Provides that all school districts with a student enrollment of less than three thousand students are exempt from all state statutes and rules applicable to school districts and school district boards of directors except as provided in this act.

Requires all such school directors to: (1) Comply with state and federal health, safety, and civil rights laws applicable to school districts;

- (2) Participate in the elementary, middle school, and high school standards and assessment examinations as required in RCW 28A.655.061;
- (3) Employ instructional staff certificated in accordance with rules adopted under RCW 28A.410.010, but may hire noncertificated instructional staff of unusual competence and in exceptional cases as provided for in RCW 28A.150.260(3)(a);
- (4) Comply with the employee record check requirements in RCW 28A.400.303;
- (5) Be subject to the same financial and audit requirements as other school districts;
- (6) Comply with the annual school performance report under RCW 28A.655.110;
- (7) Comply with the open public meetings act in chapter 42.30 RCW; and
 - (8) Comply with chapters 41.56, 41.58, and 41.59 RCW.