
SECOND SUBSTITUTE HOUSE BILL 1477

State of Washington

56th Legislature

1999 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Haigh, Bush, Talcott, Linville, Santos and Edmonds; by request of Board of Education)

Read first time 03/08/1999.

1 AN ACT Relating to school district organization; amending RCW
2 36.70A.035; adding new sections to chapter 28A.315 RCW; adding a new
3 section to chapter 28A.300 RCW; adding new chapters to Title 28A RCW;
4 recodifying RCW 28A.315.020, 28A.315.220, 28A.315.210, 28A.315.690,
5 28A.315.700, 28A.315.710, 28A.315.720, 28A.315.350, 28A.315.380,
6 28A.315.390, 28A.315.400, 28A.315.410, 28A.315.420, 28A.315.430,
7 28A.315.440, 28A.315.450, 28A.315.650, 28A.315.470, 28A.315.480,
8 28A.315.490, 28A.315.500, 28A.315.530, 28A.315.510, 28A.315.540,
9 28A.315.570, 28A.315.460, 28A.315.600, 28A.315.610, 28A.315.620,
10 28A.315.630, 28A.315.670, 28A.315.680, 28A.315.550, 28A.315.560,
11 28A.315.580, 28A.315.590, 28A.315.593, 28A.315.660, 28A.315.597, and
12 28A.315.640; and repealing RCW 28A.305.150, 28A.315.010, 28A.315.030,
13 28A.315.130, 28A.315.140, 28A.315.150, 28A.315.160, 28A.315.170,
14 28A.315.180, 28A.315.190, 28A.315.200, 28A.315.230, 28A.315.240,
15 28A.315.250, 28A.315.260, 28A.315.270, 28A.315.280, 28A.315.290,
16 28A.315.300, 28A.315.310, 28A.315.320, 28A.315.330, and 28A.315.340.

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

18 NEW SECTION. **Sec. 1.** (1) Under the constitutional framework and
19 the laws of the state of Washington, the governance structure for the

1 state's public common school system is comprised of the following
2 bodies: The legislature, the governor, the superintendent of public
3 instruction, the state board of education, the educational service
4 district boards of directors, and local school district boards of
5 directors. The respective policy and administrative roles of each body
6 are determined by the state Constitution and statutes.

7 (2) Local school districts are political subdivisions of the state
8 and the organization of such districts, including the powers, duties,
9 and boundaries thereof, may be altered or abolished by laws of the
10 state of Washington.

11 **PART 1**

12 **PURPOSE AND POLICY**

13 NEW SECTION. **Sec. 101.** PURPOSE--POLICY. (1) It is the purpose of
14 this chapter to:

15 (a) Incorporate into a single, comprehensive, school district
16 organization law all essential provisions governing:

17 (i) The formation and establishment of new school districts;

18 (ii) The alteration of the boundaries of existing districts; and

19 (iii) The adjustment of the assets and liabilities of school
20 districts when changes are made under this chapter; and

21 (b) Establish methods and procedures whereby changes in the school
22 district system may be brought about by the people concerned and
23 affected.

24 (2) It is the state's policy that decisions on proposed changes in
25 school district organization should be made, whenever possible, by
26 negotiated agreement between the affected school districts. If the
27 districts cannot agree, the decision shall be made by the regional
28 committees on school district organization, based on the committees'
29 best judgment, taking into consideration the following factors and
30 factors under section 402 of this act:

31 (a) A balance of local petition requests and the needs of the
32 state-wide community at large in a manner that advances the best
33 interest of public education in the affected school districts and
34 communities, the educational service district, and the state;

35 (b) Responsibly serving all of the affected citizens and students
36 by contributing to logical service boundaries and recognizing a

1 changing economic pattern within the educational service districts of
2 the state;

3 (c) Enhancing the educational opportunities of pupils in the
4 territory by reducing existing disparities among the affected school
5 districts' ability to provide operating and capital funds through an
6 equitable adjustment of the assets and liabilities of the affected
7 districts;

8 (d) Promoting a wiser use of public funds through improvement in
9 the school district system of the educational service districts and the
10 state; and

11 (e) Other criteria or considerations as may be established in rule
12 by the state board of education.

13 (3) It is neither the intent nor purpose of this chapter to apply
14 to organizational changes and the procedure therefor relating to
15 capital fund aid by nonhigh school districts as provided for in chapter
16 28A.540 RCW.

17 **PART 2**

18 **GENERAL PROVISIONS**

19 NEW SECTION. **Sec. 201.** REORGANIZATION OF DISTRICTS. (1) A new
20 school district may be formed comprising contiguous territory lying in
21 either a single county or in two or more counties. The new district
22 may comprise:

23 (a) Two or more whole school districts;

24 (b) Parts of two or more school districts; and/or

25 (c) Territory that is not a part of any school district if such
26 territory is contiguous to the district to which it is transferred.

27 (2) The boundaries of existing school districts may be altered:

28 (a) By the transfer of territory from one district to another
29 district;

30 (b) By the consolidation of one or more school districts with one
31 or more school districts; or

32 (c) By the dissolution and annexation to a district of a part or
33 all of one or more other districts or of territory that is not a part
34 of any school district: PROVIDED, That such territory shall be
35 contiguous to the district to which it is transferred or annexed.

36 (3) Territory may be transferred or annexed to or consolidated with
37 an existing school district without regard to county boundaries.

1 NEW SECTION. **Sec. 202.** A new section is added to chapter 28A.300
2 RCW to read as follows:

3 CLASSIFICATION--NUMBERING SYSTEM--CHANGE OF CLASSIFICATION. (1)
4 The superintendent of public instruction is responsible for the
5 classification and numbering system of school districts.

6 (2) Any school district in the state that has a student enrollment
7 in its public schools of two thousand pupils or more, as shown by
8 evidence acceptable to the educational service district superintendent
9 and the superintendent of public instruction, is a school district of
10 the first class. Any other school district is a school district of the
11 second class.

12 (3) Whenever the educational service district superintendent finds
13 that the classification of a school district should be changed, and
14 upon the approval of the superintendent of public instruction, the
15 educational service district superintendent shall make an order in
16 conformity with his or her findings and alter the records of his or her
17 office accordingly. Thereafter, the board of directors of the district
18 shall organize in the manner provided by law for the organization of
19 the board of a district of the class to which the district then
20 belongs.

21 (4) Notwithstanding any other provision of chapter 43, Laws of
22 1975, the educational service district superintendent, with the
23 concurrence of the superintendent of public instruction, may delay
24 approval of a change in classification of any school district for a
25 period not exceeding three years when, in fact, the student enrollment
26 of the district within any such time period does not exceed ten
27 percent, either in a decrease or increase thereof.

28 NEW SECTION. **Sec. 203.** CONFLICTING OR INCORRECTLY DESCRIBED
29 SCHOOL DISTRICT BOUNDARIES--CHANGES. In case the boundaries of any of
30 the school districts are conflicting or incorrectly described, the
31 educational service district board of directors, after due notice and
32 a public hearing, shall change, harmonize, and describe them and shall
33 so certify, with a complete transcript of boundaries of all districts
34 affected, such action to the state board for its approval or revision.
35 Upon receipt of notification of state board action, the educational
36 service district superintendent shall transmit to the county
37 legislative authority of the county or counties in which the affected

1 districts are located a complete transcript of the boundaries of all
2 districts affected.

3 NEW SECTION. **Sec. 204.** DISTRICT BOUNDARY CHANGES--SUBMISSION TO
4 COUNTY AUDITOR. (1) Any district boundary changes shall be submitted
5 to the county auditor by the educational service district
6 superintendent within thirty days after the changes have been approved
7 in accordance with this chapter. The superintendent shall submit both
8 legal descriptions and maps.

9 (2) Any boundary changes submitted to the county auditor after the
10 fourth Monday in June of odd-numbered years does not take effect until
11 the following calendar year.

12 NEW SECTION. **Sec. 205.** EFFECT OF CHANGES--EXISTING PROVISIONS NOT
13 AFFECTED. (1) Any proposed change in school district organization
14 initiated before the effective date of this act shall be considered
15 under the laws and rules in effect before the effective date of this
16 act. This act applies to any proposed change in school district
17 organization initiated on or after the effective date of this act.

18 (2) For purposes of this section, "initiated" means the filing of
19 a petition, the motion of a school board, or the report of an
20 educational service district. This section does not preclude the
21 filing of a new petition on or after the effective date of this act
22 where the same or a similar proposal was filed before the effective
23 date of this act.

24 NEW SECTION. **Sec. 206.** PERSONNEL AND SUPPLIES--EXPENSES--
25 REIMBURSEMENT. (1) The superintendent of public instruction shall
26 furnish to the state board and to regional committees the services of
27 employed personnel and the materials and supplies necessary to enable
28 them to perform the duties imposed upon them by this chapter and shall
29 reimburse the members thereof for expenses necessarily incurred by them
30 in the performance of their duties, such reimbursement for regional
31 committee members to be in accordance with RCW 28A.315.090, and such
32 reimbursement for state board members to be in accordance with RCW
33 28A.305.120.

34 (2) Costs that may be incurred by an educational service district
35 in association with school district negotiations under section 401 of
36 this act and supporting the regional committee under section 402 of

1 this act shall be reimbursed by the state from such funds as are
2 allocated for these purposes.

3 **PART 3**

4 **REGIONAL COMMITTEES ON SCHOOL DISTRICT ORGANIZATION**

5 NEW SECTION. **Sec. 301.** REGIONAL COMMITTEES--POWERS AND DUTIES.

6 The powers and duties of each regional committee are to:

7 (1) Hear and approve or disapprove proposals for changes in the
8 organization and extent of school districts in the educational service
9 districts when a hearing on a proposal has been requested under section
10 401 of this act;

11 (2) Act on notices and proposals from the educational service
12 district under section 501 of this act;

13 (3) Make an equitable adjustment of the property and other assets
14 and of the liabilities, including bonded indebtedness and excess tax
15 levies as otherwise authorized under this section, as to the old school
16 districts and the new district or districts, if any, involved in or
17 affected by a proposed change in the organization and extent of the
18 school districts;

19 (4) Make an equitable adjustment of the bonded indebtedness
20 outstanding against any of the old and new districts whenever in its
21 judgment such adjustment is advisable, as to all of the school
22 districts involved in or affected by any change heretofore or hereafter
23 effected;

24 (5) Provide that territory transferred from a school district by a
25 change in the organization and extent of school districts shall either
26 remain subject to, or be relieved of, any one or more excess tax levies
27 that are authorized for the school district under RCW 84.52.053 before
28 the effective date of the transfer of territory from the school
29 district;

30 (6) Provide that territory transferred to a school district by a
31 change in the organization and extent of school districts shall either
32 be made subject to, or be relieved of, any one or more excess tax
33 levies that are authorized for the school district under RCW 84.52.053
34 before the effective date of the transfer of territory to the school
35 district;

36 (7) Establish the date by which a committee-approved transfer of
37 territory shall take effect;

1 (8) Hold and keep a record of a public hearing or public hearings
2 (a) on every proposal for the formation of a new school district or for
3 the transfer from one existing district to another of any territory in
4 which children of school age reside or for annexation of territory when
5 the conditions set forth in RCW 28A.315.290 or 28A.315.320 prevail; and
6 (b) on every proposal for adjustment of the assets and of the
7 liabilities of school districts provided for in this chapter. Three
8 members of the regional committee or two members of the committee and
9 the educational service district superintendent may be designated by
10 the committee to hold any public hearing that the committee is required
11 to hold. The regional committee shall cause notice to be given, at
12 least ten days prior to the date appointed for any such hearing, in one
13 or more newspapers of general circulation within the geographical
14 boundaries of the school districts affected by the proposed change or
15 adjustment. In addition notice may be given by radio and television,
16 or either thereof, when in the committee's judgment the public interest
17 will be served thereby; and

18 (9) Prepare and submit to the superintendent of public instruction
19 from time to time or, upon his or her request, reports and
20 recommendations respecting the urgency of need for school plant
21 facilities, the kind and extent of the facilities required, and the
22 development of improved local school administrative units and
23 attendance areas in the case of school districts that seek state
24 assistance in providing school plant facilities.

25 NEW SECTION. **Sec. 302.** POWERS AND DUTIES OF STATE BOARD. The
26 powers and duties of the state board with respect to this chapter shall
27 be:

28 (1) To aid regional committees in the performance of their duties
29 by furnishing them with plans of procedure, standards, data, maps,
30 forms, and other necessary materials and services essential to a study
31 and understanding of the problems of school district organization in
32 their respective educational service districts.

33 (2) To hear appeals as provided in section 402 of this act.

34 NEW SECTION. **Sec. 303.** ANNUAL TRAINING. The superintendent of
35 public instruction, in cooperation with the educational service
36 districts and the Washington state school directors' association, shall
37 conduct an annual training meeting for the regional committees, state

1 board members, educational service district superintendents, and local
2 school district superintendents and boards of directors. Training may
3 also be provided upon request.

4 **PART 4**

5 **TRANSFER OF TERRITORY**

6 NEW SECTION. **Sec. 401.** TRANSFER OF TERRITORY--REQUIREMENTS--
7 RESPONSIBILITIES OF SCHOOL DISTRICT BOARD OF DIRECTORS. (1) A proposed
8 change in school district organization by transfer of territory from
9 one school district to another may be initiated by a petition in
10 writing presented to the educational service district superintendent:

11 (a) Signed by at least ten percent of the registered voters
12 residing in the territory proposed to be transferred; or

13 (b) Signed by a majority of the members of the board of directors
14 of one of the districts affected by a proposed transfer of territory.

15 (2) The petition shall state the name and number of each district
16 affected, describe the boundaries of the territory proposed to be
17 transferred, and state the reasons for desiring the change and the
18 number of children of school age, if any, residing in the territory.

19 (3) The educational service district superintendent shall not
20 complete any transfer of territory under this section that involves ten
21 percent or more of the common school student population of the entire
22 district from which the transfer is proposed, unless the educational
23 service district superintendent has first called and held a special
24 election of the voters of the entire school district from which the
25 transfer of territory is proposed. The purpose of the election is to
26 afford those voters an opportunity to approve or reject the proposed
27 transfer. A simple majority shall determine approval or rejection.

28 (4) The state board may establish rules limiting the frequency of
29 petitions that may be filed pertaining to territory included in whole
30 or in part in a previous petition.

31 (5) Upon receipt of the petition, the educational service district
32 superintendent shall notify in writing the affected districts that:

33 (a) Each school district board of directors, whether or not
34 initiating a proposed transfer of territory, is required to enter into
35 negotiations with the affected district or districts;

36 (b) In the case of a citizen-initiated petition, the affected
37 districts must negotiate on the entire proposed transfer of territory;

1 (c) The districts have ninety calendar days in which to agree to
2 the proposed transfer of territory;

3 (d) The districts may request and shall be granted by the
4 educational service district superintendent one thirty-day extension to
5 try to reach agreement; and

6 (e) Any district involved in the negotiations may at any time
7 during the ninety-day period notify the educational service district
8 superintendent in writing that agreement will not be possible.

9 (6) If the negotiating school boards cannot come to agreement about
10 the proposed transfer of territory, the educational service district
11 superintendent, if requested by the affected districts, shall appoint
12 a mediator. The mediator has thirty days to work with the affected
13 school districts to see if an agreement can be reached on the proposed
14 transfer of territory.

15 (7) If the affected school districts cannot come to agreement about
16 the proposed transfer of territory, and the districts do not request
17 the services of a mediator or the mediator was unable to bring the
18 districts to agreement, either district may file with the educational
19 service district superintendent a written request for a hearing by the
20 regional committee.

21 (8) If the affected school districts cannot come to agreement about
22 the proposed transfer of territory initiated by citizen petition, and
23 the districts do not request the services of a mediator or the mediator
24 was unable to bring the districts to agreement, the district in which
25 the citizens who filed the petition reside shall file with the
26 educational service district superintendent a written request for a
27 hearing by the regional committee, unless a majority of the citizen
28 petitioners request otherwise.

29 (9) Upon receipt of a notice under subsection (7) or (8) of this
30 section, the educational service district superintendent shall notify
31 the chair of the regional committee in writing within ten days.

32 (10) Costs incurred by school districts under this section shall be
33 reimbursed by the state from such funds as are allocated for this
34 purpose.

35 NEW SECTION. **Sec. 402.** TRANSFER OF TERRITORY--REGIONAL
36 COMMITTEE--RESPONSIBILITIES. (1) The chair of the regional committee
37 shall schedule a hearing on the proposed transfer of territory at a

1 location in the educational service district within sixty calendar days
2 of being notified under section 401 (7) or (8) of this act.

3 (2) Within thirty calendar days of the hearing under subsection (1)
4 of this section, or final hearing if more than one is held by the
5 committee, the committee shall issue its written findings and decision
6 to approve or disapprove the proposed transfer of territory. The
7 educational service district superintendent shall transmit a copy of
8 the committee's decision to the superintendents of the affected school
9 districts within ten calendar days.

10 (3) In carrying out the purposes of section 101 of this act and in
11 making decisions as authorized under section 301(1) of this act, the
12 regional committee shall base its judgment upon whether and to the
13 extent the proposed change in school district organization complies
14 with section 101(2) of this act and rules adopted by the state board
15 under chapter 34.05 RCW.

16 (4) State board rules under subsection (3) of this section shall
17 provide for giving consideration to all of the following:

18 (a) The annual school performance reports required under RCW
19 28A.320.205 in the affected districts and improvement of the
20 educational opportunities of pupils in the territory proposed for a
21 change in school district organization;

22 (b) The safety and welfare of pupils. For the purposes of this
23 subsection, "safety" means freedom or protection from danger, injury,
24 or damage and "welfare" means a positive condition or influence
25 regarding health, character, and well being;

26 (c) The history and relationship of the property affected to the
27 students and communities affected, including, for example, inclusion
28 within a single school district, for school attendance and
29 corresponding tax support purposes, of entire master planned
30 communities that were or are to be developed pursuant to an integrated
31 commercial and residential development plan with over one thousand
32 dwelling units;

33 (d) Whether or not geographic accessibility warrants a favorable
34 consideration of a recommended change in school district organization,
35 including remoteness or isolation of places of residence and time
36 required to travel to and from school; and

37 (e) All funding sources of the affected districts, equalization
38 among school districts of the tax burden for general fund and capital
39 purposes through a reduction in disparities in per pupil valuation when

1 all funding sources are considered, improvement in the economies in the
2 administration and operation of schools, and the extent the proposed
3 change would potentially reduce or increase the individual and
4 aggregate transportation costs of the affected school districts.

5 (5)(a)(i) A petitioner or school district may appeal a decision by
6 the regional committee to approve a change in school district
7 organization to the state board based on the claim that the regional
8 committee failed to follow the applicable statutory and regulatory
9 procedures or acted in an arbitrary and capricious manner. Any such
10 appeal shall be based on the record and the appeal must be filed within
11 thirty days of the final decision of the regional committee.

12 (ii) If the state board finds that all applicable procedures were
13 not followed, it shall refer the matter back to the regional committee
14 with an explanation of the board's findings. The regional committee
15 shall rehear the proposal.

16 (iii) If the state board finds that all applicable procedures were
17 followed, the educational service district shall be notified and
18 directed to implement the changes.

19 (b) Any school district or citizen petitioner affected by a final
20 decision of the regional committee may seek judicial review of the
21 committee's decision in accordance with RCW 34.05.570.

22 NEW SECTION. **Sec. 403.** TRANSFER OF TERRITORY--APPROVAL OF
23 PROPOSED TRANSFER--ORDER. (1) Upon receipt by the educational service
24 district superintendent of a written agreement by two or more school
25 districts to the transfer of territory between the affected districts,
26 the superintendent shall make an order establishing all approved
27 changes involving the alteration of the boundaries of the affected
28 districts. The order shall also establish all approved terms of the
29 equitable adjustment of assets and liabilities involving the affected
30 districts. The superintendent shall certify his or her action to each
31 county auditor, each county treasurer, each county assessor, and the
32 superintendents of all school districts affected by the action.

33 (2) Upon receipt by the educational service district superintendent
34 of a written order by the regional committee approving the transfer of
35 territory between two or more school districts, the superintendent
36 shall make an order establishing all approved changes involving the
37 alteration of the boundaries of the affected districts. The order may
38 not be implemented before the period of appeal authorized under section

1 402(5)(a)(i) of this act has ended. The order shall also establish all
2 approved terms of the equitable adjustment of assets and liabilities
3 involving the affected districts. The superintendent shall certify his
4 or her action to each county auditor, each county treasurer, each
5 county assessor, and the superintendents of all school districts
6 affected by the action.

7 **PART 5**

8 **DISSOLUTION AND ANNEXATION OF TERRITORY**

9 NEW SECTION. **Sec. 501.** DISSOLUTION AND ANNEXATION OF CERTAIN
10 DISTRICTS--ANNEXATION OF NONDISTRICT PROPERTY. In case any school
11 district has an average enrollment of fewer than five kindergarten
12 through eighth grade pupils during the preceding school year or has not
13 made a reasonable effort to maintain, during the preceding school year
14 at least the minimum term of school required by law, the educational
15 service district superintendent shall report that fact to the regional
16 committee, which committee shall dissolve the school district and annex
17 the territory thereof to some other district or districts. For the
18 purposes of this section, in addition to any other finding, "reasonable
19 effort" shall be deemed to mean the attempt to make up whatever days
20 are short of the legal requirement by conducting of school classes on
21 any days to include available holidays, though not to include Saturdays
22 and Sundays, prior to June 15th of that year. School districts
23 operating an extended school year program, most commonly implemented as
24 a 45-15 plan, shall be deemed to be making a reasonable effort. In the
25 event any school district has suffered any interruption in its normal
26 school calendar due to a strike or other work stoppage or slowdown by
27 any of its employees that district shall not be subject to this
28 section. In case any territory is not a part of any school district,
29 the educational service district superintendent shall present to the
30 regional committee a proposal for the annexation of the territory to
31 some contiguous district or districts.

32 **PART 6**

33 **CONSOLIDATION OF TERRITORY**

34 NEW SECTION. **Sec. 601.** CONSOLIDATION--PETITION. (1) A proposed
35 change in school district organization by consolidation of territory

1 from two or more school districts to form a new school district may be
2 initiated by:

3 (a) A written petition presented to the educational service
4 district superintendent signed by ten or more registered voters
5 residing:

6 (i) In each whole district and in each part of a district proposed
7 to be included in any single new district; or

8 (ii) In the territory of a proposed new district that comprises a
9 part of only one or more districts and approved by the boards of
10 directors of the affected school districts;

11 (b) A written petition presented to the educational service
12 district superintendent signed by ten percent or more of the registered
13 voters residing in such affected areas or area without the approval of
14 the boards of directors of the affected school districts.

15 (2) The petition shall state the name and number of each district
16 involved in or affected by the proposal to form the new district and
17 shall describe the boundaries of the proposed new district. No more
18 than one petition for consolidation of the same two school districts or
19 parts thereof shall be considered during a school fiscal year.

20 (3) The educational service district superintendent may not
21 complete any consolidation of territory under this section unless he or
22 she has first called and held a special election of the voters of the
23 affected districts to afford those voters an opportunity to approve or
24 reject the proposed consolidation. A simple majority shall determine
25 approval or rejection.

26 (4) If a proposed change in school district organization by
27 consolidation of territory has been approved under this section, the
28 educational service district superintendent shall make an order
29 establishing all approved changes involving the alteration of the
30 boundaries of the affected districts. The order shall also establish
31 all approved terms of the equitable adjustment of assets and
32 liabilities involving the affected districts. The superintendent shall
33 certify his or her action to each county auditor, each county
34 treasurer, each county assessor, and the superintendents of all school
35 districts affected by the action.

36 **PART 7**
37 **ADJUSTMENT OF ASSETS AND LIABILITIES--**
38 **BONDED INDEBTEDNESS--SPECIAL ELECTIONS**

1 NEW SECTION. Sec. 701. ADJUSTMENT OF ASSETS AND LIABILITIES. In
2 determining an equitable adjustment of assets and liabilities, the
3 negotiating school districts and the regional committee shall consider
4 the following factors:

5 (1) The number of school age children residing in each school
6 district and in each part of a district involved or affected by the
7 proposed change in school district organization;

8 (2) The assessed valuation of the property located in each school
9 district and in each part of a district involved or affected by the
10 proposed change in school district organization;

11 (3) The purpose for which the bonded indebtedness of any school
12 district involved or affected by the proposed change in school district
13 organization was incurred;

14 (4) The history and relationship of the property affected to the
15 students and communities affected by the proposed change in school
16 district organization;

17 (5) Additional burdens to the districts affected by the proposed
18 change in school district organization as a result of the proposed
19 organization;

20 (6) The value, location, and disposition of all improvements
21 located in the school districts involved or affected by the proposed
22 change in school district organization;

23 (7) The consideration of all other sources of funding; and

24 (8) Any other factors that in the judgment of the school districts
25 or regional committee are important or essential to the making of an
26 equitable adjustment of assets and liabilities.

27 NEW SECTION. Sec. 702. ADJUSTMENT OF INDEBTEDNESS. (1) The fact
28 of the issuance of bonds by a school district, heretofore or hereafter,
29 does not prevent changes in the organization and extent of school
30 districts, regardless of whether or not such bonds or any part thereof
31 are outstanding at the time of change.

32 (2) In case of any change:

33 (a) The bonded indebtedness outstanding against any school district
34 involved in or affected by such change shall be adjusted equitably
35 among the old school districts and the new district or districts, if
36 any, involved or affected; and

37 (b) The property and other assets and the liabilities other than
38 bonded indebtedness of any school district involved in or affected by

1 any such change shall also be adjusted in the manner and to the effect
2 provided for in this section, except if all the territory of an old
3 school district is included in a single new district or is annexed to
4 a single existing district, in which event the title to the property
5 and other assets and the liabilities other than bonded indebtedness of
6 the old district vests in and becomes the assets and liabilities of the
7 new district or of the existing district, as applicable.

8 NEW SECTION. Sec. 703. ADJUSTMENT OF BONDED INDEBTEDNESS--SPECIAL
9 ELECTIONS. If adjustments of bonded indebtedness are made between or
10 among school districts in connection with the alteration of the
11 boundaries of the school districts under this chapter, the order of the
12 educational service district superintendent establishing the terms of
13 adjustment of bonded indebtedness shall provide and specify:

14 (1) In every case where bonded indebtedness is transferred from one
15 school district to another school district:

16 (a) That such bonded indebtedness is assumed by the school district
17 to which it is transferred;

18 (b) That thereafter such bonded indebtedness shall be the
19 obligation of the school district to which it is transferred;

20 (c) That, if the terms of adjustment so provide, any bonded
21 indebtedness thereafter incurred by such transferee school district
22 through the sale of bonds authorized before the date its boundaries
23 were altered shall be the obligation of such school district including
24 the territory added thereto; and

25 (d) That taxes shall be levied thereafter against the taxable
26 property located within such school district as it is constituted after
27 its boundaries were altered, the taxes to be levied at the times and in
28 the amounts required to pay the principal of and the interest on the
29 bonded indebtedness assumed or incurred, as the same become due and
30 payable.

31 (2) In computing the debt limitation of any school district from
32 which or to which bonded indebtedness has been transferred, the amount
33 of transferred bonded indebtedness at any time outstanding:

34 (a) Shall be an offset against and deducted from the total bonded
35 indebtedness, if any, of the school district from which the bonded
36 indebtedness was transferred; and

37 (b) Shall be deemed to be bonded indebtedness solely of the
38 transferee school district that assumed the indebtedness.

1 (3) In every case where adjustments of bonded indebtedness do
2 not provide for transfer of bonded indebtedness from one school
3 district to another school district:

4 (a) That the existing bonded indebtedness of each school district,
5 the boundaries of which are altered and any bonded indebtedness
6 incurred by each such school district through the sale of bonds
7 authorized before the date its boundaries were altered is the
8 obligation of the school district in its reduced or enlarged form, as
9 the case may be; and

10 (b) That taxes shall be levied thereafter against the taxable
11 property located within each such school district in its reduced or
12 enlarged form, as the case may be, at the times and in the amounts
13 required to pay the principal of and interest on such bonded
14 indebtedness as the same become due and payable.

15 (4) If a change in school district organization approved by the
16 regional committee concerns a proposal to form a new school district or
17 a proposal for adjustment of bonded indebtedness involving an
18 established school district and one or more former school districts now
19 included therein pursuant to a vote of the people concerned, a special
20 election of the voters residing within the territory of the proposed
21 new district, or of the established district involved in a proposal for
22 adjustment of bonded indebtedness as the case may be, shall be held for
23 the purpose of affording those voters an opportunity to approve or
24 reject such proposals as concern or affect them.

25 (5) In a case involving both the question of the formation of a new
26 school district and the question of adjustment of bonded indebtedness,
27 the questions may be submitted to the voters either in the form of a
28 single proposition or as separate propositions, whichever seems
29 expedient to the educational service district superintendent. When the
30 regional committee has passed appropriate resolutions for the questions
31 to be submitted and the educational service district superintendent has
32 given notice thereof to the county auditor, the special election shall
33 be called and conducted, and the returns canvassed as in regular school
34 district elections.

35 NEW SECTION. **Sec. 704.** NOTICE OF ELECTIONS. Notice of special
36 elections as provided for in section 703 of this act shall be given by
37 the county auditor as provided in RCW 29.27.080. The notice of
38 election shall state the purpose for which the election has been called

1 and contain a description of the boundaries of the proposed new
2 district and a statement of any terms of adjustment of bonded
3 indebtedness on which to be voted.

4 NEW SECTION. Sec. 705. VOTE--DETERMINATION--ORDER--CERTIFICATION.

5 (1) If a special election is held to vote on a proposal or alternate
6 proposals to form a new school district, the votes cast by the
7 registered voters in each component district shall be tabulated
8 separately. Any such proposition shall be considered approved only if
9 it receives a majority of the votes cast in each separate district
10 voting thereon.

11 (2) If a special election is held to vote on a proposal for
12 adjustment of bonded indebtedness, the entire vote cast by the
13 registered voters of the proposed new district or of the established
14 district as the case may be shall be tabulated. Any such proposition
15 shall be considered approved if sixty percent or more of all votes cast
16 thereon are in the affirmative.

17 (3) In the event of approval of a proposition or propositions voted
18 on at a special election, the educational service district
19 superintendent shall:

20 (a) Make an order establishing such new school district or such
21 terms of adjustment of bonded indebtedness or both, as were approved by
22 the registered voters and shall also order such other terms of
23 adjustment, if there are any, of property and other assets and of
24 liabilities other than bonded indebtedness as have been approved by the
25 state council; and

26 (b) Certify his or her action to the county and school district
27 officials specified in section 403 of this act. The educational
28 service district superintendent may designate, with the approval of the
29 superintendent of public instruction, a name and number different from
30 that of any component thereof, but must designate the new district by
31 name and number different from any other district in existence in the
32 county.

33 (4) The educational service district superintendent shall fix as
34 the effective date of any order or orders he or she is required to make
35 by this chapter, the date specified in the order of final approval of
36 any change in the organization and extent of school districts or of any
37 terms of adjustment of the assets and liabilities of school districts

1 subject, for taxing purposes, to the redrawing of taxing district
2 boundaries under RCW 84.09.030, by the regional committee.

3 (5) Upon receipt of certification under this section, the
4 superintendent of each school district that is included in the new
5 district shall deliver to the superintendent of the new school district
6 those books, papers, documents, records, and other materials pertaining
7 to the territory transferred.

8 NEW SECTION. **Sec. 706.** REJECTION OF PROPOSAL--PROCEDURE. If a
9 proposal for the formation of a new school district and for adjustment
10 of bonded indebtedness, or either, is rejected by the registered voters
11 at a special election, the matter is terminated.

12 NEW SECTION. **Sec. 707.** CORPORATE EXISTENCE--PAYMENT OF BONDED
13 INDEBTEDNESS--LEVY AUTHORITY. (1) Each school district involved in or
14 affected by any change made in the organization and extent of school
15 districts under this chapter retains its corporate existence insofar as
16 is necessary for the purpose, until the bonded indebtedness outstanding
17 against it on and after the effective date of the change has been paid
18 in full. This section may not be construed to prevent, after the
19 effective date of the change, such adjustments of bonded indebtedness
20 as are provided for in this chapter.

21 (2) The county legislative authority shall provide, by appropriate
22 levies on the taxable property of each school district, for the payment
23 of the bonded indebtedness outstanding against it after any of the
24 changes or adjustments under this chapter have been effected.

25 (3) In case any such changes or adjustments involve a joint school
26 district, the tax levy for the payment of any bonded indebtedness
27 outstanding against the joint district, after the changes or
28 adjustments are effected, shall be made and the proceeds thereof shall
29 be transmitted, credited, and paid out in conformity with the
30 provisions of law applicable to the payment of the bonded indebtedness
31 of joint school districts.

32 **Sec. 708.** RCW 36.70A.035 and 1997 c 429 s 9 are each amended to
33 read as follows:

34 (1) The public participation requirements of this chapter shall
35 include notice procedures that are reasonably calculated to provide
36 notice to property owners and other affected and interested

1 individuals, tribes, government agencies, businesses, school districts,
2 and organizations of proposed amendments to comprehensive plans and
3 development regulation. Examples of reasonable notice provisions
4 include:

5 (a) Posting the property for site-specific proposals;

6 (b) Publishing notice in a newspaper of general circulation in the
7 county, city, or general area where the proposal is located or that
8 will be affected by the proposal;

9 (c) Notifying public or private groups with known interest in a
10 certain proposal or in the type of proposal being considered;

11 (d) Placing notices in appropriate regional, neighborhood, ethnic,
12 or trade journals; and

13 (e) Publishing notice in agency newsletters or sending notice to
14 agency mailing lists, including general lists or lists for specific
15 proposals or subject areas.

16 (2)(a) Except as otherwise provided in (b) of this subsection, if
17 the legislative body for a county or city chooses to consider a change
18 to an amendment to a comprehensive plan or development regulation, and
19 the change is proposed after the opportunity for review and comment has
20 passed under the county's or city's procedures, an opportunity for
21 review and comment on the proposed change shall be provided before the
22 local legislative body votes on the proposed change.

23 (b) An additional opportunity for public review and comment is not
24 required under (a) of this subsection if:

25 (i) An environmental impact statement has been prepared under
26 chapter 43.21C RCW for the pending resolution or ordinance and the
27 proposed change is within the range of alternatives considered in the
28 environmental impact statement;

29 (ii) The proposed change is within the scope of the alternatives
30 available for public comment;

31 (iii) The proposed change only corrects typographical errors,
32 corrects cross-references, makes address or name changes, or clarifies
33 language of a proposed ordinance or resolution without changing its
34 effect;

35 (iv) The proposed change is to a resolution or ordinance making a
36 capital budget decision as provided in RCW 36.70A.120; or

37 (v) The proposed change is to a resolution or ordinance enacting a
38 moratorium or interim control adopted under RCW 36.70A.390.

1 (3) This section is prospective in effect and does not apply to a
2 comprehensive plan, development regulation, or amendment adopted before
3 July 27, 1997.

4 **PART 8**

5 **MISCELLANEOUS PROVISIONS**

6 NEW SECTION. **Sec. 801.** The following acts or parts of acts are
7 each repealed:

8 (1) RCW 28A.305.150 (Classification, numbering system of school
9 districts--Rules and regulations for) and 1971 c 54 s 1 & 1969 ex.s. c
10 223 s 28A.04.130;;

11 (2) RCW 28A.315.010 (Purpose) and 1990 c 33 s 292 & 1969 ex.s. c
12 223 s 28A.57.010;

13 (3) RCW 28A.315.030 (County regional committee members--Assignment
14 of committee member position numbers) and 1993 c 416 s 1, 1990 c 33 s
15 294, & 1985 c 385 s 30;

16 (4) RCW 28A.315.130 (Changing conflicting or incorrectly described
17 school district boundaries) and 1985 c 385 s 11 & 1971 ex.s. c 282 s
18 26;

19 (5) RCW 28A.315.140 (Powers and duties of state board, generally)
20 and 1990 c 33 s 300, 1987 c 100 s 2, 1985 c 385 s 12, & 1969 ex.s. c
21 223 s 28A.57.060;

22 (6) RCW 28A.315.150 (Action upon board's report) and 1990 c 33 s
23 301, 1985 c 385 s 13, 1975 1st ex.s. c 275 s 84, 1969 ex.s. c 176 s
24 121, & 1969 ex.s. c 223 s 28A.57.070;

25 (7) RCW 28A.315.160 (Adjustment of bonded indebtedness--Special
26 election in certain cases) and 1985 c 385 s 14, 1975 1st ex.s. c 275 s
27 85, 1969 ex.s. c 176 s 122, & 1969 ex.s. c 223 s 28A.57.075;

28 (8) RCW 28A.315.170 (Notice of election--Contents) and 1990 c 33 s
29 302, 1985 c 385 s 15, 1975 1st ex.s. c 275 s 86, 1971 c 48 s 26, & 1969
30 ex.s. c 223 s 28A.57.080;

31 (9) RCW 28A.315.180 (Vote, how determined--ESD superintendent's
32 order--Certification--Effective date) and 1990 c 33 s 303, 1985 c 385
33 s 16, 1975 1st ex.s. c 275 s 87, 1969 ex.s. c 176 s 123, & 1969 ex.s.
34 c 223 s 28A.57.090;

35 (10) RCW 28A.315.190 (Procedure upon rejection of proposal) and
36 1985 c 385 s 17 & 1969 ex.s. c 223 s 28A.57.100;

1 (11) RCW 28A.315.200 (Personnel and supplies to be furnished by
2 state superintendent--Expenses reimbursed) and 1990 c 33 s 304, 1985 c
3 385 s 18, & 1969 ex.s. c 223 s 28A.57.110;

4 (12) RCW 28A.315.230 (Classes of districts--Change of
5 classification) and 1991 c 116 s 25, 1990 c 33 s 306, & 1975-'76 2nd
6 ex.s. c 15 s 3;

7 (13) RCW 28A.315.240 (Classes of districts--Change of
8 classification--Delay of authorized) and 1975 c 43 s 35;

9 (14) RCW 28A.315.250 (City or town districts) and 1997 c 47 s 1,
10 1985 c 385 s 19, 1975 1st ex.s. c 275 s 90, 1969 ex.s. c 176 s 126, &
11 1969 ex.s. c 223 s 28A.57.150;

12 (15) RCW 28A.315.260 (Reorganization of districts by transfer of
13 territory or annexation) and 1969 ex.s. c 223 s 28A.57.160;

14 (16) RCW 28A.315.270 (Petition for reorganization--Conditions) and
15 1985 c 385 s 20, 1982 c 191 s 1, 1975 1st ex.s. c 275 s 91, 1969 ex.s.
16 c 176 s 127, & 1969 ex.s. c 223 s 28A.57.170;

17 (17) RCW 28A.315.280 (Transfer of territory--By petition--By ESD
18 superintendent--When election required) and 1985 c 385 s 21, 1975 1st
19 ex.s. c 275 s 92, 1969 ex.s. c 176 s 128, & 1969 ex.s. c 223 s
20 28A.57.180;

21 (18) RCW 28A.315.290 (Annexation of district bounded on three sides
22 by high school district) and 1985 c 385 s 22, 1975 1st ex.s. c 275 s
23 93, 1969 ex.s. c 176 s 129, & 1969 ex.s. c 223 s 28A.57.190;

24 (19) RCW 28A.315.300 (Single school district for certain United
25 States military reservations--Mandated) and 1990 c 33 s 307 & 1972
26 ex.s. c 63 s 1;

27 (20) RCW 28A.315.310 (Single school district for certain United
28 States military reservations--Procedure--Limitations) and 1990 c 33 s
29 308, 1985 c 385 s 23, & 1972 ex.s. c 63 s 2;

30 (21) RCW 28A.315.320 (Dissolution and annexation of certain
31 districts--Annexation of nondistrict property) and 1985 c 385 s 24 &
32 1975-'76 2nd ex.s. c 15 s 4;

33 (22) RCW 28A.315.330 (Adjustment of indebtedness--Basis) and 1969
34 ex.s. c 223 s 28A.57.210;

35 (23) RCW 28A.315.340 (Corporate existence retained to pay bonded
36 indebtedness--Tax levies--Joint school districts) and 1969 ex.s. c 223
37 s 28A.57.220.

1 NEW SECTION. **Sec. 802.** (1) RCW 28A.315.020 and 28A.315.220 are
2 recodified as new sections in chapter 28A.315 RCW, to be codified in
3 Part 2 of this act before section 201.

4 (2) RCW 28A.315.210 is recodified as a new section in chapter
5 28A.315 RCW, to be codified after section 707 of this act.

6 (3) RCW 28A.315.690, 28A.315.700, 28A.315.710, and 28A.315.720, are
7 recodified as new sections in chapter 28A.315 RCW, to be codified after
8 section 206 of this act.

9 NEW SECTION. **Sec. 803.** The following sections are each recodified
10 as a new chapter in Title 28A RCW:

- 11 RCW 28A.315.350
- 12 RCW 28A.315.380
- 13 RCW 28A.315.390
- 14 RCW 28A.315.400
- 15 RCW 28A.315.410
- 16 RCW 28A.315.420
- 17 RCW 28A.315.430
- 18 RCW 28A.315.440

19 NEW SECTION. **Sec. 804.** The following sections are each recodified
20 as a new chapter in Title 28A RCW:

- 21 RCW 28A.315.450
- 22 RCW 28A.315.650
- 23 RCW 28A.315.470
- 24 RCW 28A.315.480
- 25 RCW 28A.315.490
- 26 RCW 28A.315.500
- 27 RCW 28A.315.530
- 28 RCW 28A.315.510
- 29 RCW 28A.315.540

30 NEW SECTION. **Sec. 805.** The following sections are each recodified
31 as a new chapter in Title 28A RCW:

- 32 RCW 28A.315.570
- 33 RCW 28A.315.460
- 34 RCW 28A.315.600
- 35 RCW 28A.315.610
- 36 RCW 28A.315.620

1 RCW 28A.315.630
2 RCW 28A.315.670
3 RCW 28A.315.680
4 RCW 28A.315.550

5 NEW SECTION. **Sec. 806.** The following sections are each recodified
6 as a new chapter in Title 28A RCW:

7 RCW 28A.315.560
8 RCW 28A.315.580
9 RCW 28A.315.590
10 RCW 28A.315.593
11 RCW 28A.315.660
12 RCW 28A.315.597
13 RCW 28A.315.640

14 NEW SECTION. **Sec. 807.** MORATORIUM ON PETITIONS. The state board
15 may, at its discretion, declare a moratorium on new petitions until
16 such time as the rules have been adopted to implement chapter . . . ,
17 Laws of 1999 (this act). The state board shall adopt emergency rules
18 necessary to begin consideration of changes initiated after the
19 effective date of this act.

20 NEW SECTION. **Sec. 808.** PART HEADINGS AND SECTION CAPTIONS NOT
21 LAW. Part headings and section captions used in this act are not any
22 part of the law.

23 NEW SECTION. **Sec. 809.** Sections 1, 101, 201, 203 through 206, 301
24 through 303, 401 through 403, 501, 601, 701 through 707, 807, and 808
25 of this act are each added to chapter 28A.315 RCW.

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