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HOUSE BILL 2130

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State of Washington

66th Legislature

2019 Regular Session

By Representative Shea

1 AN ACT Relating to the excise taxation of personal, alcohol,  
2 residential and commercial security and fire monitoring devices and  
3 services; adding a new section to chapter 82.08 RCW; adding a new  
4 section to chapter 82.12 RCW; adding a new section to chapter 82.04  
5 RCW; creating new sections; providing an effective date; and  
6 declaring an emergency.

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

8 NEW SECTION. **Sec. 1.** The legislature finds that in appropriate  
9 circumstances electronic home monitoring or alcohol monitoring can be  
10 a more cost-effective, and less restrictive, public safety measure  
11 than alternatives, such as incarceration; the central monitoring of  
12 security and fire alarm systems are life-safety systems desired by  
13 the general public and often required by state or local statute,  
14 contributing significantly to the public well-being. The legislature  
15 finds that it is in the public interest that there be a robust  
16 marketplace for providing these services and that the services should  
17 be as inexpensive as possible. Therefore, the legislature intends to  
18 provide permanent sales and use and business and occupation tax  
19 exemptions for the provision of these monitoring services by  
20 monitoring agencies.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 82.08  
2    RCW to read as follows:

3        (1) The tax levied by RCW 82.08.020 does not apply to the sale of  
4    remote monitoring services, personal monitoring devices, alcohol  
5    monitoring devices by a monitoring agency, or security and fire alarm  
6    monitoring services.

7        (2) The definitions in this subsection apply throughout this  
8    section unless the context clearly requires otherwise.

9        (a) "Alcohol monitoring device" means a device that is capable of  
10   remote continuous or transdermal alcohol monitoring that can be  
11   attached directly to the participant. The term includes any  
12   associated equipment necessary for the device to perform properly.

13        (b) "Monitoring agency" has the same meaning as in RCW 9.94A.736.

14        (c) "Personal monitoring device" means a device used for tracking  
15   the location of an individual, whether pretrial or posttrial, through  
16   the use of technology that is capable of determining or identifying  
17   the monitored individual's presence or absence at a particular  
18   location including, but not limited to:

19        (i) Radio frequency signaling technology, which detects if the  
20   monitored individual is or is not at an approved location and  
21   notifies the monitoring agency of the time that the monitored  
22   individual either leaves the approved location or tampers with or  
23   removes the personal monitoring device; or

24        (ii) Active or passive global positioning system technology,  
25   which detects the location of the monitored individual and notifies  
26   the monitoring agency of the monitored individual's location.

27        (d) "Remote monitoring service" is a service provided by a person  
28   referred to as a "monitoring agency," and that is intended to monitor  
29   or track an individual's location or consumption of drugs or alcohol  
30   for the purposes of ongoing verification of compliance with court  
31   orders.

32        (e) "Security and fire alarm monitoring services" means the  
33   monitoring and response, whether to a residential or commercial  
34   customer, to alarm and other signals from home and business alarm  
35   systems and devices by a certified monitoring agency, which verifies  
36   signals, dispatches first responders, and notifies other responsible  
37   parties.

38        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 82.12  
39    RCW to read as follows:

1       The provisions of this chapter do not apply to the use of remote  
2 monitoring services, personal monitoring devices, alcohol monitoring  
3 devices, or security and fire alarm monitoring services as defined in  
4 section 2 of this act.

5       NEW SECTION.   **Sec. 4.**   A new section is added to chapter 82.04  
6 RCW to read as follows:

7       This chapter does not apply to amounts received by a monitoring  
8 agency as defined in RCW 9.94A.736 from the provision of remote  
9 monitoring services, personal monitoring devices, alcohol monitoring  
10 devices, or security and fire alarm monitoring services as defined in  
11 section 2 of this act.

12       NEW SECTION.   **Sec. 5.**   This act applies prospectively to the sale  
13 or use of remote monitoring services, personal monitoring devices,  
14 alcohol monitoring devices, and security and fire alarm monitoring  
15 services as defined in section 2 of this act that occur on or after  
16 July 1, 2019, as well as retroactively for any taxpayer who has been  
17 assessed taxes by the department of revenue prior to July 1, 2019, on  
18 devices or services exempted in this act. Nothing in this act is  
19 intended to be construed to require or otherwise authorize a refund  
20 of taxes lawfully paid prior to the effective date of this section.

21       NEW SECTION.   **Sec. 6.**   The provisions of RCW 82.32.805 and  
22 82.32.808 do not apply to this act.

23       NEW SECTION.   **Sec. 7.**   This act is necessary for the immediate  
24 preservation of the public peace, health, or safety, or support of  
25 the state government and its existing public institutions, and takes  
26 effect July 1, 2019.

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