

2025 Legislative Agenda

This session, state lawmakers must take bold action to sustainably support families, individuals, and working people – for the long term. **The Washington State Budget and Policy Center’s 2025 legislative agenda offers a twofold approach** for how the legislature can equitably address a projected budget shortfall while keeping the well-being of all our communities at the forefront.

1. Enact popular progressive revenue options that will offer much-needed sustainability in the state budget.

Progressive revenue must be a top priority this session. The current budget crisis is, in large part, the result of Washington state’s notoriously upside-down tax code that over-relies on people with low and moderate incomes to pay the highest rates of taxes. On the heels of the capital gains tax being upheld on the ballot in 2024, we know that people in this state support these kinds of progressive taxes to pay for important services. This session:

- **Lawmakers must take action to ensure the ultra-wealthy pay their share in taxes to support our state’s short-term and long-term needs.** They should pass a wealth tax, close tax loopholes for employers of high earners, and enact the Affordable Homes Act. Additional progressive revenue options must continue to be explored.
- **They must also reject outright any regressive tax proposals**, such as increases to the sales tax, which are unsustainable and deeply inequitable.

2. Pass racially just economic policies that support the long-term well-being of all Washington communities.

Legislators must enact policies and investments across these key issue areas:

Immigrant justice:

- **Establish a wage replacement program for undocumented workers facing job loss (similar to a state level unemployment insurance program).** The labor of undocumented workers has [contributed almost \\$400 million into the state unemployment insurance trust fund between 2010 and 2019](#) yet, these workers have never been able to fairly access these benefits. This commonsense policy is revenue-neutral and critical to supporting workers.

► In addition, lawmakers must:

- Fund a pilot program to increase equitable access to home weatherization services for immigrants.
- Make the Apple Health expansion a permanent program which gives people access to health care regardless of citizenship status.

Criminal legal system reform:

- **Fully eliminate court fees that disproportionately harm people who cannot pay.** Despite recent legislative wins limiting judges from imposing LFOs on people who are “indigent” (unable to pay monetary sanctions), [data shows that judges follow the law differently in different jurisdictions](#). Eliminating all court fees outright would ensure that across the state, jurisdictions are not funding the court system off the backs of people who will be trapped in a cycle of debt.
- ▶ In addition, lawmakers must include funding in the budget to continue state-level research on the impact of legal financial obligations.

Direct cash assistance:

- **Expand the highly successful Working Families Tax Credit (WFTC) so that young, working people in our state without children (18 to 24 year olds) can qualify for a cash boost.** This expansion would benefit around 85,000 young adults living and working on very low incomes,¹ particularly young people leaving the foster care system.
- ▶ In addition, lawmakers must:
 - Secure additional funds to continue highly successful regional guaranteed income pilots like the Growing Resilience In Tacoma (GRIT) program.
 - Create a new direct cash transfer program for young people experiencing homelessness.
 - Establish a Baby Bonds savings pilot program administered through the Washington State Treasurer’s office.

Tribal tax sovereignty

- **Lawmakers must engage with and follow the lead of tribal nations regarding the Department of Revenue’s agency-request legislation that adjusts state-tribal sales tax compacting agreements.** This proposal would adjust the current state-tribal sales tax compacting agreement to increase the share of state retail tax tribes can qualify for. On one hand, this is a positive adjustment to provide a higher share of sales tax revenue available to tribal nations. On the other hand, these compacts can impose on or erode the sovereignty of tribal nations by holding tribes to certain state-determined requirements in order to receive the retail sales revenue generated on their own land.

¹2024 calculations by the Washington State Department of Revenue