensive data accountability systems for financial, student, and educator data shall be submitted to the steering committee by September 1, 2010.

PART IV OTHER FINANCE

NEW SECTION. Sec. 401. A new section is added to chapter 28A.500 RCW to read as follows:

NEW LEVY/LEA SYSTEM--INTENT. (1) The legislature finds that while the state has the responsibility to provide for a general and uniform system of public schools, there is also a need for some diversity in the public school system. A successful system of public education must permit some variation among school districts outside the basic education provided for by the state to respond to and reflect the unique desires of local communities. The opportunity for local communities to invest in enriched education programs promotes support for local public schools. Further, the ability of local school districts to experiment with enriched programs can

inform the legislature's long-term evolution of the definition of basic education. Therefore, local levy authority remains an important component of the overall finance system in support of the public schools even though it is outside the state's obligation for basic education.

(2) However, the value of permitting local levies must be balanced with the value of equity and fairness to students and to taxpayers, neither of whom should be unduly disadvantaged due to differences in the tax bases used to support local levies. Equity and fairness require both an equitable basis for supplemental funding outside basic education and a mechanism for property tax-poor school districts to fairly access supplemental funding. As such, local effort assistance, while also outside the state's obligation for basic education, is another important component of school finance.

NEW SECTION. Sec. 402. LOCAL FUNDING WORKING GROUP. (1) The office of financial management shall convene a technical working group to develop options for a new system of supplemental school funding through local school levies and local effort assistance, to be implemented beginning in the 2012 calendar year. The system shall have the following characteristics:

(a) Local levy authority defined not on a percentage of state and federal funding but on a per-student amount;

(b) State-funded matching assistance to equalize a portion of the per-student amount in property tax-poor school districts that demonstrate a level of local effort in authorizing a local levy; and

(c) Elimination of historic grandfathering of local levy authority.

(2) The local funding working group shall consider the impact on overall school district revenues of the new basic education funding system established under this act and shall recommend a phase-in plan that ensures that no school district suffers a decrease in funding from one school year to the next due to implementation of the new system of supplemental funding.

(3) The local funding working group shall be composed of representatives from the office of the superintendent of public instruction, the department of revenue, the legislative evaluation and accountability program committee, educational service district financial managers, and representatives of the Washington association of school business officers, the Washington education association, the Washington association of school administrators, the Washington state school directors' association, and other interested stakeholders with expertise in education finance. The office of financial management may engage technical consultants as needed for revenue forecasts and financial modeling.

(4) The work of the local funding working group shall be monitored and overseen by the basic education steering committee under section 3 of this act. The working group shall provide updates on its work as requested by the steering committee.

(5) The office of financial management shall submit a progress report on the development of the new system of supplemental school funding to the basic education steering committee by November 15, 2009. The progress report shall identify the options being considered for the system and their estimated fiscal impact and any unresolved issues or decisions requiring legislative action during the 2010 legislative session to allow continued development of the system. The office of financial management shall submit a final report with recommendations, estimated fiscal impact, and implementing legislation to the steering committee by September 1, 2010.

Sec. 403. RCW 84.52.0531 and 1997 c 259 s 2 are each amended to read as follows:

LEVIES. The maximum dollar amount which may be levied by or for any school district for maintenance and operation support

under the provisions of RCW 84.52.053 shall be determined as follows:

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

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

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

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

(c) For districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:

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

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

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

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

(3) For excess levies for collection in calendar year (~~(1998 and thereafter))~~ 2012, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.

(a) The district's basic education allocation as determined pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350, as they existed for the 2010-11 school year;

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

(i) Pupil transportation;

(ii) Special education;

(iii) Education of highly capable students;

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

(v) Food services; and

(vi) Statewide block grant programs; and

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

(4) For excess levies for collection in calendar year 2013 and thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.

(a) The district's basic education allocation as determined pursuant to section 106 of this act, except amounts to fund special education programs, the learning assistance program, and the transitional bilingual instructional program, which are accounted for under (b) of this subsection;

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

(i) Pupil transportation;

(ii) Special education;

(iii) Education of highly capable students;

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

(v) Food services; and

(vi) Statewide block grant programs; and

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

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

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

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

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

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

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

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

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

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

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

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

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

NEW SECTION. Sec. 404. REPEAL OF LOCAL EFFORT ASSISTANCE. The following acts or parts of acts are each repealed:

(1) RCW 28A.500.010 (Local effort assistance funds--Purpose--Not basic education allocation) and 1999 c 317 s 1, 1997 c 259 s 4, 1993 c 410 s 1, 1992 c 49 s 2, & 1987 1st ex.s. c 2 s 102;

(2) RCW 28A.500.020 (Definitions) and 2004 c 21 s 1 & 1999 c 317 s 2;

(3) RCW 28A.500.030 (Allocation of state matching funds--Determination) and 2006 c 372 s 904, 2006 c 119 s 1, 2005 c 518 s 914, 2003 1st sp.s. c 25 s 912, 2002 c 317 s 4, & 1999 c 317 s 3;

(4) RCW 28A.500.040 (Distribution of funds) and 1999 c 317 s 4; and

(5) RCW 28A.500.900 (Effective date--1999 c 317) and 1999 c 317 s 5.

Sec. 405. RCW 28A.185.020 and 1990 c 33 s 168 are each amended to read as follows:

HIGHLY CAPABLE ALLOCATION. (1) Supplementary funds as may be provided by the state for ~~((this program, in accordance with RCW 28A.150.370;))~~ the program for highly capable students shall be categorical funding on an excess cost basis based upon a per student ~~((amount))~~ allocation to provide services to highly capable students not to exceed three percent of any district's full-time equivalent enrollment. The amount of supplementary funding for this program shall be established by the legislature in the omnibus appropriations act. The program for highly capable students shall not be considered part of the program of basic education as defined under section 101 of this act.

(2) It is the intent of the legislature that the per student allocation for this program be calculated for each school district based on costs to provide classroom teachers and maintenance, supplies, and operating costs in prototypical schools as described under section 106 of this act and provide for the following supplemental instruction:

(a) An extended school day for a prototypical school of two instructional hours per week with an average class size of five students;

(b) An extended school year for a prototypical school of ten instructional hours per week for four weeks with an average class size of five students; and

(c) A per student allocation for maintenance, supplies, and operating costs as provided in the omnibus appropriations act.

(3) The distribution formula under this section shall be for allocation purposes only.

Sec. 406. RCW 28B.102.040 and 2008 c 170 s 306 are each amended to read as follows:

TEACHER CONDITIONAL SCHOLARSHIPS. (1) The board may select participants based on an application process conducted by the board or the board may utilize selection processes for similar students in cooperation with the professional educator standards board or the office of the superintendent of public instruction.

(2) If the board selects participants for the program, it shall establish a selection committee for screening and selecting recipients of the conditional scholarships. The criteria shall emphasize factors demonstrating excellence including but not limited to superior

scholastic achievement, leadership ability, community contributions, bilingual ability, willingness to commit to providing teaching service in shortage areas, and an ability to act as a role model for students. Priority will be given to individuals seeking certification or an additional endorsement in math, science, technology education, ~~((agricultural education, business and marketing education, family and consumer science education, or))~~ special education, bilingual education, or English as a second language instruction.

NEW SECTION. Sec. 407. REPEAL OF STUDENT ACHIEVEMENT FUND. The following acts or parts of acts are each repealed:

(1) RCW 28A.505.210 (Student achievement funds--Use and accounting of funds--Public hearing--Report) and 2005 c 497 s 105 & 2001 c 3 s 3;

(2) RCW 28A.505.220 (Student achievement funds--Allocations) and 2008 c 170 s 401 & 2005 c 514 s 1103;

(3) RCW 28A.150.380 (Appropriations by legislature) and 2001 c 3 s 10, 1995 c 335 s 103, 1990 c 33 s 115, 1980 c 6 s 3, & 1969 ex.s. c 223 s 28A.41.050; and

(4) RCW 84.52.068 (State levy--Distribution to school districts) and 2005 c 514 s 1104, 2003 1st sp.s. c 19 s 1, & 2001 c 3 s 5.

Sec. 408. RCW 84.52.067 and 2001 c 3 s 7 are each amended to read as follows:

STUDENT ACHIEVEMENT FUND. All property taxes levied by the state for the support of common schools shall be paid into the general fund of the state treasury as provided in RCW 84.56.280(~~except for the amounts collected under RCW 84.52.068 which shall be directly deposited into the student achievement fund and distributed to school districts as provided in RCW 84.52.068~~)).

Sec. 409. RCW 83.100.230 and 2008 c 329 s 924 are each amended to read as follows:

STUDENT ACHIEVEMENT FUND. The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for ~~((deposit into the student achievement fund and for))~~ expanding access to higher education through funding for new enrollments and financial aid, and other educational improvement efforts. ~~((During the 2007-2009 fiscal biennium,))~~ Moneys in the account may also be transferred into the state general fund.

PART V GENERAL PROVISIONS-- PROGRAM OF BASIC EDUCATION

NEW SECTION. Sec. 501. RULE-MAKING AUTHORITY.

(1) The superintendent of public instruction is authorized to adopt such rules and require such reports as may be necessary for administration of this chapter and RCW 28A.300.170.

(2) The superintendent of public instruction shall make every effort to reduce the amount of paperwork required in administration of this chapter and RCW 28A.300.170 to simplify the application, monitoring, and evaluation processes used; to eliminate all duplicative requests for information from local school districts; and to make every effort to integrate and standardize information requests for other state education acts and federal aid to education acts administered by the superintendent of public instruction so as to reduce paperwork requirements and duplicative information requests.

Sec. 502. RCW 28A.150.350 and 1990 c 33 s 112 are each amended to read as follows:

PART-TIME STUDENTS. (1) For purposes of this section, the following definitions shall apply:

(a) "Private school student" shall mean any student enrolled full time in a private school;

(b) "School" shall mean any primary, secondary or vocational school;

(c) "School funding authority" shall mean any nonfederal governmental authority which provides moneys to common schools;

(d) "Part-time student" shall mean and include: Any student enrolled in a course of instruction in a private school and taking courses at and/or receiving ancillary services offered by any public school not available in such private school; or any student who is not enrolled in a private school and is receiving home-based instruction under RCW 28A.225.010 which instruction includes taking courses at or receiving ancillary services from the local school district or both; or any student involved in any work training program and taking courses in any public school, which work training program is approved by the school board of the district in which such school is located.

(2) The board of directors of any school district is authorized and, in the same manner as for other public school students, shall permit the enrollment of and provide ancillary services for part-time students: PROVIDED, That this section shall only apply to part-time students who would be otherwise eligible for full-time enrollment in the school district.

(3) The superintendent of public instruction shall recognize the costs to each school district occasioned by enrollment of and/or ancillary services provided for part-time students authorized by subsection (2) of this section and shall include such costs in the distribution of funds to school districts pursuant to ~~((RCW 28A.150.260))~~ section 106 of this act. Each school district shall be reimbursed for the costs or a portion thereof, occasioned by attendance of and/or ancillary services provided for part-time students on a part-time basis, by the superintendent of public instruction, according to law.

(4) Each school funding authority shall recognize the costs occasioned to each school district by enrollment of and ancillary services provided for part-time students authorized by subsection (2) of this section, and shall include said costs in funding the activities of said school districts.

~~((5) The superintendent of public instruction is authorized to adopt rules and regulations to carry out the purposes of RCW 28A.150.260 and 28A.150.350.))~~

Sec. 503. RCW 28A.150.290 and 1992 c 141 s 504 are each amended to read as follows:

EMERGENCIES. (1) ~~((The superintendent of public instruction shall have the power and duty to make such rules and regulations as are necessary for the proper administration of this chapter and RCW 28A.160.150 through 28A.160.220, 28A.300.170, and 28A.500.010 not inconsistent with the provisions thereof, and in addition to require such reports as may be necessary to carry out his or her duties under this chapter and RCW 28A.160.150 through 28A.160.220, 28A.300.170, and 28A.500.010.~~

~~—(2))~~ The superintendent of public instruction shall have the authority to ~~((make))~~ adopt rules ~~((and regulations))~~ which establish the terms and conditions for allowing school districts to receive state basic education moneys as provided in ~~((RCW 28A.150.250))~~ section 106 of this act when said districts are unable to fulfill for one or more schools as officially scheduled the requirement of a full school year of one hundred eighty days or the ~~((annual average total))~~ minimum instructional hour offering imposed by ~~((RCW 28A.150.220 and 28A.150.260))~~ section 104 of this act due to one or more of the following conditions:

(a) An unforeseen natural event, including, but not necessarily limited to, a fire, flood, explosion, storm, earthquake, epidemic, or volcanic eruption that has the direct or indirect effect of rendering one or more school district facilities unsafe, unhealthy, inaccessible, or ~~((inoperable))~~ inoperative; and

(b) An unforeseen mechanical failure or an unforeseen action or inaction by one or more persons, including negligence and threats, that (i) is beyond the control of both a school district board of directors and its employees and (ii) has the direct or indirect effect of rendering one or more school district facilities unsafe, unhealthy, inaccessible, or ~~((inoperable))~~ inoperative. Such actions, inactions or mechanical failures may include, but are not necessarily limited to, arson, vandalism, riots, insurrections, bomb threats, bombings, delays in the scheduled completion of construction projects, and the discontinuance or disruption of utilities such as heating, lighting, and water: PROVIDED, That an unforeseen action or inaction shall not include any labor dispute between a school district board of directors and any employee of the school district.

(2) A condition is foreseeable for the purposes of this subsection to the extent a reasonably prudent person would have anticipated prior to August first of the preceding school year that the condition probably would occur during the ensuing school year because of the occurrence of an event or a circumstance which existed during such preceding school year or a prior school year. A board of directors of a school district is deemed for the purposes of this subsection to have knowledge of events and circumstances which are a matter of common knowledge within the school district and of those events and circumstances which can be discovered upon prudent inquiry or inspection.

~~((3) The superintendent of public instruction shall make every effort to reduce the amount of paperwork required in administration of this chapter and RCW 28A.160.150 through 28A.160.220, 28A.300.170, and 28A.500.010, to simplify the application, monitoring and evaluation processes used; to eliminate all duplicative requests for information from local school districts; and to make every effort to integrate and standardize information requests for other state education acts and federal aid to education acts administered by the superintendent of public instruction so as to reduce paperwork requirements and duplicative information requests:))~~

Sec. 504. RCW 28A.150.400 and 1990 c 33 s 117 are each amended to read as follows:

FUNDING FACTORS. State and county funds which may become due and apportionable to school districts shall be apportioned in such a manner that any apportionment factors used shall utilize data and statistics derived in the school year that such funds are paid: PROVIDED, That the superintendent of public instruction may make necessary administrative provision for the use of estimates, and corresponding adjustments to the extent necessary: PROVIDED FURTHER, That as to those revenues used in determining the amount of state funds to be apportioned to school districts pursuant to ~~((RCW 28A.150.250))~~ section 105 of this act, any apportionment factors shall utilize data and statistics derived in an annual period established pursuant to rules ~~((and regulations promulgated))~~ adopted by the superintendent of public instruction in cooperation with the department of revenue.

Sec. 505. RCW 28A.150.275 and 1995 c 77 s 4 are each amended to read as follows:

TECHNICAL COLLEGE PROGRAMS. The basic education ~~((allocation, including applicable vocational entitlements and special education program money;))~~ core instructional allocation generated under section 106 of this act, plus the special education excess cost

allocation generated under ~~((this chapter))~~ section 107 of this act and under state appropriation acts by school districts for students enrolled in a technical college program established by an interlocal agreement under RCW 28B.50.533 shall be allocated in amounts as determined by the superintendent of public instruction to the serving college rather than to the school district, unless the college chooses to continue to receive the allocations through the school districts. This section does not apply to students enrolled in the running start program established in RCW 28A.600.310.

Sec. 506. RCW 28A.150.310 and 2002 c 291 s 2 are each amended to read as follows:

YOUTH CHALLENGE PROGRAM. Basic and nonbasic education funding, including applicable ~~((vocational entitlements))~~ career and technical education enhancements and special education program money, generated under ~~((this))~~ chapter 28A--- RCW (created in section 702 of this act) and under state appropriations acts shall be allocated directly to the military department for a national guard youth challenge program for students earning high school graduation credit under RCW ~~((28A.305.170))~~ 28A.300.165. Funding shall be provided based on statewide average rates for basic education, special education, categorical, and block grant programs as determined by the office of the superintendent of public instruction. The monthly full-time equivalent enrollment reported for students enrolled in the national guard youth challenge program shall be based on one full-time equivalent for every one hundred student hours of scheduled instruction eligible for high school graduation credit. The office of the superintendent of public instruction, in consultation with the military department, shall adopt such rules as are necessary to implement this section.

Sec. 507. RCW 28A.150.230 and 2006 c 263 s 201 are each amended to read as follows:

RESPONSIBILITIES OF SCHOOL BOARDS. (1) It is the intent and purpose of this section to guarantee that each common school district board of directors, whether or not acting through its respective administrative staff, be held accountable for the proper operation of their district to the local community and its electorate. In accordance with the provisions of Title 28A RCW, as now or hereafter amended, each common school district board of directors shall be vested with the final responsibility for the setting of policies ensuring quality in the content and extent of its educational program and that such program provide students with the opportunity to achieve those skills which are generally recognized as requisite to learning.

(2) In conformance with the provisions of Title 28A RCW, as now or hereafter amended, it shall be the responsibility of each common school district board of directors to adopt policies to:

(a) Establish performance criteria and an evaluation process for its certificated personnel, including administrative staff, and for all programs constituting a part of such district's curriculum;

(b) Determine the final assignment of staff, certificated or classified, according to board enumerated classroom and program needs;

(c) Determine the amount of instructional hours necessary for any student to acquire a quality education in such district, in not less than an amount otherwise required in RCW ~~((28A.150.220))~~ section 104 of this act, or rules of the state board of education;

(d) Determine the allocation of staff time, whether certificated or classified;

(e) Establish final curriculum standards consistent with law and rules of the superintendent of public instruction, relevant to the particular needs of district students or the unusual characteristics of

the district, and ensuring a quality education for each student in the district; and

(f) Evaluate teaching materials, including text books, teaching aids, handouts, or other printed material, in public hearing upon complaint by parents, guardians or custodians of students who consider dissemination of such material to students objectionable.

Sec. 508. RCW 28A.165.005 and 2004 c 20 s 1 are each amended to read as follows:

LAP ADJUSTMENTS. ~~((The learning assistance program requirements in))~~ This chapter ~~((are))~~ is designed to: (1) Promote the use of assessment data when developing programs to assist underachieving students; and (2) guide school districts in providing the most effective and efficient practices when implementing ~~((programs))~~ supplemental instruction and services to assist underachieving students. ~~((Further, this chapter provides the means by which a school district becomes eligible for learning assistance program funds and the distribution of those funds.))~~

Sec. 509. RCW 28A.165.015 and 2004 c 20 s 2 are each amended to read as follows:

LAP ADJUSTMENTS. Unless the context clearly indicates otherwise the definitions in this section apply throughout this chapter.

(1) "Approved program" means a program submitted to and approved by the office of the superintendent of public instruction and conducted pursuant to the plan that addresses the required elements as provided for in this chapter.

(2) "Basic skills areas" means reading, writing, and mathematics as well as readiness associated with these skills.

(3) "Participating student" means a student in kindergarten through grade ~~((eleven who scores below standard for his or her grade level on the statewide assessments and who is identified in the approved plan to receive services. Beginning with the 2007-2008 school year, "participating student" means a student in kindergarten through grade))~~ twelve who scores below standard for his or her grade level on the statewide assessments and who is identified in the approved plan to receive services.

(4) "Statewide assessments" means one or more of the several basic skills assessments administered as part of the state's student assessment system, and assessments in the basic skills areas administered by local school districts.

(5) "Underachieving students" means students with the greatest academic deficits in basic skills as identified by the statewide assessments.

Sec. 510. RCW 28A.165.055 and 2008 c 321 s 10 are each amended to read as follows:

LAP ADJUSTMENTS. ~~((+))~~ Each school district with an approved program is eligible for state funds provided for the learning assistance program. The funds shall be appropriated for the learning assistance program in accordance with section 106 of this act and the ~~((biennial))~~ omnibus appropriations act. The distribution formula is for school district allocation purposes only, but funds appropriated for the learning assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065. ~~((The distribution formula shall be based on one or more family income factors measuring economic need.~~

~~((2) In addition to the funds allocated to eligible school districts on the basis of family income factors, enhanced funds shall be allocated for school districts where more than twenty percent of students are eligible for and enrolled in the transitional bilingual instruction program under chapter 28A.180 RCW as provided in this subsection. The enhanced funding provided in this subsection shall take effect beginning in the 2008-09 school year.~~

~~((a) If, in the prior school year, a district's percent of October headcount student enrollment in grades kindergarten through twelve who are enrolled in the transitional bilingual instruction program, based on an average of the program headcount taken in October and May, exceeds twenty percent, twenty percent shall be subtracted from the district's percent transitional bilingual instruction program enrollment and the resulting percent shall be multiplied by the district's kindergarten through twelve annual average full-time equivalent enrollment for the prior school year.~~

~~((b) The number calculated under (a) of this subsection shall be the number of additional funded students for purposes of this subsection, to be multiplied by the per-funded student allocation rates specified in the omnibus appropriations act.~~

~~((c) School districts are only eligible for the enhanced funds under this subsection if their percentage of October headcount enrollment in grades kindergarten through twelve eligible for free or reduced-price lunch exceeded forty percent in the prior school year.))~~

Sec. 511. RCW 28A.180.010 and 1990 c 33 s 163 are each amended to read as follows:

TBIP ADJUSTMENTS. RCW 28A.180.010 through 28A.180.080 shall be known and cited as "the transitional bilingual instruction act." The legislature finds that there are large numbers of children who come from homes where the primary language is other than English. The legislature finds that a transitional bilingual education program can meet the needs of these children. Pursuant to the policy of this state to insure equal educational opportunity to every child in this state, it is the purpose of RCW 28A.180.010 through 28A.180.080 to provide for the implementation of transitional bilingual education programs in the public schools ~~((and to provide supplemental financial assistance to school districts to meet the extra costs of these programs)).~~

Sec. 512. RCW 28A.180.080 and 1995 c 335 s 601 are each amended to read as follows:

TBIP ADJUSTMENTS. ~~((The superintendent of public instruction shall prepare and submit biennially to the governor and the legislature a budget request for bilingual instruction programs.))~~ Moneys appropriated by the legislature for the purposes of RCW 28A.180.010 through 28A.180.080 shall be allocated by the superintendent of public instruction to school districts for the sole purpose of operating an approved bilingual instruction program ~~((; priorities for funding shall exist for the early elementary grades. No moneys shall be allocated pursuant to this section to fund more than three school years of bilingual instruction for each eligible pupil within a district. PROVIDED, That such moneys may be allocated to fund more than three school years of bilingual instruction for any pupil who fails to demonstrate improvement in English language skills adequate to remove impairment of learning when taught only in English. The superintendent of public instruction shall set standards and approve a test for the measurement of such English language skills)).~~

Sec. 513. RCW 28A.180.090 and 2001 1st sp. s. c 6 s 2 are each amended to read as follows:

TBIP ADJUSTMENTS. The superintendent of public instruction shall develop an evaluation system designed to measure increases in the English and academic proficiency of eligible pupils. When developing the system, the superintendent shall:

(1) Require school districts to assess potentially eligible pupils within ten days of registration using an English proficiency assessment or assessments as specified by the superintendent of public instruction. Results of these assessments shall be made available to both the superintendent of public instruction and the school district;

(2) Require school districts to annually assess all eligible pupils at the end of the school year using an English proficiency assessment or assessments as specified by the superintendent of public instruction. Results of these assessments shall be made available to both the superintendent of public instruction and the school district; and

(3) Develop a system to evaluate increases in the English and academic proficiency of students who are, or were, eligible pupils. This evaluation shall include students when they are in the program and after they exit the program until they finish their K-12 career or transfer from the school district. The purpose of the evaluation system is to inform schools, school districts, parents, and the state of the effectiveness of the transitional bilingual programs in school and school districts in teaching these students English and other content areas, such as mathematics and writing

~~(4) Report to the education and fiscal committees of the legislature by November 1, 2002, regarding the development of the systems described in this section and a timeline for the full implementation of those systems. The legislature shall approve and provide funding for the evaluation system in subsection (3) of this section before any implementation of the system developed under subsection (3) of this section may occur).~~

Sec. 514. RCW 28A.600.310 and 2005 c 125 s 1 are each amended to read as follows:

RUNNING START ALLOCATION. (1) Eleventh and twelfth grade students or students who have not yet received the credits required for the award of a high school diploma and are eligible to be in the eleventh or twelfth grades may apply to a participating institution of higher education to enroll in courses or programs offered by the institution of higher education. A student receiving home-based instruction enrolling in a public high school for the sole purpose of participating in courses or programs offered by institutions of higher education shall not be counted by the school district in any required state or federal accountability reporting if the student's parents or guardians filed a declaration of intent to provide home-based instruction and the student received home-based instruction during the school year before the school year in which the student intends to participate in courses or programs offered by the institution of higher education. Students receiving home-based instruction under chapter 28A.200 RCW and students attending private schools approved under chapter 28A.195 RCW shall not be required to meet the student learning goals, obtain a certificate of academic achievement or a certificate of individual achievement to graduate from high school, or to master the essential academic learning requirements. However, students are eligible to enroll in courses or programs in participating universities only if the board of directors of the student's school district has decided to participate in the program. Participating institutions of higher education, in consultation with school districts, may establish admission standards for these students. If the institution of higher education accepts a secondary school pupil for enrollment under this section, the institution of higher education shall send written notice to the pupil and the pupil's school district within ten days of acceptance. The notice shall indicate the course and hours of enrollment for that pupil.

(2) The pupil's school district shall transmit to the institution of higher education an amount per each full-time equivalent college student at statewide uniform rates for vocational and nonvocational students. The superintendent of public instruction shall separately calculate and allocate moneys appropriated ~~((for basic education under RCW 28A.150.260))~~ under section 106 of this act to school districts for purposes of making such payments and for granting school districts seven percent thereof to offset program related costs.

The calculations and allocations shall be based upon the estimated statewide annual average per full-time equivalent high school student basic education core instructional allocations under ~~((RCW 28A.150.260))~~ section 106 of this act, excluding small high school enhancements, and applicable rules adopted under chapter 34.05 RCW. The superintendent of public instruction, the higher education coordinating board, and the state board for community and technical colleges shall consult on the calculation and distribution of the funds. The institution of higher education shall not require the pupil to pay any other fees. The funds received by the institution of higher education from the school district shall not be deemed tuition or operating fees and may be retained by the institution of higher education. A student enrolled under this subsection shall not be counted for the purpose of determining any enrollment restrictions imposed by the state on the institution of higher education.

Sec. 515. RCW 28A.600.405 and 2007 c 355 s 4 are each amended to read as follows:

HIGH SCHOOL COMPLETION OPTION ALLOCATION. (1) For purposes of this section and RCW 28B.50.534, "eligible student" means a student who has completed all state and local high school graduation requirements except the certificate of academic achievement under RCW 28A.655.061 or the certificate of individual achievement under RCW 28A.155.045, who is less than age twenty-one as of September 1st of the academic year the student enrolls at a community and technical college under this section, and who meets the following criteria:

(a) Receives a level 2 (basic) score on the reading and writing content areas of the high school Washington assessment of student learning;

(b) Has not successfully met state standards on a retake of the assessment or an alternative assessment;

(c) Has participated in assessment remediation; and

(d) Receives a recommendation to enroll in courses or a program of study made available under RCW 28B.50.534 from his or her high school principal.

(2) An eligible student may enroll in courses or a program of study made available by a community or technical college participating in the pilot program created under RCW 28B.50.534 for the purpose of obtaining a high school diploma.

(3) For eligible students in courses or programs delivered directly by the community or technical college participating in the pilot program under RCW 28B.50.534 and only for enrollment in courses that lead to a high school diploma, the superintendent of public instruction shall transmit to the colleges participating in the pilot program an amount per each full-time equivalent college student at statewide uniform rates. The amount shall be the sum of (a), (b), and (c)~~((and (d)))~~ of this subsection, as applicable.

(a) The superintendent shall separately calculate and allocate moneys appropriated ~~((for basic education under RCW 28A.150.260))~~ under section 106 of this act for purposes of making payments under this section. The calculations and allocations shall be based upon the estimated statewide annual average per full-time equivalent high school student basic education core instructional allocations under ~~((RCW 28A.150.260))~~ section 106 of this act, excluding small high school enhancements, and applicable rules adopted under chapter 34.05 RCW.

(b) The superintendent shall allocate an amount equal to the per funded student state allocation for the learning assistance program under chapter 28A.165 RCW for each full-time equivalent college student or a pro rata amount for less than full-time enrollment.

~~(c) ((The superintendent shall allocate an amount equal to the per full-time equivalent student allocation for the student~~

achievement program under RCW 28A.505.210 for each full-time equivalent college student or a pro rata amount for less than full-time enrollment:

~~(4))~~ For eligible students who meet eligibility criteria for the state transitional bilingual instruction program under chapter 28A.180 RCW, the superintendent shall allocate an amount equal to the per student state allocation for the transitional bilingual instruction program or a pro rata amount for less than full-time enrollment.

(4) The superintendent may adopt rules establishing enrollment reporting, recordkeeping, and accounting requirements necessary to ensure accountability for the use of basic education, learning assistance, and transitional bilingual program funds under this section for the pilot program created under RCW 28B.50.534.

(5) All school districts in the geographic area of the two community and technical colleges selected pursuant to section 8, chapter 355, Laws of 2007 to participate in the pilot program shall provide information about the high school completion option under RCW 28B.50.534 to students in grades ten, eleven, and twelve and the parents or guardians of those students.

Sec. 516. RCW 28A.320.190 and 2008 c 321 s 3 are each amended to read as follows:

EXTENDED LEARNING OPPORTUNITIES. (1) The extended learning opportunities program is created for eligible eleventh and twelfth grade students who are not on track to meet local or state graduation requirements as well as eighth grade students who may not be on track to meet the standard on the Washington assessment of student learning or need additional assistance in order to have the opportunity for a successful entry into high school. The program shall provide early notification of graduation status and information on education opportunities including preapprenticeship programs that are available.

(2) Under the extended learning opportunities program, districts shall make available to students in grade twelve who have failed to meet one or more local or state graduation requirements the option of continuing enrollment in the school district in accordance with RCW 28A.225.160. Districts are authorized to use basic education program funding to provide instruction to eligible students under ~~(RCW 28A.150.220(3))~~ section 104(2) of this act.

(3) Under the extended learning ~~((opportunities))~~ opportunities program, instructional services for eligible students can occur during the regular school day, evenings, on weekends, or at a time and location deemed appropriate by the school district, including the educational service district, in order to meet the needs of these students. Instructional services provided under this section do not include services offered at private schools. Instructional services can include, but are not limited to, the following:

- (a) Individual or small group instruction;
- (b) Instruction in English language arts and/or mathematics that eligible students need to pass all or part of the Washington assessment of student learning;
- (c) Attendance in a public high school or public alternative school classes or at a skill center;
- (d) Inclusion in remediation programs, including summer school;
- (e) Language development instruction for English language learners;
- (f) Online curriculum and instructional support, including programs for credit retrieval and Washington assessment of student learning preparatory classes; and
- (g) Reading improvement specialists available at the educational service districts to serve eighth, eleventh, and twelfth grade educators

through professional development in accordance with RCW 28A.415.350. The reading improvement specialist may also provide direct services to eligible students and those students electing to continue a fifth year in a high school program who are still struggling with basic reading skills.

Sec. 517. RCW 28A.195.010 and 2004 c 19 s 106 are each amended to read as follows:

PRIVATE SCHOOLS. The legislature hereby recognizes that private schools should be subject only to those minimum state controls necessary to insure the health and safety of all the students in the state and to insure a sufficient basic education to meet usual graduation requirements. The state, any agency or official thereof, shall not restrict or dictate any specific educational or other programs for private schools except as hereinafter in this section provided.

Principals of private schools or superintendents of private school districts shall file each year with the state superintendent of public instruction a statement certifying that the minimum requirements hereinafter set forth are being met, noting any deviations. After review of the statement, the state superintendent will notify schools or school districts of those deviations which must be corrected. In case of major deviations, the school or school district may request and the state board of education may grant provisional status for one year in order that the school or school district may take action to meet the requirements. The state board of education shall not require private school students to meet the student learning goals, obtain a certificate of academic achievement, or a certificate of individual achievement to graduate from high school, to master the essential academic learning requirements, or to be assessed pursuant to RCW 28A.655.061. However, private schools may choose, on a voluntary basis, to have their students master these essential academic learning requirements, take the assessments, and obtain a certificate of academic achievement or a certificate of individual achievement. Minimum requirements shall be as follows:

(1) The minimum school year for instructional purposes shall consist of no less than one hundred eighty school days or the equivalent in annual minimum ~~((program))~~ instructional hour offerings ~~((as prescribed in RCW 28A.150.220))~~, with a schoolwide annual average total instructional hour offering of one thousand hours for students enrolled in grades one through twelve, and at least four hundred fifty hours for students enrolled in kindergarten.

(2) The school day shall be the same as ~~((that required in RCW 28A.150.030 and 28A.150.220, except that the percentages of total program hour offerings as prescribed in RCW 28A.150.220 for basic skills, work skills, and optional subjects and activities shall not apply to private schools or private sectarian schools))~~ defined in section 102 of this act.

(3) All classroom teachers shall hold appropriate Washington state certification except as follows:

(a) Teachers for religious courses or courses for which no counterpart exists in public schools shall not be required to obtain a state certificate to teach those courses.

(b) In exceptional cases, people of unusual competence but without certification may teach students so long as a certified person exercises general supervision. Annual written statements shall be submitted to the office of the superintendent of public instruction reporting and explaining such circumstances.

(4) An approved private school may operate an extension program for parents, guardians, or persons having legal custody of a child to teach children in their custody. The extension program shall require at a minimum that:

(a) The parent, guardian, or custodian be under the supervision of an employee of the approved private school who is certified under chapter 28A.410 RCW;

(b) The planning by the certified person and the parent, guardian, or person having legal custody include objectives consistent with this subsection and subsections (1), (2), (5), (6), and (7) of this section;

(c) The certified person spend a minimum average each month of one contact hour per week with each student under his or her supervision who is enrolled in the approved private school extension program;

(d) Each student's progress be evaluated by the certified person; and

(e) The certified employee shall not supervise more than thirty students enrolled in the approved private school's extension program.

(5) Appropriate measures shall be taken to safeguard all permanent records against loss or damage.

(6) The physical facilities of the school or district shall be adequate to meet the program offered by the school or district: PROVIDED, That each school building shall meet reasonable health and fire safety requirements. A residential dwelling of the parent, guardian, or custodian shall be deemed to be an adequate physical facility when a parent, guardian, or person having legal custody is instructing his or her child under subsection (4) of this section.

(7) Private school curriculum shall include instruction of the basic skills of occupational education, science, mathematics, language, social studies, history, health, reading, writing, spelling, and the development of appreciation of art and music, all in sufficient units for meeting state board of education graduation requirements.

(8) Each school or school district shall be required to maintain up-to-date policy statements related to the administration and operation of the school or school district.

All decisions of policy, philosophy, selection of books, teaching material, curriculum, except as in subsection (7) of this section provided, school rules and administration, or other matters not specifically referred to in this section, shall be the responsibility of the administration and administrators of the particular private school involved.

Sec. 518. RCW 28A.225.200 and 1990 c 33 s 234 are each amended to read as follows:

EDUCATION BY OTHER DISTRICTS. (1) A local district may be authorized by the educational service district superintendent to transport and educate its pupils in other districts for one year, either by payment of a compensation agreed upon by such school districts, or under other terms mutually satisfactory to the districts concerned when this will afford better educational facilities for the pupils and when a saving may be effected in the cost of education(~~(: PROVIDED, That)~~). Notwithstanding any other provision of law, the amount to be paid by the state to the resident school district for apportionment purposes and otherwise payable pursuant to (~~RCW 28A.150.100, 28A.150.250 through 28A.150.290, 28A.150.350 through 28A.150.410~~) sections 105 through 108 and 112 of this act, RCW 28A.150.280, 28A.150.290 (as recodified by this act), 28A.150.350 (as recodified by this act), 28A.150.400 (as recodified by this act), sections 204, 207, and 209 of this act, 28A.160.150 through 28A.160.200, ((28A.160.220)) 28A.300.035, and 28A.300.170(, and 28A.500.010) shall not be greater than the regular apportionment for each high school student of the receiving district. Such authorization may be extended for an additional year at the discretion of the educational service district superintendent.

(2) Subsection (1) of this section shall not apply to districts participating in a cooperative project established under RCW 28A.340.030 which exceeds two years in duration.

NEW SECTION. Sec. 519. The following acts or parts of acts are each repealed:

(1) RCW 28A.150.030 (School day) and 1971 ex.s. c 161 s 1 & 1969 ex.s. c 223 s 28A.01.010;

(2) RCW 28A.150.205 (Definition) and 1992 c 141 s 502;

(3) RCW 28A.150.060 (Certificated employee) and 2005 c 497 s 212, 1990 c 33 s 102, 1977 ex.s. c 359 s 17, 1975 1st ex.s. c 288 s 21, & 1973 1st ex.s. c 105 s 1;

(4) RCW 28A.150.100 (Basic education certificated instructional staff--Definition--Ratio to students) and 1990 c 33 s 103 & 1987 1st ex.s. c 2 s 203;

(5) RCW 28A.150.040 (School year--Beginning--End) and 1990 c 33 s 101, 1982 c 158 s 5, 1977 ex.s. c 286 s 1, 1975-'76 2nd ex.s. c 118 s 22, & 1969 ex.s. c 223 s 28A.01.020;

(6) RCW 28A.305.140 (Waiver from provisions of RCW 28A.150.200 through 28A.150.220 authorized) and 1990 c 33 s 267, & 1985 c 349 s 6;

(7) RCW 28A.305.145 (Application process for waivers under RCW 28A.305.140) and 1993 c 336 s 302;

(8) RCW 28A.655.180 (Waivers for educational restructuring programs--Study by joint select committee on education restructuring--Report to legislature) and 1995 c 208 s 1; and

(9) RCW 28A.155.180 (Safety net funds--Application--Technical assistance--Annual survey) and 2007 c 400 s 8.

PART VI GENERAL PROVISIONS--COMPENSATION AND CERTIFICATION

Sec. 601. RCW 28A.415.020 and 2007 c 319 s 3 are each amended to read as follows:

CLOCK HOURS. (1) Certificated personnel shall receive for each ten clock hours of approved in-service training attended the equivalent of a one credit college quarter course on the salary schedule developed by the legislative evaluation and accountability program committee.

(2) Certificated personnel shall receive for each ten clock hours of approved continuing education earned, as continuing education is defined by rule adopted by the professional educator standards board, the equivalent of a one credit college quarter course on the salary schedule developed by the legislative evaluation and accountability program committee.

(3) Certificated personnel shall receive for each forty clock hours of participation in an approved internship with a business, an industry, or government, as an internship is defined by rule of the professional educator standards board in accordance with RCW 28A.415.025, the equivalent of a one credit college quarter course on the salary schedule developed by the legislative evaluation and accountability program committee.

(4) An approved in-service training program shall be a program approved by a school district board of directors, which meet standards adopted by the professional educator standards board, and the development of said program has been participated in by an in-service training task force whose membership is the same as provided under RCW 28A.415.040, or a program offered by an education agency approved to provide in-service for the purposes of continuing education as provided for under rules adopted by the professional educator standards board, or both.

(5) Clock hours eligible for application to the salary schedule developed by the legislative evaluation and accountability program committee as described in subsections (1) and (2) of this section, shall be those hours acquired after August 31, 1987. Clock hours eligible for application to the salary schedule as described in subsection (3) of this section shall be those hours acquired after December 31, 1995.

(6) In-service training or continuing education in first peoples' language, culture, or oral tribal traditions provided by a sovereign tribal government participating in the Washington state first peoples' language, culture, and oral tribal traditions teacher certification program authorized under RCW 28A.410.045 shall be considered approved in-service training or approved continuing education under this section and RCW 28A.415.023.

(7) Beginning in the 2012-13 school year, this section applies only to certificated instructional staff whose first employment with a school district commenced before the 2012-13 school year and who have not transferred under section 205 of this act to the compensation system with salary allocation schedules provided under section 204 of this act.

(8) This section expires August 31, 2022.

Sec. 602. RCW 28A.415.023 and 2005 c 497 s 209 and 2005 c 393 s 1 are each reenacted and amended to read as follows:

CREDITS ON SALARY ALLOCATION MODEL. (1) Credits earned by certificated instructional staff after September 1, 1995, shall be eligible for application to the salary schedule developed by the legislative evaluation and accountability program committee only if the course content:

(a) Is consistent with a school-based plan for mastery of student learning goals as referenced in RCW 28A.655.110, the annual school performance report, for the school in which the individual is assigned;

(b) Pertains to the individual's current assignment or expected assignment for the subsequent school year;

(c) Is necessary to obtain an endorsement as prescribed by the Washington professional educator standards board;

(d) Is specifically required to obtain advanced levels of certification;

(e) Is included in a college or university degree program that pertains to the individual's current assignment, or potential future assignment, as a certified instructional staff; or

(f) Addresses research-based assessment and instructional strategies for students with dyslexia, dysgraphia, and language disabilities when addressing learning goal one under ~~(RCW 28A.150.210)~~ section 103 of this act, as applicable and appropriate for individual certificated instructional staff.

(2) For the purpose of this section, "credits" mean college quarter hour credits and equivalent credits for approved in-service, approved continuing education, or approved internship hours computed in accordance with RCW 28A.415.020.

(3) The superintendent of public instruction shall adopt rules and standards consistent with the limits established by this section for certificated instructional staff.

(4) Beginning in the 2012-13 school year, this section applies only to certificated instructional staff whose first employment with a school district commenced before the 2012-13 school year and who have not transferred under section 205 of this act to the compensation system with salary allocation schedules provided under section 204 of this act.

(5) This section expires August 31, 2022.

Sec. 603. RCW 28A.415.024 and 2006 c 263 s 809 are each amended to read as follows:

DEGREES ON SALARY ALLOCATION MODEL. (1) All credits earned in furtherance of degrees earned by certificated staff, that are used to increase earnings on the salary schedule consistent with RCW 28A.415.023, must be obtained from an educational institution accredited by an accrediting association recognized by rule of the professional educator standards board.

(2) The office of the superintendent of public instruction shall verify for school districts the accreditation status of educational institutions granting degrees that are used by certificated staff to increase earnings on the salary schedule consistent with RCW 28A.415.023.

(3) The office of the superintendent of public instruction shall provide school districts with training and additional resources to ensure they can verify that degrees earned by certificated staff, that are used to increase earnings on the salary schedule consistent with RCW 28A.415.023, are obtained from an educational institution accredited by an accrediting association recognized by rule of the professional educator standards board.

(4)(a) No school district may submit degree information before there has been verification of accreditation under subsection (3) of this section.

(b) Certificated staff who submit degrees received from an unaccredited educational institution for the purposes of receiving a salary increase shall be fined three hundred dollars. The fine shall be paid to the office of the superintendent of public instruction and used for costs of administering this section.

(c) In addition to the fine in (b) of this subsection, certificated staff who receive salary increases based upon degrees earned from educational institutions that have been verified to be unaccredited must reimburse the district for any compensation received based on these degrees.

(5) Beginning in the 2012-13 school year, this section applies only to certificated instructional staff whose first employment with a school district commenced before the 2012-13 school year and who have not transferred under section 205 of this act to the compensation system with salary allocations provided under section 204 of this act.

(6) This section expires August 31, 2022.

Sec. 604. RCW 28A.415.025 and 2006 c 263 s 810 are each amended to read as follows:

INTERNSHIP CLOCK HOURS. (1) The professional educator standards board shall establish rules for awarding clock hours for participation of certificated personnel in internships with business, industry, or government. To receive clock hours for an internship, the individual must demonstrate that the internship will provide beneficial skills and knowledge in an area directly related to his or her current assignment, or to his or her assignment for the following school year.

(2) An individual may not receive more than the equivalent of two college quarter credits for internships during a calendar-year period. The total number of credits for internships that an individual may earn to advance on the salary schedule developed by the legislative evaluation and accountability program committee or its successor agency is limited to the equivalent of fifteen college quarter credits.

(3) Beginning in the 2012-13 school year, subsection (2) of this section applies only to certificated instructional staff whose first employment with a school district commenced before the 2012-13 school year and who have not transferred under section 205 of this act to the compensation system with salary allocations provided under section 204 of this act.

Sec. 605. RCW 28A.400.205 and 2003 1st sp.s. c 20 s 1 are each amended to read as follows:

COST-OF-LIVING INCREASES. (1) School district employees shall be provided an annual salary cost-of-living increase in accordance with this section.

(a) The cost-of-living increase shall be calculated by applying the rate of the yearly increase in the cost-of-living index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the 2001-02 school year, and for each subsequent school year, except for the 2003-04 and 2004-05 school years, each school district shall be provided a cost-of-living allocation sufficient to grant this cost-of-living increase.

(b) A school district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) Any funded cost-of-living increase shall be included in the salary base used to determine cost-of-living increases for school employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual cost-of-living increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation schedules established under ~~((RCW 28A.150.410))~~ sections 204 and 207 of this act and to any other salary models used to recognize school district personnel costs.

(2) For the purposes of this section, "cost-of-living index" means, for any school year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

Sec. 606. RCW 28A.410.210 and 2008 c 176 s 1 are each amended to read as follows:

RESPONSIBILITIES OF PROFESSIONAL EDUCATOR STANDARDS BOARD. The purpose of the professional educator standards board is to establish policies and requirements for the preparation and certification of educators that provide standards for competency in professional knowledge and practice in the areas of certification; a foundation of skills, knowledge, and attitudes necessary to help students with diverse needs, abilities, cultural experiences, and learning styles meet or exceed the learning goals outlined in ~~((RCW 28A.150.210))~~ section 103 of this act; knowledge of research-based practice; and professional development throughout a career. The Washington professional educator standards board shall:

(1) Establish policies and practices for the approval of programs of courses, requirements, and other activities leading to educator certification including teacher, school administrator, and educational staff associate certification;

(2) Establish policies and practices for the approval of the character of work required to be performed as a condition of entrance to and graduation from any educator preparation program including teacher, school administrator, and educational staff associate preparation program as provided in subsection (1) of this section;

(3) Establish a list of accredited institutions of higher education of this and other states whose graduates may be awarded educator certificates as teacher, school administrator, and educational staff associate and establish criteria and enter into agreements with other

states to acquire reciprocal approval of educator preparation programs and certification, including teacher certification from the national board for professional teaching standards;

(4) Establish policies for approval of nontraditional educator preparation programs;

(5) Conduct a review of educator program approval standards at least every five years, beginning in 2006, to reflect research findings and assure continued improvement of preparation programs for teachers, administrators, and school specialized personnel;

(6) Specify the types and kinds of educator certificates to be issued and conditions for certification in accordance with subsection (1) of this section and RCW 28A.410.010 and section 202 of this act;

(7) Hear and determine educator certification appeals as provided by RCW 28A.410.100;

(8) Apply for and receive federal or other funds on behalf of the state for purposes related to the duties of the board;

(9) Adopt rules under chapter 34.05 RCW that are necessary for the effective and efficient implementation of this chapter;

(10) Maintain data concerning educator preparation programs and their quality, educator certification, educator employment trends and needs, and other data deemed relevant by the board;

(11) Serve as an advisory body to the superintendent of public instruction on issues related to educator recruitment, hiring, mentoring and support, professional growth, retention, educator evaluation including but not limited to peer evaluation, and revocation and suspension of licensure;

(12) Submit, by October 15th of each even-numbered year, a joint report with the state board of education to the legislative education committees, the governor, and the superintendent of public instruction. The report shall address the progress the boards have made and the obstacles they have encountered, individually and collectively, in the work of achieving the goals set out in ~~((RCW 28A.150.210))~~ section 103 of this act;

(13) Establish the prospective teacher assessment system for basic skills and subject knowledge that shall be required to obtain residency certification pursuant to RCW 28A.410.220 through 28A.410.240; and

~~(14) ((By January 2010, set performance standards and develop, pilot, and implement a uniform and externally administered professional-level certification assessment based on demonstrated teaching skill. In the development of this assessment, consideration shall be given to changes in professional certification program components such as the culminating seminar; and~~

~~(15))~~ Conduct meetings under the provisions of chapter 42.30 RCW.

Sec. 607. RCW 28A.410.220 and 2008 c 176 s 2 are each amended to read as follows:

PESB EVALUATIONS AND ASSESSMENTS. (1)(a) Beginning not later than September 1, 2001, the Washington professional educator standards board shall make available and pilot a means of assessing an applicant's knowledge in the basic skills. For the purposes of this section, "basic skills" means the subjects of at least reading, writing, and mathematics. Beginning September 1, 2002, except as provided in (c) of this subsection and subsection (4) of this section, passing this assessment shall be required for admission to approved teacher preparation programs and for persons from out-of-state applying for a Washington state residency teaching certificate.

(b) On an individual student basis, approved teacher preparation programs may admit into their programs a candidate who has not achieved the minimum basic skills assessment score established by the Washington professional educator standards board. Individuals

so admitted may not receive residency certification without passing the basic skills assessment under this section.

(c) The Washington professional educator standards board may establish criteria to ensure that persons from out-of-state who are applying for residency certification and persons applying to master's degree level teacher preparation programs can demonstrate to the board's satisfaction that they have the requisite basic skills based upon having completed another basic skills assessment acceptable to the Washington professional educator standards board or by some other alternative approved by the Washington professional educator standards board.

(2) The professional educator standards board shall set performance standards and develop, pilot, and implement ~~((a uniform and externally administered professional level certification assessment based on demonstrated teaching skill. In the development of this assessment, consideration shall be given to changes in professional certification program components such as the culminating seminar))~~ a system of rigorous, objective evaluations of teacher competency for residency and professional teacher certification as provided under section 202 of this act.

(3) Beginning not later than September 1, 2002, the Washington professional educator standards board shall provide for the initial piloting and implementation of a means of assessing an applicant's knowledge in the subjects for which the applicant has applied for an endorsement to his or her residency or professional teaching certificate. The assessment of subject knowledge shall not include instructional methodology. Beginning September 1, 2005, passing this assessment shall be required to receive an endorsement for certification purposes.

(4) The Washington professional educator standards board may permit exceptions from the assessment requirements under subsections (1), (2), and (3) of this section on a case-by-case basis.

(5) The Washington professional educator standards board shall provide for reasonable accommodations for individuals who are required to take the assessments in subsection (1), (2), or (3) of this section if the individuals have learning or other disabilities.

(6) With the exception of applicants exempt from the requirements of subsections (1), (2), and (3) of this section, an applicant must achieve a minimum assessment score or scores established by the Washington professional educator standards board on each of the assessments under subsections (1), (2), and (3) of this section.

(7) The Washington professional educator standards board and superintendent of public instruction, as determined by the Washington professional educator standards board, may contract with one or more third parties for:

(a) The development, purchase, administration, scoring, and reporting of scores of the assessments established by the Washington professional educator standards board under subsections (1), (2), and (3) of this section;

(b) Related clerical and administrative activities; or

(c) Any combination of the purposes in this subsection.

(8) Applicants for admission to a Washington teacher preparation program and applicants for residency and professional certificates who are required to successfully complete one or more of the assessments under subsections (1), (2), and (3) of this section, and who are charged a fee for the assessment by a third party contracted with under subsection (7) of this section, shall pay the fee charged by the contractor directly to the contractor. Such fees shall be reasonably related to the actual costs of the contractor in providing the assessment.

(9) The superintendent of public instruction is responsible for supervision and providing support services to administer this section.

(10) The Washington professional educator standards board shall collaboratively select or develop and implement the assessments and minimum assessment scores required under this section with the superintendent of public instruction and shall provide opportunities for representatives of other interested educational organizations to participate in the selection or development and implementation of such assessments in a manner deemed appropriate by the Washington professional educator standards board.

(11) The Washington professional educator standards board shall adopt rules under chapter 34.05 RCW that are reasonably necessary for the effective and efficient implementation of this section.

PART VII MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 701. Part headings and captions used in this act are not any part of the law.

NEW SECTION. Sec. 702. The following sections are codified or recodified in the following order in a new chapter in Title 28A RCW.

RCW 28A.150.200
Section 102 of this act
RCW 28A.150.210
RCW 28A.150.211
RCW 28A.150.220
RCW 28A.150.250
RCW 28A.150.260
RCW 28A.150.390
Section 108 of this act
RCW 28A.150.315
Section 110 of this act
RCW 28A.150.370
Section 113 of this act
RCW 28A.150.230
RCW 28A.150.240
Section 115 of this act
Section 2 of this act
Section 3 of this act
Section 204 of this act
Section 205 of this act
RCW 28A.150.410
Section 208 of this act
Section 209 of this act
Section 501 of this act
RCW 28A.150.350
RCW 28A.150.290
RCW 28A.150.400
RCW 28A.150.275
RCW 28A.150.270
RCW 28A.150.360
RCW 28A.150.420

NEW SECTION. Sec. 703. Sections 101 through 109, 112, 113, 115, 117, 204, 205, 207, 208, 210, 212, 215, 305 through 308, 405, 407 through 409, 502 through 506, 510, 512, and 514 through 519 of this act take effect September 1, 2011.

NEW SECTION. Sec. 704. Sections 403 and 404 of this act take effect January 1, 2012.

NEW SECTION. Sec. 705. Sections 213, 217, and 218 of this act take effect September 1, 2012.

NEW SECTION. Sec. 706. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

Representative Anderson spoke in favor of the adoption of amendment (403) to amendment (333).

Representative Haigh spoke against the adoption of amendment (403) to amendment (333).

Amendment (403) to amendment (333) was not adopted.

Amendment (333) as amended was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Sullivan, Priest, Hunter, Anderson, Hunt, Carlyle, Driscoll, Wallace, Angel, Maxwell, Haigh and Santos spoke in favor of the passage of the bill.

Representatives Alexander, Ericksen, Hinkle, Conway and Bailey spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2261.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2261 and the bill passed the House by the following vote: Yeas, 71; Nays, 26; Absent, 0; Excused, 0.

Voting yea: Representatives Anderson, Angel, Armstrong, Blake, Carlyle, Chase, Clibborn, Cody, Condotta, Cox, Dammeier, Darneille, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Finn, Flannigan, Goodman, Grant-Herriot, Haigh, Haler, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Kagi, Kelley, Kenney, Kirby, Liias, Linville, Maxwell, McCoy, Miloscia, Moeller, Morrell, Morris, Nelson, O'Brien, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Santos, Seaquist, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr Speaker.

Voting nay: Representatives Alexander, Appleton, Bailey, Campbell, Chandler, Conway, Crouse, DeBolt, Ericksen, Green, Herrera, Hinkle, Johnson, Kessler, Klippert, Kretz, Kristiansen, McCune, Orcutt, Pearson, Ross, Schmick, Sells, Shea, Short and Smith.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2261, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on ENGROSSED SUBSTITUTE HOUSE BILL NO. 2261.

BRAD KLIPPERT, 8th District

With the consent of the House, the bills listed on the day's second reading calendar were returned to the Committee on Rules with the exception of the following bills which held their place on the second reading calendar:

HOUSE BILL NO. 2029
HOUSE BILL NO. 2075
HOUSE BILL NO. 2295

There being no objection, the House advanced to the eighth order of business.

There being no objection, the Committee on Rules was relieved of the following bills, and the bills were placed on the second reading calendar:

SENATE BILL NO. 5164
SENATE BILL NO. 5348
SUBSTITUTE SENATE BILL NO. 5417
ENGROSSED SUBSTITUTE SENATE BILL NO. 5671

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 10:00 a.m., March 13, 2009, the 61st Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

