

Washington Recreation & Park Association

End of Week 10 Report – Sunday, March 23, 2025

Sunday, March 23 marks the 70th day of the 2025 Legislative Session. The House and Senate continue public hearings on bills and are actively reviewing, amending, and moving legislation along in the process. The next legislative deadline is fast approaching – all bills must pass out of their respective policy committees by April 2 to remain alive this session. Like previous cutoffs, several bills will not advance and will die for the session. As always, exceptions to cutoff deadlines are bills considered *Necessary to Implement the Budget*. In addition to passing policy bills, the legislature will begin to publicly focus on the development and approval of the state's operating, capital, and transportation biennial budgets.

Feb. 21 – Day 40	Policy cutoff in house of origin – last day to pass bills out of the policy committees in the chamber they were introduced
Feb. 28 – Day 47	Fiscal cutoff in house of origin – last day to pass bills out of fiscal committees in the chamber they were introduced
Mar. 12 – Day 59	House of origin cutoff – last day to pass bills out of the chamber they were introduced (House bills out of House, Senate bills out of Senate). 5pm deadline
Apr. 2 - Day 80	Opposite house policy cutoff – all bills from the other chamber must pass out of the policy committees
Apr. 8 - Day 86	Opposite house fiscal cutoff – all bills from other chamber must pass out of the fiscal committees
Apr. 16 - Day 94	Last day to pass opposite chamber bills. 5pm deadline
Apr. 27 – Day 105	Last day of the regular session - Sine Die!

March Revenue Forecast

On March 18, Washington's Economic and Revenue Forecast Council published an updated outlook on Washington's financial situation. The latest forecast projects a slight increase in revenue collections this biennium, however the overall revenue forecast is down \$845 million over the next four years compared to November's estimates. According to the forecast council, the changes in projections are primarily the result of reduced forecasts for sales tax and business and occupation tax, as well as lower interest income. These declines are partially offset by stronger capital gains and estate taxes. The full report can be found [here](#). There was also acknowledgement of tariffs and some economic uncertainty in the near future.

Biennium	Forecast revenue	Change from Nov. forecast	% change
2023–25 (current)	\$66.44B	+\$54.4M	+0.08%
2025–27	\$70.95B	-\$479.0M	-0.67%
2027–29	\$76.42B	-\$420.2M	-0.55%

[Office of Financial Management](#)

Senate Democrat – Revenue Proposals

On March 20, [Senate Democrats released](#) the following outline on their plans for new revenue this year. The proposal contains five elements:

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- **Financial Intangible Assets Tax (SB 5797)**: The bill would implement a tax of \$10 on every \$1,000 of assessed value of certain financial assets (stocks, bonds, exchange-traded funds, and mutual funds) held by individuals with more than \$50 million of these assets. The release states that this would be paid by approximately 4,300 individuals and would generate approximately \$4 billion per year starting in fiscal year 2027. [The bill can be found here.](#)
- **Payroll Tax on Large Employers (SB 5796)**: The bill would implement a 5% tax on large employers on the amount of payroll expenses above the Social Security threshold — currently \$176,100 per year. This tax would apply to companies with \$7 million or more in payroll expenses. The initial release states this would be paid by approximately 5,300 companies and would raise approximately \$2.3 billion per year once fully implemented. The proposal would provide a credit for businesses in Seattle who are currently paying City of Seattle’s similar payroll tax. The policy as written would apply to both public and private employers. [The bill can be found here.](#)
- **Property Tax (SB 5798)**: This bill would remove the current 1% property tax growth limit and instead replace it to a combined rate of population growth plus inflation. It would allow local governments to also take a lower rate if preferred. The initial release states it would exempt participants in the “Property Tax Exemption for Senior Citizens and People with Disabilities” program from paying the state property tax and would raise approximately \$780 million over four years for the state, and then could also increase revenues for local governments. [The bill can be found here.](#)
- **Repealing Certain Tax Preferences (SB 5794)**: This bill would repeal 20 tax exemptions where the public policy objective was not (or unclear if) met based on recommendations from the Joint Legislative Audit & Review Committee. The repeals are estimated to generate approximately \$1 billion over the four-year budget cycle. [The bill can be found here.](#)
- **Reducing the State Sales Tax (SB 5795)**: This bill would reduce Washington’s base sales tax by a half-point, from 6.5% to 6%. Notably, this would decrease revenue by approximately \$1.3 billion per year. [The bill can be found here.](#)

House Democrat – Revenue Proposals

On March 21, [House Democrats released](#) the following outline on their plans to for new operating budget revenue this year. The proposal contains three elements:

- **Financial Intangible Assets Tax (HB 2046)**: The bill would implement a tax of \$8 on every \$1,000 of assessed value on certain financial assets (stocks, bonds, mutual funds, and index funds) with the first \$50 million of these assets exempt from the tax. Pensions, retirement accounts, and education savings accounts are also exempt. The release states this would be paid for by approximately 4,300 individuals and would raise approximately \$2 billion per year starting in fiscal year 2027. [The bill can be found here.](#)
- **Property Tax (HB 2049)**: This bill would maintain the current 1% property tax growth limit but allows for increases based on inflation and population changes, not to exceed 3% total. This bill also adjusts levy equalization methods for K-12 Education. The tax would raise approximately \$50 million in 2026 and \$150 million in 2027 for the state and then could also increase revenues for local governments. [The bill can be found here.](#)
- **B&O Tax on Large Businesses and Financial Institutions (HB 2045)**: This bill would impose a 1% Business & Occupation (B&O) surcharge on businesses with a taxable income of over \$250 million. It is estimated to impact 400 businesses statewide. The bill also includes an increase in the surcharge on specified financial institutions with annual net income of \$1 billion or more from 1.2% to 1.9%. This would impact approximately 200 financial institutions. The tax would raise approximately \$600 million in 2026 and nearly \$2 billion in 2027. [The bill can be found here.](#)

Tax Proposals Summary

	Senate	House
Financial Intangible	\$10/\$1,000 of assessed value (more than \$50m) 4,300 individuals to pay Raises \$4 billion/year	\$8/\$1,000 of assessed value (more than \$50m) 4,300 individuals to pay Raises \$2 billion/year
Property Tax	From 1% to combined rate of population growth plus inflation Raises State & Local \$	1% plus inflation and population growth (capped at 3%) and levy equalization Raises State & Local \$
Payroll Tax	5% tax on large employers on the amount of payroll expenses above \$176,100 per year (companies with \$7m or more); 5,300 companies Raises \$2.3 billion/year	n/a
B&O Tax	n/a	1% B&O tax surcharge on business with income over \$250m (400 businesses) 1.9% surcharge on financial institutions with income of \$1b or more (200 financial institutions) Raises \$600m in FY 2026; \$2 billion 2027
Repeal of Tax Preferences	Repeals 20 tax preferences Raises \$250million/year	n/a
Reduce Sales Tax	Reduces state sales tax from 6.5% to 6% Decrease of \$1.3 billion/year	n/a

Transportation Revenue

In addition to budgets, both House and Senate Transportation leaders plan to release new transportation revenue options on Monday. This is in addition to what is reported above.

Budget Release Dates

After budgets are released, they will be scheduled for public hearings and voted out of committee – typically within 24-48 hours. Once released, all [proposed budgets can be found here](#).

Budget	Bill	Release Date	Public Hearing	Scheduled Vote out of Committee	Approved by full Chamber
Senate Capital	SB 5195	TBD			

Senate Operating	SB 5167	3/24	3/25, 4:00pm	3/27, 4:00pm	
Senate Transportation	SB 5161	3/24	3/25, 4:00pm	3/27, 4:00pm	
House Capital	HB 1216	TBD			
House Operating	HB 1198	3/24	3/25, 4:00pm	3/27, 4:00pm	
House Transportation	HB 1227	3/24	3/25, 4:00pm	3/27, 4:00pm	

Upcoming Events

Agriculture & Natural Resources (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/24 @ 1:30pm

- [SHB 1261](#) - Exec Session - Providing tax relief for certain incidental uses on open space land.

Labor & Commerce (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/25 @ 10:30am

- [2SHB 1515](#) - Public Hearing - Modernizing the regulation of alcohol service in public spaces. (Remote Testimony Available).

Appropriations (House) - HHR A and Virtual JLOB - 3/25 @ 4:00pm

- [HB 1198](#) - Public Hearing - Making 2025-2027 fiscal biennium operating appropriations.

Transportation (House) - HHR B and Virtual JLOB - 3/25 @ 4:00pm

- [HB 1227](#) - Public Hearing - Making transportation appropriations for the 2025-2027 fiscal biennium. (Hearing is on the Proposed Substitute.)
- [HB 2043](#) - Public Hearing - Concerning transportation resources. (Hearing is on the Proposed Substitute.)

Transportation (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/25 @ 4:00pm

- [SB 5161](#) - Public Hearing - Making transportation appropriations for the 2025-2027 fiscal biennium. (Hearing is on the Proposed Substitute.) (Remote Testimony Available).

Ways & Means (Senate) - SHR 4 and Virtual JACB - 3/25 @ 4:00pm

- [SB 5167](#) - Public Hearing - Making 2025-2027 fiscal biennium operating appropriations. (Hearing is on the Proposed Substitute.)

Civil Rights & Judiciary (House) - HHR A and Virtual JLOB - 3/26 @ 8:00am

- [E2SSB 5098](#) - Exec Session - Restricting the possession of weapons on the premises of state or local public buildings, parks or playground facilities where children are likely to be present, and county fairs and county fair facilities. (Monitoring)

Appropriations (House) - HHR A and Virtual JLOB - 3/27 @ 4:00pm

- [HB 1198](#) - Exec Session - Making 2025-2027 fiscal biennium operating appropriations.

Transportation (House) - HHR B and Virtual JLOB - 3/27 @ 4:00pm

- [HB 1227](#) - Exec Session - Making transportation appropriations for the 2025-2027 fiscal biennium.

Transportation (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/27 @ 4:00pm

- [SB 5161](#) - Exec Session - Making transportation appropriations for the 2025-2027 fiscal biennium.

Ways & Means (Senate) - SHR 4 and Virtual JACB - 3/27 @ 4:00pm

- [SB 5167](#) - Exec Session - Making 2025-2027 fiscal biennium operating appropriations.

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/28 @ 10:30am

- [EHB 1814](#) - Exec Session - Streamlining certain decisions pertaining to the development or extension of a trail or path from the state environmental policy act.

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position	Priority
2SHB 1024 (SSB 5300)	St. Edward state park	Concerning the leasing authority of the state parks and recreation commission at St. Edward State Park.	S 2nd Reading	Kloba		
2SHB 1037 (Dead) (SSB 5053)	PFD formation	Concerning public facilities district formation.	H Rules C	Dent		
HB 1042 (Dead)	County treasurer costs	Authorizing cost recovery for county treasurers.	H Finance	Wylie		

SHB 1057 (Dead)	Access to federal funds	Promoting economic development by increasing support for local communities to access federal funds.	H Approps	Barnard		
HB 1148 (Dead)	Youth athletics/sales tax	Exempting goods and services provided by youth athletic facilities from sales and use tax.	H Finance	Schmidt		
SHB 1182 (Dead)	Parks & rec./interest arb.	Granting interest arbitration to certain parks and recreation commission employees.	H Approps	Paul		
HB 1197 (Dead) (SB 5166)	Operating budget, supp.	Making 2023-2025 fiscal biennium second supplemental operating appropriations.	H Approps	Ormsby		
HB 1198 (SB 5167)	Operating budget	Making 2025-2027 fiscal biennium operating appropriations.	H Approps	Ormsby		
HB 1216 (SB 5195)	Capital budget	Concerning the capital budget.	H Cap Budget	Tharinger		
HB 1227 (SB 5161)	Transportation budget	Making transportation appropriations for the 2025-2027 fiscal biennium.	H Transportation	Fey		
SHB 1261 (SB 5479)	Open space incidental use	Providing tax relief for certain incidental uses on open space land.	S Ag & Natural Re	Low		
HB 1288 (Dead)	Climate funding/outdoor rec.	Concerning environmental leadership through outdoor recreation and climate adaptation investments.	H Env & Energy	Dye		
HB 1334	Property tax revenue growth	Modifying the annual regular property tax revenue growth limit.	H Finance	Pollet	Support	
SHB 1380 (Dead)	Public property regulations	Allowing objectively reasonable regulation of the utilization of public property.	H Rules R	Gregerson		Monitoring
SHB 1437 (Dead) (SSB 5492)	Tourism promotion	Concerning sustainable state tourism promotion.	H Approps	Walen		
HB 1508 (Dead)	Ecosystem services	Expanding revenue generation and economic opportunities from	H Ag&Nr	Reeves		

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		natural climate solutions and ecosystem services.				
2SHB 1515	Alcohol service in public	Modernizing the regulation of alcohol service in public spaces.	S Labor & Comm	Reed		
HB 1526 (Dead)	Snack bar liquor licenses	Modifying the snack bar liquor license.	H Rules C	Schmick		
SHB 1684 (Dead) (SB 5597)	Water recreation facilities	Concerning water recreation facilities.	H Rules R	Thai	Concerns	
HB 1734 (Dead)	Outdoor learning grants	Concerning outdoor learning grants to expand and improve the delivery of outdoor learning opportunities.	H Cap Budget	Rule		
SHB 1774	Lease of unused highway land	Modifying allowable terms for the lease of unused highway land.	S Transportation	Fey	Support	
EHB 1814	SEPA/trails and paths	Streamlining certain decisions pertaining to the development or extension of a trail or path from the state environmental policy act.	S Environment, En	Fitzgibbon		
HB 1882 (Dead)	State tax on lodging	Imposing an additional temporary state tax on lodging.	H Finance	Cortes		
HB 1921 (Dead) (SB 5726)	Transportation revenue	Establishing new sources of transportation revenue based on motor vehicle use of public roadways.	H Transportation	Fey		
ESHB 1923	Passenger-only ferries	Increasing the availability of passenger-only ferries by establishing the mosquito fleet act.	S Transportation	Nance		
HB 1932 (Dead)	Cannabis consumption	Authorizing cannabis consumption in regulated environments.	H ConsPro&Bus	Morgan		
HB 1955 (Dead)	Fishing & shellfishing/youth	Encouraging youth participation in fishing and shellfishing.	H Ag&Nr	Rule		
HB 2043	Transportation resources	Concerning transportation resources.	H Transportation	Fey		

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HB 2045	Business and occupation tax	Investing in Washington families by restructuring the business and occupation tax on high grossing businesses and financial institutions.		Fitzgibbon		
HB 2046	Intangible assets tax	Creating fairness in Washington's tax by imposing a tax on select financial intangible assets.		Berg		
HB 2049	K-12 education funding	Investing in the state's paramount duty to fund K-12 education and build strong and safe communities.		Bergquist		
SSB 5053 (Dead) (2SHB 1037)	PFD formation	Concerning public facilities district formation.	S Ways & Means	Warnick		
E2SSB 5098	Weapons in certain areas	Restricting the possession of weapons on the premises of state or local public buildings, parks or playground facilities where children are likely to be present, and county fairs and county fair facilities.	H Civil R & Judi	Valdez		Monitoring
SB 5161 (HB 1227)	Transportation budget	Making transportation appropriations for the 2025-2027 fiscal biennium.	S Transportation	Liias		
SB 5166 (Dead) (HB 1197)	Operating budget, supp.	Making 2023-2025 fiscal biennium second supplemental operating appropriations.	S Ways & Means	Robinson		
SB 5167 (HB 1198)	Operating budget	Making 2025-2027 fiscal biennium operating appropriations.	S Ways & Means	Robinson		
SB 5195 (HB 1216)	Capital budget	Concerning the capital budget.	S Ways & Means	Trudeau		
SSB 5203 (Dead)	Wildlife safe passages	Ensuring connectivity for Washington wildlife through safe passages.	S Ways & Means	Salomon		

SSB 5300 (2SHB 1024)	St. Edward state park	Concerning the leasing authority of the state parks and recreation commission at St. Edward State Park.	H Env & Energy	Stanford		
ESSB 5390 (HB 1914)	Discover pass	Updating the cost of the discover pass and day-use permits.	H Approps	Stanford		
SB 5479 (Dead) (SHB 1261)	Open space incidental use	Providing tax relief for certain incidental uses on open space land.	S Ways & Means	Liias		
SSB 5492 (SHB 1437)	Tourism promotion	Concerning sustainable state tourism promotion.	H Exec Action	Riccelli		
SB 5597 (Dead) (SHB 1684)	Water recreation facilities	Concerning water recreation facilities.	S Health & Long-T	Harris		
SB 5726 (Dead) (HB 1921)	Transportation revenue	Establishing new sources of transportation revenue based on motor vehicle use of public roadways.	S Transportation	Ramos		
SB 5794	Tax preferences	Adopting recommendations from the tax preference performance review process, eliminating obsolete tax preferences, clarifying legislative intent, and addressing changes in constitutional law.	S Ways & Means	Salomon		
SB 5795	Sales and use tax rate	Reducing the state sales and use tax rate.	S Ways & Means	Krishnadasan		
SB 5796	Payroll expense tax	Enacting an excise tax on large employers on the amount of payroll expenses above the social security wage threshold to fund programs and services to benefit Washingtonians.	S Ways & Means	Saldana		
SB 5797	Intangible assets tax	Enacting a tax on stocks, bonds, and other financial intangible assets for the benefit of public schools.	S Ways & Means	Frame		

SB 5798	Property tax	Concerning property tax reform.	S Ways & Means	Pedersen		
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