



## **Pass progressive revenue to stabilize and pay for community-based disability and social safety net services**

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Because of federal changes, the state is facing huge new costs for Medicaid and food assistance, services that people with intellectual and other developmental disabilities (IDD) and their families rely on. At the same time, for years the state has failed to invest adequately in community-based disability services, jeopardizing the health and well-being of the IDD community.

We are asking legislators to raise progressive revenue for community-based care and other social safety net services that the IDD community relies on, including housing; essential needs; food assistance; and home- and community-based Medicaid services (HCBS), including waiver services through Developmental Disabilities Community Services.

### **DETAILS**

There are several bills from the 2025 state legislative session that are still in play, as well as new ones pre-filed for 2026:

- [SB 5797](#) passed the Senate at the end of last session. That bill would tax intangible assets (like stocks and bonds) in excess of \$50 million. (That means NO taxes on the first \$50 million in intangible assets someone owns, just on the amount over \$50 million.)
- [HB 1319](#) and [HB 2046](#) are similar bills introduced in the House
- Other options for progressive revenue include proposals to reduce the sales tax, to be offset by a wealth tax; and reduce transfer taxes on most real estate, to be offset by increasing those taxes on high-end property transfers
- [HB 2100](#) is a high-earners payroll tax

We need [money to pay for services](#), especially now that the federal government will require the state to pick up [\\$481 million more annually in food assistance](#), and undetermined new administration costs for Medicaid. Both could result in steep cuts to optional social safety net programs and optional Medicaid services, including Developmental Disability Community Services (DDCS).

But we can't keep raising sales taxes and property taxes. These hurt the same [people who rely most on the social safety net](#) and DDCS waiver services. They end up paying a lot more, as a percentage of their income, than those who are very wealthy.

Washington also [taxes the richest at much lower rates](#) than the national average.

Progressive revenue options look at ways to ease the tax burden on those with the least while shifting more taxes to those who are very wealthy. For instance, taxing assets like stocks and bonds that exceed \$50 million.

You can find resources that explain the effects of our upside-down tax code here:

<https://budgetandpolicy.org/resources-tools/>