CERTIFICATION OF ENROLLMENT

SENATE BILL 5120

Chapter 82, Laws of 2015

64th Legislature 2015 Regular Session

K-12 EDUCATION--SCHOOL DISTRICT DISSOLUTIONS

EFFECTIVE DATE: 9/1/2015

Passed by the Senate March 4, 2015 CERTIFICATE Yeas 43 Nays 4 I, Hunter G. Goodman, Secretary of Senate of the State of BRAD OWEN Washington, do hereby certify that the attached is **SENATE BILL 5120** as President of the Senate passed by Senate and the House of Representatives on the dates hereon set forth. Passed by the House April 14, 2015 Yeas 89 Nays 8 HUNTER G. GOODMAN Secretary FRANK CHOPP Speaker of the House of Representatives Approved April 24, 2015 3:18 PM FILED April 25, 2015

JAY INSLEE

Governor of the State of Washington

Secretary of State

State of Washington

SENATE BILL 5120

Passed Legislature - 2015 Regular Session

State of Washington 64th Legislature 2015 Regular Session

By Senator Parlette

Read first time 01/14/15. Referred to Committee on Early Learning & K-12 Education.

- 1 AN ACT Relating to school district dissolutions; amending RCW
- 2 28A.315.225; and providing an effective date.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 28A.315.225 and 2012 c 186 s 9 are each amended to read as follows:
- 6 (1) In case any school district has an average enrollment of 7 fewer than five kindergarten through eighth grade pupils during the preceding three consecutive school years or has not made a reasonable 8 effort to maintain, during the preceding school year at least the 9 10 minimum term of school required by law, the educational service 11 district superintendent shall report that fact to the regional committee, which committee shall dissolve the school district and 12 annex the territory thereof to some other district or districts. For 13 14 the purposes of this section, in addition to any other finding, "reasonable effort" shall be deemed to mean the attempt to make up 15 16 whatever days are short of the legal requirement by conducting of 17 school classes on any days to include available holidays, though not to include Saturdays and Sundays, prior to June 15th of that year. 18 School districts operating an extended school year program, 19 20 commonly implemented as a 45-15 plan, shall be deemed to be making a 21 reasonable effort. In the event any school district has suffered any

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interruption in its normal school calendar due to a strike or other work stoppage or slowdown by any of its employees that district shall not be subject to this section.

- (2) A financially insolvent school district may be dissolved and annexed to one or more contiguous districts, in accordance with an agreement between the insolvent district and at least one other contiguous district, that has been approved by the financial oversight committee, or in accordance with the decision of the regional committee. A financially insolvent district may file bankruptcy only if it is recommended by the financial oversight committee.
- (3)(a) A petition to dissolve a financially insolvent school district may be filed with the educational service district superintendent by the superintendent of public instruction if, before signing and filing the petition, the financial oversight committee was convened and recommended that the district be dissolved.
- (b) A petition for dissolution under this subsection (3) must include the name of the financially insolvent district, the legal boundaries of the district, the names of contiguous school districts, the basis for concluding the district is financially insolvent, a map with legal description of the proposed annexation of the financially insolvent school district to one or more contiguous school districts, and any proposed equitable adjustments of assets and liabilities for the affected districts. The proposed annexation and equitable adjustment of assets and liabilities must be based on the factors in RCW 28A.315.015(2), 28A.315.205(4), and 28A.315.245.
- (c) The superintendent of public instruction, at the recommendation of the financial oversight committee, may take the following actions upon filing a petition to dissolve a financially insolvent school district: Authorize liquidation or disposition of fixed assets and contractual liabilities by any reasonable and documented method.
- 33 (d) A petition to dissolve a financially insolvent school 34 district shall be processed in accordance with RCW 28A.315.199 and 35 28A.315.205.
- 36 (4) The superintendent of public instruction may request an 37 appropriation to address matters associated with the dissolution of a 38 financially insolvent school district.
- 39 (5) The superintendent of public instruction may adopt rules 40 governing actions that may be taken to prevent a school district from

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- being dissolved and to assist in the orderly and timely dissolution and annexation of school districts that are unable to avoid financial insolvency.
- 4 (6) In case any territory is not a part of any school district, 5 the educational service district superintendent shall present to the 6 regional committee a proposal for the annexation of the territory to 7 some contiguous district or districts.
- 8 <u>NEW SECTION.</u> **Sec. 2.** This act takes effect September 1, 2015.

Passed by the Senate March 4, 2015. Passed by the House April 14, 2015. Approved by the Governor April 24, 2015. Filed in Office of Secretary of State April 25, 2015.

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