

WAADAC Final Legislative Report

April 28, 2025

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The Legislature adjourned Sine Die (Latin phrase meaning “without a day to reconvene”) Sunday evening, closing out a tumultuous and emotionally charged session marked by significant political tension, major fiscal challenges, and the deaths of two legislators. From the opening days, the atmosphere was fraught with division. Deep ideological splits over how to address the state’s financial crisis created an environment where lawmakers frequently clashed not only along party lines but also within their own caucuses.

The most pressing issue was the staggering \$16 billion budget deficit. The reality of the shortfall quickly consumed legislative discussions, setting the tone for the months ahead. Proposed cuts sparked widespread protests and added to the strain inside the Capitol. In response, a range of revenue ideas were debated, from new taxes on capital gains to expanded sales tax bases and proposals for bond measures.

At the same time legislators were battling over the budget deficit, several policy issues were front-and-center this session. These included a bill to limit annual rent increases; one to provide up to six weeks of unemployment insurance for striking workers; a bill requiring a permit to purchase a gun; and legislation addressing rights of parents of public school students.

The session was further shaken by the death of former House Speaker Frank Chopp. A towering figure in state politics for decades, Chopp's passing was mourned across party lines, with tributes highlighting his enduring legacy on affordable housing and social justice issues. Adding to the heavy mood, Senator Bill Ramos passed away while in office a mere two weeks from Sine Die. And on Saturday, Senator Gildon’s wife, Autumn, unexpectedly passed away.

The final \$77.8 billion operating budget includes nearly \$6 billion in cuts and close to \$9 billion in new revenue over the four-year outlook — significantly less revenue than legislative Democrats had initially sought. The final budget doesn’t tap the \$2 billion in Budget Stabilization Account (aka Rainy Day Fund) and leaves \$225 million in its cash reserves. The final budget also steers clear of furloughs for state employees, an option both Governor Ferguson and Senate Democrats had floated earlier in the session.

The final revenue package supporting the budget included an increase in business and occupation tax rates and an additional surcharge on businesses with more than \$250 million in state taxable revenue. The Legislature also passed bills that established new revenue including a sales tax on tech services and a capital gains tax on investment gains over \$1 million. A slimmed-down version of the wealth tax passed the Senate in the final hours of session but was not taken up by the House.

It remains unclear whether Governor Ferguson will support the budget in full or issue partial vetoes. His decision will be closely watched, as it could either cement cooperation with the legislative majority or trigger a new round of political negotiations in a special session.

Bills that have passed are now in the queue to be signed by the Governor if they have not been signed already. Bills that are delivered to the governor more than five days before the Legislature adjourns have

five days to be acted on. Bills that are delivered fewer than five days before the Legislature adjourns have 20 days to be acted on by the governor. Both are counted as calendar days, not business days. Sundays are not counted, but Saturdays and state holidays are.

Since this is the first year of the biennium, any bills that did not pass remain alive for consideration in the 2026 session.

WAADAC Bills of Interest

[HB 1427](#) expands access to and training for **peer support specialists**. It has been delivered to the Governor for his signature into law.

[HB 1432](#) updates Washington's **mental health parity** law. It has been delivered to the Governor for his signature into law.

[HB 1686](#), the bill directing the Department of Health to study the idea of creating a **health care entity registry**, has been signed into law. It becomes effective on July 27, 2025.

[HB 1813](#), concerning the **reprocurement of medical assistance services**, has been delivered to the Governor for his signature into law.

[SB 5361](#), the bill to **delay the use of the ASAM 4 criteria**, treatment criteria for addictive, substance related, has been delivered to the Governor for his signature into law.

Behavioral Health Budget Provisions

Here are some of the significant behavioral health budget items in the final budget as passed the Legislature...

Additions:

- Olympic Heritage BH Study Funding is provided for the Olympic Heritage Behavioral Health (OHBH) study, including an analysis of what types of beds should be operated at the OHBH facility, what entity/entities should provide services there, and strategies for optimizing federal Medicaid match for provided services. (General Fund-State) (One-Time) \$100,000
- Behavioral Health Parity Compliance Funding is provided for the enforcement of the federal Mental Health Parity and Addiction Equity Act with respect to fully insured health plans. (Insurance Commissioner's Regulatory Account-State) (Ongoing) \$666,000
- BH Occupational Therapy Funding is provided in FY 2026 to continue grants to support efforts to incorporate occupational therapists in behavioral health agency settings. (General Fund-State) (One-Time) \$300,000

- Crisis Relief Facility Grants Funding is provided for startup costs, operational subsidies, and rates for non-Medicaid enrollees for three Crisis Relief Centers. (Statewide 988 Behavioral Health Crisis Respsns Line-State) (Custom) \$15.3 million
- SUD Transitional Housing/Svcs Funding is provided for supportive housing and clinical services for mothers recovering from SUD, and their children. (General Fund-State) (Ongoing) \$200,000
- PAL and PCL Funding Model Funding is provided for an increase in operational costs for the Partnership Access Line (PAL) and Mental Health Referral Service for Children and Teens programs. (General Fund-State; General Fund-Medicaid; Telebehavioral Health Access Account-State) (Ongoing) \$244,000
- Behavioral Health Apprenticeship Funding is provided to administer, amend, or extend current or new grants to continue the growth of behavioral health apprenticeship programs. (Accident Account-State; Medical Aid Account-State) (One-Time) \$3 million

Reductions:

- MCO Behavioral Health Rates Funding for Medicaid Managed Care Organizations (MCO) capitation rates is reduced by 1 percent effective January 1, 2026. (General Fund-State; General Fund-Medicaid) (Ongoing) **\$27.7 million**
- Behavioral Health Housing Funding for programs that provide short-term housing subsidies and supports for individuals with mental health disorders and individuals with substance use disorders are reduced by 20 percent. This does not include a reduction for programs funded as part of the Trueblood settlement agreement. (General Fund-State) (Ongoing) **\$5.3 million**
- Long-Term Rate Enhancements Funding provided to pay a \$500 rate enhancement for civil conversion patients and those with high acuity levels in community long-term inpatient provider settings is reduced from 64 slots to 36 slots. State and federal funding is adjusted to reflect higher federal reimbursement for these services than previously assumed. (General FundState; General Fund-Medicaid) (Ongoing) **\$4.9 million**
- Outreach/Intensive Case Management Funding for Recovery Navigator Program (RNP) services is reduced by 20 percent. (General Fund-State) (Ongoing) **\$9.8 million**
- Recovery Residences Funding for recovery residences is reduced by 10 percent. (General Fund-State; Opioid Abatement Settlement Account-State) (Ongoing) **\$1 million**
- SUD Regional Administration Funding for Behavioral Health Administrative Services Organization regional planning for SUD recovery services is reduced by 50 percent. (General Fund-State) (Ongoing) **\$1.4 million**
- Assisted Outpatient Treatment Funding for Behavioral Health Administrative Services Organizations (BH-ASOs) to provide assisted outpatient treatment services is reduced by 10 percent. (General Fund-State) (Ongoing) **\$1.4 million**

- BHASO Jail Services Funding for BH-ASOs to provide mental health services for incarcerated individuals while confined in a county or city jail and to facilitate access to programs that offer mental health services upon release from confinement is reduced by 10 percent. (General Fund-State) (Ongoing) **\$458,000**
- CCBHC Bridge Funding The 2024 supplemental budget provided \$5.0 million in one-time bridge funding to continue support for Certified Community Behavioral Health Clinics (CCBHCs) in FY 2025 and FY 2026 while the service is being transitioned into the State's Medicaid plan. Funding for these bridge grants in FY 2026 is reduced by 10 percent. (General FundState) (One-Time) **\$500,000**
- Community & School Prevention Funding for contracts for prevention services with the Community Prevention and Wellness Initiative (CPWI) are reduced. In addition, a portion of CPWI funding is shifted to the Dedicated Cannabis Account. (General FundState; Dedicated Cannabis Account-State) (Ongoing) **\$424,000**

High Priority Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
2SHB 1427 Peer support specialists Concerning certified peer support specialists.	Del to Gov	Davis	
E2SHB 1432 (SB 5477) Mental health services Improving access to appropriate mental health and substance use disorder services.	Del to Gov	Simmons	
SB 5361 (HB 1469) ASAM 4 treatment criteria Delaying the use of the ASAM 4 criteria, treatment criteria for addictive, substance related, and co-occurring conditions.	Del to Gov	Dhingra	

Monitoring Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
HB 1234 (SB 5449) Counselors, etc. committee Concerning the mental health counselors, marriage and family therapists, and social workers advisory committee.	C 20 L 25	Simmons	
ESHB 1296 Public education system Promoting a safe and supportive public education system.	Del to Gov	Stonier	
SHB 1308 (SB 5345) Access to personnel records Concerning access to personnel records.	Del to Gov	Reed	

<u>EHB 1382</u>	All payers claim database Modernizing the all payers claim database.	Del to Gov	Tharinger
<u>SHB 1392</u> <u>(SB 5372)</u>	Medicaid access program Creating the medicaid access program.	Del to Gov	Macri
<u>E2SHB 1686</u> <u>(SB 5561)</u>	Health care entity registry Creating a health care entity registry.	C 142 L 25	Bronoske
<u>ESHB 1718</u>	Health care prof. well-being Concerning well-being programs for certain health care professionals.	C 97 L 25	Thai
<u>SHB 1811</u>	Crisis co-response Enhancing crisis response services through co-response integration and support.	Del to Gov	Salahuddin
<u>E2SHB 1813</u>	Medical assist reprocurement Concerning the reprocurement of medical assistance services, including the realignment of behavioral health crisis services for medicaid enrollees.	Del to Gov	Macri
<u>ESHB 2049</u> <u>(SB 5812)</u>	K-12 education funding Investing in the state's paramount duty to fund K-12 education and build strong and safe communities.	Del to Gov	Bergquist
<u>ESHB 2081</u> <u>(SB 5815)</u>	Business and occupation tax Modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies.	Del to Gov	Fitzgibbon
<u>E2SSB 5083</u> <u>(SHB 1123)</u>	Health carrier reimbursement Ensuring access to primary care, behavioral health, and affordable hospital services.	Del to Gov	Robinson
<u>ESSB 5167</u> <u>(SHB 1198)</u>	Operating budget Making 2025-2027 fiscal biennium operating appropriations and 2023-2025 fiscal biennium second supplemental operating appropriations.	H Spkr Signed	Robinson
<u>SSB 5388</u>	DOC behavioral health cert. Concerning department of corrections behavioral health certification.	Del to Gov	Dhingra
<u>SSB 5568</u>	State health plan Updating and modernizing the Washington state health plan.	Del to Gov	Cleveland
<u>ESSB 5794</u>	Tax preferences Adopting recommendations from the tax preference performance review process, eliminating obsolete tax preferences, clarifying legislative intent, and addressing changes in constitutional law.	Del to Gov	Salomon
<u>ESSB 5813</u> <u>(HB 2082)</u>	Tax rates/cap. gains, estate Increasing funding to the education legacy trust account by creating a more progressive rate structure for the capital gains tax and estate tax.	Del to Gov	Wilson

ESSB 5814 (HB 2083)	Excise taxes Modifying the application and administration of certain excise taxes.	Del to Gov	Frame
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Dead Bills

Bill Details	Status	Sponsor	Position
SHB 1123 (E2SSB 5083)	Health carrier reimbursement Ensuring access to primary care, behavioral health, and affordable hospital services.	H Rules R	Macri
HB 1124 (SSB 5112)	Prescribing psychologists Establishing a prescribing psychologist certification in Washington state.	H HC/Wellness	Simmons
SHB 1155 (SB 5437)	Noncompetition agreements Prohibiting noncompetition agreements and clarifying nonsolicitation agreements.	H Rules C	Berry
SHB 1198 (ESSB 5167)	Operating budget Making 2025-2027 fiscal biennium operating appropriations and 2023-2025 fiscal biennium second supplemental operating appropriations.	H Rules R	Ormsby
HB 1199 (SSB 5331)	Insurance code violations Strengthening consumer protection through increased insurer accountability for violations of the insurance code.	H ConsPro&Bus	Taylor
HB 1225	Budgeting process Reforming the Washington state budgeting process through requiring prioritized spending on essential state functions, placing limitations on state spending and revenue proposals, and requiring accountability for every dollar spent within the state budget.	H Approps	Couture
HB 1259	Behavioral health/schools Concerning supervision requirements for behavioral health professionals in elementary and secondary public schools.	H Postsec Ed & W	Shavers Support
HB 1262 (SB 5228)	Health disparities council Updating the governor's interagency coordinating council on health disparities.	H Rules C	Santos
HB 1320	Business & occupation tax Modifying business and occupation tax rates to fund programs and services to benefit Washingtonians.	H Finance	Street
HB 1413	Opioid reversal purchasing Prohibiting government purchases of opioid overdose reversal medications from certain entities.	H HC/Wellness	Reeves
E2SHB 1422	Drug take-back program Modifying the drug take-back program.	Del to Gov	Peterson
HB 1425	Pharmacogenomic testing Requiring coverage of pharmacogenomic testing for psychotropic medications.	H HC/Wellness	Davis

<u>HB 1433</u> (SB 5201)	Psychedelic substances Concerning access to psychedelic substances.	H HC/Wellness	Macri
<u>HB 1445</u> (SB 5233)	Washington health trust Developing the Washington health trust.	H HC/Wellness	Parshley
<u>HB 1451</u>	SVP civil commitment Concerning civil commitment of sexually violent predators.	H Community Safe	Griffey
<u>HB 1469</u> (SB 5361)	ASAM 4 treatment criteria Delaying the use of the ASAM 4 criteria, treatment criteria for addictive, substance related, and co-occurring conditions.	H HC/Wellness	Macri
<u>HB 1496</u> (SSB 5254)	Health care information Strengthening patients' rights regarding their health care information.	H HC/Wellness	Berry
<u>HB 1502</u>	Behavioral health teaching Establishing a behavioral health teaching clinic designation and enhancement rate.	H HC/Wellness	Rule
<u>HB 1507</u>	Health care nondisclosure Limiting health care nondisclosure agreements.	H Civil R & Judi	Scott
<u>HB 1520</u> (SB 5513)	Pharmacist scope of practice Expanding pharmacists' scope of practice to improve access to health care and the management of chronic diseases.	H HC/Wellness	Thai
<u>HB 1547</u> (SB 5126)	Student mental health net. Establishing a statewide network for student mental and behavioral health.	H Education	Santos
<u>SHB 1566</u> (SSB 5395)	Prior authorization/health Making improvements to transparency and accountability in the prior authorization determination process.	H Approps	Rule
<u>EHB 1574</u>	Substance use/care, services Protecting access to life-saving care and substance use services.	S 2nd Reading	Macri
<u>HB 1581</u>	988 line tax Increasing the statewide 988 behavioral health crisis response and suicide prevention line tax.	H Finance	Macri
<u>E2SHB 1589</u> (SB 5588)	Health carriers & providers Concerning the relationships between health carriers and contracting providers.	S Health & Long-T	Bronoske
<u>SHB 1634</u>	Behavioral health/schools Providing school districts and public schools with assistance to coordinate comprehensive behavioral health supports for students.	H Approps	Thai

<u>HB 1663</u> (SSB 5369)	Youth mental health/schools Enhancing youth mental health and well-being through advanced training and expansion of the workforce in schools.	H Education	Rule
<u>HB 1675</u> (2SSB 5387)	Corp. practice of medicine Concerning the corporate practice of medicine.	H HC/Wellness	Thai
<u>HB 1787</u>	Substance use/commitment Updating the involuntary treatment commitment standards for individuals suffering from a substance use disorder.	H Civil R & Judi	Griffey
<u>HB 1809</u>	Behavioral health response Professionalizing first responders and co-responders through training and reimbursement for behavioral health emergency response.	H HC/Wellness	Nance
<u>HB 1933</u>	Overdose information Providing universal access to overdose information to law enforcement and emergency services providers.	H HC/Wellness	Manjarrez
<u>HB 1957</u>	Health plan rate approval Providing consistency in the rate approval process for individual and small group market health plans.	H HC/Wellness	Schmick
<u>HB 1968</u>	Controlled sub. endangerment Concerning endangerment with a controlled substance.	H Community Safe	Rule
<u>SHB 1996</u>	Behavioral health diversion Authorizing a qualified county to impose a tax for the funding of behavioral health diversion from the criminal justice system.	H Rules R	Farivar
<u>HB 2001</u>	Sunsetting state entities Sunsetting all nonconstitutionally mandated state agencies, commissions, boards, task forces, work groups, and councils every 10 years absent affirmative reestablishment by the legislature.	H State Govt & Tr	Dufault
<u>HB 2038</u> (SB 5799)	Youth behavioral health acc. Establishing the youth behavioral health account and funding the account through the imposition of a business and occupation additional tax on the operation of social media platforms.	H Finance	Callan
<u>HB 2045</u>	Business and occupation tax Investing in Washington families by restructuring the business and occupation tax on high grossing businesses and financial institutions.	H Finance	Fitzgibbon
<u>HB 2046</u>	Intangible assets tax Creating fairness in Washington's tax by imposing a tax on select financial intangible assets.	H Finance	Berg
<u>HB 2072</u>	Opioid impact fee Sustaining and expanding behavioral health services by levying an opioid impact fee on opioid manufacturers.	H Approps	Davis

<u>HB 2082</u> (ESSB 5813)	Tax rates/cap. gains, estate Increasing funding to the education legacy trust account by creating a more progressive rate structure for the capital gains tax and estate tax.	H Finance	Street
<u>HB 2083</u> (ESSB 5814)	Excise taxes Modernizing the excise taxes on select services and nicotine products and requiring certain large businesses to make a one-time prepayment of state sales tax collection.	H Finance	Stonier
<u>SHB 2084</u>	Tax preferences Increasing funding for K-12, health care, and public safety by repealing or modifying tax preferences for certain industries and goods.	H 2nd Reading	Ramel
<u>SSB 5031</u>	Confinement health coord. Concerning health care coordination regarding confined individuals.	S Ways & Means	Wilson
<u>SSB 5112</u> (HB 1124)	Prescribing psychologists Establishing a prescribing psychologist certification in Washington state.	S Rules X	Bateman
<u>SB 5126</u> (HB 1547)	Student mental health net. Establishing a statewide network for student mental and behavioral health.	S EL/K-12	Nobles
<u>SB 5201</u> (HB 1433)	Psychedelic substances Concerning access to psychedelic substances.	S Labor & Comm	Salomon
<u>SB 5204</u>	Ibogaine-assisted therapy Concerning ibogaine-assisted therapy.	S Health & Long-	Salomon
<u>SB 5213</u>	Fentanyl possession Penalizing the possession of fentanyl.	S Law & Justice	McCune
<u>SB 5228</u> (HB 1262)	Health disparities council Updating the governor's interagency coordinating council on health disparities.	S Health & Long-	Riccelli
<u>SSB 5229</u>	Opioid overdose/civil commit Facilitating civil commitment for treatment for a person requiring revival by opioid overdose reversal medication.	S Ways & Means	Wagoner
<u>SB 5233</u> (HB 1445)	Washington health trust Developing the Washington health trust.	S Health & Long-	Hasegawa
<u>SB 5242</u>	Behavioral health resources Establishing an interactive screening program to improve access to behavioral health resources for health care providers.	S Health & Long-	Orwall
<u>SSB 5254</u> (HB 1496)	Health care information Strengthening patients' rights regarding their health care information.	S Ways & Means	Orwall
<u>SSB 5290</u>	Controlled subs. dismissal	S Rules X	Salomon

Allowing persons who complete substance abuse programs to seek dismissal of certain controlled substance related charges.

<u>SSB 5324</u> (SHB 1706)	Prior auth. APIs/health Aligning the implementation of application programming interfaces for prior authorization with federal guidelines.	S Rules X	Cleveland
<u>SSB 5331</u> (HB 1199)	Insurance code violations Strengthening consumer protection through increased insurer accountability for violations of the insurance code.	H ConsPro&Bus	Cortes
<u>SB 5345</u> (SHB 1308)	Access to personnel records Concerning access to personnel records.	S Labor & Comm	Saldana
<u>SSB 5369</u> (HB 1663)	Youth mental health/schools Enhancing youth mental health and well-being through advanced training and expansion of the workforce in schools.	S Ways & Means	Orwall
<u>SB 5372</u> (SHB 1392)	Medicaid access program Creating the medicaid access program.	S Health & Long-	Riccelli
<u>2SSB 5387</u> (HB 1675)	Corp practice of health care Concerning the corporate practice of health care.	S Rules X	Robinson
<u>SSB 5395</u> (SHB 1566)	Prior authorization/health Making improvements to transparency and accountability in the prior authorization determination process.	S Ways & Means	Orwall
<u>SB 5424</u>	UW health sciences campus Establishing a health sciences campus of the University of Washington.	S Higher Ed & Wo	Braun
<u>SB 5437</u> (SHB 1155)	Noncompetition agreements Prohibiting noncompetition agreements and clarifying nonsolicitation agreements.	S Labor & Comm	Stanford
<u>SB 5449</u> (HB 1234)	Counselors, etc. committee Concerning the mental health counselors, marriage and family therapists, and social workers advisory committee.	S Health & Long-	Slatter
<u>SB 5452</u>	Psychiatric pharmacists Allowing board-certified psychiatric pharmacists to be licensed as agency-affiliated counselors.	S Health & Long-	Slatter
<u>SB 5477</u> (E2SHB 1432)	Mental health services Improving access to appropriate mental health and substance use disorder services.	S Health & Long-T	Bateman
<u>SB 5481</u>	Behavioral health/schools Providing access to behavioral health services to children using licensed clinicians colocated within the school.	S Health & Long-T	Wilson

<u>SB 5513</u> (HB 1520)	Pharmacist scope of practice Expanding pharmacists' scope of practice to improve access to health care and the management of chronic diseases.	S Health & Long-	Slatter
<u>SB 5561</u> (E2SHB 1686)	Health care entity registry Creating a health care entity registry.	S Health & Long-	Cleveland
<u>SB 5588</u> (E2SHB 1589)	Health carriers & providers Concerning the relationships between health carriers and contracting providers.	S Health & Long-T	Cleveland
<u>SB 5666</u>	Mental health internships Establishing a public school-based mental health internship grant program.	S Higher Ed & Wo	Slatter
<u>SSB 5683</u>	Health carrier payment times Concerning health carrier transparency of payment timeliness of claims submitted by health care providers and health care facilities.	S Ways & Means	Slatter
<u>SB 5762</u>	988 line tax Increasing the statewide 988 behavioral health crisis response and suicide prevention line tax.	S Ways & Means	Orwall
<u>SB 5765</u>	Psychiatric pharmacists Concerning psychiatric pharmacists.	S Health & Long-	Slatter
<u>SB 5795</u>	Sales and use tax rate Reducing the state sales and use tax rate.	S Ways & Means	Krishnadasan
<u>SB 5796</u>	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>ESB 5797</u>	Intangible assets tax Enacting a tax on stocks, bonds, and other financial intangible assets for the benefit of public schools.	H Finance	Frame
<u>SSB 5798</u>	Property tax Concerning property tax reform.	S Rules	Pedersen
<u>SB 5799</u> (HB 2038)	Youth behavioral health acc. Establishing the youth behavioral health account and funding the account through the imposition of a business and occupation additional tax on the operation of social media platforms.	S Ways & Means	Wilson
<u>SB 5812</u> (ESHB 2049)	K-12 education funding Investing in the state's paramount duty to fund K-12 education and build strong and safe communities.	S Ways & Means	Wellman
<u>SB 5815</u> (ESHB 2081)	Business and occupation tax	S Ways & Means	Saldana

Modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies.
