WOVE Legislative Update for Career and Technical Education

2025 Legislative Session | April 17, 2025

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This week legislators completed their policy-making work as the opposite house cutoff deadline cameand-went on Wednesday, April 16. Legislators are in the 13th week of the 2025 legislative session in Olympia, with today marking day 95 of the 105-day regular session. Bills labeled as Necessary to Implement the Budget remain active and can move quickly, especially those tied to revenue in fiscal committees, but everything else is determined idle until the second half of the biennium.

The House is currently reviewing tax proposals aimed at raising over \$1.1 billion for the 2025-27 biennium. Among these:

- Eliminate a tax exemption on precious metal bullion (\$29.3 million).
- Other proposals include taxing self-storage rentals, classifying custom software and staffing services as retail (\$413 million), and SHB 2033, which expands nicotine taxes.
- A luxury tax on high-end watercraft and aircraft (\$22 million), a 9.9% capital gains tax on gains over \$1 million (\$282 million), a tax on janitorial services (\$109 million), an increased B&O tax on pharmaceutical warehousing (HB 2091, \$172 million), and a tax on credit union-bank mergers (HB 1506, \$9.7 million) are also on the table.

Senate, major revenue bills include:

- 5% payroll tax on large employers, expected to generate over \$4.1 billion in 2025-27 and \$5 billion in 2027-29.
- 1% tax on intangible assets above \$50 million, also expected to raise \$4.1 billion in the next biennium.
- Cutting the sales tax from 6.5% to 6%, which would reduce revenue by \$3 billion by 2029.

We have seen several changes to both sides of the budget over the last ten days, with the Governor holding fast to his demand for no new wealth taxes or taxes on unrealized capital gains. The remainder of the session will be spent on finishing the revenue bills and getting to a go-home budget document that can pass both chambers and meets the demand of a very legislatively focused Governor.

Bill Highlights:

<u>Senate Bill 5192</u> - increasing funding school district Materials, Supplies, and Operating Costs was voted out of Senate Ways and Means on Thursday, February 27 with minority opposition. The bill will increase allocations for Materials, Supplies, and Operating Costs (MSOC) in the prototypical school model by 10% and provides that increased allocation amounts may only be expended on MSOC. The fiscal note on this is about \$300M for the biennium. This bill was voted out of Appropriations on April 5 and sent to House Rules on April 8. On April 12 the House approved this bill by a vote of 85-12.

House Bill 1167 - Directing the statewide Career and Technical Education task force to consider expanding and strengthening certain educational opportunities for careers in maritime professions. We expect this bill to continue a successful journey through the process and get voted out of Senate K-12 in the coming weeks. This bill came off the floor with a 96-0 vote in the first half and has since cleared its second half committee cutoffs. This bill was voted off the Senate Floor by a vote of 49-0 on April 9.

House Bill 1414 - This bill directs the statewide CTE task force to recommend changes to laws and practices affecting the training, certification, and employment of 16- and 17-year-olds enrolled in or who completed a CTE program. This bill cleared the Senate K-12 committee on March 27 and passed off the full Senate floor by a vote of 48-1 and was delivered to the governor on April 11.

<u>House Bill 1273</u> - This bill extends a pilot program to increase (CTE) dual credit participation and credit attainment by covering certain expenses of students, colleges, and high schools, and adds additional pilot programs in other educational service districts. It also requires SBCTC to hire a consultant to develop a plan and report to the Legislature for improving its online statewide enrollment and reporting system for CTE dual credit. This bill cleared the senate floor 48-0 and was delivered to the governor on April 15.

<u>Senate Bill 5358</u> - which affirms 6th graders as part of the CTE as well as other policy items, is clearing the necessary second half hurdles to stay alive. On April 4 the House Committee on Appropriations voted this bill out and sent it to Rules on April 8 for its last set of procedural votes. On April 10 the bill was adopted by the House on a 95-0 vote.

As we go throughout the session you can follow along the <u>daily schedule of the legislature</u> and see the <u>Senate Floor Calendar</u> and the <u>House Floor Calendar</u>.

WOVE Bill Status & Upcoming Events Report

Ways & Means (Senate) - SHR 4 and Virtual JACB - 4/18 @ 9:00am

- <u>SB 5794</u> Exec Session Adopting recommendations from the tax preference performance review process, eliminating obsolete tax preferences, clarifying legislative intent, and addressing changes in constitutional law.
- <u>SB 5798</u> Exec Session Concerning property tax reform.
- <u>SB 5797</u> Exec Session Enacting a tax on stocks, bonds, and other financial intangible assets for the benefit of public schools.

Bill#	Abbrev. Title	Short Description	Status	Sponsor	Position	Priority
SHB 1121	Work restrictions/age 16, 17	Concerning restrictions on the working conditions and hours of sixteen- and seventeen-year olds.	Del to Gov	McClintock	Support	
<u>HB 1167</u>	Maritime careers task force	Directing the statewide career and technical education task force to consider educational opportunities for careers in maritime professions.	S Passed 3rd	Shavers	Support	
SHB 1198 (ESSB 5167)	Operating budget	Making 2025-2027 fiscal biennium operating appropriations.	H Rules R	Ormsby		
SHB 1216 (SSB 5195)	Capital budget	Concerning the capital budget.	H Rules R	Tharinger		
2SHB 1273	Dual credit program access	Improving student access to dual credit programs.	Del to Gov	Paul	Concerns	
2SHB 1285	Financial education	Making financial education instruction a graduation requirement in public schools.	S EL/K- 12	Rude	Support	
ESHB 1414	CTE careers work group	Improving access to career opportunities for students.	Del to Gov	Connors		

HB 1556 (SB 5542)	HS completers/CTC tuition	Expanding tuition waivers for high school completers at community and technical colleges.	C 42 L 25	Entenman		
ESSB 5009	Student transp. vehicles	Modifying the student transportation allocation to accommodate multiple vehicle types for transporting students.	H Passed 3rd	Braun		
ESSB 5167 (SHB 1198)	Operating budget	Making 2025-2027 fiscal biennium operating appropriations.	S Conf appt	Robinson		
SB 5189	Competency- based education	Supporting the implementation of competency-based education.	H Passed 3rd	Wellman		
ESSB 5192	School district materials	Concerning school district materials, supplies, and operating costs.	H Passed 3rd	Nobles	Support	Medium
SSB 5195 (SHB 1216)	Capital budget	Concerning the capital budget.	H 2nd Reading	Trudeau		
2SSB 5358 (HB 1280)	Career & tech. ed./6th grade	Concerning career and technical education in sixth grade.	H Spkr Signed	Braun	Support	
<u>SSB 5738</u> (HB 1988)	Retired employees/work	Permitting individuals retired from the public employees' retirement system, the teachers' retirement system, and the school employees' retirement system additional opportunities to work for up to 1,040 hours per year while in receipt of pension benefits.	H Rules R	Wellman		
<u>SB 5792</u>	State employee compensation	Concerning temporary compensation reductions for state government employees during the 2025-2027 fiscal biennium.	S Ways & Means	Robinson		
<u>SB 5793</u>	Public employee health plans	Concerning employer contributions and incentives for public and school employee health benefit plans.	S Ways & Means	Robinson		
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		
<u>SB 5797</u>	Intangible assets tax	Enacting a tax on stocks, bonds, and other financial intangible assets for the benefit of public schools.	S Ways & Means	Frame		
<u>SB 5798</u>	Property tax	Concerning property tax reform.	S Ways & Means	Pedersen		

2025 Session Cutoff Calendar

April 27 Sine Die: Last day allowed for regular session under the state constitution.



Federal Legislation:

- ACTE Advocacy Webpage
- CTE Policy Watch Blog
- Take Action
- ACTE Policy Agenda
- Advocacy Resources

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