
HOUSE BILL 1541

State of Washington**67th Legislature****2021 Regular Session****By** Representative Stokesbary

1 AN ACT Relating to authorizing local option revenue for
2 homelessness services, subject to specified conditions, including
3 prohibiting supervised injection sites and requiring local
4 restrictions on camping on public property; adding new sections to
5 chapter 82.14 RCW; providing an effective date; and declaring an
6 emergency.

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

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.14
9 RCW to read as follows:

10 (1) Beginning July 1, 2021, the legislative authority of a city
11 or county may authorize the imposition of a sales and use tax by the
12 majority vote of the legislative authority in accordance with this
13 chapter and subject to the restrictions in this section. Prior to the
14 authorizing vote, the legislative authority must hold a public
15 hearing on the proposed tax as well as solicit and receive comments
16 on the proposal from the public.

17 (a) The rate under this section must not exceed 0.125 percent of
18 the selling price in the case of the sales tax, or value of the
19 article used, in the case of a use tax. If the city or county imposes
20 the sales and use tax pursuant to RCW 82.14.540, the rate authorized

1 under this section must be reduced by the amount of credit the city
2 or county receives under RCW 82.14.540.

3 (b) The tax authorized under this section must be credited
4 against the state portion of the sales and use tax imposed under RCW
5 82.08.020(1) and the corresponding use tax imposed under RCW
6 82.12.020 and otherwise required to be collected or paid over to the
7 department.

8 (2) Any tax authorized under this section may not be imposed
9 prior to January 1, 2022, and is subject to the timing restrictions
10 of RCW 82.14.055.

11 (3) If a county imposes a tax authorized under subsection (1) of
12 this section and a city located in that county has also imposed a tax
13 authorized under subsection (1) of this section, the county must
14 provide a credit against its tax for the amount imposed by a city,
15 not to exceed the full amount of tax imposed by the county.

16 (4) The taxes authorized in this section are in addition to any
17 other taxes authorized by law and must be collected from persons who
18 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
19 occurrence of any taxable event within the county for a county's tax
20 and within a city for a city's tax.

21 (5) A county or city may not collect a tax pursuant to this
22 section unless:

23 (a) The county or city complies with the annual certification and
24 reporting requirements under this section;

25 (b) The city or county does not impose the sales and use taxes
26 authorized in RCW 82.14.530;

27 (c) The city or county does not impose the property tax
28 authorized in RCW 84.52.105; and

29 (d) The city or county adopts an emergency declaration related to
30 the homelessness crisis and submits a copy of the emergency
31 declaration to the department.

32 (6) (a) Prior to collecting a tax under this section, the city or
33 county must:

34 (i) Adopt an ordinance prohibiting supervised injection sites
35 within its jurisdiction; and

36 (ii) Adopt an ordinance making it unlawful for any person to camp
37 on public property, without prior authorization from the city or
38 county, within five hundred feet of (A) public or private elementary
39 or secondary schools; (B) public parks, as defined in RCW 69.50.435;
40 and (C) municipal courthouses.

1 (b) The eligibility requirements set forth in (a) of this
2 subsection are minimum requirements to impose the taxes authorized by
3 this section, and nothing in this section is intended to prohibit a
4 county or city legislative authority from adopting and enforcing an
5 ordinance making it unlawful for any person to camp in other public
6 places in addition to those required in (a)(ii) of this subsection,
7 such as on public property within a specified distance of places
8 intended primarily for the use, care, or supervision of minor
9 children or other vulnerable persons.

10 (c) The city or county must submit copies of the ordinances to
11 the department prior to collecting the tax along with any other
12 materials required by the department.

13 (7) In order to impose the tax for the upcoming calendar year,
14 the city or county must by October 1st of each year submit
15 certification, signed by the chief executive of the city or county
16 under the penalty of perjury to the department that the city or
17 county meets the following requirements:

18 (a) The city or county continues to have the ordinances adopted
19 pursuant to subsection (6) of this section and has taken reasonable
20 steps to enforce the ordinances as follows:

21 (i) Enforcement must be undertaken when the city or county has
22 reason to believe that a supervised injection site is operating
23 within its jurisdiction, including making reasonable efforts to
24 respond to complaints about unauthorized supervised injection sites
25 within five days of receipt of a complaint;

26 (ii) Enforcement must be undertaken on an ongoing and regular
27 basis, including visiting not less than weekly those areas where
28 camping is prohibited and making reasonable efforts to respond to
29 complaints about unlawful camping on such areas within five calendar
30 days of receipt of a complaint; and

31 (b) The city or county has complied with all the reporting
32 requirements under this section.

33 (8) A city or county imposing a tax under this section must meet
34 the following reporting requirements:

35 (a) The city or county must make the budget for the use of the
36 revenues generated as the result of imposing the tax authorized under
37 this section available publicly, including on its website. The budget
38 document must include a description of the services and goods
39 purchased and demonstrate that expenditures of these revenues

1 supplement, and do not supplant, the city's or county's previous
2 expenditures for these purposes.

3 (b) The city or county must report annually to the department of
4 commerce as required in section 2 of this act and publish the report
5 on the city or county website.

6 (c) The city or county must cooperate with and provide
7 information to the joint legislative audit and review committee as
8 needed to complete the reviews required in section 2 of this act.

9 (9) A city or county collecting a tax under this section may
10 spend the revenues collected under this section only for operating
11 and capital costs of addressing and preventing homelessness by
12 municipal law enforcement, criminal justice, and social services
13 agencies including, but not limited to, transitional services,
14 encampment cleanup, temporary or long-term housing, diversion
15 services, coresponse teams, and navigation teams. The city's or
16 county's expenditures for these purposes must supplement, and not
17 supplant, the city's previous expenditures for these purposes.

18 (10) Failure to fulfill the requirements of this act may result
19 in the inability to impose the tax authorized under this section.

20 (a) If the city or county fails to fulfill the certification
21 requirements in subsection (7) of this section, the department must
22 notify the city or county by December 1st that the city or county
23 must not impose the tax for the upcoming calendar year.

24 (b) (i) If the city or county fails to meet the reporting
25 requirements to the department of commerce, the department of
26 commerce must notify the city or county that if the city or county
27 fails to fulfill the requirements within thirty days, the department
28 of commerce will notify the department that the city or county has
29 failed to meet the reporting requirements of this act and will no
30 longer be able to impose the tax authorized in this section. The
31 department must suspend the imposition of the tax at the beginning of
32 the next eligible fiscal quarter.

33 (ii) A city or county that has had the ability to impose the tax
34 suspended under (b) (i) of this subsection may apply to the department
35 of commerce to have the tax reinstated by providing all reports
36 previously owed submitted along with a new certification required in
37 subsection (7) of this section to the department. If the department
38 of commerce determines all reporting requirements are currently up-
39 to-date, the department of commerce must notify the department that

1 the city or county is now eligible to impose the tax authorized under
2 this act at the beginning of the next eligible fiscal quarter.

3 (c) Any suspension and later reinstatement of the ability to
4 impose the tax authorized under this section does not alter the
5 expiration date of the tax authorization pursuant to subsection (1)
6 of this section.

7 (11) A county or city may enter into an interlocal agreement with
8 one or more counties, cities, or public housing authorities in
9 accordance with chapter 39.34 RCW.

10 (12) The definitions in this subsection apply throughout this
11 section and section 2 of this act unless the context clearly requires
12 otherwise.

13 (a) "Camp" or "camping" means to pitch, use, or occupy camp
14 facilities for the purposes of habitation, as evidenced by the use of
15 camp paraphernalia.

16 (b) "Camp facilities" include, but are not limited to, tents,
17 huts, temporary shelters, or vehicles if said vehicle is being used
18 as temporary living quarters.

19 (c) "Camp paraphernalia" includes, but is not limited to,
20 tarpaulins, cots, beds, sleeping bags, blankets, mattresses,
21 hammocks, or cooking facilities or equipment.

22 (d) "Eligible fiscal quarter" means the fiscal quarter that meets
23 the timing and other restrictions for local sales and use tax changes
24 under RCW 82.14.055.

25 (e) "Public property" means any street, alley, sidewalk, parking
26 space, pedestrian or transit mall, bike path, greenway, or any other
27 structure or area encompassed within the public right-of-way; any
28 park, parkway, mountain park, or other recreation facility; or any
29 other grounds, buildings, fixtures, or other facilities owned or
30 leased by the state or by any other public owner, regardless of
31 whether such public property is vacant or occupied and actively used
32 for any public purpose.

33 (f) "Reside" or "dwell" includes, but is not limited to,
34 conducting such activities as eating, sleeping, or the storage of
35 personal possessions.

36 (g) "Shelter" includes, but is not limited to, any recreational
37 vehicle, tent, tarpaulin, lean-to, sleeping bag, bedroll, blankets,
38 or any form of cover or protection from the elements other than
39 clothing.

1 (h) "Supervised injection site" means any building, structure,
2 site, facility, vehicle, or program including, but not limited to,
3 supervised consumption or supervised injection programs, with a
4 function of providing a space or area for either use or consumption,
5 or both, of federally controlled substances.

6 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.14
7 RCW to read as follows:

8 The legislature recognizes the importance of program evaluation
9 in order to ensure cost-effective use of public funds.

10 (1) By May 1st of each year, each city or county that has imposed
11 the tax authorized under section 1 of this act must report to the
12 department of commerce certain information for the prior calendar
13 year. In addition to the metrics developed by the department of
14 commerce in subsection (2) of this section, the city or county must
15 also report:

16 (a) The amount of revenue collected from the tax imposed under
17 section 1 of this act;

18 (b) The amount spent from that source;

19 (c) The amount of revenue retained for administrative costs;

20 (d) The total amount, from all sources, spent on homelessness for
21 that year, including a baseline spending of the city or county prior
22 to imposition of the tax authorized under section 1 of this act;

23 (e) A description of services or goods purchased; and

24 (f) Any information necessary to evaluate the enforcement of the
25 ordinances including, but not limited to, number and frequency of
26 visits to each type of protected public space, the number of unlawful
27 camping complaints filed, the number of supervised injection site
28 complaints filed, and the average response time for each type of
29 complaint.

30 (2) (a) The department of commerce must develop standard metrics
31 for each city or county receiving tax proceeds from the tax imposed
32 under section 1 of this act. In addition to the items listed in
33 subsection (1) of this section, the metrics developed by the
34 department of commerce must include measures of workload, program
35 effectiveness, and client outcomes.

36 (b) By July of each year, the department of commerce must
37 aggregate the information provided by cities and counties imposing
38 the tax under section 1 of this act. The department of commerce must

1 make this information, along with the information provided by each
2 individual jurisdiction, publicly available.

3 (3) By September 1, 2025, and every four years thereafter, the
4 joint legislative audit and review committee must review the
5 imposition of the sales and use tax under section 1 of this act and
6 the uses of the revenues generated by the cities and counties,
7 including:

8 (a) Information provided to the department of commerce for the
9 previous four calendar years related to the tax authorized under
10 section 1 of this act; and

11 (b) Compliance with the requirements of section 1(7) of this act,
12 including supervised injection site compliance and enforcement of the
13 unauthorized camping ordinance.

14 (4) For the purposes of this section, the definitions in section
15 1 of this act apply.

16 **NEW SECTION.** **Sec. 3.** This act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of
18 the state government and its existing public institutions, and takes
19 effect July 1, 2021.

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