

CERTIFICATION OF ENROLLMENT

**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1599**

Chapter 288, Laws of 2011

(partial veto)

62nd Legislature  
2011 Regular Session

PAY FOR ACTUAL STUDENT SUCCESS PROGRAM

EFFECTIVE DATE: 07/22/11

Passed by the House April 21, 2011  
Yeas 56 Nays 41

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Passed by the Senate April 21, 2011  
Yeas 40 Nays 6

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Approved May 10, 2011, 3:29 p.m., with  
the exception of Section 1 which is  
vetoed.

CHRISTINE GREGOIRE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of  
the House of Representatives of  
the State of Washington, do hereby  
certify that the attached is  
**ENGROSSED SECOND SUBSTITUTE HOUSE  
BILL 1599** as passed by the House of  
Representatives and the Senate on  
the dates hereon set forth.

BARBARA BAKER

\_\_\_\_\_  
**Chief Clerk**

FILED

May 11, 2011

**Secretary of State  
State of Washington**

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ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1599

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AS AMENDED BY THE SENATE

Passed Legislature - 2011 Regular Session

State of Washington                      62nd Legislature                      2011 Regular Session

By House Ways & Means (originally sponsored by Representatives Probst, Haler, Maxwell, Orwall, Haigh, Santos, Dammeier, Seaquist, Liias, Reykdal, Kagi, Roberts, Kenney, and Ormsby)

READ FIRST TIME 02/25/11.

1            AN ACT Relating to establishing the pay for actual student success  
2 dropout prevention program; amending RCW 28A.175.035; adding new  
3 sections to chapter 28A.175 RCW; adding a new section to chapter  
4 28A.300 RCW; and creating new sections.

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

6            **\*NEW SECTION. Sec. 1. (1) The legislature finds that:**

7            **(a) Providing students with the opportunity to graduate from high**  
8 **school with the knowledge and skills to be successful in today's world**  
9 **is now clearly part of Washington's definition of a basic education.**  
10 **Some students will only achieve this objective with supplemental**  
11 **interventions, support, and counseling;**

12            **(b) Dropout prevention is a fundamental strategy for strengthening**  
13 **society, building the economy, reducing crime, reducing government**  
14 **spending, and increasing individual freedom and opportunity;**

15            **(c) There are known and proven strategies to reduce the dropout**  
16 **rate, including ones that are successful for high-risk and troubled**  
17 **students. For example, the opportunity internship program, the jobs**  
18 **for America's graduates program, the building bridges program, and**  
19 **individualized student support services provided by the college success**

1 foundation have all had a measurable impact on helping at-risk students  
2 be successful in school. In addition, the Everett school district  
3 successfully increased its extended graduation rate from fifty-three  
4 percent in 2003 to ninety percent in 2010 by tracking the progress  
5 toward graduation of each student and assigning success coordinators to  
6 ensure students pursued all possible avenues to complete and make up  
7 credits. The Renton school district, through a combination of  
8 leadership, community partnerships and resources, and high expectations  
9 for all students, has increased its graduation rate to ninety percent,  
10 with ninety-six percent of graduating seniors in 2010 meeting  
11 proficiency on the state high school assessments. However, these types  
12 of models have never been brought to scale; and

13 (d) For every dropout prevented, the chances of that person  
14 committing a crime are reduced by twenty percent, and that person  
15 stands to increase his or her lifetime earnings by three hundred  
16 thousand dollars in today's dollars. In addition, for every dropout  
17 prevented, taxpayers save an estimated ten thousand five hundred  
18 dollars per year for each year of the individual's life between the  
19 ages of twenty and sixty-five.

20 (2) Therefore, the state should use a dual strategy of making  
21 front-end investments in proven programs in order to expand them into  
22 an effective dropout prevention and intervention system, while  
23 simultaneously recognizing and rewarding actual success in reducing the  
24 dropout rate by investing a portion of the savings generated from each  
25 prevented dropout in the public schools.

26 (3) The legislature recognizes that the current fiscal climate in  
27 the state is a likely contributing factor to an increase in dropout  
28 rates. Reductions in state funding for schools are often felt first in  
29 student support services, counseling, supplemental instruction and  
30 tutoring, and increased class size, all of which affect struggling  
31 students. A poor economy negatively affects families through  
32 unemployment, uncertainty, and reduced public services, and students  
33 bring these stresses with them to school. If allowed to go  
34 unaddressed, these economic and fiscal circumstances are likely to slow  
35 or reverse progress on improving high school completion rates.  
36 Therefore, a concentrated effort at improvement is required at this  
37 time.

\*Sec. 1 was vetoed. See message at end of chapter.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 28A.175  
2    RCW to read as follows:

3        (1) The pay for actual student success (PASS) program is created  
4    under this section and sections 3 through 8 of this act to invest in  
5    proven dropout prevention and intervention programs as provided in  
6    section 3 of this act and provide a financial award for high schools  
7    that demonstrate improvement in the dropout prevention indicators  
8    established under section 4 of this act. The legislature finds that  
9    increased accumulation of credits and reductions in incidents of  
10   student discipline lead to improved graduation rates.

11       (2) The office of the superintendent of public instruction, the  
12   workforce training and education coordinating board, the building  
13   bridges working group, the higher education coordinating board, and the  
14   college scholarship organization under section 3(4) of this act shall  
15   collaborate to assure that the programs under section 3 of this act  
16   operate systematically and are expanded to include as many additional  
17   students and schools as possible.

18       NEW SECTION.    **Sec. 3.**    A new section is added to chapter 28A.175  
19   RCW to read as follows:

20       Subject to funds appropriated for this purpose, funds shall be  
21   allocated as specified in the omnibus appropriations act to support the  
22   PASS program through the following programs:

23       (1) The opportunity internship program under RCW 28C.18.160 through  
24   28C.18.168;

25       (2) The jobs for America's graduates program administered through  
26   the office of the superintendent of public instruction;

27       (3) The building bridges program under RCW 28A.175.025, to be used  
28   to expand programs that have been implemented by building bridges  
29   partnerships and determined by the building bridges work group to be  
30   successful in reducing dropout rates, or to replicate such programs in  
31   new partnerships; and

32       (4) Individualized student support services provided by a college  
33   scholarship organization with expertise in managing scholarships for  
34   low-income, high potential students and foster care youth under  
35   contract with the higher education coordinating board, including but  
36   not limited to college and career advising, counseling, tutoring,  
37   community mentor programs, and leadership development.

1        NEW SECTION.    **Sec. 4.**    A new section is added to chapter 28A.175  
2    RCW to read as follows:

3        (1) The office of the superintendent of public instruction, in  
4    consultation with the state board of education, must:

5        (a) Calculate the annual extended graduation rate for each high  
6    school, which is the rate at which a class of students enters high  
7    school as freshmen and graduates with a high school diploma, including  
8    students who receive a high school diploma after the year they were  
9    expected to graduate. The office may statistically adjust the rate for  
10   student demographics in the high school, including the number of  
11   students eligible for free and reduced price meals, special education  
12   and English language learner students, students of various racial and  
13   ethnic backgrounds, and student mobility;

14       (b) Annually calculate the proportion of students at grade level  
15   for each high school, which shall be measured by the number of credits  
16   a student has accumulated at the end of each school year compared to  
17   the total number required for graduation. For the purposes of this  
18   subsection (1)(b), the office shall adopt a standard definition of "at  
19   grade level" for each high school grade;

20       (c) Annually calculate the proportion of students in each high  
21   school who are suspended or expelled from school, as reported by the  
22   high school. In-school suspensions shall not be included in the  
23   calculation. Improvement on the indicator under this subsection (1)(c)  
24   shall be measured by a reduction in the number of students suspended or  
25   expelled from school; and

26       (d) Beginning with the 2012-13 school year, annually measure  
27   student attendance in each high school as provided under section 10 of  
28   this act.

29       (2) The office of the superintendent of public instruction may add  
30   dropout prevention indicators to the list of indicators under  
31   subsection (1) of this section, such as student grades, state  
32   assessment mastery, or student retention.

33       (3) To the maximum extent possible, the office of the  
34   superintendent of public instruction shall rely on data collected  
35   through the comprehensive education data and research system to  
36   calculate the dropout prevention indicators under this section and  
37   shall minimize additional data collection from schools and school  
38   districts unless necessary to meet the requirements of this section.

1 (4) The office of the superintendent of public instruction shall  
2 develop a metric for measuring the performance of each high school on  
3 the indicators under subsection (1) of this section that assigns points  
4 for each indicator and results in a single numeric dropout prevention  
5 score for each high school. The office shall weight the extended  
6 graduation rate indicator within the metric so that a high school does  
7 not qualify for an award under section 5 of this act without an  
8 increase in its extended graduation rate. The metric used through the  
9 2012-13 school year shall include the indicators in subsection (1)(a)  
10 through (c) of this section and shall measure improvement against the  
11 2010-11 school year as the baseline year. Beginning in the 2013-14  
12 school year, the metric shall also include the indicator in subsection  
13 (1)(d) of this section, with improvement in this indicator measured  
14 against the 2012-13 school year as the baseline year. The office may  
15 establish a minimum level of improvement in a high school's dropout  
16 prevention score for the high school to qualify for a PASS program  
17 award under section 5 of this act.

18 NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.175  
19 RCW to read as follows:

20 (1)(a) Subject to funds appropriated for this purpose or otherwise  
21 available in the account established in section 7 of this act,  
22 beginning in the 2011-12 school year and each year thereafter, a high  
23 school that demonstrates improvement in its dropout prevention score  
24 compared to the baseline school year as calculated under section 4 of  
25 this act may receive a PASS program award as provided under this  
26 section. The legislature intends to recognize and reward continuous  
27 improvement by using a baseline year for calculating eligibility for  
28 PASS program awards so that a high school retains previously earned  
29 award funds from one year to the next unless its performance declines.

30 (b) The office of the superintendent of public instruction must  
31 determine the amount of PASS program awards based on appropriated funds  
32 and eligible high schools. The intent of the legislature is to provide  
33 an award to each eligible high school commensurate with the degree of  
34 improvement in the high school's dropout prevention score and the size  
35 of the high school. The office must establish a minimum award amount.  
36 If funds available for PASS program awards are not sufficient to  
37 provide an award to each eligible high school, the office of the

1 superintendent of public instruction shall establish objective criteria  
2 to prioritize awards based on eligible high schools with the greatest  
3 need for additional dropout prevention and intervention services. The  
4 office of the superintendent of public instruction shall encourage and  
5 may require a high school receiving a PASS program award to demonstrate  
6 an amount of community matching funds or an amount of in-kind community  
7 services to support dropout prevention and intervention.

8 (c) Ninety percent of an award under this section must be allocated  
9 to the eligible high school to be used for dropout prevention  
10 activities in the school as specified in subsection (2) of this  
11 section. The principal of the high school shall determine the use of  
12 funds after consultation with parents and certificated and classified  
13 staff of the school.

14 (d) Ten percent of an award under this section must be allocated to  
15 the school district in which the eligible high school is located to be  
16 used for dropout prevention activities as specified in subsection (2)  
17 of this section in the high school or in other schools in the district.

18 (e) The office of the superintendent of public instruction may  
19 withhold distribution of award funds under this section to an otherwise  
20 eligible high school or school district if the superintendent of public  
21 instruction issues a finding that the school or school district has  
22 willfully manipulated the dropout prevention indicators under section  
23 4 of this act, for example by expelling, suspending, transferring, or  
24 refusing to enroll students at risk of dropping out of school or at  
25 risk of low achievement.

26 (2) High schools and school districts may use PASS program award  
27 funds for any programs or activities that support the development of a  
28 dropout prevention, intervention, and reengagement system as described  
29 in RCW 28A.175.074, offered directly by the school or school district  
30 or under contract with education agencies or community-based  
31 organizations, including but not limited to educational service  
32 districts, workforce development councils, and boys and girls clubs.  
33 Such programs or activities may include but are not limited to the  
34 following:

35 (a) Strategies to close the achievement gap for disadvantaged  
36 students and minority students;

37 (b) Use of graduation coaches as defined in section 6 of this act;

38 (c) Opportunity internship activities under RCW 28C.18.164;

1 (d) Dropout reengagement programs provided by community-based  
2 organizations or community and technical colleges;

3 (e) Comprehensive guidance and planning programs as defined under  
4 RCW 28A.600.045, including but not limited to the navigation 101  
5 program;

6 (f) Reduced class sizes, extended school day, extended school year,  
7 and tutoring programs for students identified as at risk of dropping  
8 out of school, including instruction to assist these students in  
9 meeting graduation requirements in mathematics and science;

10 (g) Outreach and counseling targeted to students identified as at  
11 risk of dropping out of school, or who have dropped out of school, to  
12 encourage them to consider learning alternatives such as  
13 preapprenticeship programs, skill centers, running start, technical  
14 high schools, and other options for completing a high school diploma;

15 (h) Preapprenticeship programs or running start for the trades  
16 initiatives under RCW 49.04.190;

17 (i) Mentoring programs for students;

18 (j) Development and use of dropout early warning data systems;

19 (k) Counseling, resource and referral services, and intervention  
20 programs to address social, behavioral, and health factors associated  
21 with dropping out of school;

22 (l) Implementing programs for in-school suspension or other  
23 strategies to avoid excluding middle and high school students from the  
24 school whenever possible;

25 (m) Parent engagement activities such as home visits and off-campus  
26 parent support group meetings related to dropout prevention and  
27 reengagement; and

28 (n) Early learning programs for prekindergarten students.

29 (3) High schools and school districts are encouraged to implement  
30 dropout prevention and reengagement strategies in a comprehensive and  
31 systematic manner, using strategic planning, school improvement plans,  
32 evaluation and feedback, and response to intervention tools.

33 NEW SECTION. **Sec. 6.** A new section is added to chapter 28A.175  
34 RCW to read as follows:

35 For the purposes of section 5 of this act, a "graduation coach"  
36 means a staff person, working in consultation with counselors, who is

1 assigned to identify and provide intervention services to students who  
2 have dropped out or are at risk of dropping out of school or of not  
3 graduating on time through the following activities:

4 (1) Monitoring and advising on individual student progress toward  
5 graduation;

6 (2) Providing student support services and case management;

7 (3) Motivating students to focus on a graduation plan;

8 (4) Encouraging parent and community involvement;

9 (5) Connecting parents and students with appropriate school and  
10 community resources;

11 (6) Securing supplemental academic services for students;

12 (7) Implementing schoolwide dropout prevention programs and  
13 interventions; and

14 (8) Analyzing data to identify at-risk students.

15 NEW SECTION. **Sec. 7.** A new section is added to chapter 28A.175  
16 RCW to read as follows:

17 The high school completion account is created in the custody of the  
18 state treasurer. Revenues to the account shall consist of  
19 appropriations made by the legislature, federal funds, gifts or grants  
20 from the private sector or foundations, and other sources deposited in  
21 the account. Expenditures from the account may be used only for proven  
22 dropout prevention and intervention programs identified under section  
23 3 of this act and to make PASS program awards under section 5 of this  
24 act. Only the superintendent of public instruction or the  
25 superintendent's designee may authorize expenditures from the account.  
26 The account is subject to allotment procedures under chapter 43.88 RCW,  
27 but an appropriation is not required for expenditures.

28 NEW SECTION. **Sec. 8.** A new section is added to chapter 28A.175  
29 RCW to read as follows:

30 The office of the superintendent of public instruction must  
31 regularly inform high schools and school districts about the  
32 opportunities under section 3 of this act to receive funding to  
33 implement programs that have been proven to reduce dropout rates and  
34 increase graduation rates, as well as the opportunities under section  
35 5 of this act for high schools to receive a financial incentive for  
36 success. Within available funds, the office shall develop systemic,

1 ongoing strategies for identifying and disseminating successful dropout  
2 prevention and reengagement programs and strategies and for  
3 incorporating dropout prevention and reengagement into high school and  
4 school district strategic planning and improvement. The office may  
5 offer support and assistance to schools and districts through regional  
6 networks. The office shall make every effort to keep dropout  
7 prevention and reduction of the dropout rate a top priority for school  
8 directors, administrators, and teachers.

9       **Sec. 9.** RCW 28A.175.035 and 2007 c 408 s 3 are each amended to  
10 read as follows:

11       (1) The office of the superintendent of public instruction shall:

12       (a) Identify criteria for grants and evaluate proposals for funding  
13 in consultation with the workforce training and education coordinating  
14 board;

15       (b) Develop and monitor requirements for grant recipients to:

16       (i) Identify students who both fail the Washington assessment of  
17 student learning and drop out of school;

18       (ii) Identify their own strengths and gaps in services provided to  
19 youth;

20       (iii) Set their own local goals for program outcomes;

21       (iv) Use research-based and emerging best practices that lead to  
22 positive outcomes in implementing the building bridges program; and

23       (v) Coordinate an outreach campaign to bring public and private  
24 organizations together and to provide information about the building  
25 bridges program to the local community;

26       (c) In setting the requirements under (b) of this subsection,  
27 encourage creativity and provide for flexibility in implementing the  
28 local building bridges program;

29       (d) Identify and disseminate successful practices;

30       (e) Develop requirements for grant recipients to collect and report  
31 data, including, but not limited to:

32       (i) The number of and demographics of students served including,  
33 but not limited to, information regarding a student's race and  
34 ethnicity, a student's household income, a student's housing status,  
35 whether a student is a foster youth or youth involved in the juvenile  
36 justice system, whether a student is disabled, and the primary language  
37 spoken at a student's home;

1 (ii) Washington assessment of student learning scores;

2 (iii) Dropout rates;

3 (iv) On-time graduation rates;

4 (v) Extended graduation rates;

5 (vi) Credentials obtained;

6 (vii) Absenteeism rates;

7 (viii) Truancy rates; and

8 (ix) Credit retrieval;

9 (f) Contract with a third party to evaluate the infrastructure and  
10 implementation of the partnership including the leveraging of outside  
11 resources that relate to the goal of the partnership. The third-party  
12 contractor shall also evaluate the performance and effectiveness of the  
13 partnerships relative to the type of entity, as identified in RCW  
14 28A.175.045, serving as the lead agency for the partnership; and

15 (g) Report to the legislature by December 1, 2008.

16 (2) In performing its duties under this section, the office of the  
17 superintendent of public instruction is encouraged to consult with the  
18 work group identified in RCW 28A.175.075.

19 (3) In selecting recipients for grant funds appropriated under  
20 section 3 of this act, the office of the superintendent of public  
21 instruction shall use a streamlined and expedited application and  
22 review process for those programs that have already proven to be  
23 successful in dropout prevention.

24 NEW SECTION. Sec. 10. A new section is added to chapter 28A.300  
25 RCW to read as follows:

26 (1)(a) The superintendent of public instruction shall adopt rules  
27 establishing a standard definition of student absence from school. In  
28 adopting the definition, the superintendent shall review current  
29 practices in Washington school districts, definitions used in other  
30 states, and any national standards or definitions used by the national  
31 center for education statistics or other national groups. The  
32 superintendent shall also consult with the building bridges work group  
33 established under RCW 28A.175.075.

34 (b) Using the definition of student absence adopted under this  
35 section, the superintendent shall establish an indicator for measuring  
36 student attendance in high schools for purposes of the PASS program  
37 under section 2 of this act.

1 (2)(a) The K-12 data governance group under RCW 28A.300.507 shall  
2 establish the parameters and an implementation schedule for statewide  
3 collection through the comprehensive education and data research system  
4 of: (i) Student attendance data using the definitions of student  
5 absence adopted under this section; and (ii) student discipline data  
6 with a focus on suspensions and expulsions from school.

7 (b) At a minimum, school districts must collect and submit student  
8 attendance data and student discipline data for high school students  
9 through the comprehensive education and data research system for  
10 purposes of the PASS program under section 2 of this act beginning in  
11 the 2012-13 school year.

12 NEW SECTION. **Sec. 11.** If specific funding for the purposes of  
13 this act, referencing this act by bill or chapter number, is not  
14 provided by June 30, 2011, in the omnibus appropriations act, this act  
15 is null and void.

Passed by the House April 21, 2011.

Passed by the Senate April 21, 2011.

Approved by the Governor May 10, 2011, with the exception of  
certain items that were vetoed.

Filed in Office of Secretary of State May 11, 2011.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 1,  
Engrossed Second Substitute House Bill 1599 entitled:

"AN ACT Relating to establishing the pay for actual student  
success dropout prevention program."

To the extent funding is provided in the appropriations act by June  
30, 2011, this legislation provides resources to schools and school  
districts that improve various student engagement and success factors  
that lead to more high school graduations. The legislation sets forth  
the data used to determine whether schools and districts are eligible  
for the incentives authorized.

Section 1 is an intent section that discusses various experiences of  
schools and principles of law, and is not necessary to interpret or  
implement the substantive provisions of the bill. For this reason, I  
have vetoed Section 1 of Engrossed Second Substitute House Bill 1599.

With the exception of Section 1, Engrossed Second Substitute House  
Bill 1599 is approved."