RCW 28A.315.199 Transfer of territory or dissolution of financially insolvent school district by petition—Notification to affected districts—Mediation—Request for hearing—Notification to regional committee—Costs. (1) Upon receipt of a petition to transfer territory pursuant to RCW 28A.315.195 or to dissolve a financially insolvent school district pursuant to RCW 28A.315.225, the educational service district superintendent shall notify in writing the affected districts that:

- (a) Each school district board of directors, whether or not initiating a proposed transfer of territory or dissolution, must enter into negotiations with the affected district or districts;
- (b) In the case of a citizen-initiated petition, the affected districts must negotiate on the entire proposed transfer of territory;
- (c) The districts have ninety calendar days in which to agree to the proposed transfer of territory or to agree on the annexation of a financially insolvent district;
- (d) Districts negotiating an agreement regarding annexation of a dissolving financially insolvent district may not agree to not dissolve a financially insolvent district;
- (e) The agreement between at least one contiguous district and a financially insolvent district regarding the annexation of the dissolving district and the distribution of assets and liabilities is subject to approval by the financial oversight committee;
- (f) The districts may request and shall be granted by the educational service district superintendent one thirty-day extension to try to reach agreement; and
- (g) Any district involved in the negotiations may at any time during the ninety-day period notify the educational service district superintendent in writing that agreement will not be possible.
- (2) If the negotiating school boards cannot come to agreement about the proposed transfer of territory, or cannot agree how to annex a financially insolvent district, the educational service district superintendent, if requested by the affected districts, shall appoint a mediator. The mediator has thirty days to work with the affected school districts to see if an agreement can be reached on the proposed transfer of territory.
- (3) If the affected school districts cannot come to agreement about the proposed transfer of territory, or cannot agree how to annex a financially insolvent district, and the districts do not request the services of a mediator or the mediator was unable to bring the districts to agreement, any affected district may file with the educational service district superintendent a written request for a hearing by the regional committee.
- (4) If the affected school districts cannot come to agreement about the proposed transfer of territory initiated by citizen petition, and the districts do not request the services of a mediator or the mediator was unable to bring the districts to agreement, the district in which the citizens who filed the petition reside must file with the educational service district superintendent a written request for a hearing by the regional committee, unless a majority of the citizen petitioners request otherwise.
- (5) Upon receipt of a notice under subsection (3) or (4) of this section, the educational service district superintendent must notify the chair of the regional committee in writing within ten days.

(6) Costs incurred by school districts under this section shall be reimbursed by the state from such funds as are appropriated for this purpose. [2012 c 186  $\S$  5.]

Effective date—2012 c 186: See note following RCW 28A.315.025.