

# Government Relations Updates

## Growth Management Policy Board

April 3, 2025

Updated  
as of  
4/2/2025



Puget Sound Regional Council



*We are leaders in the region to realize equity for all. Diversity, racial equity and inclusion are integrated into how we carry out all our work.*

[psrc.org/equity](https://psrc.org/equity)



# Federal Updates



- Budget reconciliation
- Continuing Resolution extended through Sept 30
- Impacts of cuts on housing and homelessness programs
- [PSRC reporting form](#)



# 2025 State Legislative Session

- Over 2,200 bills introduced
- Chambers considering opposite house bills
- April 8 Opposite House Fiscal Committee Cut-off
- Operating and Transportation Budget released 3/24, Capital Budget 3/31





# Senate Democrats Budget Proposal

**\$78.5b** budget 2 yrs

**\$17b** in new taxes, **\$6.5b** cuts 4 yrs

- Delays early learning and childcare programs
- Education – \$2.2b special education and \$422m MSOC over 4 yrs
- Reduces state worker salaries by 5%
- Uses rainy day fund
- Does not include \$100m for public safety



# Senate Democrats Revenue Proposal

- **Financial Intangibles Tax** – \$10 on every \$1,000 of assessed value of certain financial assets (stocks, bonds, exchange-traded funds, and mutual funds) for individuals with more than \$50 million of such assets
- **Remove Cap on Employer Payroll Taxes** – 5% employer paid payroll tax for employees earning over 176k (includes exemption for those paying Seattle tax)
- **Property tax growth limit**– Remove 1% cap, allowing growth by combined rate of population and inflation
- **Repeal tax preferences**
- **Cut Sales tax from 6.5% to 6%**

[Senate Democrats Revenue Proposal](#)



# House Democrats Budget Proposal



**\$77.8b budget**

**\$15b in new taxes**

- Delays Early learning and childcare programs
- \$1b less in new \$ for special education and public schools
- Includes \$50m for new police officers and \$50m for crime prevention
- Does not rely on furloughs

[Democrats in Washington Legislature pitch competing budget plans](#) (WA State Standard)



# House Democrats Revenue Proposal

- **Financial Intangibles Tax** – \$8 on every \$1,000 of assessed value of certain financial assets (stocks, bonds, exchange-traded funds, and mutual funds) with first \$50 million exempt
- **B & O Tax Increase**– 1% surcharge on businesses with taxable income over \$250m & increases surcharge on specified financial institutions with annual net income of \$1b or more from 1.2% to 1.9%.
- **Property tax growth flexibility** – maintains 1% cap on property tax growth but allows for increases based on inflation and population changes not to exceed 3%, adjusts school levy equalization methods to ensure equitable funding for historically underinvested areas of state

[House Democrats Revenue Proposal](#)

# Capital Budgets

## Senate

- \$600m Housing Trust Fund
- \$65m Connecting housing to infrastructure

## House

- \$598m Housing Trust Fund
- \$100m Connecting housing to infrastructure





# Transportation Budgets

- Revenues down, costs increasing
- Both House & Senate proposals rely on increased revenues, including increase to gas tax
- Senate includes fund transfer from operating budget
- House includes Highway Use Fee

[PSRC Executive Board Resolution](#)





# Housing Research Center



- Not Funded
- Budget ask:  
\$250,000 FY 2025  
and \$750,000 FY  
2026 and each  
subsequent year
- [One-pager](#)





# Bills of Interest

- [HB 1217](#) Rent Stabilization
- [HB 1096](#) Lot Splitting
- [SB 5559](#) Streamlining Subdivision Process
- [HB 1491](#) TOD
- [HB 1494](#) MFTE Adjustments
- [HB 1183](#) Modifying Building Code
- [HB 1403](#) Simplifying Condo Construction
- [HB 1403](#) Minimum Parking Requirements
- [HB 1135](#) GMA Planning Compliance







# Thank You!

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