

# 2025 WSBPA

## Legislative Impact Analysis

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Prepared for Washington State Bowling Proprietors


Updated: May 2, 2025



# Executive Summary

## 2025 Session Overview

 105-day session ended April 27, 2025

 \$77.8B biennial operating budget

 1,264 bills introduced, 383 passed

## How the \$16B Gap Was Closed:



Spending  
Reductions



New Tax Measures  
\$8.7-9.5 billion



Policy Adjustments

## Key Impacts for Bowling Centers

### Alcohol License Fees

HIGH IMPACT

50% increase in all alcohol license fees

SB 5786

### B&O Tax Changes

HIGH IMPACT

6.16% retail increase; 30% gaming increase

HB 2081

### Services Sales Tax

MEDIUM IMPACT

New taxes on IT, marketing, staffing

SB 5814

### UI for Striking Workers

MEDIUM IMPACT

6 weeks unemployment for strikers

SB 5041

### Paid Leave Expansion

MEDIUM IMPACT

Expands to 8+ employee businesses by 2028

HB 1213

### Tourism Promotion

POSITIVE IMPACT

\$9 million tourism marketing funding

SB 5492

# 2025-27 Operating Budget

## Budget Total

↑ 9% Increase

**\$77.8B** Total Biennial Budget

**i** Tax bills aim to raise \$9+ billion over four years

## Key Budget Highlights



**Law Enforcement**  
\$100 million for police hiring and retention



**Behavioral Health**  
Cuts include closure of Rainier School in Pierce County



**State Employees**  
No furlough days included in budget



**Education Funding**  
Priority investments in K-12 and early learning programs

### Budget Context




Budget addresses projected \$14-16B deficit through tax increases rather than major spending cuts

# 2025-27 Transportation Budget

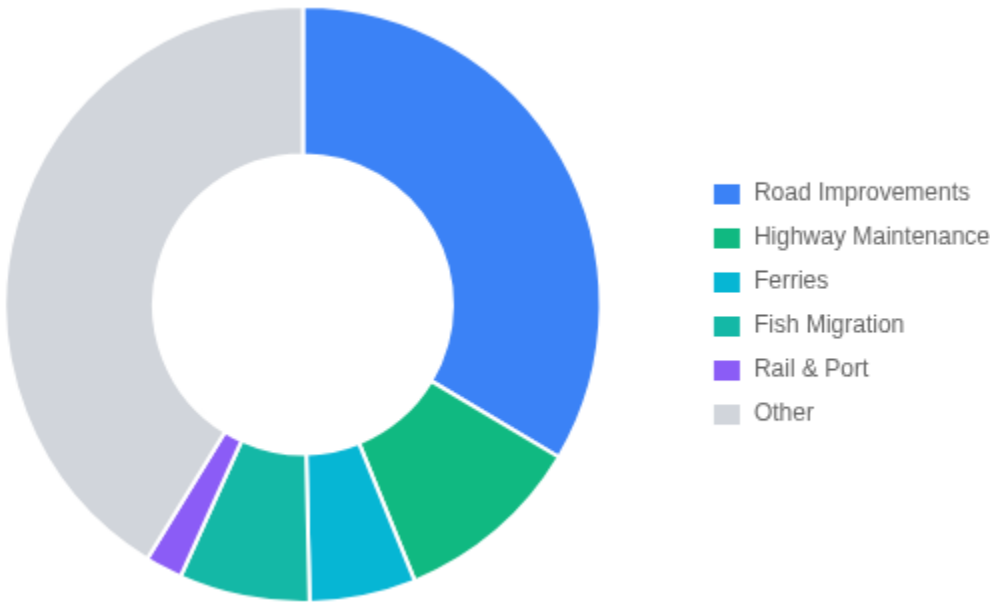
## Budget Total

↑ 17% Increase

**\$15.5B** up from \$13.2B

 Funded by 6-cent gas tax increase

## Budget Allocation



## Key Investments



### Road Improvements

One-third of total budget  
~\$5.2 billion



### Highway Maintenance & Preservation

\$1.6 billion



### Ferries & Terminal Upgrades

\$895 million



### Fish Migration Obstacle Removal

\$1.1 billion



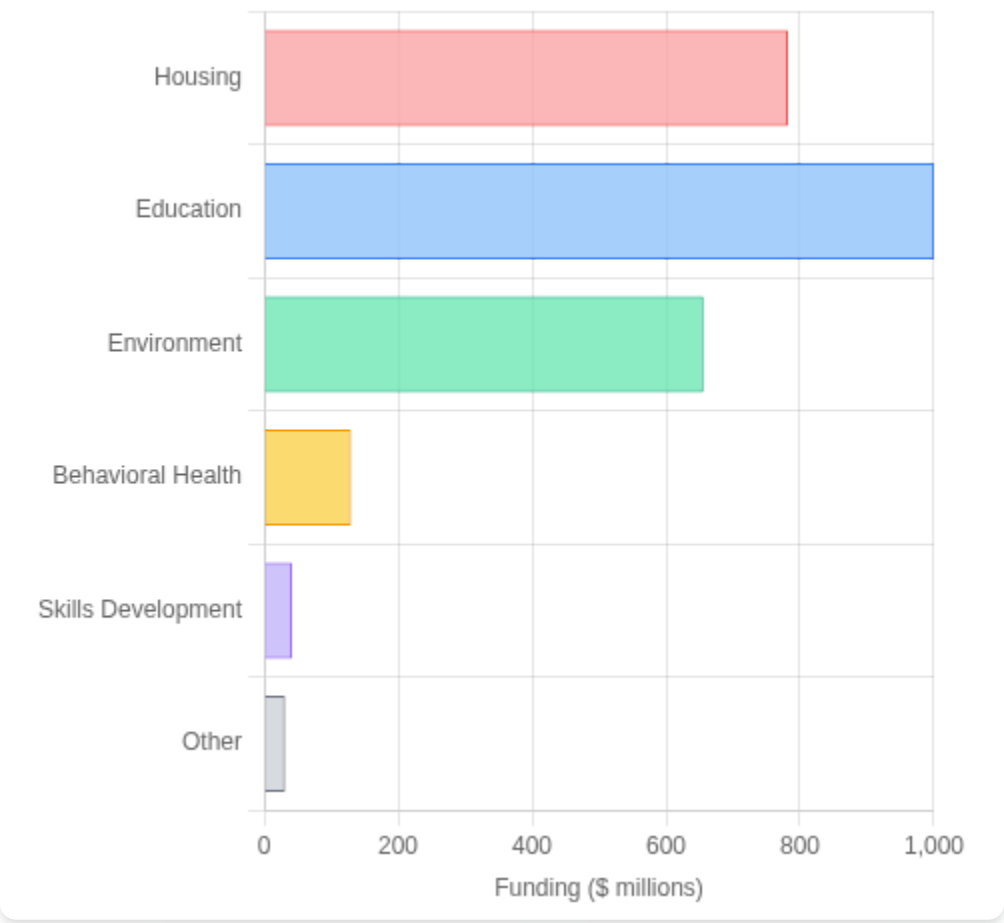
### Rail & Port Electrification

\$312 million

# 2025-27 Capital Budget




**\$7.5B** Total Investment

## Budget Allocation



### Affordable Housing




**\$782 Million**

-  Housing Trust Fund: **\$605M**
-  Multicultural Village: **\$12M**
-  Infrastructure Grants: **\$100M**






### Education Facilities

**\$1 Billion**

-  Small District Schools: **\$202M**
-  Seismic Safety: **\$151M**
-  Early Learning: **\$100M**



### Environmental Protection

-  Salmon Recovery: **\$365M**
-  Wildlife & Recreation: **\$120M**
-  Water Supply Infrastructure: **\$171M**



### Community Investments

-  Behavioral Health: **\$130M**
-  Technical Skills Center: **\$42M**
-  Local Libraries: **\$11.5M**
-  Food Security: **\$20M**


# High Impact Bills

⚠ HIGH IMPACT

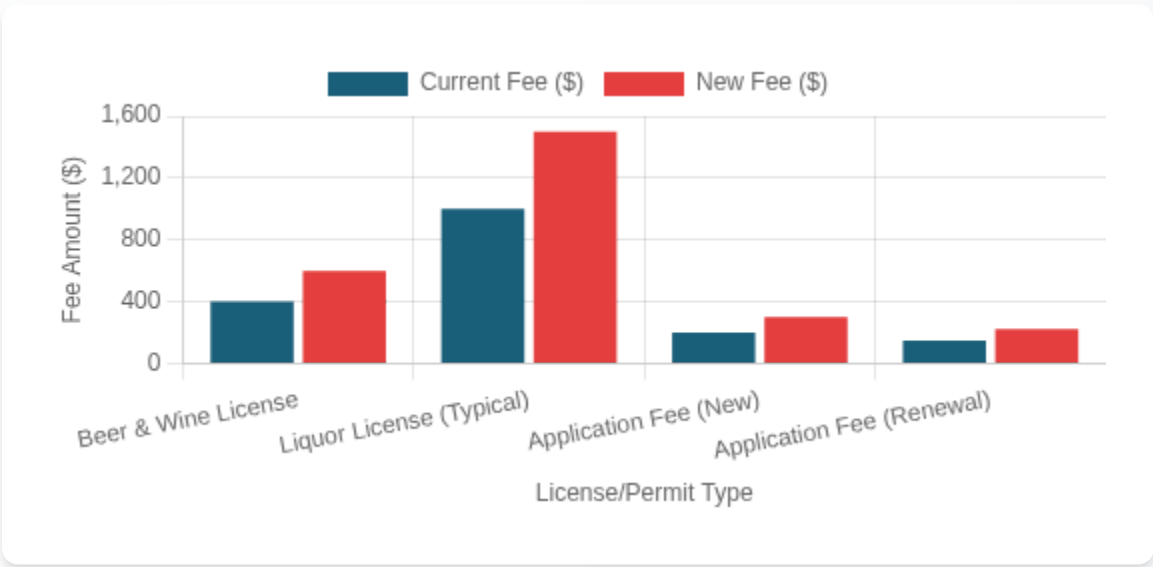
## SB 5786: Alcohol License Fee Increases

🔑 Status: Passed both chambers, delivered to Governor (as of May 2, 2025)

### Key Changes

-  **50% increase across all categories**  
All alcohol-related license and permit fees
-  **Beer and wine licenses**  
Increase from \$400 to \$600
-  **Liquor license fees**  
All categories for on-site sales increase by 50%
-  **Application fees**  
Both new and renewal applications increase by 50%

### Fee Increase Visualization



### Impact on Bowling Centers:

Immediate cost increase for **ALL** bowling centers with liquor licenses. Budget planning for license renewals will require adjustment to account for the 50% higher fees.

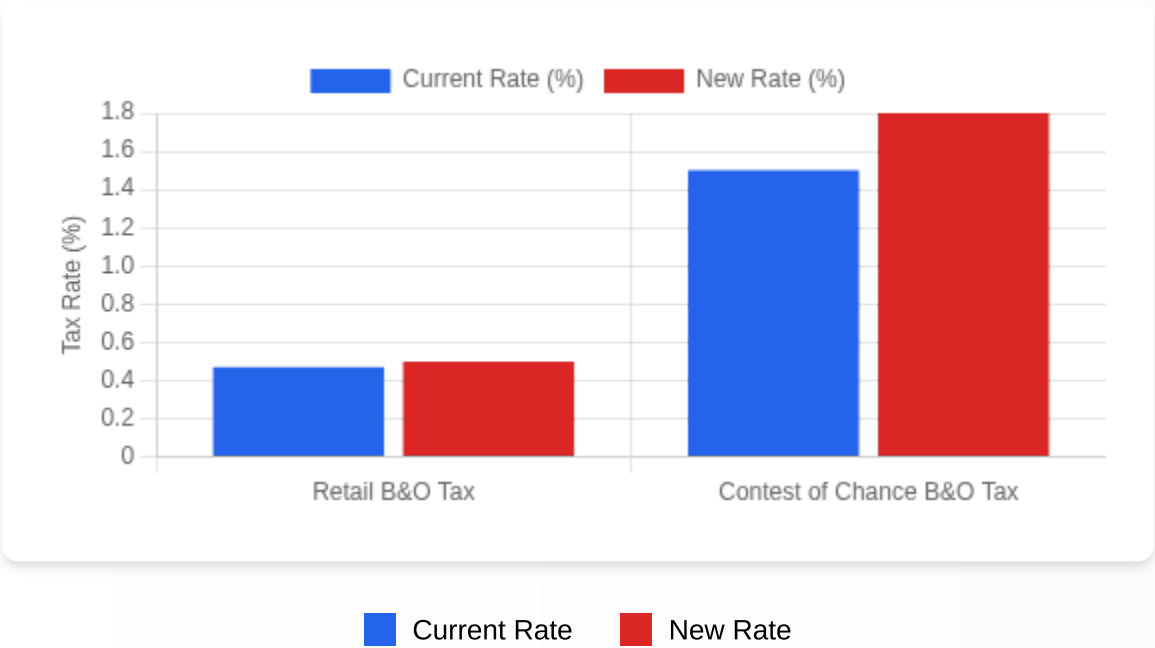
# High Impact Bills

⚠ HIGH IMPACT

## HB 2081: Business & Occupation Tax Changes

📌 Status: Delivered to Governor (as of May 2, 2025)

### B&O Tax Rate Changes



### Key Tax Changes



#### Retail B&O Tax +6.16% 2027

Increase from 0.471% to **0.5%**  
Takes effect in 2027



#### "Contest of Chance" B&O Tax +30%

Increase from 1.5% to **1.8%**  
Affects gaming, pull tabs, etc.



#### Large Business Surcharge +5%


For businesses with sales over \$250M  
May impact supplier costs

#### Impact on Bowling Centers:


Significant tax increase for centers with gaming activities; moderate impact on general retail operations starting in 2027.


# Sales Tax Extension to Services


! MEDIUM IMPACT


 SB 5814 | Status: Delivered to Governor (as of May 2, 2025)

## Newly Taxed Business Services

- 

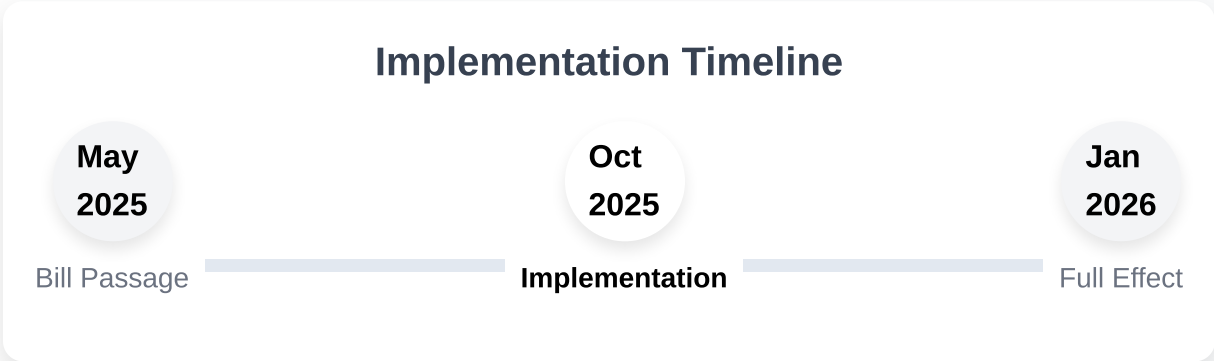
**IT Support & Development**  
Technical support, software, maintenance
- 

**Digital & Advertising**  
Marketing, social media, promotions
- 

**Temporary Staffing**  
Seasonal workers, security personnel
- 

**Website Development**  
Website creation, booking systems

**Impact on Bowling Centers:**  
Higher costs for essential business services. Budget for additional tax expenses starting October 2025.



- ### What Will Be Taxed
- ✓ Professional services previously exempt
  - ✓ Technical support & consultation
  - ✓ Marketing & promotional services
  - ✓ Contract & outsourced labor



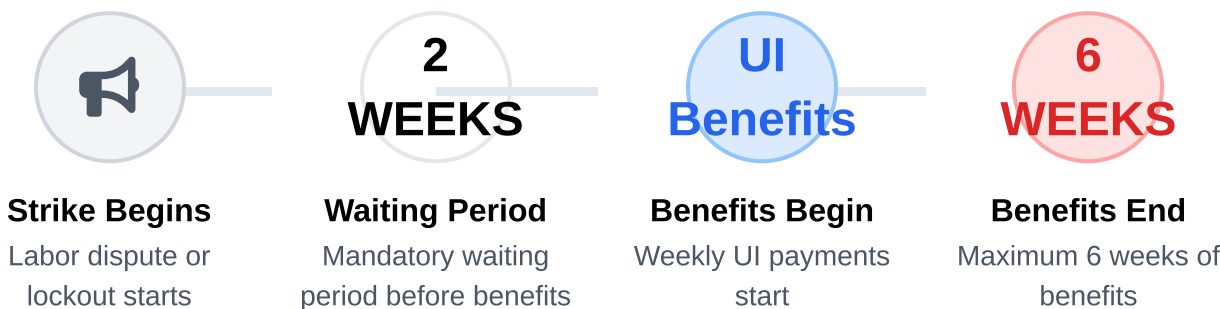
# Medium Impact Bills

! MEDIUM IMPACT

## SB 5041: Unemployment Insurance for Striking Workers

Status: Delivered to Governor (as of May 2, 2025)

### UI Benefits Process for Striking Workers



### Key Changes:

<b>Eligibility</b> Workers on strike or lockout now eligible for UI benefits	<b>Waiting Period</b> Two-week waiting period before benefits begin
<b>Duration</b> Benefits capped at maximum 6 weeks	<b>Cost Distribution</b> Charged to employer's UI experience rating

### How This Differs From Before

BEFORE	AFTER
<ul style="list-style-type: none"><li>No UI benefits for strikers</li><li>Labor disputes not covered</li><li>Workers without income during strikes</li></ul>	<ul style="list-style-type: none"><li>Up to 6 weeks of benefits</li><li>After 2-week waiting period</li><li>Employer pays via experience rating</li></ul>
<b>Final Compromise</b> The bill passed after a conference committee reconciled differences between House and Senate versions.	


# Paid Family & Medical Leave Expansion

! MEDIUM IMPACT

HB 1213 | Status: Passed legislature, awaiting Governor's action

## Job Protection Thresholds








### Small Business Grant Program

\$3,000 grants available for businesses with fewer than 50 employees

## Key Changes

-  **Expanded Job Protection**  
Smaller businesses must maintain positions and continue healthcare benefits during leave
-  **Eliminated Stacking**  
Employees can no longer take both federal and state leave concurrently
-  **Phased Implementation**  
Gradual rollout gives smaller businesses time to prepare

## Impact on Bowling Centers

- Smaller centers gradually subject to FMLA requirements (2026-2028)
- Centers with <50 employees may qualify for \$3,000 grants
- Must continue healthcare benefits for employees on leave


# Extended Producer Responsibility (EPR)


 MEDIUM IMPACT

 SB 5284 | Status: Delivered to Governor (May 2, 2025)



## What is EPR?

Extended Producer Responsibility requires manufacturers to manage the **entire lifecycle** of their products, including recycling and waste disposal.

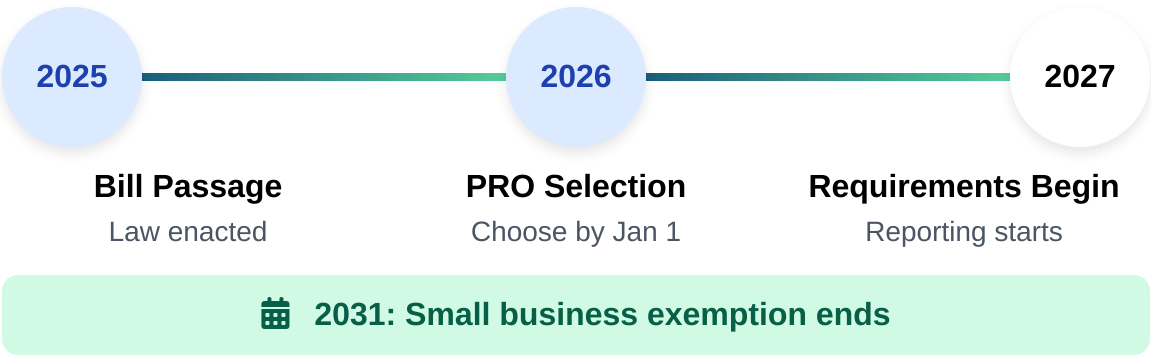
 **Washington is the 7th state**  
To require packaging producers to pay for recycling and waste reduction

 **Small Business Exemption**  
Businesses with **under \$5M** annual revenue (excluding alcohol) exempt until 2031





## EPR Process

-  Businesses join a Producer Responsibility Organization
-  PROs collect fees from businesses
-  Funds support recycling programs
-  PROs report to state government

## Implementation Timeline



## Affected Packaging

-  Food containers
-  Beverage containers
-  Single-use items
-  Bags & wrappers

## Impact on Centers

- New compliance requirements**  
For centers with food service
- PRO selection by Jan 2026**  
Required for compliance
- Supplier fee increases**  
May affect pricing
- Small centers exempt until 2031**  
If under \$5M revenue

 **Action Item: Determine if your center qualifies for exemption**

# Positive Impact Bills

👍 POSITIVE IMPACT



## SB 5492: Tourism Promotion

🔑 Awaiting Governor's Signature

\$ \$9 Million Biennial Funding

### Benefits for Bowling Centers:



#### Increased Visitation

State marketing drives tourists to recreation venues



#### Family-Focused Marketing

Campaigns promote family entertainment activities



## EHB 1602: Liquor Food Service

✅ PASSED & ENACTED

### Key Changes

- ✓ Updated food requirements
- ✓ Flexible menu options

### Benefits

- ➔ Lower operational costs
- ➔ Expanded menu options



### Alcohol Delivery Expiring July 1, 2025

SB 5448 temporary provisions expire with no extension passed despite WSBPA advocacy

# Failed Bills - Positive Outcomes

 POSITIVE OUTCOME

## Minimum Wage & Labor Cost Bills

Several bills that would have increased costs for bowling centers failed to advance:

### SB 5578

Accelerated minimum wage increase

Failed

### HB 1764


Scheduling flexibility restrictions

Failed

### HB 1181

Additional overtime requirements

Failed

 The WSBPA actively advocated against these bills while supporting more gradual, predictable minimum wage adjustments.

## How This Benefits Bowling Centers



### Predictable Labor Costs

Avoided steep, immediate labor cost increases that would have required significant price adjustments



### Scheduling Flexibility




Maintained ability to adjust staffing based on seasonal needs and special events



### Staff Management Options

Preserved current overtime rules that work better for entertainment venues with variable busy periods

### WSBPA Continues to Advocate For:

-  Gradual, predictable minimum wage increases
-  Tip credit system similar to most other states
-  Recognition of labor-intensive nature of bowling centers

# Failed Bills - Positive Outcomes

👍 POSITIVE OUTCOME



## BAC Reduction

SB 5067 & HB 1426

0.08% → 0.05%

Would have reduced legal blood alcohol concentration limit, making Washington the second state after Utah with such strict standards.

### Positive Outcomes:

- ✓ Avoided reduced alcohol sales
- ✓ Prevented increased liability risk
- ✓ Maintained customer experience



## Liquor Liability

HB 1977

Would have expanded liability for alcohol-serving businesses, even when customers showed no visible signs of intoxication.

### Positive Outcomes:

- ✓ Avoided increased legal exposure
- ✓ Prevented insurance premium increases

**i** WSBPA successfully lobbied against this bill



## Beer & Wine Tax

HB 2079

FAILED

This bill would have increased taxes on beer and wine products.

Higher Product Costs → Higher Menu Prices

### Positive Outcomes:

- ✓ Maintained competitive pricing
- ✓ Preserved profit margins

## 👍 Additional Failed Bills



### Syrup Tax (HB 1995)

Maintained tax exemptions for soft drink syrups



### Bottle Deposits (HB 1607)

Avoided container deposit management burden



### Credit Card Fees (SB 5070)

Maintained fee pass-through options

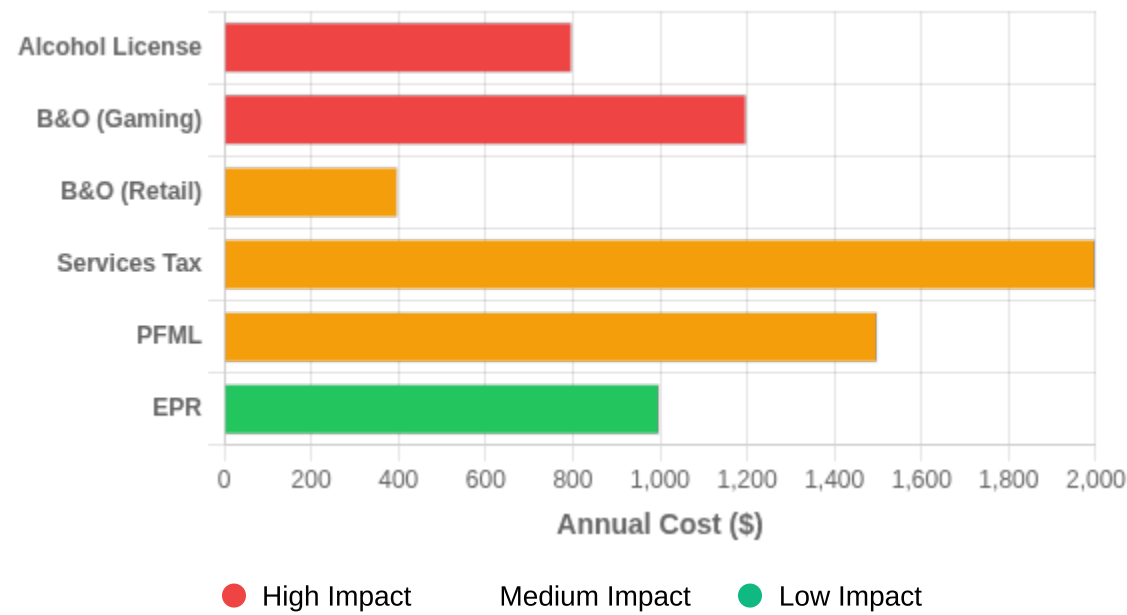


### Road Usage Charge (SB 5726)

Prevented additional transportation costs

# Financial Impact Summary

Estimated Annual Cost Increases



## 🔴 Immediate Fees

50% higher alcohol license fees affect all centers

## 📈 Gaming Tax

30% increase on gaming & contest activities

## 📋 Compliance

Administrative burden increases overhead costs

## Implementation Timeline

- 2025 50% Alcohol License Fees | Service Tax (Oct)
- 2026 PFML 25+ employees | EPR Selection
- 2027 B&O Retail Tax ↑ | PFML 15+ employees

## Impact by Business Size

- Small Centers MEDIUM IMPACT
- Mid-Size Centers HIGH IMPACT
- Large Centers HIGH IMPACT
- Small centers may qualify for EPR exemption & PFML grants

# Ongoing Legislative Priorities



## Tax Relief & Regulatory Fairness

- ✓ Equitable treatment vs. other entertainment businesses
- ✓ Tax breaks on equipment investment
- ✓ Oppose disproportionate tax burdens



## Labor & Employment Policies

- ✓ Gradual, predictable minimum wage increases
- ✓ Tip credit system similar to other states
- ✓ Recognition of labor-intensive business model



## Business Operations Modernization

- ✓ Make alcohol-to-go laws permanent
- ✓ Expand food and alcohol service options
- ! Priority: Extend alcohol delivery provisions (expiring July 2025)



## Emergency Preparedness

- ✓ Limit emergency powers for business closures
- ✓ Strengthen pandemic recovery programs
- ✓ Develop safe operations during health emergencies

### Get Involved:

WSBPA needs your support to advance these priorities in the 2026 legislative session



# Action Items for Bowling Center Owners

## ● Immediate Actions



### Budget for License Fees High Priority

Allocate additional funds for 50% increase in alcohol license and permit fees



### Review Service Contracts High Priority

Identify services that will be subject to new sales tax (IT, marketing, etc.)



### Assess Gaming Impact High Priority

Calculate the 30% B&O tax increase on gaming and pull tab activities

## Short-Term Actions



### Update HR Policies Medium Priority

Prepare for the expanded PFML requirements based on your employee count



### EPR Exemption Check Medium Priority

Determine if you qualify for the small business exemption (<\$5M revenue)



### Alcohol Delivery Plan Medium Priority

Prepare for the expiration of alcohol delivery provisions on July 1, 2025

## ● Long-Term Actions



### 2027 Budget Planning Plan Ahead

Account for the retail B&O tax increase from 0.471% to 0.5% starting in 2027



### Grant Application Plan Ahead

Prepare to apply for the \$3,000 PFML grant if your business has fewer than 50 employees



### Join WSBPA Advocacy Plan Ahead

Support WSBPA's efforts to advocate for industry priorities in the 2026 session



#### Resources Available:

[WSBPA Legislative Updates](#)

[Tax Planning Guidance](#)

[Compliance Checklists](#)

# Conclusion

## Key Takeaways

### New Financial Burdens

Increased fees and taxes will require budget adjustments

### Expanded Compliance Requirements

New programs and requirements phasing in over time

### Protective Victories

Defeat of bills that would have created greater burdens

### Continued Advocacy Needed

WSBPA working on ongoing priorities for future sessions

## Moving Forward

### Prepare Your Business

- ✓ Budget for increased costs and fees
- ✓ Review and update policies for compliance
- ✓ Check eligibility for exemptions and grants

### Engage With WSBPA

- ✓ Join industry advocacy efforts
- ✓ Stay informed through member updates
- ✓ Participate in 2026 legislative planning

## Together We Can Navigate These Changes

The WSBPA remains committed to advocating for bowling centers across Washington state and providing resources to help members adapt to new legislative requirements.

 [lex@incumbent.com](mailto:lex@incumbent.com)

 [www.wsbpa.org](http://www.wsbpa.org)

 (206) 801-1131

# Bill Reference Guide - Part 1

Passed and Upcoming Legislation

● High Impact    ● Medium Impact    ● Positive Impact

Bill Number	Description	Impact	Status
SB 5786	50% increase in alcohol license and permit fees	HIGH	PASSED
HB 2081	Business & occupation tax increases (retail & gaming)	HIGH	PASSED
SB 5814	Extension of sales tax to business services	MEDIUM	PASSED
SB 5041	Unemployment insurance benefits for striking workers	MEDIUM	PASSED
HB 1213	Paid Family & Medical Leave expansion (small businesses)	MEDIUM	PASSED
SB 5284	Extended Producer Responsibility for packaging & recycling	MEDIUM	PASSED
SB 5492	Tourism promotion funding (\$9M biennium)	POSITIVE	PASSED
EHB 1602	Updates to liquor food service regulations	MEDIUM	PASSED
SB 5448 (2023)	Alcohol delivery provisions	MEDIUM	EXPIRING

# Bill Reference Guide - Part 2

Failed Bills - Positive Outcomes

 Industry Wins

Bill Number	Description	Impact	Status
SB 5578	Accelerated minimum wage increase	POSITIVE	FAILED
HB 1764	Scheduling flexibility restrictions	POSITIVE	FAILED
HB 1181	Additional overtime requirements	POSITIVE	FAILED
SB 5067 / HB 1426	Reduction of BAC limit from 0.08 to 0.05	POSITIVE	FAILED
HB 1977	Expanded liability for establishments serving alcohol	POSITIVE	FAILED
HB 2079	Tax increases on beer and wine products	POSITIVE	FAILED
HB 1995	Repeal of tax exemptions for syrups in soft drinks	POSITIVE	FAILED
HB 1607	Container deposit system similar to Oregon	POSITIVE	FAILED

 These failures represent **successes** for bowling centers.

 [leg.wa.gov](http://leg.wa.gov)

# Compliance Dates & Resources

Key deadlines and contacts for navigating the legislative changes

## Key Compliance Dates

July 1, 2025	Oct 2025	Jan 1, 2026	Jan 2027	Jan 2028
<b>Alcohol Delivery</b> Temporary alcohol delivery provisions expire	<b>Services Sales Tax</b> Sales tax on business services begins	<b>Two Deadlines</b> <ul style="list-style-type: none"><li>EPR Organization selection due</li><li>PFML for 25+ employee businesses</li></ul>	<b>Three Changes</b> <ul style="list-style-type: none"><li>B&amp;O Tax increase to 0.5%</li><li>PFML for 15+ employees</li><li>EPR requirements begin</li></ul>	<b>PFML Expansion</b> PFML job protections apply to businesses with 8+ employees

## Resources & Contacts



### WSBPA Resources

- ✓ Legislative Updates & Alerts
- ✓ Compliance Guidance Documents
- ✓ Implementation Webinars

[www.wsbpa.org/resources](http://www.wsbpa.org/resources)

[membership@wsbpa.org](mailto:membership@wsbpa.org)



### State Agencies

- ✓ WA Dept. of Revenue
- ✓ Liquor & Cannabis Board
- ✓ Employment Security Department

[www.dor.wa.gov/taxes-rates](http://www.dor.wa.gov/taxes-rates)

[lcb.wa.gov/licensing](http://lcb.wa.gov/licensing)



### Industry Support

- ✓ Legal Consultation Resources
- ✓ Financial Planning Assistance
- ✓ Industry Best Practices

Contact WSBPA Legislative Committee:

[legislative@wsbpa.org](mailto:legislative@wsbpa.org)

[\(555\) 123-4567](tel:(555)123-4567)

