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ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2019

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State of Washington

55th Legislature

1997 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Quall, Talcott, Linville, Johnson, Mason, Sterk, Romero, Smith, Hatfield, Koster, Chopp, Dickerson, Sheahan, Doumit, D. Sommers, Poulsen, Thompson, Veloria, Honeyford, Kastama, Sehlin, Wood, Delvin, O'Brien, Boldt, Anderson, Mitchell, Ogden, Benson, Morris, Huff, Sump, Scott, Lantz, Mastin, Buck, Dunshee, Costa, Tokuda, Sullivan, Regala, Backlund, Grant, Kessler, Kenney, Cody, Crouse, Radcliff, Mielke, Bush, Alexander, Sherstad, Hankins, Pennington, Sheldon, Gombosky, Murray, D. Schmidt, Wensman, Appelwick, Cooke, Zellinsky, Wolfe, Carlson, Hickel, Dunn, B. Thomas, L. Thomas, Van Luven, Keiser and Blalock)

Read first time 03/10/97.

1 AN ACT Relating to charter schools; amending RCW 28A.150.010;  
2 adding a new section to chapter 41.32 RCW; adding a new section to  
3 chapter 41.40 RCW; adding a new section to chapter 41.56 RCW; adding a  
4 new section to chapter 41.59 RCW; adding a new chapter to Title 28A  
5 RCW; and creating new sections.

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

7 NEW SECTION. **Sec. 1.** INTENT. The legislature intends to  
8 authorize the establishment of charter schools for the purpose of  
9 providing a unique setting for learning that will improve pupil  
10 achievement and provide additional public school choices for students,  
11 parents, and teachers.

12 NEW SECTION. **Sec. 2.** DEFINITIONS. Unless the context clearly  
13 requires otherwise, the definitions in this section apply throughout  
14 this chapter.

15 (1) "Applicant" means a nonprofit corporation that has submitted an  
16 application to a sponsor or an alternate sponsor to obtain approval to  
17 operate a charter school. "Applicant" also means a person or group of  
18 persons who have prepared an application to incorporate as a nonprofit

1 corporation and who have submitted an application to a sponsor or an  
2 alternate sponsor to operate a charter school. The nonprofit  
3 corporation must either be a public benefit nonprofit corporation as  
4 defined in RCW 24.03.490, or a nonprofit corporation as defined in RCW  
5 24.03.005 that has applied for tax-exempt status under section  
6 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec.  
7 501(c)(3)). An applicant may not be a sectarian or religious  
8 organization and must be approved or conditionally approved by the  
9 internal revenue service for tax exempt status under section 501(c)(3)  
10 of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)) before  
11 receiving any funding under section 15 of this act.

12 (2) "Charter" means a contract between an applicant and a sponsor  
13 or an alternate sponsor. The charter establishes, in accordance with  
14 this chapter, the terms and conditions for the management, operation,  
15 and educational program of the charter school.

16 (3) "Charter school" means a public school managed by an  
17 applicant's board of directors and operating independently of any  
18 school district board under a charter approved in accordance with this  
19 chapter.

20 (4) "Board of directors" means the board of directors of the public  
21 benefit nonprofit corporation that manages and operates the charter  
22 school.

23 (5) "Sponsor" means the school district in which the charter school  
24 is located.

25 (6) "Alternate sponsor" means the state and regional universities  
26 as defined in RCW 28B.10.016, or The Evergreen State College.

27 NEW SECTION. **Sec. 3.** CHARTER SCHOOLS--POWERS. (1) The charter  
28 school's board of directors may hire, manage, and discharge any charter  
29 school employee in accordance with the terms of this chapter and that  
30 school's charter.

31 (2) The charter school's board of directors may enter into a  
32 contract with any school district, or any other public or private  
33 entity also empowered to enter into contracts, for any and all real  
34 property, equipment, goods, supplies, and services, including  
35 educational instructional services.

36 (3) Charter schools may rent, lease, or own property, but may not  
37 acquire property by eminent domain. All charters and charter school  
38 contracts with other public and private entities must include

1 provisions regarding the disposition of the property if the charter  
2 school fails to open as planned, closes, or the charter is revoked or  
3 not renewed. Charter schools may accept gifts and donations from other  
4 governmental and private entities, excluding sectarian or religious  
5 organizations. Charter schools may not accept any gifts or donations  
6 the conditions of which violate this chapter.

7 (4) Charter schools may not charge tuition, levy taxes, or issue  
8 bonds, however they may charge fees to the same extent as other public  
9 schools and school districts.

10 NEW SECTION. **Sec. 4.** LEGAL STATUS. A charter school is a public  
11 school including one or more of grades kindergarten through twelve,  
12 operated according to the terms of a renewable five-year contract  
13 granted by a sponsor or an alternate sponsor.

14 NEW SECTION. **Sec. 5.** CHARTER SCHOOLS--EXEMPTIONS. (1) A charter  
15 school shall operate independently of any school district board, under  
16 a charter approved by a sponsor or an alternate sponsor under this  
17 chapter.

18 (2) Charter schools are exempt from all state statutes and rules  
19 applicable to school districts and school district boards of directors  
20 except as provided in this chapter and in the school's approved  
21 charter.

22 (3) A charter school's board of directors may elect to comply with  
23 one or more provisions of the statutes or rules that are applicable to  
24 school districts and school district board of directors.

25 (4) All approved charter schools shall:

26 (a) Comply with state and federal health, safety, and civil rights  
27 laws and rules applicable to public schools;

28 (b) Meet or exceed the student academic and assessment standards as  
29 established for students in other public schools, including the  
30 essential academic learning requirements and academic standards  
31 developed under a performance-based education system according to RCW  
32 28A.630.885;

33 (c) Participate in nationally normed standardized achievement tests  
34 as required in RCW 28A.230.190, 28A.230.230, and 28A.230.240;

35 (d) Employ certificated instructional staff in accordance with  
36 chapter 28A.410 RCW;

- 1 (e) Comply with the employee record check requirements in RCW  
2 28A.400.303;
- 3 (f) Be subject to financial audit by the state auditor;
- 4 (g) Comply with the annual performance report under RCW  
5 28A.320.205;
- 6 (h) Report at least annually to its sponsor or alternate sponsor  
7 and to parents of children enrolled at the charter school on progress  
8 toward the student academic goals and other provisions specified in the  
9 charter; and
- 10 (i) Comply with the open public meetings act in chapter 42.30 RCW.

11 NEW SECTION. **Sec. 6.** ADMISSION REQUIREMENTS. (1) A charter  
12 school must enroll all students who submit a timely application. If  
13 capacity is insufficient to enroll all students who submit a timely  
14 application, the charter school must give enrollment priority to  
15 students who reside within the school district boundaries in which the  
16 charter school is physically located. Priority also must be given to  
17 siblings of students who are currently enrolled in the school.  
18 Students must be selected through an equitable selection process, such  
19 as a lottery, to fill any remaining spaces.

20 (2) A charter school may not limit admission based on race,  
21 religion, ethnicity, national origin, gender, income level,  
22 intellectual ability, disabling condition, proficiency in the English  
23 language, or athletic ability. A charter school may limit admission to  
24 students within a given age group or grade level.

25 NEW SECTION. **Sec. 7.** CHARTER APPLICATION--CHARTERING PROCESS.

26 (1) An applicant may apply to a sponsor or alternate sponsor to  
27 establish a charter school as provided in this section.

28 (2) Before July 1, 1999, an applicant for a charter school must  
29 submit its application to the local school district board of directors  
30 of the district in which the proposed school is to be located.  
31 Alternate sponsors may not sponsor charter schools before July 1, 1999.  
32 On and after July 1, 1999, an applicant must submit its application to  
33 the local school district board of directors of the district in which  
34 the proposed school is to be located before the applicant submits an  
35 application to an alternate sponsor.

36 (3) The local school district board of directors must hold a public  
37 hearing in the school district on the application within sixty days of

1 receipt of the application. The school board must either accept or  
2 reject the application within thirty days after the hearing. The  
3 thirty-day deadline for acceptance or rejection of the charter school  
4 application may be extended for an additional thirty days if both  
5 parties agree in writing.

6 (4) If the local school board rejects the application, the school  
7 board must notify the applicant in writing of the reasons for the  
8 rejection. The applicant may submit a revised application for the  
9 school board's reconsideration. The school board may provide  
10 assistance to improve the application. If the school board rejects the  
11 application after submission of a revised application, the school board  
12 must notify the applicant in writing of the reasons for the rejection.

13 (5) If the school board rejects the application, the applicant may  
14 appeal the local school board's decision to the superintendent of  
15 public instruction as provided in section 11 of this act, or on and  
16 after July 1, 1999, may apply to an alternate sponsor for a charter.  
17 The alternate sponsor must comply with the procedures specified in the  
18 guidelines established by the superintendent of public instruction as  
19 provided under section 8 of this act for consideration of the charter  
20 application. The alternate sponsor is not bound by the school board's  
21 findings or decision to deny the application.

22 (6) The superintendent of public instruction shall maintain copies  
23 of all approved charter applications. An applicant may obtain copies  
24 of those applications from the office of the superintendent of public  
25 instruction.

26 NEW SECTION. **Sec. 8.** GUIDELINES FOR ALTERNATE SPONSORS. By  
27 November 1, 1998, the superintendent of public instruction must develop  
28 guidelines to implement the provisions of this chapter that authorize  
29 alternate sponsors to sponsor charter schools on or after July 1, 1999.  
30 Before July 1, 1999, only school districts may sponsor charter schools,  
31 however institutions of higher education are encouraged to form  
32 partnerships with school districts and applicants to assist with the  
33 chartering process, operation, monitoring, and oversight of charter  
34 schools.

35 NEW SECTION. **Sec. 9.** APPLICATION REQUIREMENTS. The charter  
36 school application is a proposed contract and must include:

- 1 (1) The identification and description of the nonprofit corporation  
2 submitting the application, including the names and descriptions of the  
3 individuals who will operate the school;
- 4 (2) The nonprofit corporation's proposed articles of incorporation,  
5 bylaws, and most recent financial statement and balance sheet;
- 6 (3) A mission statement for the proposed school, consistent with  
7 the description of legislative intent in this chapter;
- 8 (4) A description of the school's educational program, including  
9 curriculum and instructional strategies;
- 10 (5) A description of the school's admissions policy and marketing  
11 program, including deadlines for applications or admission;
- 12 (6) A description of student performance standards, which must meet  
13 those determined under RCW 28A.630.885, and be measured according to  
14 the assessment system determined under RCW 28A.630.885;
- 15 (7) A description of the plan for evaluating student performance  
16 and the procedures for taking corrective action in the event that  
17 student performance at the charter school falls below standards  
18 established in its charter;
- 19 (8) A description of school performance standards, which must meet  
20 those determined under any state-wide accountability system adopted by  
21 the legislature under RCW 28A.630.885(3)(h)(i);
- 22 (9) A description of the financial plan for the school. The plan  
23 shall include: (a) A proposed five-year budget of projected revenues  
24 and expenditures; (b) a plan for starting the school; (c) a five-year  
25 facilities plan; (d) evidence supporting student enrollment projections  
26 of at least twenty students; and (e) a description of major contracts  
27 planned for equipment and services, leases, improvements, purchases of  
28 real property, and insurance;
- 29 (10) A description of the proposed financial management procedures,  
30 including annual audits of the school's financial and administrative  
31 operations, which shall meet or exceed generally accepted standards of  
32 management and public accounting;
- 33 (11) An assessment of the school's potential legal liability and a  
34 description of the types and limits of insurance coverage the nonprofit  
35 corporation plans to obtain that are adequate. For purposes of this  
36 subsection, a liability policy of at least one million dollars is  
37 required;
- 38 (12) A description of the procedures to discipline and dismiss  
39 students; and

1 (13) A description of procedures to assure the health and safety of  
2 students, employees, and guests of the school and to comply with  
3 applicable federal and state health and safety laws and regulations.

4 NEW SECTION. **Sec. 10.** APPROVAL CRITERIA. A school district  
5 shall, or an alternate sponsor may, approve an application for a  
6 charter school, if in the sponsor's or alternate sponsor's discretion,  
7 after exercising due diligence and good faith, the sponsor or alternate  
8 sponsor finds:

9 (1) The applicant is a public benefit nonprofit corporation and the  
10 individuals it proposes to manage the school are qualified to operate  
11 a charter school and implement the proposed educational program;

12 (2) The mission statement is consistent with the description of  
13 legislative intent and restrictions on charter school operations in  
14 this chapter;

15 (3) The school's proposed educational program is free from  
16 religious or sectarian influence;

17 (4) The school's proposed educational program includes student  
18 academic standards that meet those determined under RCW 28A.630.885 and  
19 are measured according to the assessment system determined under RCW  
20 28A.630.885;

21 (5) The application includes a viable plan for evaluating pupil  
22 performance and procedures for taking appropriate corrective action in  
23 the event that pupil performance at the charter school falls below  
24 standards established in its charter;

25 (6) The application includes school performance standards, which  
26 must meet those determined under any state-wide accountability system  
27 adopted by the legislature pursuant to RCW 28A.630.885(3)(h)(i);

28 (7) The school's educational program, including curriculum and  
29 instructional strategies, has the potential to improve student  
30 performance as measured under section 9(8) of this act;

31 (8) The school's admissions policy and marketing program is  
32 consistent with state and federal law;

33 (9) The financial plan for the school is designed to reasonably  
34 support the charter school's educational program based on a review of  
35 the proposed five-year budget of projected revenues, expenditures, and  
36 facilities;

1 (10) The school's financial and administrative operations,  
2 including its annual audits, meet or exceed generally accepted  
3 standards of accounting and management;

4 (11) The assessment of the school's potential legal liability, and  
5 the types and limits of insurance coverage the school plans to obtain,  
6 are adequate. For purposes of this subsection, a liability policy of  
7 at least one million dollars is required;

8 (12) The procedures the school plans to follow for discipline and  
9 dismissal of students are reasonable and comply with federal law;

10 (13) The procedures the school plans to follow to assure the health  
11 and safety of students, employees, and guests of the school comply with  
12 applicable state and federal health and safety laws and regulations;

13 (14) The public benefit nonprofit corporation has been approved or  
14 conditionally approved by the internal revenue service for tax exempt  
15 status under section 501(c)(3) of the internal revenue code of 1986 (26  
16 U.S.C. Sec. 501(c)(3)); and

17 (15) The approval of an application will not result in significant  
18 financial impact on the district as a whole. The superintendent of  
19 public instruction shall develop guidelines for determining what  
20 constitutes a significant financial impact in consultation with the  
21 chairs of the fiscal and education committees in the house of  
22 representatives and senate and school district officials. The  
23 guidelines must be developed by November 1, 1997.

24 NEW SECTION. **Sec. 11.** APPEAL TO THE SUPERINTENDENT OF PUBLIC  
25 INSTRUCTION. If a sponsor or an alternate sponsor rejects a charter  
26 application, the applicant may submit a motion for appeal within thirty  
27 days to the superintendent of public instruction. The superintendent  
28 of public instruction may select and convene a review panel to review  
29 the appeal, to work with the sponsor or alternate sponsor and the  
30 applicant to reach an agreement, to provide assistance to the applicant  
31 to improve the application, and to make a recommendation to the  
32 superintendent regarding the appeal. The superintendent shall conduct  
33 the review using the substantial evidence test. If the superintendent  
34 of public instruction approves an application to a school district  
35 sponsor, the school district sponsor shall enter into a charter with  
36 the applicant. If the superintendent denies an appeal from a  
37 rejection of the application by a school district, the applicant may  
38 not apply to an alternate sponsor. The superintendent of public



1 instruction may not require an alternate sponsor to enter into a  
2 charter with an applicant.

3 NEW SECTION. **Sec. 12.** STUDY OF CHARTER SCHOOLS. The Washington  
4 institute of public policy shall study the implementation and  
5 effectiveness of this act. The institute shall make recommendations to  
6 the legislature about the effectiveness of charter schools and the  
7 impact of charter schools. The institute shall also recommend changes  
8 to chapter 28A.-- RCW (sections 1 through 11, 13 through 21, 27, and 28  
9 of this act) including improvements that could be made to the  
10 application and approval process. A preliminary report of the study is  
11 due to the legislature by September 1, 1999, and a final report is due  
12 September 1, 2001.

13 NEW SECTION. **Sec. 13.** CHARTER AGREEMENT--AMENDMENT. (1) A  
14 charter application approved by a sponsor or an alternate sponsor with  
15 any changes made during the application process constitutes a charter.  
16 (2) A charter may be amended during its term at the request of  
17 either party and on the mutual approval of both the charter school  
18 board of directors and the sponsor or the alternate sponsor.

19 NEW SECTION. **Sec. 14.** CHARTER RENEWAL AND REVOCATION. (1) An  
20 approved plan to establish a charter school is effective for five years  
21 from the first day of operation. At the conclusion of the first three  
22 and one-half years of operation, the charter school may apply to the  
23 sponsor or alternate sponsor, as applicable, for renewal. A request  
24 for renewal must be submitted no later than six months before the  
25 expiration of the charter.

26 (2) A charter school renewal application must include:

27 (a) A report on the progress of the charter school in achieving the  
28 goals, student performance standards, and other terms of the charter;  
29 and

30 (b) A financial statement that discloses the costs of  
31 administration, instruction, and other expenditure objects and  
32 activities of the charter school.

33 (3) The sponsor or alternate sponsor may reject the application for  
34 renewal if, in its judgment, any of the following occurred:

35 (a) The charter school materially violated its contract with the  
36 sponsor or alternate sponsor, as set forth in the charter;

1 (b) The students enrolled in the charter school failed to meet or  
2 make reasonable progress toward achievement of the student performance  
3 standards identified in the charter;

4 (c) The charter school failed to meet generally accepted standards  
5 of fiscal management; or

6 (d) The charter school violated provisions in law that have not  
7 been waived in accordance with this chapter.

8 (4) A sponsor or alternate sponsor shall give written notice of its  
9 intent not to renew the charter school's request for renewal to the  
10 charter school within one month of the request for renewal to allow the  
11 charter school an opportunity to correct identified deficiencies in its  
12 operation. At the request of the board of directors of the charter  
13 school, the sponsor or alternate sponsor shall review its decision for  
14 nonrenewal after the charter school has corrected any identified  
15 deficiencies. The sponsor or alternate sponsor must issue a decision  
16 within sixty days.

17 (5) The sponsor or alternate sponsor may revoke a previously  
18 approved charter before the expiration of the term of the charter, and  
19 before application for renewal, for any of the reasons specified in  
20 subsection (3) of this section. Except in cases of emergency where the  
21 health and safety of children are at risk, a charter may not be revoked  
22 unless the sponsor or alternate sponsor first provides written notice  
23 of the specific violations alleged, a public hearing, and a reasonable  
24 opportunity for the charter school to correct the identified areas of  
25 concern. The sponsor or alternate sponsor of a charter school shall  
26 provide for an appeal process upon a determination by the sponsor or  
27 alternate sponsor that grounds exist to revoke a charter.

28 NEW SECTION. **Sec. 15.** FUNDING. (1) When the sponsor is a school  
29 district:

30 (a) For purposes of funding, students in charter schools shall be  
31 considered students of the sponsoring district for general fund  
32 apportionment purposes. The sponsoring school district shall provide  
33 funding for charter schools on a per student basis in amounts the  
34 schools would have received if the students were enrolled in a  
35 noncharter school in the district except that a charter school shall  
36 not generate eligibility for small school assistance. Funding for  
37 charter schools shall include regular apportionment, categorical, and  
38 nonbasic education funds, as appropriate;

1 (b) No local levy moneys approved by the voters before the  
2 effective date of a charter between a school district and an applicant  
3 may be allocated to a charter school unless the sponsoring school  
4 district determines it has received sufficient authority from voters to  
5 allocate maintenance and operation excess tax levy money to the charter  
6 school. For levies approved after the effective date of a charter,  
7 charter schools shall be included in levy planning, budgets, and  
8 funding distribution in the same manner as other schools in the  
9 district; and

10 (c) A charter school is eligible for state matching funds for  
11 common school construction if a sponsoring school district determines  
12 it has received voter approval of local capital funds for the project.

13 (2)(a) The superintendent of public instruction shall develop  
14 recommendations for funding charter schools sponsored by alternate  
15 sponsors. The superintendent shall submit the recommendations to the  
16 education and fiscal committees of the house of representatives and  
17 senate by November 1, 1998.

18 (b) No local levy money may be allocated to a charter school if the  
19 charter school is sponsored by an alternate sponsor.

20 NEW SECTION. **Sec. 16.** ADMINISTRATION FEE. To offset costs of  
21 oversight and administering the charter, a sponsor may retain up to  
22 three percent of state funding and local excess levy funding, if  
23 applicable, that is being driven to the charter school. Except for the  
24 administration fee in this section, no other offsets or deductions are  
25 allowed, whether for central administration or other off-site support  
26 services, from a charter school's per-pupil share of state  
27 appropriations, local levies, or other funds, unless the charter school  
28 has contracted with a school district to obtain specific additional  
29 services.

30 NEW SECTION. **Sec. 17.** CHARTER SCHOOL LOAN ACCOUNT. (1) The  
31 charter school loan account is created in the custody of the state  
32 treasurer. All receipts from appropriations shall be deposited into  
33 the account. Expenditures from the account may be used only to provide  
34 financial loans to approved charter schools for start-up costs.  
35 Charter schools may receive up to two hundred fifty dollars per student  
36 for start-up costs. Only the superintendent of public instruction or  
37 the superintendent's designee may authorize expenditures from the

1 account. The account is subject to allotment procedures under chapter  
2 43.88 RCW, but no appropriation is required for expenditures.

3 (2) Start-up moneys shall be distributed to schools with approved  
4 charters on a first-come, first-served basis. The charter school must  
5 repay the loan within five years. Interest shall be fixed at one-half  
6 percentage point above the United States thirty-year treasury bill rate  
7 in effect at the time of the loan.

8 NEW SECTION. **Sec. 18.** RULES--LOANS. The office of the  
9 superintendent of public instruction shall adopt rules to implement  
10 section 17 of this act.

11 If an applicant for a charter school receives a loan under section  
12 17 of this act and fails to begin operating a charter school within the  
13 next eighteen months, the applicant must immediately reimburse the  
14 office of the superintendent of public instruction for the amount of  
15 the loan.

16 NEW SECTION. **Sec. 19.** LEAVES OF ABSENCE. If a school district  
17 employee makes a written request for an extended leave of absence to  
18 work at a charter school, the school district shall grant the request.  
19 The school district may require that the request for a leave be made up  
20 to ninety days before the employee would otherwise have to report for  
21 duty. The leave shall be granted for up to three years. If the  
22 employee returns to the school district within the three-year period,  
23 the employee shall be hired before the district hires anyone else with  
24 fewer years of service, with respect to any position for which the  
25 returning employee is certificated or otherwise qualified.

26 NEW SECTION. **Sec. 20.** CAPS ON CHARTER SCHOOLS. (1) Except as  
27 provided in subsections (2) and (3) of this section, the maximum number  
28 of charters that may be granted state-wide in the first school year  
29 after the effective date of this section is twenty-five. The maximum  
30 number of charters that may be granted in the first two school years  
31 after the effective date of this section is fifty. The total number of  
32 charters that may be granted under this chapter is fifty.

33 (2) The cap on charter schools shall not apply to public schools  
34 that convert to charter schools.

1 (3) Neither a school district nor an alternate sponsor may sponsor  
2 a charter school in a school district with a student enrollment of less  
3 than one thousand students until June 1, 2000.

4 (4) For purposes of monitoring compliance with this section and  
5 providing information to new charter school applicants, the  
6 superintendent of public instruction shall maintain a running total of  
7 the projected and actual enrollment at charter schools and the number  
8 of charters granted.

9 (5) For purposes of implementing this subsection, a sponsor or  
10 alternate sponsor shall notify the office of the superintendent of  
11 public instruction when it receives a charter school application, when  
12 it approves a charter school, and when a charter school is terminated.  
13 Once fifty charter schools are approved, the office of the  
14 superintendent of public instruction shall notify all school districts  
15 and potential alternate sponsors. The office of the superintendent of  
16 public instruction shall notify all school districts and potential  
17 alternate sponsors when additional charter schools may be approved due  
18 to charter school contract terminations.

19 NEW SECTION. **Sec. 21.** LABOR RELATIONS. (1) Employees of a  
20 charter school are public employees. It is the intent of the  
21 legislature that employees of a charter school may enter into  
22 collective bargaining agreements with the board of directors of the  
23 charter school under chapters 41.56 and 41.59 RCW, as applicable.

24 (2) Teachers employed by charter schools are eligible for and  
25 retain their status in the Washington state teachers' retirement system  
26 under chapter 41.32 RCW.

27 (3) Classified employees employed by charter schools are eligible  
28 for and retain their status in the public employees' retirement system  
29 under chapter 41.40 RCW.

30 **Sec. 22.** RCW 28A.150.010 and 1969 ex.s. c 223 s 28A.01.055 are  
31 each amended to read as follows:

32 Public schools shall mean the common schools as referred to in  
33 Article IX of the state Constitution and those schools and institutions  
34 of learning having a curriculum below the college or university level  
35 as now or may be established by law and maintained at public expense.  
36 A charter school as defined in section 4 of this act is a public  
37 school.

1        NEW SECTION.    **Sec. 23.**    A new section is added to chapter 41.32 RCW  
2 to read as follows:

3        Teachers employed by charter schools as defined in section 4 of  
4 this act are members under this chapter. Charter schools are employers  
5 under this chapter.

6        NEW SECTION.    **Sec. 24.**    A new section is added to chapter 41.40 RCW  
7 to read as follows:

8        Classified employees employed by a charter school as defined in  
9 section 4 of this act are members under this chapter. Charter schools  
10 are employers under this chapter.

11       NEW SECTION.    **Sec. 25.**    A new section is added to chapter 41.56 RCW  
12 to read as follows:

13       This chapter applies to charter schools as defined in section 4 of  
14 this act and to the charter schools' employees in the bargaining unit.  
15 The bargaining unit of employees of charter schools must be limited to  
16 the employees of the charter schools and must be separate from other  
17 bargaining units within the sponsoring or alternative sponsoring  
18 organization unless the charter school board of directors and the  
19 exclusive bargaining representative of the charter school employees  
20 agree to include the charter school employees in an appropriate  
21 bargaining unit represented by the same employee organization in the  
22 school district in which the charter school is located.

23       NEW SECTION.    **Sec. 26.**    A new section is added to chapter 41.59 RCW  
24 to read as follows:

25       This chapter applies to charter schools as defined in section 4 of  
26 this act and to the charter schools' employees in the bargaining unit.  
27 The bargaining unit of employees of charter schools must be limited to  
28 the employees of the charter schools and must be separate from other  
29 bargaining units within the sponsoring or alternative sponsoring  
30 organization unless the charter school board of directors and the  
31 exclusive bargaining representative of the charter school employees  
32 agree to include the charter school employees in an appropriate  
33 bargaining unit represented by the same employee organization in the  
34 school district in which the charter school is located.

1        NEW SECTION.    **Sec. 27.**    RULES.    The superintendent of public  
2 instruction shall adopt rules to implement this chapter.

3        NEW SECTION.    **Sec. 28.**    CAPTIONS NOT LAW.    Captions used in this  
4 chapter do not constitute any part of the law.

5        NEW SECTION.    **Sec. 29.**    Sections 1 through 11, 13 through 21, 27,  
6 and 28 of this act constitute a new chapter in Title 28A RCW.

7        NEW SECTION.    **Sec. 30.**    If specific funding for the purposes of  
8 this act, referencing this act by bill or chapter number, is not  
9 provided by June 30, 1997, in the omnibus appropriations act, this act  
10 is null and void.

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