

**WHATCOM COUNTY  
EXECUTIVE'S OFFICE**

County Courthouse  
311 Grand Avenue, Suite #108  
Bellingham, WA 98225-4082



**Satpal Singh Sidhu**  
County Executive

**Memorandum**

**To:** Whatcom County Council  
**Through:** Satpal Sidhu, County Executive  
**From:** Jed Holmes, Public Affairs Manager  
**CC:** Kayla Schott-Bresler, Deputy Executive  
Randy Rydel, Finance Director  
Donnell "Tank" Tanksley, Sheriff  
**Date:** February 24, 2026  
**RE:** Review of HB 2015 revenue opportunities

**Summary.** In 2025, the Washington State Legislature passed HB 2015, which created a grant program to support hiring of law enforcement officers and authorizes a 1/10 of 1% local sales tax option for a broad array of "criminal justice purposes."

Whatcom County advocated in favor of the passage of this legislation, and Executive Sidhu will be asking the County Council to consider utilization of this funding mechanism to address rising costs within the criminal justice system with the aim of maintaining current levels of service.

As you are aware, cost escalation within our criminal justice system led to a general fund budget deficit in 2026. This new revenue option, if implemented, offers a pathway to avoid significant staff and service reductions in future years.

However, this revenue opportunity is not sufficient to cover all projected cost increases. The Council and our partners in the criminal justice system should expect difficult budget decisions to remain even if the tax is adopted.

**Background.** Both the grant program for hiring LE officers and the local tax option for a broader spectrum of purposes are dependent on significant LE training requirements, with funding tied to clear accountability metrics. These metrics include training on de-escalation, use-of-force policies, crisis intervention, and trauma-informed care (see attached "CJTC Criteria and Requirements" for more information). Over the past year, the Sheriff's Office has invested significant time and resources toward its efforts to meet the grant requirements, which allows Whatcom County to consider the sales tax revenue option.

The County would be required to submit documentation to the CJTC demonstrating the County meets the requirements of the grant application. The Sheriff's Office has informed the Executive's Office that it is on track to meet eligibility requirements and intends to submit a grant application by March 31, 2026.

**Timeline.** Local legislative authorities can implement the public safety sales tax through councilmanic action (i.e., by a vote of the council) until June 30, 2028. If legislative action has not been taken to

implement the tax by that date, the city or county may submit an authorizing proposition to voters at a primary or general election to adopt the tax.

Collection of the tax can begin at the start of Q1, Q2 or Q3, provided that the Department of Revenue is notified 75 days prior to the start of those quarters. This means that the next deadlines would be April 17 for a Q3 2026 start and October 17 for a Q1 2027 start. It takes approximately 2 months for sales tax to be remitted to local jurisdictions.

Were Whatcom County to move forward with imposing this tax for a Q3 2026 collection start, Council would need to adopt the ordinance at the March 24 meeting, with the effective date 10 days after signature by the County Executive. If collections begin in July, the first distribution to the County would be at the end of September.

Per the CJTC website, several dozen cities have already moved to adopt the tax, including Bellingham and Lynden. Additionally, seven counties have passed ordinances adopting the tax, including Skagit, Clark and Thurston.

**Eligible Uses of Local Sales Tax Option.** Funds generated by this tax must be dedicated to "criminal justice purposes," which are broadly defined to include activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice and behavioral health systems occurs.

As such, this tax can be used to fund numerous county services and departments – Sheriff, District Court, Superior Court, Law Library, County Clerk, Prosecuting Attorney, Public Defense, Health and Community Services Response Systems Division, and Medical Examiner.

A non-exhaustive lists of additional services that HB 2015 lists as eligible include:

- domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates;
- staffing adequate public defenders to provide appropriate defense for individuals;
- diversion programs;
- reentry work for inmates;
- local government programs that have reasonable relationship to reducing the numbers of people interacting with the criminal justice system; community placements for juveniles; and
- community outreach and assistance programs, alternative response programs, and mental health crisis response.

**Potential Revenue and Budget Implications.** The anticipated revenue from a one-tenth of one percent sales tax in Whatcom County is approximately \$7 million annually.

During the mid-biennium review process, the Executive's Office compiled a non-exhaustive list of recently escalated costs eligible to be offset by this this revenue, in lieu of general fund cuts or service reductions:

- Jail health services (\$3.5M)
- Jail food services (\$300K)
- Sheriff's office lease (\$750K)

In addition to the above obligations, there are significant upcoming labor costs that will need to be budgeted, including but not limited to:

- Public Defense caseload standard impacts (\$2M+)<sup>1</sup>
- COLAs for public safety and criminal justice departments (\$2M+)
- Consideration of single-year 2026 budget cuts to Sheriff's Office (\$1.25M)
- Law Librarian
- Clerk and Superior Court unfunded mandates (e.g. uniform guardianship, clerk staffing ratios, etc.)
- New jail operational costs

Lastly, there are a range of new services that may be eligible uses of this tax revenue. Some examples include a law librarian, a criminal justice data and policy analyst, morgue capital costs, and more.

With potential uses of the revenue exceeding \$7 million, some of the above costs will need to be absorbed within existing budgets even if the new local option is implemented. Absent absorption of a portion of these costs, non-criminal justice departments will be faced with cuts to absorb the local impact associated with public defense caseload standards and other unfunded mandates in the criminal justice system.

The Executive's Office will work with Council to balance these priorities, as well as other general fund costs, as we work toward the 2027-2028 budget process. It will be helpful to have clarity on the Council's intentions with regard to this funding source ahead of the biennium budget process.

Please address any questions regarding to Jed Holmes, Public Affairs Manager (jholmes@co.whatcom.wa.us).

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<sup>1</sup> Note public defense staffing levels will need to be funded first to comply with caseload standard requirements and constitutional requirements with respect to the adequate provision of public defense.