



**City of Redmond**  
**2026 End of Session Legislative Report**  
**April, 2026**

Dear Redmond City Council,

It was a pleasure to advocate on behalf of the City of Redmond throughout the 2026 Washington State legislative session.

The 2026 session marked the second year of the 2025–27 biennium and was largely defined by the Legislature’s responsibility to adopt supplemental operating, capital, and transportation budgets. Similar to previous years, this proved to be a challenging task. Lawmakers entered the short, 60-day session confronting a projected multi-billion-dollar budget gap driven by rising maintenance-level costs, caseload growth, inflationary pressures, and new obligations from recent policy expansions, even as revenue growth remained modest.

In response, the Legislature focused heavily on budget-balancing strategies, including targeted spending reductions, use of reserves, and adjustments to the tax code. A significant portion of the session was devoted to debates over tax fairness and affordability. Lawmakers also grappled with the downstream fiscal impacts of recent federal actions, as well as ongoing needs related to infrastructure, disaster response, housing affordability, and public safety.

Despite these headwinds, we were successful in advancing several priorities important to the City of Redmond, including \$515,000 in the final Capital Budget for the Hartman Park Playground project request. Just as importantly, we worked to ensure the City’s perspective was well understood by legislators as they weighed difficult tradeoffs in an election-year environment.

With session now adjourned, legislators will turn their attention to the November 2026 elections, with all House seats and approximately half of the Senate on the ballot. This political dynamic will shape both the interim and the policy landscape heading into next year.

Looking ahead, the 2027 legislative session will be a 105-day session and the first year of the 2027–29 biennium. The Legislature will shift its focus to developing full biennial budgets and considering more expansive policy proposals. In an evolving fiscal and political climate, consistent, strategic advocacy will be essential. I look forward to continuing to work with the City of Redmond during the interim to advance its priorities, strengthen legislative relationships, and ensure we are well positioned for the 2027 session.

Thank you,

Briahna Murray  
State Lobbyist  
Gordon Thomas Honeywell Government Relations

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## A. Session Overview

The legislative session convened on January 12 and adjourned 60 days later on March 12. During the short session, lawmakers focused on two primary responsibilities: adopting supplemental operating, capital, and transportation budgets, and debating and advancing legislation.

From a city perspective, the results of this past session indicate several trends: The Legislature:

- Continued its pattern of passing land-use mandates without attached funding. However, in refining several proposals, lawmakers incorporated more city input than they have in recent years.
- Declined to offer broad financial support for cities facing budget pressures, though it did pass a modest fiscal-flexibility measure ([House Bill 2442](#)) that introduces a few new revenue options that may help a small number of municipalities.
- Preserved most, though not all, state accounts that share funds with cities, but did not fully compensate for the expected financial losses that will occur once sales tax exemptions tied to the millionaire's tax go into effect.

The session was largely defined by Democrats' push to overhaul the state's tax structure. That effort culminated in final legislative approval of [Senate Bill 6346](#), which imposes a new 9.9 percent tax on household income above \$1 million. The bill also exempts hygiene products, diapers, and over-the-counter medications from sales taxes, expands those eligible for the small-business business and occupation (B&O) tax exemption and the working families tax credit, and removes the B&O tax surcharge on food wholesalers, health care services, hospitals and prescription drug resellers. The bill also proposes removing a sales tax on services that was enacted in 2025. The bulk of the funding generated – which is projected to raise between \$2.7 billion and \$3.8 billion per fiscal year – would largely go into the state general fund with 5 percent dedicated to the state's childcare/early learning fund. Intent language is included directing some of that funding to fully fund free breakfast and lunch in K-12 public schools. Supporters argued the measure begins to address Washington's long-standing reliance on regressive revenue sources, while Republicans warned it could open the door to broader income taxation. The bill is expected to be legally challenged, with opponents arguing that income is property and, therefore, a tax that does not apply to all taxpayers is not uniform and not in conformance with the State's constitutional requirement that all property taxes be uniform. The State Attorney General Nick Brown will defend the constitutionality of the law and will likely argue that income is not property, but a stream of revenue. In addition to enacting the above high-earner income tax, the Legislature also repealed increases to the state estate tax that were enacted in 2025 citing that the increases had made Washington State an outlier amongst other states.

Democratic leaders also advanced a slate of bills aimed at insulating the state from shifting federal policies. Lawmakers approved measures restricting the release of voter data, prohibiting law enforcement officers from concealing their identities while performing official duties, and anchoring vaccine guidance to state-level health authorities rather than federal

directives. Additionally, the budget allocates \$380 million to food assistance and Medicaid to counter funding reductions from the federal government. Democratic leaders described these actions as necessary to protect civil rights and public health.

In total, legislators introduced 1,238 bills during the session and enacted 268 into law.

Despite declaring the short session largely successful, Democratic leaders acknowledged that several major issues remain unresolved and are likely to resurface next year. These include regulating data centers more comprehensively, managing rising legal costs facing the state, stabilizing funding for public defense, revisiting public school funding, and securing long-term funding for ferry construction.

For Republicans, the session was largely defined by opposition. With limited leverage as the minority party, lawmakers relied heavily on procedural tactics and amendment strategies to slow or challenge Democratic priorities. That approach was most visible during the marathon House debate over the income tax bill, which stretched more than 24 hours and ranked among the longest floor debates in state history.

Legislators' budget work focused on making mid-biennial adjustments to the biennial budgets adopted during the 2025 session. The state's fiscal biennium begins July 1, 2025 and ends June 30, 2027. Funding from the high-earner income tax referenced above will not be available within this timeframe; if implementation proceeds forward as anticipated, funding from that proposal will be available in 2028, impacting the 2027-29 budget.

#### *2025-27 Operating Budget:*

The legislative session commenced with lawmakers confronting a persistent multiyear challenge - balancing the state's Operating Budget. Expenditures associated with state programs, many of which were expanded in recent years, continued to rise, while revenue growth softened. Additionally, changes to federal policies meant fewer resources were available for state services. The primary task of the short session was updating the 2025-27 biennial budget to account for these changes.

Although the February revenue forecast offered slightly improved expectations due to stronger than anticipated early collections from tax measures enacted in 2025, state economists cautioned that the cost of maintaining existing programs in K-12 education, health care, and long-term care costs continues to outpace projected revenues. Budget writers indicated early in the legislative session that they would not be entertaining requests for new projects or programs, and that their focus would remain on funding existing programs. The state also faces approximately \$1 billion in legal settlements for various claims that have been brought against the state for wrongdoing.

The supplemental operating budget authorizes an additional \$2.3 billion in spending, bringing the biennial budget to \$80.2 billion. To achieve a balanced Operating Budget, legislators relied on a combination of targeted program reductions, inter-account transfers, and new revenues generated by eliminating select tax preferences, including those affecting data centers, prescription drug wholesalers, and insurance carriers.

The enacted budget uses \$880 million from the Budget Stabilization Account and transfers an additional \$375 million from the Public Works Assistance Account to the state general fund. The Budget Stabilization Account is backfilled using funds from the LEOFF 1 retirement system, and the Public Works Assistance Account is backfilled with capital budget bond revenues. For a full list of account transfers and legislation impacting revenue, [click here](#).

Despite these adjustments, the state faces a projected \$878 million deficit in fiscal year 2027—a challenge for next year’s legislature, pending updated revenue forecasts. This deficit would significantly expand if the high earner income tax were invalidated by the courts or overturned by voters. The only reason the state is not required to have a four year balanced budget is that it utilized the Budget Stabilization Account during this biennium, which temporarily exempts it from the statutory four-year balance requirement.

*Local Government Fiscal Health:* In the four-year outlook, budget writers included language outlining their intent to transfer \$200 million from the state’s general fund to a new account called Local Government Fiscal Health. The intent of this allocation is to help offset some of the local tax reductions from the implementation of the sales tax exemptions included in Senate Bill 6346, the high-earner income tax. This amount fully mitigates local jurisdictions for the exemptions on hygiene products, diapers and other baby products, and over-the-counter medications. It does not mitigate the impact on local jurisdictions from repealing the sales tax on services that was enacted in 2025; cities began receiving increased sales tax collections from that tax change in Q1 of 2026. The \$200 million would be shared between cities, counties and transit agencies via a formula that is yet to be determined.

Other notable expenditures in the supplemental operating budget include:

- Roughly \$1 billion to cover the state’s self-insurance liability costs.
- \$15 million for grants to permanent supportive housing providers for operations, maintenance and service costs.
- \$25 million for Immigrant, Refugee, and New Arrival Supports.
- \$18 million for state employee collective bargaining agreements.
- \$82.4 million to the Disaster Response Account.

To view the summary of expenditures and reductions included in the supplemental operating budget, [click here](#). To view the text of the supplemental budget, [click here](#).

*2025-27 Transportation Budget:* Transportation Budget writers faced another challenging year in developing a balanced budget that meets the state’s transportation needs now and into the future. In the 2025 session the Legislature adopted a 6-cent fuel tax increase and a variety of other fee increases. That resulted in an estimated \$4.4 billion increase in revenue for the next three biennia. However, in the last three revenue forecasts, that estimate has been lowered by \$843 million. Said otherwise, 20 percent of the projected increase in resources from the 2025 session have been offset by decreases since then. The primary reason for the lower projection is declining fuel

consumption. Fuel tax collections represent 40 percent of the total forecasted revenues, which limits overall available transportation resources.

In developing the supplemental transportation budget, the top priority for Governor Ferguson, Democrats and Republicans, and both chambers was increasing investments in preservation and maintenance of the state's highway system, including ferries. The supplemental transportation budget appropriates \$16.6 billion, an increase of \$1.2 billion over the biennial budget. Of the total, \$10.2 billion (61 percent) is dedicated to capital projects and programs and \$6.4 billion (39 percent) to operating programs. The budget includes \$1.5 billion in new bond authority, sufficient to provide capacity for \$200 million in highway maintenance, \$1.3 billion in highway preservation and \$28 million in ferries preservation through the 2029-31 biennium. Additionally, to provide clarity and certainty for long-term planning, the supplemental budget plans for the next 3-biennia, through 2031. Click [here](#) to access Supplemental Transportation Budget documents.

*Highway Preservation and Maintenance:* For the current biennium, the supplemental budget allocates an additional \$40 million for the WSDOT Highway Maintenance Program, \$300 million for the Highway Preservation Program. In addition to these amounts, there is \$65 million in federal funding for state highway flood recovery and \$45 million for local highway flood recovery (\$30 million for county and \$15 million for city). These funds are specified for transportation infrastructure damaged during the December 2025 weather events.

*Ferries:* The state's ferry system includes 20 marine terminals and 21 car and passenger ferries with an average age of over 33 years. The supplemental budget allocates an additional \$4 million for preservation of ferries in the current biennium and doubles that amount in each subsequent biennia, for a total of \$28 million over 6 years. The budget advances \$29 million of previously allocated Climate Commitment Act resources to complete the construction of new hybrid electric ferries, with the first ferry anticipated to be delivered by 2030.

In contrast to the governor's budget, which provided funding for three new ferries, the supplemental budget allocates \$750,000 to the Joint Transportation Committee to convene a work group to consider options for long-term, financially sustainable vessel preservation and replacement. The work group's initial report is due to the governor and Legislature by December 15. The budget also includes \$500,000 for a feasibility study regarding the establishment of state owned or leased dry dock facilities which would enable WSDOT to control scheduling for maintenance of the ferry fleet.

*Local Project Impacts:* The supplemental budget makes no new investments in transportation projects at the state or local level. However, the budget includes intent to increase funding by \$107 million for the Regional Mobility Grant Program and the Rideshare Grant Program in the next two biennia. The application window for the Regional Mobility Grant Program is already open, and the signal of increased investment means there will be additional funding awarded in the upcoming cycle. Click [here](#) to learn more about the Regional Mobility Grant Program.

The final budget also incorporates the budgeting tool referred to as “resource smoothing” which assumes a \$180 million underspend of the Local Programs project list for the current biennium. This amount is invested elsewhere in the budget.

*Traffic Safety & Enforcement:* The biennial budget reduced funding for the Washington State Patrol (WSP) due to staff vacancies and the supplemental budget restores \$2.7 million of that reduction. An additional \$11 million is provided to WSP for capital and operational improvements. Other traffic safety-related investments include:

- \$250,000 for WSDOT to develop an implementation plan for a new Megaproject Safety Program.
- \$234,000 to report crash data and wrong-way driving violations at locations where wrong-way driving prevention strategies have been implemented.
- Establishment of an older driver reduced fee identicaid program for currently licensed drivers aged 70 years or older who wish to replace their driver's license with an identicaid or an enhanced identicaid.

*Looking Ahead:* The supplemental transportation budget makes relatively few changes to the underlying budget and signals intent to make more sweeping changes in the 2027-29 budget. Minimal funding is provided to complete studies and provide recommendations on a variety of issues, including:

- \$100,000 for the Joint Transportation Committee to facilitate review of the long-term financial sustainability of the transportation budget.
- \$640,000 for the Joint Transportation Committee to continue to oversee a Climate Emission Reduction Account investments tracking tool.
- \$400,000 for a report on the state's maintenance and preservation needs, including recommendations for a sustainable and integrated delivery plan and a public education program on investment needs and options.

*2025-27 Capital Budget:* The state's Capital Budget funds infrastructure and building construction for state and local communities through direct appropriations and grant programs. A percentage of the operating budget is dedicated to paying bonds issued to fund the budget. Of the three budgets, revenues in the capital budget were the most stable although not as ample as in previous years when there was an influx of federal funding from the American Rescue Plan Act (ARPA). The supplemental capital budget relies on debt limit bond capacity, Climate Commitment Act (CCA) accounts, and minimal other cash resources.

The supplemental Capital Budget authorizes \$889 million in new expenditures for a total of \$8.5 billion over the 2025-27 biennium. To help balance the operating budget, the capital budget transferred roughly \$1 billion in cash resources typically dedicated to capital purposes. These resources included capital gains, public works and higher education building accounts, described in more detail below. To view the supplemental budget and the associated project lists and grant programs, [click here](#).

Notable investments in the final Capital Budget include:

- The operating budget utilized \$375 million of the Public Works Assistance Account (PWAA) resources and the capital budget backfills the account with \$279.5 million of bond funding. There is \$100 million in existing bond backfill and the capital budget allocates \$10 million for emergency grants to local governments for public works projects impacted by the December 2025 flooding event. This brings the total amount of funding available in PWAA to \$389.5 million.
- An additional \$123 million in Housing Trust Fund investments which includes \$50 million for multifamily/rental units, \$40 million for preservation and \$55 million for homeownership.

## B. Key Funding and Legislative Requests

### State Support for Vulnerable Neighbors:

**Preservation of Services Amid Federal Cuts/Responding to Actions of the Federal Government:** Democrat legislators made it a priority throughout the 2026 legislative session to protect Washington State’s residents and values from the actions of the federal government. The Legislature backfilled federal cuts, advanced policies in response to ICE enforcement, and advanced policies to protect Washingtonians’ right to vote.

Within the budget proposals, the Legislature made several investments in programs that saw or will see a reduction in federal funding. The 2026 Supplemental Operating Budget allocates \$370 million in new funding for SNAP (Supplemental Nutrition Assistance Program) and Medicaid, complying with administrative requirements and backfilling cuts as much as possible.

On immigration, a slate of bills was introduced to make progress on this issue. Several bills were signed into law, including [House Bill 2105](#), which establishes immigrant worker protections; [Senate Bill 5855](#), which prohibits law enforcement at any level of government from wearing masks; and [House Bill 2165](#), which increases penalties for individuals who impersonate law enforcement officers. The legislature considered but did not approve many others including [House Bill 2464](#), addressing reporting requirements for private detention facilities; [House Bill 2597](#), strengthening immigration-related enforcement provisions; [House Bill 2641](#), updating standards for law enforcement hiring; [House Bill 2648](#), clarifying interactions between local agencies and federal immigration enforcement; [Senate Bill 5906](#), enhancing data and personal safety protections; [Senate Bill 6080/House Bill 2547](#), establishing new parameters for federal custody contracts; [Senate Bill 6109](#), concerning private detention investment restrictions; and [Senate Bill 6286](#), imposing fines on detention facilities, reflect ongoing legislative interest in regulating detention practices, increasing transparency, and setting clearer statewide standards for how local governments interact with federal enforcement systems, even though none of these measures crossed the finish line this session.

The Legislature approved two major voting-rights bills, [House Bill 1710](#) and [House Bill 1750](#), that together expand the Washington Voting Rights Act. House Bill 1710 requires jurisdictions with a voting-rights violation in the past 25 years to obtain authorization from the Attorney General before making changes to voting systems, district boundaries, or forms of government. House Bill 1750 broadens the definitions of voting-rights abridgement and dilution and limits the defenses jurisdictions may use to demonstrate compliance. Both bills reflect a statewide push to strengthen voting protections, though they also introduce new procedural and legal constraints for local governments.

**Hartman Park Playground:** Redmond requested \$500,000 to renovate Hartman Park Playground for safety and accessibility. **The final Capital Budget includes \$515,000 for this project request.** Sen. Dhingra and Rep. Springer advocated extensively to the capital budget writers for this funding to be included in the final capital budget.

### C. Regional Priorities

**Affordable Housing:** Local governments have consistently emphasized that meeting housing needs across all income levels will require significantly greater investment in housing serving households at 50% of area median income (AMI) or below.

The state's primary tool for funding affordable housing production is the Housing Trust Fund. In his capital budget proposal, Governor Ferguson recommended investing \$275 million in the program—an unusually large investment for a supplemental budget year. While the Legislature did not fully fund the Governor's proposal, it approved a substantial allocation to the program, reflecting continued legislative commitment to affordable housing development. Even with this investment, however, the Housing Trust Fund alone will not produce the level of housing needed for Washington State to meet its housing supply goals.

Several proposals were introduced this session that would have provided new local revenue options to support housing production. These included proposals to:

- Allow local governments to impose a tax on short-term rentals ([House Bill 2559](#))
- Authorize all jurisdictions to seek voter approval for an additional 0.25% real estate excise tax, similar to authority currently available to San Juan County ([House Bill 1480](#))
- Allow local governments to waive local sales and use taxes on affordable housing construction ([House Bill 1717](#))
- Modify existing incentives to support redevelopment of parking lots and underutilized sites into housing ([Senate Bill 5755](#))

While these proposals received legislative attention, none advanced during the short legislative session.

The Legislature did, however, provide additional flexibility in how existing housing-related revenues may be used. In recent years, lawmakers created two local-option sales tax tools to support housing investments:

- Establish a sales tax credit that cities can use to fund affordable housing ([House Bill 1406](#) from 2019)
- Authorize a local sales tax dedicated to housing and related services ([House Bill 1590](#) from 2020)

Both programs included restrictions on how revenues could be spent. This year, the Legislature approved [Senate Bill 6027](#) and [House Bill 2442](#), expanding flexibility by allowing these funds to be used for rental assistance, providing jurisdictions with additional tools to address housing affordability.

The Governor has also continued to advance his executive order establishing a Washington State Department of Housing. An advisory committee has been formed and has begun meeting to guide the development of the new agency, with the Association of Washington Cities serving as a participant. As part of this effort, a [survey](#) is currently being circulated to gather stakeholder input on the mission and role of the future agency. The survey includes several questions about how the agency should interact with cities in advancing housing policy, including topics related to land use and permit reform. Local governments are encouraged to participate and provide input.

**Religious Density Bonus:** [House Bill 1859](#), sponsored by Rep. Osman Salahuddin (D-Redmond), modifies the current requirement that cities and counties must grant increased residential density for affordable housing developments on property owned or controlled by religious organizations by lowering the affordability set-aside threshold from 100% of units to either 50% of units to be affordable to low-income households or 20% of units to be affordable to very low-income households, and clarifies that affordability is based on monthly housing costs not exceeding 30% of a qualifying household's income. The bill also requires local jurisdictions to develop policies to implement these density bonus provisions upon request from a religious organization and allows them to require higher affordability set-asides as a condition of receiving the increased density bonus. The bill was signed by the Governor on March 9. The effective date of this legislation is June 11, 2026.

### **Transportation and Infrastructure Funding:**

**Transportation:** Lawmakers have been prioritizing policies that aim to increase safety for all road users. This session, the legislature passed [Senate Bill 6066](#), authorizing and defining crash prevention zones, and [Senate Bill 6110](#), addressing the increase of e-motos use and developing a workgroup to define e-motos. Introduced in 2025, [Senate Bill 5067](#) lowers the blood alcohol concentration (BAC) limit for the operator of a vehicle or watercraft from 0.08% to 0.05%. This effort continued into the 2026 legislative session, making its way through the Senate but ultimately stalling in the House.

To support communities with infrastructure funding, [Senate Bill 6262](#) increased the maximum weight of vehicles subject to a transportation benefit district fee from 6,000 pounds to 9,000 pounds. However, the bill did not pass. The Association of Washington Cities and others hope to see this bill reintroduced in the 2027 session.

Another concept that was debated but didn't make it over the finish line was changing the revenue distribution method for cities that operate traffic safety cameras. Current law says that

cities must share 25% of net revenues from stationary cameras put in place after June 6, 2024. [House Bill 2711](#) would have changed it to require a city to remit \$5,000 annually for each device active in the previous 12 months, and an additional \$5,000 annually for each permanent camera that has been in place for at least four years. This shift was recommended by cities after a Senate concept proposed sharing 10% of gross revenues, which would have been far more costly to cities. This discussion was prompted by a desire for stable funding for the Cooper Jones Bicycle Safety Account, which is still needed. It is likely this issue will return in the 2027 session.

**Infrastructure Funding:** Local governments have the responsibility of constructing and maintaining infrastructure for public services like water, sewer, and stormwater. The state’s primary method of supporting local governments with this obligation is through the Public Works Assistance Account (PWAA). However, it is commonly an attractive option for operating budget writers to raid the PWAA when facing budget challenges. This year was no exception. The supplemental operating budget transfers \$375 million from the PWAA to the general fund, while the final capital budget provides an additional \$279.5 million in bond revenue to backfill the reduction. Combined with \$100 million in *existing* bond revenue backfill and \$10 million in new funding for emergency grants to public works projects impacted by extreme weather events in 2025, this gives the Public Works Board authority to award up to \$389.5 million in grants and loans for infrastructure projects in FY 2027. Overall, this results in an increase of \$14.5 million compared to the appropriations to the PWAA in the biennial budget. The capital budget also cuts in half an existing diversion from the PWAA to the Water Pollution Control Revolving Account, eliminating a \$20.5 million transfer that was scheduled for FY 2027.

As an alternative to the PWAA, legislators have proposed creating a Washington State Public Bank to lower the borrowing costs and provide financing for infrastructure and housing. [Senate Bill 5754](#) was originally introduced in the 2025 session and had a public hearing this session. However, the concept continues to lack the support needed to advance.

### **Economic Development:**

**Fiscal Sustainability:** While the Legislature has been focused on establishing a more stable and progressive fiscal structure for the state budget, local government budgets have not received the same level of prioritization or attention.

During the first year of the legislative biennium, significant energy was invested in a proposal to lift the [1% property tax cap](#). However, at the very end of the legislative session, Governor Ferguson indicated that he was not interested in signing such a proposal into law. Instead, the Legislature approved a [councilmanic sales tax increase for public safety](#). This change makes the local tax code more regressive and more vulnerable to the ups and downs of economic downturns and broader fiscal uncertainty.

During the 2026 legislative session, the Legislature continued this trend by approving yet another councilmanic sales tax increase—this time for children, youth, and families (House Bill 2442).

Additionally, if the proposed millionaire’s tax is upheld, several sales and use tax exemptions will take effect as the tax is implemented. While these exemptions are widely recognized as an opportunity to reduce cost burdens on low- and middle-income households, they will negatively impact local government revenues. The Legislature acknowledged this impact in a brief intent section that recognizes the potential reduction in local revenues and references \$200 million in mitigation funding in the four-year budget outlook. However, this amount would only partially offset the fiscal impacts of the proposal.

In the third and fourth quarters of 2026, cities will begin collecting sales tax revenues on services that became taxable under legislation enacted during the 2025 session. Many cities—though not all—will experience a modest increase in sales tax collections as a result. However, this revenue increase is temporary and will likely be repealed in 2029 if the millionaire’s tax is upheld.

**Enhance Revenue Flexibility:** This year focused on identifying and advancing opportunities to enhance existing revenue tools, making them more adaptable and easier for local governments to implement. This includes exploring options to expand councilmanic authority and lifting restrictive caps so that city revenues can keep pace with inflation and evolving community needs:

Small Works Roster Expansion: [House Bill 2420](#), sponsored by Rep. Janice Zahn (D-Bellevue), incrementally raises the maximum contract amount eligible for small works roster procurement, allowing the limit to increase from \$350,000 to \$650,000 over a phased period while clarifying that the thresholds are based on estimated cost not including sales tax and retaining existing documentation, direct contracting, and public access provisions.

Tax Increment Financing Revisions: [House Bill 2451](#), sponsored by Rep. Davina Duerr (D-Bothell), addresses special district concerns while maintaining and tightening the tax increment financing (TIF) tool. The bill is the result of a stakeholder workgroup convened by AWC last year to discuss how TIF works, what the impacts are, and potential revisions to the tool. It makes multiple changes to local TIF rules to clarify project eligibility, require mitigation for affected taxing districts, restructure revenue apportionment, and limit the use of the mandatory multifamily property tax exemption in increment areas taking effect on or after June 2, 2026. The bill applies its changes prospectively, so existing increment areas are not modified.

**State-Shared Revenues:** Over the years, the state has been reluctant to increase state-shared revenues, and this year was no exception. In fact, the final supplemental budget *reduces* cannabis revenue-sharing to cities and counties by \$5 million. While any reduction in state-shared revenues is unwelcome, the impact is considerably smaller than the reductions experienced during the recession

## D. Policy Issues

### Housing

**Land Use:** The Legislature has continued its trend of preempting local governments in the name of increasing housing supply. During the first year of the biennium, lawmakers limited cities' authority to require housing developers to provide parking to reduce development costs. In the second year of the biennium, the Legislature advanced a similar proposal limiting cities' authority to require ground-floor retail or commercial space in new developments. The bill—requested by Governor Ferguson and Lieutenant Governor Heck—was supported by major employers such as Microsoft and Amazon, along with the Master Builders Association and the Sightline Institute. After several rounds of negotiations, the Legislature approved a final version of [Senate Bill 6026](#), which the Governor signed into law. While the bill limits local authority, the final version retained some ability for cities to require ground-floor commercial or retail uses in certain circumstances. Unless there is a significant political shift, legislative mandates affecting local land use authority in the name of increasing housing supply are likely to continue in future sessions.

For the second consecutive session, lawmakers considered legislation that would have significantly limited cities' authority to regulate or remove individuals occupying public rights-of-way, including individuals experiencing homelessness who are living in encampments. [House Bill 2489](#) was approved by the House Housing Committee but did not advance further in the legislative process. Despite not passing, the proposal generated significant attention and opposition. Each year this policy is introduced and debated, it draws substantial interest from local governments, advocacy groups, and legislators due to its potential impact on cities' ability to manage public spaces and address encampments within the public right-of-way.

The Legislature has also continued to focus on the regulation and siting of “step housing” types, including shelters, transitional housing, emergency housing, and permanent supportive housing. In 2021, the Legislature adopted [House Bill 1220](#), which required cities to allow these housing types in areas where hotels are permitted. The bill was influenced in part by events in Renton, where a Red Lion hotel was converted into a shelter and generated significant public debate about public safety impacts. At the time, cities were allowed to adopt reasonable occupancy, spacing, and health and safety regulations. However, local regulations adopted across the state have varied widely, and in some cases have been written narrowly enough to effectively prevent shelters from locating in a community.

To address these concerns, the Legislature adopted [House Bill 2266](#) this session. The bill modifies existing law by requiring cities to allow permanent supportive housing and transitional housing in all residential zones and requiring shelters and emergency housing in all zones where hotels are allowed. It also narrows the types of spacing, occupancy, and health and safety regulations that cities may adopt. One notable provision allows cities to impose additional operational requirements when a jurisdiction contributes general fund dollars or public land to a project. Proponents believe the bill will create greater statewide consistency in how these housing types are regulated.

In addition to land use mandates, lawmakers have also focused on local permitting processes. In 2021, the Legislature adopted [Senate Bill 5290](#), establishing permit review timelines for local

governments. While jurisdictions may set their own timelines, they must meet statutory performance requirements. The law also requires the Department of Commerce to study permitting timelines statewide. Commerce released its first report shortly before the start of the legislative session, establishing baseline data and indicating that permit review timelines vary widely among jurisdictions.

This session, the Legislature adopted [House Bill 2418](#), which makes modest changes to local permitting requirements, including clarifying when an application is considered complete and requiring jurisdictions to designate a permit review office or point of contact. Lawmakers also considered [Senate Bill 5729](#), which would have required cities to accept architectural or engineering plans approved by licensed professionals, but that proposal did not advance. Governor Ferguson and other stakeholders have indicated that additional permit reform will likely be pursued in future sessions as part of ongoing efforts to reduce housing development timelines and costs.

**Preserve Manufactured Home Parks & Infill Incentives:** City of Redmond continued to advocate for protections for manufactured housing communities ([RCW 59.20](#)) and for incentives that support infill housing on underutilized parking lots, both strategies aimed at expanding affordable housing options. A significant proposal that would have undermined these efforts, [House Bill 1443](#), returned from the 2025 session but again failed to advance following strong advocacy from cities. Sponsored by Rep. Mia Gregerson, the bill would have required cities to allow “homes on wheels”, including RVs, travel trailers, and tiny homes on wheels, on residential lots under specified conditions.

## Environmental Sustainability

**Environment/Natural Resources:** The legislature considered several bills aimed at protecting the environment, including [House Bill 2233](#) which would have expanded the restrictions on the use of plastic carry out bags and [House Bill 2271](#), which would have established new thresholds for post-consumer recycled content for plastic products. Neither bill made it out of the House of origin though both are expected to return in 2027. Product stewardship for textiles ([House Bill 1420](#)) and bottles ([House Bill 1607](#)) also both failed after their second year of being considered. Extensive stakeholder work is expected over the interim on both pieces of legislation. The most notable environmental bill to pass this session is [Senate Bill 6355](#) which got a late start in a short session but it through the process in just 15 days. The bill creates the Washington Electric Transmission Authority to ensure the state has adequate grid capacity for the growing demand for electricity.

**Stormwater Regulation Flexibility:** The Legislature did not take action in 2026 on proposals to scale stormwater engineering and NPDES requirements to project size. No bills were introduced to amend [RCW 90.48](#) or adjust Ecology’s stormwater standards, despite ongoing concerns that one-size-fits-all requirements add significant costs and delays to housing and infrastructure projects. Cities continue to advocate for streamlined, flexible approaches that maintain water quality while reducing unnecessary regulatory burden, but no legislative changes were adopted this session.

**Culvert Injunction:** The state must identify approximately \$5 billion to eliminate state-owned culverts and remove other barriers hindering fish passage, as required by a federal court ruling. It seems unlikely that the state will meet the court’s 2030 deadline and is currently engaged in mediation with the Tribes who initiated the lawsuit. The ongoing mediation essentially eliminated this topic from discussion during the 2026 session. Neither the transportation budget nor the capital budget made new investments in fish barrier removal at the state or local level.

**Wildfire Preparedness and Reform:** The Legislature considered a wide range of proposals addressing wildfire risk across the homeowners’ insurance market, community associations, and utility sectors. Several bills advanced through policy committees but ultimately did not get across the finish line, including [Senate Bill 6079](#), which would have created a voluntary grant program to help homeowners retrofit existing structures, and [Senate Bill 5928](#), requiring insurers to disclose wildfire risk scores. Additional proposals: [House Bill 2089](#), [Senate Bill 6157](#), [Senate Bill 6178](#), [House Bill 2275](#), and [House Joint Memorial 4009](#), were also brought forward but did not make significant progress this session.

Many of these concepts originated from the Wildfire Mitigation and Resiliency Standards Work Group, a joint effort of the Office of the Insurance Commissioner (OIC) and the Department of Natural Resources (DNR), which delivered its final recommendations to the Legislature in December.

### Planning and Infrastructure

**Private Business Contributions to Public Projects:** The Legislature advanced one significant proposal in this area. [Senate Bill 5061](#) would have required annual adjustments to prevailing wage rates for most public works projects so that wages reflect updated statewide rates over the life of a contract rather than remaining fixed at execution. The bill included negotiated exemptions for small works roster projects and residential construction and preserved existing reclassification rules. It ultimately did not pass the legislature.

### General Government

**Governance/Community Input on Local Policy:** Over the last several years, there has been an increased willingness to preempt or narrow local decision-making authority in areas ranging from voting systems to land-use and governance structures. For many cities, a foundational belief is that the level of government closest to the people is best positioned to make responsive, community-specific decisions. That pattern continued for the 2026 Legislative Session, with the Legislature approving those proposals highlighted below, as well as several others highlighted in the “2026 Bills Impacting Cities” Attachment.

One of the measures was [House Bill 2034](#), which transfers the \$3.3 billion surplus from the LEOFF 1 account and creates a new LEOFF account funded at 110%. Senate amendments established a new Pension Surplus Holding Account, shifted oversight responsibilities to the LEOFF 2 Board, and directed studies on potential state assumption of local disability-board

administration and retiree medical-care liabilities. While these studies signal growing interest in long-term structural changes, any action is unlikely before the 2028 reporting deadlines.

**Unfunded Mandates:** The City of Redmond opposed unfunded and under-funded mandates on local governments. While the legislature did not enact any bills that would impose significant implementation costs on cities, it also did not allocate funding for existing mandates.

**Liability Reform:** The 2026 session brought heightened attention to an increase in liability exposure for the state and local governments. After concerns from the Governor and legislators about the tens of millions spent annually on liability claims, Senator Manka Dhingra introduced [Senate Bill 6239](#) which would have required arbitration for tort claims against the state and its subdivisions. Originally, this was the only bill being considered on the topic but as the session progressed, the bill was watered down and eventually died after victim advocates expressed concerns with the delay of justice for those harmed by state or local governments. While no major reforms were passed, the session marked a clear shift toward confronting the growing financial strain tort exposure places on both the state and local governments, setting the stage for deeper work in the next biennium.

To support that work, the final Operating budget directs the Office of Administrative Hearings to convene a committee to recommend changes to the process for claims against the state or its political subdivisions for damages arising out of tortious conduct. The committee will provide a report by November 1, 2026.

On the flip side of the issue, the Legislature considered several bills that would have increased liability exposure for governments. One example is [House Bill 2095](#), which would expand civil liability when vulnerable road users are struck by automobiles. Although intended to protect vulnerable road users, such as people walking in a crosswalk or riding bicycles in a lane, the bill would expand cities' exposure to potential damages and attorneys' fees even if no city driver or vehicle was involved. The bill was ultimately halted in the Senate but the sponsor, Rep. Reed, plans to introduce similar legislation next year.

## **Community Vitality**

**Behavioral Health:** There continues to be bipartisan recognition that addressing behavioral health—both mental health and substance use—is essential to improving public safety. Consistent with recent budgets, the Legislature continued to make significant investments in the state's behavioral health system, including:

- \$24 million for Program for Assertive Community Treatment (PACT) teams to expand intensive, community-based services for individuals with serious behavioral health conditions.
- \$12 million for substance use disorder peer support services, increasing access to certified peer counselors and strengthening recovery-oriented care statewide.
- \$48 million to support the housing and stabilization needs of individuals with behavioral health disorders, including crisis response teams, supportive housing programs, recovery navigator services, stabilization teams, and other community-based interventions.

These investments reflect the Legislature’s ongoing shift toward a more community-based behavioral health system, reducing reliance on state hospitals and expanding local capacity for treatment, stabilization, and long-term recovery.

### **Public Safety and Criminal Justice**

**Public Safety:** In recent years, legislative discussions have often been dominated by public safety issues. While the topic received considerable rhetorical attention during this session, relatively few significant policy changes were enacted.

Two bills passed this session with notable implications for public safety. The first, [Senate Bill 5974](#), establishes minimum qualifications for elected sheriffs creating background check requirements. The second, [Senate Bill 6002](#), regulates the use of automated license plate reader (ALPR) cameras, often referred to as “Flock cameras,” which are increasingly used by local law enforcement agencies to investigate and prevent crime.

The Legislature also monitored—but did not take action on—the implementation of [House Bill 2015](#), adopted last year. That law created a \$100 million grant program and authorized a councilmanic sales tax to support local public safety investments. Several jurisdictions have expressed concern that the eligibility criteria and certification requirements established by the Criminal Justice Training Commission have been burdensome and difficult to meet, limiting access to the funding. Approximately one month into the legislative session, the Commission approved the first jurisdictions for certification under the program. Click [here](#) to view the CJTC program page.

In recent years, the Legislature has also considered proposals aimed at reducing the number of individuals entering the criminal justice system, including efforts to decriminalize certain offenses or modify detention standards. Several such proposals were introduced this session but did not ultimately pass into law. One worth mentioning is [House Bill 2389](#), which expands alternatives to confinement and adjusts sentencing rules for juvenile offenders.

**Privacy & Records Retention for Public Safety Cameras:** One notable bill this year, [House Bill 2644](#), would have established a uniform statewide requirement for all law enforcement officers to use body-worn cameras during all law-enforcement encounters beginning July 1, 2027. The bill would have set statewide standards for activation, deactivation, storage, and retention of recordings. It also requires agencies to maintain recordings for at least 90 days, with longer retention for incidents involving the use of force, arrests, or complaints, and preempts conflicting local policies. The bill did not advance this session.

**Public Defense:** Public defense remained one of the most unresolved pressures on local governments this year, driven largely by the Washington Supreme Court’s June 2025 order requiring a two-thirds reduction in public-defender caseloads over the next decade. There were two bills introduced this session that aimed to reduce pressure on local governments. The first was [House Bill 2163/Senate Bill 5913](#), which would clarify that the Court’s 10-year phase-in takes precedence over the three-year timeline proposed by the Washington State Bar Association. Cities strongly supported this clarification, as the shorter timeline is widely viewed as unworkable given current workforce shortages and the absence of state funding. The second was [Senate Bill 5914](#), which restructured how the Office of Public Defense distributes state

funding by moving to a pro rata formula tied to documented costs. The bills did not receive public hearings and did not make any progress this session.

In the final days before the first fiscal cutoff, [House Bill 1592](#), was unexpectedly scheduled for a public hearing. Originally introduced in 2025 and focused solely on counties, the bill was amended this year to create a city funding distribution based on misdemeanor case counts, eliminating the grant-application process. The bill also added new reporting requirements for the Office of Public Defense (OPD) and the Administrative Office of the Courts (AOC) to track caseloads, backlogs, and staffing needs. Despite the last-minute surge of attention, the bill did not pass.

## E. Bill Tracking List

Below is the list of bills we tracked for the City during the 2026 session and the City’s position on the bill, if one was taken. This list includes the bills that died and those that passed into law and is organized by the topics listed on the City’s Policy Statements document.

### Community Vitality

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
<a href="#">HB 1582</a> (Dead) (SSB 5655)	Child care centers/buildings	Concerning child care centers operated in existing buildings.	H Rules X	Valdez	
<a href="#">2SHB 2105</a> (SSB 5852)	Immigrant workers	Concerning immigrant worker protections.	C 240 L 26	Ortiz-Self	Support
<a href="#">ESHB 2238</a>	Statewide food security	Concerning statewide food security.	C 83 L 26	Reeves	Support
<a href="#">SHB 2297</a> (Dead)	Grocery store incentives	Incentivizing grocery stores located in underserved communities.	H Rules C	Farivar	
<a href="#">HB 2313</a> (Dead)	Public grocery stores	Concerning publicly owned grocery stores.	H Local Govt	Farivar	
<a href="#">E2SHB 2451</a>	Local tax increment fin.	Concerning local tax increment financing.	C 141 L 26	Duerr	
<a href="#">SHB 2489</a> (Dead)	Public space/local use laws	Establishing statewide standards for when local governments may enforce laws regulating the use of public space for life-sustaining activities.	H Rules R	Gregerson	Oppose

<a href="#">SB 5697</a> (Dead) (HB 1094)	Social services/property tax	Providing a property tax exemption for property owned by a qualifying nonprofit organization and loaned, leased, or rented to and used by any government entity to provide character-building, benevolent, protective, or rehabilitative social services.	S Rules X	Slatter	Support
<a href="#">SSB 5762</a> (Dead)	988 crisis hotline	Increasing the statewide 988 behavioral health crisis response and suicide prevention line tax.	S Rules X	Orwall	
<a href="#">SSB 5852</a> (Dead) (2SHB 2105)	Immigrant workers	Concerning immigrant worker protections.	S Ways & Means	Saldana	
<a href="#">ESSB 5906</a> (Dead)	Data and personal safety	Establishing data and personal safety protections within areas of public accommodation for all Washington residents.	S Rules 3	Hansen	
<a href="#">SSB 6206</a> (Dead)	First responders/child care	Establishing a pilot program that incentivizes child care providers to care for children of first responders.	S Ways & Means	Dhingra	

**Environment Sustainability**

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
<a href="#">SHB 1015</a> (Dead)	Energy labeling/residential	Concerning energy labeling of residential buildings.	H Local Govt	Duerr	
<a href="#">SHB 1043</a> (Dead)	Commute trip reduction	Extending the commute trip reduction tax credit.	H Finance	Wylie	
<a href="#">2SHB 1150</a> (Dead) (E2SSB 5284)	Solid waste management	Improving Washington's solid waste management outcomes.	H Rules X	Berry	Support
<a href="#">2SHB 1303</a> (Dead) (SB 5380)	Environmental justice	Increasing environmental justice by improving government decisions.	H Approps	Mena	

<a href="#">SHB 1550</a> (Dead) (SB 5586)	Electric vehicle batteries	Improving the end-of-life management of electric vehicle batteries.	H Rules C	Street	
<a href="#">3SHB 1607</a> (Dead) (2SSB 5502)	Recycling & waste reduction	Concerning recycling and waste reduction.	H Rules R	Stonier	
<a href="#">HB 2181</a> (Dead)	Atmospheric river response	Paying for response activities for the December 2025 significant atmospheric river and winter event.	H Approps	Barkis	
<a href="#">HB 2233</a> (Dead) (2SSB 5965)	Retail bags	Reducing environmental impacts associated with bags provided to customers at retail establishments.	H Env & Energy	Parshley	Support
<a href="#">E2SHB 2251</a>	Climate commit. act accounts	Concerning climate commitment act accounts.	C 219 L 26	Fitzgibbon	
<a href="#">SHB 2267</a> (Dead)	Urban forest management	Concerning urban forest management ordinances.	H Approps	Duerr	
<a href="#">2SHB 2271</a> (Dead) (SB 6156)	Plastics/recycled content	Concerning postconsumer recycled content requirements for plastic products.	H Rules R	Berry	Neutral
<a href="#">HB 2284</a> (Dead)	Litter reduction	Reducing litter.	H Env & Energy	Dye	Oppose
<a href="#">2SHB 2421</a> (Dead) (SB 6119)	Tires/6PPD and substitutes	Concerning 6PPD and regrettable 6PPD substitutes in tires.	H Rules R	Hall	
<a href="#">2SSB 5965</a> (Dead) (HB 2233)	Retail bags	Reducing environmental impacts associated with bags provided to customers at retail establishments.	S Rules 2	Bateman	Support
<a href="#">SB 6030</a> (Dead)	Plastic carryout bags	Repealing restrictions and fees on plastic carryout bags.	S Environment, E	Braun	

<a href="#">SB 6119</a> (Dead) (2SHB 2421)	Tires/6PPD and substitutes	Concerning 6PPD and regrettable 6PPD substitutes in tires.	S Environment, E	Liias	
<a href="#">SB 6156</a> (Dead) (2SHB 2271)	Plastics/recycled content	Concerning postconsumer recycled content requirements for plastic products.	S Environment, E	Lovelett	

**General Government**

<b>Bill #</b>	<b>Abbrev. Title</b>	<b>Short Description</b>	<b>Status</b>	<b>Sponsor</b>	<b>Position</b>
<a href="#">HB 1126</a> (Dead) (SB 5315)	Local tax rate changes	Standardizing notification provisions relating to local tax rate changes and shared taxes administered by the department.	H Rules X	Walén	
<a href="#">SHB 1302</a>	Utility connection charges	Concerning utility connection charge waivers.	C 127 L 26	Cortes	
<a href="#">SHB 1339</a> (Dead) (SB 5373)	Even-numbered year elections	Shifting general elections for local governments to even- numbered years to increase voter participation.	H Rules X	Gregerson	
<a href="#">2SHB 1448</a> (Dead)	Local elections	Increasing representation and voter participation in local elections.	H Approps	Gregerson	
<a href="#">HB 1571</a> (Dead) (SB 6180)	Occupational disease/heart	Removing qualifiers related to the presumption of occupational disease for heart problems.	H Approps	Bronoske	
<a href="#">2SHB 1622</a> (Dead) (SSB 5422)	Collective bargaining/AI use	Allowing bargaining over matters related to the use of artificial intelligence.	H Rules R	Parshley	Concerns
<a href="#">SHB 1684</a> (Dead) (SB 5597)	Water recreation facilities	Concerning water recreation facilities.	H Local Govt	Thai	
<a href="#">2SHB 1906</a> (Dead)	Water system rates	Increasing transparency and consumer protection in water system rates.	C 237 L 26	Tharinger	

<a href="#">HB 2097</a> (Dead)	County B&O tax	Authorizing counties to impose a business and occupation tax.	H Finance	Scott	
<a href="#">HB 2100</a> (Dead) (SB 6093)	Payroll expense tax	Enacting an excise tax on large operating companies on the amount of payroll expenses above the minimum wage threshold of the additional medicare tax to fund services to benefit Washingtonians and establishing the Well Washington fund account.	H Finance	Scott	
<a href="#">HB 2194</a> (Dead)	Cultural access sales tax	Concerning sales and use tax for cultural access programs.	H Rules R	Parshley	
<a href="#">HB 2195</a> (Dead)	City initiatives, referenda	Concerning city initiatives and referendums.	H Local Govt	Parshley	
<a href="#">2SHB 2210</a> (Dead)	Local government elections	Protecting local representation by strengthening and securing fair elections in local governments.	H Rules R	Gregerson	Neutral
<a href="#">HB 2255</a> (Dead)	Litigation finance	Concerning litigation finance.	H Rules X	Walen	Support
<a href="#">HB 2258</a> (Dead)	Animal control excise tax	Authorizing cities and counties the ability to levy a household excise tax for the operation, maintenance, and capital needs of animal control and shelter systems.	H Finance	Parshley	
<a href="#">HB 2264</a>	Unemployment ins./layoffs	Concerning unemployment insurance benefits for workers separated from employment as a result of employer-initiated layoffs or workforce reductions.	C 150 L 26	Berry	
<a href="#">HB 2278</a> (Dead)	Tourism promotion areas	Concerning tourism promotion areas.	H Rules R	Barnard	
<a href="#">2SHB 2333</a> (Dead) (SB 6095)	Political violence	Protecting elected officials and candidates, executive state officers, election officials, and criminal justice participants against threats	H Rules 3C	Berry	

		and incidents of political violence.			
<a href="#">HB 2336</a> (Dead) (SB 6128)	Independent medical exams	Facilitating the use of a department of labor and industries-approved, application-based, third-party recording platform to record independent medical exams.	H Labor & Workpl	Abbarno	
<a href="#">2SHB 2345</a>	Paid leave contributions	Concerning contributions in the state paid family and medical leave program.	C 26 L 26	Schmidt	
<a href="#">HB 2391</a> (Dead)	PRA/lists of individuals	Concerning disclosure of lists of individuals under the public records act.	H State Govt & T	Doglio	
<a href="#">ESHB 2442</a> (SB 6294)	Local government fund use	Providing local governments tax resources and fund flexibility.	C 221 L 26	Berg	Support
<a href="#">HB 2502</a> (Dead)	Local gov./sales & use tax	Improving local government funding by removing certain sales and use tax exemptions.	H Finance	Wylie	
<a href="#">HB 2520</a> (Dead)	Emergency meetings	Concerning emergency meetings of public agencies.	H Rules R	Lekanoff	
<a href="#">HB 2614</a> (Dead) (SSB 6204)	Home cultivation of cannabis	Legalizing the home cultivation of cannabis by persons who are 21 years of age and older.	H ConsPro&Bus	Kloba	
<a href="#">SHB 2661</a> (Dead)	Public records task force	Establishing the legislative task force on public records act modernization consisting of eight voting members and four nonvoting legislators.	H Rules X	Rude	
<a href="#">HB 2700</a> (Dead) (E2SSB 6239)	State tort claims	Requiring arbitration for tort claims against the state of Washington and its subdivisions.	H Civil R & Judi	Taylor	
<a href="#">SSB 5085</a> (Dead)	Closed retirement plans	Concerning three of Washington state's closed retirement plans.	S Ways & Means	Robinson	

<a href="#">2SSB 5292</a>	Family & medical leave rates	Concerning paid family and medical leave rates.	C 104 L 26	Conway	
<a href="#">SB 5650</a> (Dead)	Cannabis local excise tax	Authorizing a local excise tax on cannabis.	S Ways & Means	Wagoner	
<a href="#">SB 5754</a> (Dead)	Washington state public bank	Creating the Washington state public bank.	S Ways & Means	Hasegawa	
<a href="#">SSB 5798</a> (Dead)	Property tax	Concerning property tax reform.	S Ways & Means	Pedersen	Support
<a href="#">SSB 5862</a>	TRS & PERS plan 1 COLA	Providing a cost-of-living adjustment for plan 1 retirees of the teachers' retirement system and public employees' retirement system.	C 248 L 26	Dozier	
<a href="#">SB 5882</a> (Dead)	Correctional workers/stress	Concerning industrial insurance coverage for posttraumatic stress disorders affecting local correctional facility workers.	S Ways & Means	Valdez	
<a href="#">SB 5927</a> (Dead)	Workers' comp. adjustments	Capping the rate of increase for future workers' compensation cost-of-living adjustments.	S Labor & Comm	Schoesler	
<a href="#">2SSB 6037</a> (Dead) (SHB 2224)	Fire protection districts	Concerning fire protection districts.	S Rules X	Cortes	
<a href="#">SB 6093</a> (Dead) (HB 2100)	Payroll expense tax	Enacting an excise tax on large operating companies on the amount of payroll expenses above the minimum wage threshold of the additional medicare tax to fund services to benefit Washingtonians and establishing the Well Washington fund account.	S Ways & Means	Saldana	
<a href="#">SB 6123</a> (Dead)	Local gov. employees/PRA	Concerning the protection of voluntary supplied personal	S State Gov/Trib	Conway	

		information of local government employees.			
<a href="#">SB 6128</a> (Dead) (HB 2336)	Independent medical exams	Facilitating the use of a department of labor and industries-approved, application-based, third-party recording platform to record independent medical exams.	S Labor & Comm	Braun	
<a href="#">SB 6199</a> (Dead)	Paid leave contributions	Concerning contributions in the state paid family and medical leave program.	S Labor & Comm	Hunt	
<a href="#">SSB 6204</a> (Dead) (HB 2614)	Home cultivation of cannabis	Legalizing the home cultivation of cannabis by persons who are 21 years of age and older.	S Rules X	Saldana	
<a href="#">E2SSB 6239</a> (Dead) (HB 2700)	State tort claims	Requiring arbitration for tort claims against the state of Washington and its subdivisions. (REVISED FOR ENGROSSED: Establishing a process for adjudicating tort claims against the state of Washington and its political subdivisions.)	S Rules 3	Dhingra	
<a href="#">SB 6294</a> (Dead) (ESHB 2442)	Local government fund use	Providing local governments tax resources and fund flexibility.	S Ways & Means	Frame	
<a href="#">SB 6298</a> (Dead) (HB 1256)	Public works/made in US	Concerning products manufactured in the United States for the purposes of public works projects.	S State Gov/Trib	Holy	

### Housing

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
<a href="#">SHB 1380</a> (Dead)	Public property regulations	Allowing objectively reasonable regulation of the utilization of public property.	H Housing	Gregerson	
<a href="#">ESHB 1717</a>	Affordable housing/sales tax	Creating a sales and use tax remittance program for affordable housing.	H Rules 3C	Leavitt	

(Dead) (SB 5591)					
<a href="#">HB 1763</a> (Dead) (ESSB 5576)	Affordable housing funding	Providing state funding for essential affordable housing programs.	H Finance	Parshley	
<a href="#">2SHB 1859</a> (Dead) (SB 5885)	Housing dev./religious orgs.	Expanding opportunities for affordable housing developments on properties owned by religious organizations.	C 2 L 26	Salahuddin	Support
<a href="#">SHB 1867</a> (Dead)	Affordable housing REET	Allowing counties or cities to impose a real estate excise tax for the purpose of developing affordable housing, subject to the will of the voters.	H Finance	Ramel	Support
<a href="#">HB 2265</a> (Dead)	Extreme heat/tenants	Protecting tenants from periods of extreme heat.	H Housing	Mena	
<a href="#">ESHB 2266</a> (SSB 6069)	Supportive & emerg. housing	Encouraging permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters.	C 232 L 26	Peterson	Concerns
<a href="#">HB 2304</a>	Condominium warranties	Increasing the supply of condominiums by expanding the types of condominium buildings that may be subject to an express warranty of quality and express warranty insurance coverage.	C 7 L 26	Taylor	Support
<a href="#">HB 2346</a> (Dead)	Middle housing/perf. codes	Concerning performance-based building codes for middle housing.	H Local Govt	Duerr	
<a href="#">HB 2359</a> (Dead) (E2SSB 6027)	Affordable housing funding	Modifying requirements and allowed uses for certain funding related to providing and maintaining affordable housing and related services.	H Finance	Peterson	
<a href="#">HB 2559</a> (Dead)	Affordable housing funding	Providing a local government option for the funding of essential affordable housing programs.	H Approps	Parshley	
<a href="#">E2SSB 5496</a> (Dead) (HB 1732)	Home buying by entities	Preserving homeownership options by limiting excessive home buying by certain entities.	S Rules 3	Alvarado	

<a href="#">ESSB 5576</a> (Dead) (HB 1763)	Affordable housing funding	Providing a local government option for the funding of essential affordable housing programs.	S Ways & Means	Lovelett	
<a href="#">SSB 5647</a> (Dead)	Affordable housing/REET	Providing a real estate excise tax exemption for the sale of qualified affordable housing.	S Rules 3	Alvarado	
<a href="#">SB 5659</a> (Dead)	Housing shortage/local share	Eliminating each local government's proportional share of Washington's housing shortage.	S Ways & Means	Goehner	
<a href="#">SB 5885</a> (Dead) (2SHB 1859)	Housing dev./religious orgs.	Expanding opportunities for affordable housing developments on properties owned by religious organizations.	S Housing	Riccelli	Support
<a href="#">E2SSB 6026</a> (HB 2480)	Residential dev./zones	Concerning residential development in commercial and mixed-use zones.	C 236 L 26	Alvarado	Concerns
<a href="#">E2SSB 6027</a> (HB 2359)	Affordable housing funding	Modifying requirements and allowed uses for certain funding related to providing and maintaining affordable housing and related services.	C 230 L 26	Alvarado	Support
<a href="#">SB 6256</a> (Dead)	Unoccupied housing/tax	Concerning tax exemptions for unoccupied property used for affordable housing that is owned by a nonprofit entity.	S Rules X	Slatter	

**Planning & Infrastructure**

<b>Bill #</b>	<b>Abbrev. Title</b>	<b>Short Description</b>	<b>Status</b>	<b>Sponsor</b>	<b>Position</b>
<a href="#">SHB 1160</a> (Dead)	Local gov. design review	Concerning local government design review.	H Rules X	Walen	Concerns
<a href="#">E2SHB 1175</a> (Dead)	Small businesses/residential	Allowing small business establishments in residential zones.	H Rules 3C	Klicker	
<a href="#">2SHB 1195</a> (Dead) (SB 5497)	Housing & shelters	Concerning compliance with siting, development permit processes and standards, and requirements for permanent supportive housing, transitional housing, indoor emergency	H Rules X	Peterson	Concerns

		housing, or indoor emergency shelters.			
<a href="#">SHB 1254</a> (Dead)	Wildland urban interface	Implementing the International Wildland Urban Interface Code.	H Rules X	Duerr	
<a href="#">SHB 1305</a> (Dead)	Property owners/projects	Concerning reimbursement by property owners for street, road, and water or sewer projects.	H Local Govt	Donaghy	
<a href="#">2SHB 1443</a> (Dead) (SSB 5332)	Mobile dwellings	Concerning mobile dwellings.	H Rules X	Gregerson	
<a href="#">SHB 1529</a> (Dead)	Cities/county road resources	Increasing opportunities for cities to utilize county resources for road construction and maintenance.	H Rules R	Griffey	
<a href="#">HB 2018</a> (Dead)	Solid waste/local government	Concerning solid waste and establishing the local government solid waste assistance account.	H Finance	Doglio	
<a href="#">ESHB 2095</a> (Dead)	Public way vulnerable users	Protecting vulnerable users of public ways.	H Rules 3C	Reed	
<a href="#">SHB 2134</a> (Dead)	Regional transp. plans	Concerning regional transportation plans, of regional transportation planning organizations containing certain counties, providing for reductions in greenhouse gas emissions and vehicle miles traveled.	H Rules X	Duerr	
<a href="#">ESHB 2172</a> (Dead)	Road jurisdiction transfer	Concerning route jurisdiction transfer and abandonment.	H Rules 3C	Bernbaum	
<a href="#">HB 2201</a> (Dead)	Urban growth area planning	Standardizing city and county planning and development regulations with an urban growth area.	H Local Govt	Parshley	Neutral

<a href="#">SHB 2228</a> (SSB 6001)	Scissor stairs	Concerning scissor stair regulations in the state building code.	C 4 L 26	Zahn	
<a href="#">HB 2307</a> (Dead)	Commute trip reduction/times	Modifying the time component of various definitions for purposes of commute trip reduction.	H Rules R	Salahuddin	Support
<a href="#">HB 2358</a> (Dead) (SSB 6016)	Aquifer recharge areas	Considering critical aquifer recharge areas when revising an urban growth area.	H Local Govt	Parshley	
<a href="#">SHB 2381</a> (Dead)	Low-rise res. buildings	Concerning performance-based building codes for low-rise residential buildings.	H Rules R	Duerr	
<a href="#">E2SHB 2418</a>	Permit review	Concerning permit review processes.	C 235 L 26	Duerr	Support
<a href="#">SHB 2420</a>	Small works roster limits	Increasing small works roster contract limits.	C 97 L 26	Zahn	
<a href="#">HB 2480</a> (Dead) (E2SSB 6026)	Residential dev./zones	Concerning residential development in commercial and mixed-use zones.	H Local Govt	Street	Concerns
<a href="#">2SHB 2517</a> (Dead) (SSB 6309)	High cap. transit permits	Providing for enhanced municipal permitting tools for high capacity transit projects.	H Rules R	Fitzgibbon	
<a href="#">HB 2566</a> (Dead)	Local government procurement	Concerning local government procurement.	H Rules R	Zahn	
<a href="#">HB 2701</a> (Dead)	Land use development	Concerning land use development.	H Local Govt	Barkis	
<a href="#">HB 2702</a> (Dead)	Short plat threshold	Increasing the short plat threshold.	H Local Govt	Zahn	
<a href="#">E2SSB 5061</a> (Dead)	Public works wages	Requiring certain wages in public works contracts to be at least the prevailing wage in effect when the work is performed.	S Rules 3	Conway	
<a href="#">SSB 5176</a> (Dead)	Prompt pay/capital projects	Implementing prompt pay recommendations from the	S Ways & Means	Valdez	

		capital projects advisory review board.			
<a href="#">SSB 5249</a> (Dead)	Kit home siting	Concerning siting kit homes.	S Rules X	Wilson	
<a href="#">ESB 5581</a> (Dead) (HB 1992)	Safe system approach strat.	Implementing safe system approach strategies for active transportation infrastructure.	S Rules 3	Shewmake	
<a href="#">2SSB 5609</a> (Dead)	Cultural resources/land use	Regarding cultural resource protection for certain land use activities that are categorically exempt from the state environmental policy act.	S Rules X	Kauffman	
<a href="#">E2SSB 5613</a> (Dead)	Residential development	Concerning the development of clear and objective standards, conditions, and procedures for residential development.	S Ways & Means	Salomon	
<a href="#">SSB 5633</a> (Dead)	Subdivision of land	Concerning the subdivision of land.	S Ways & Means	Lovelett	
<a href="#">2SSB 5690</a> (Dead)	Utility relocation	Concerning actions of the department of transportation to notify utility owners of projects and seek federal funding for utility relocation costs.	C 106 L 26	MacEwen	
<a href="#">ESSB 5719</a> (Dead)	Local gov. hearing examiners	Concerning local government hearing examiners.	S Loc Gov	Salomon	
<a href="#">SSB 5729</a> (Dead)	Housing permitting	Encouraging construction of affordable housing by streamlining the permitting process.	S Rules 3	Gildon	
<a href="#">SSB 5804</a> (Dead)	Fish habitat restoration	Concerning fish habitat restoration.	S Ways & Means	Trudeau	
<a href="#">SSB 6016</a> (Dead) (HB 2358)	Aquifer recharge areas	Considering critical aquifer recharge areas when revising an urban growth area.	S Rules X	Bateman	

<a href="#">SSB 6069</a> (Dead) (ESHB 2266)	Supportive & emerg. housing	Encouraging permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters.	S Rules X	Alvarado	Concerns
<a href="#">SSB 6096</a> (Dead)	Delayed utility conn. fees	Concerning delayed utility connection fees for residential construction.	S Rules X	Goehner	
<a href="#">ESSB 6110</a>	Electric bicycle, motorcycle	Addressing electric-assisted bicycles and electric motorcycles.	C 159 L 26	Shewmake	
<a href="#">SB 6154</a> (Dead)	Culvert replacement permits	Concerning local government permits for replacing existing culverts.	S Loc Gov	Salomon	
<a href="#">SSB 6234</a> (Dead)	Sewage grinder pumps	Regulating sewage grinder pumps for new residential buildings.	S Rules X	Lias	
<a href="#">SB 6274</a> (Dead)	Street standards	Concerning street standards and frontage improvement requirements.	S Rules X	Salomon	
<a href="#">SB 6279</a> (Dead)	Wildland urban interface	Implementing the International Wildland Urban Interface Code.	S Loc Gov	Lovelett	
<a href="#">SB 6291</a>	On-site wastewater systems	Concerning on-site wastewater treatment system inspections.	C 210 L 26	Lovelett	
<a href="#">SSB 6309</a> (2SHB 2517)	High cap. transit permits	Providing for enhanced municipal permitting tools for high capacity transit projects.	C 166 L 26	Lias	

**Public Safety**

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
<a href="#">ESHB 1113</a> (Dead)	Misdemeanor dismissal	Concerning accountability and access to services for individuals charged with a misdemeanor.	H Community Safet	Farivar	
<a href="#">HB 1152</a> (Dead)	Firearm storage	Enhancing public safety by establishing secure storage requirements for	H Rules X	Doglio	

		firearms in vehicles and residences.			
<a href="#">SHB 1178</a> (Dead)	Sentencing enhancements	Concerning sentencing enhancements.	H Rules C	Goodman	
<a href="#">2SHB 1399</a> (Dead) (SB 5364)	Sheriffs, chiefs, etc.	Modernizing, harmonizing, and clarifying laws concerning sheriffs, chiefs, marshals, and police matrons.	H Community Safet	Goodman	
<a href="#">HB 1400</a> (Dead) (SB 5224)	Officer certification	Concerning officer certification definitions, processes, and commissioning.	H Rules X	Goodman	
<a href="#">ESHB 1423</a> (Dead) (SB 5417)	Vehicle noise cameras	Authorizing the use of automated vehicle noise enforcement cameras in vehicle-racing camera enforcement zones.	H Transportation	Donaghy	
<a href="#">2SHB 1592</a> (Dead) (SB 5404)	Public defense services	Concerning public defense services.	H Rules R	Peterson	
<a href="#">HB 2162</a> (Dead)	Public interest law grants	Establishing a public interest law grant program and a business and occupation tax credit for approved contributions to the program account.	H Civil R & Judi	Richards	
<a href="#">HB 2163</a> (Dead) (SB 5913)	Public defense caseloads	Clarifying public defense caseload standards for local jurisdictions.	H Civil R & Judi	Richards	
<a href="#">HB 2173</a> (Dead) (SSB 5855)	Law enf. face coverings	Concerning the use of face coverings by law enforcement officers.	H Community Safe	Cortes	Support
<a href="#">SHB 2174</a> (Dead) (E2SSB 6066)	Crash prevention zones	Establishing accident risk zones.	H Transportation	Klicker	

<a href="#">ESHB 2192</a> (SSB 6131)	Roadway fatalities	Updating the role of the Washington traffic safety commission in identifying the risk factors that lead to roadway fatalities.	C 152 L 26	Low	
<a href="#">SHB 2224</a> (Dead) (2SSB 6037)	Fire protection districts	Concerning fire protection districts.	H Rules R	Stuebe	Neutral
<a href="#">HB 2332</a> (Dead) (ESSB 6002)	Driver privacy	Concerning driver privacy protections.	H Civil R & Judi	Salahuddin	Concerns
<a href="#">SHB 2351</a> (Dead)	Emergency response	Protecting emergency responders and emergency response operations in Washington.	H Rules X	Parshley	
<a href="#">SHB 2374</a> (Dead)	Electric motorcycle, bicycle	Concerning electric-assisted bicycle and electric motorcycle regulation.	H Rules 3C	Zahn	
<a href="#">HB 2644</a> (Dead)	Law enf. body worn cameras	Concerning the use of body worn cameras by law enforcement officers.	H Civil R & Judi	Simmons	
<a href="#">SSB 5067</a> (Dead)	Impaired driving	Concerning impaired driving.	S Rules 3	Lovick	
<a href="#">ESB 5068</a> (Dead)	Public employ. eligibility	Concerning agencies, firefighters, prosecutors, and general or limited authority law enforcement, extending eligibility for employment to all United States citizens or persons legally authorized to work in the United States under federal law.	C 103 L 26	Lovick	
<a href="#">ESSB 5071</a> (Dead)	Synthetic opioids/endanger.	Updating the endangerment with a	S Rules 3	Braun	

		controlled substance statute.			
<a href="#">E2SSB 5098</a> (Dead)	Weapons in certain areas	Restricting the possession of weapons on the premises of state or local public buildings, parks or playground facilities where children are likely to be present, and county fairs and county fair facilities.	S Rules 3	Valdez	Support
<a href="#">SSB 5238</a> (Dead)	Reckless driving, speed	Addressing reckless driving in cases involving excessive speed.	S Rules X	Muzzall	
<a href="#">2ESSB 5268</a> (Dead)	Unlawful firearm possession	Classifying unlawful possession of a firearm as a violent offense.	S Rules 3	Wagoner	
<a href="#">ESB 5775</a> (Dead)	Public safety/local tax	Expanding local taxing authority to fund public safety and community protection focused programs and services.	S Ways & Means	Slatter	
<a href="#">SSB 5855</a> (HB 2173)	Law enf. face coverings	Concerning the use of face coverings by law enforcement officers.	C 115 L 26	Valdez	Support
<a href="#">ESB 5890</a> (Dead)	Reckless driving, speed	Addressing reckless driving in cases involving excessive speed.	S Rules 3	Muzzall	
<a href="#">ESSB 5912</a> (Dead)	Indigent defense task force	Reinstating the indigent defense task force.	S Rules 3	Torres	Support
<a href="#">SB 5913</a> (Dead) (HB 2163)	Public defense caseloads	Clarifying public defense caseload standards for local jurisdictions.	S Law & Justice	Torres	
<a href="#">SB 5914</a> (Dead)	Public defense services	Concerning public defense services.	S Law & Justice	Torres	
<a href="#">SSB 5933</a> (Dead) (ESHB 2168)	Overdose mapping information	Facilitating the rapid sharing of overdose mapping information for overdose prevention.	S Rules X	Riccelli	
<a href="#">2SSB 5974</a>	Local law enforcement	Modernizing and strengthening laws concerning sheriffs,	C 258 L 26	Lovick	Support

		police chiefs, town marshals, law enforcement agency volunteers, youth cadets, specially commissioned officers, and police matrons.			
<a href="#">ESSB 6002</a> (HB 2332)	Driver privacy	Concerning driver privacy protections.	C 239 L 26	Trudeau	Concerns
<a href="#">E2SSB 6066</a> (SHB 2174)	Crash prevention zones	Establishing accident risk zones.	C 123 L 26	Torres	
<a href="#">SB 6243</a> (Dead)	Autonomous motor vehicles	Concerning the operation of autonomous motor vehicles.	S Transportation	Boehnke	
<a href="#">SB 6352</a> (Dead)	Transportation resources	Concerning transportation resources.	S Transportation	Liias	

**Uncategorized Bills**

<b>Bill #</b>	<b>Abbrev. Title</b>	<b>Short Description</b>	<b>Status</b>	<b>Sponsor</b>	<b>Position</b>
<a href="#">SHB 1198</a> (Dead) (ESSB 5167)	Operating budget	Making 2025-2027 fiscal biennium operating appropriations and 2023-2025 fiscal biennium second supplemental operating appropriations.	H Rules X	Ormsby	
<a href="#">SHB 1202</a> (Dead) (SSB 5194)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	H Rules X	Tharinger	
<a href="#">SHB 1216</a> (Dead) (SSB 5195)	Capital budget	Concerning the capital budget.	H Rules X	Tharinger	
<a href="#">SHB 1227</a> (Dead) (ESSB 5161)	Transportation budget	Making transportation appropriations.	H Rules X	Fey	

<a href="#">HB 2104</a>	Aviation assurance funding	Concerning aviation assurance funding in response to wildland fires.	C 117 L 26	Dent	
<a href="#">SHB 2289</a> (Dead) (ESSB 5998)	Operating budget, supp.	Making 2025-2027 fiscal biennium supplemental operating appropriations.	H Rules R	Ormsby	
<a href="#">SHB 2295</a> (Dead) (SSB 6003)	Capital budget, supplemental	Concerning the capital budget.	H Rules R	Tharinger	
<a href="#">SHB 2306</a> (Dead) (ESSB 6005)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2025-2027 fiscal biennium.	H Rules R	Fey	
<a href="#">ESSB 5998</a> (Dead) (SHB 2289)	Operating budget, supp.	Making 2025-2027 fiscal biennium supplemental operating appropriations.	C 268 L 26	Robinson	
<a href="#">SSB 6003</a> (SHB 2295)	Capital budget, supplemental	Concerning the capital budget.	C 259 L 26	Trudeau	
<a href="#">SSB 6225</a> (Dead)	Transportation funding bonds	Authorizing bonds for transportation funding.	C 256 L 26	Lias	



## 2025-27 Supplemental Budgets 2026 Legislative Session

### Supplemental Budget Summaries

#### Operating Budget

The 2026 legislative session commenced with lawmakers confronting a persistent multi-year challenge - balancing the state's Operating Budget. Expenditures associated with state programs, many of which were expanded in recent years, continued to rise, while revenue growth softened. Additionally, changes to federal policies meant fewer resources were available for state services. The primary task of the short session was updating the 2025-27 biennial budget to account for these changes.

Although the February revenue forecast offered slightly improved expectations due to stronger-than-anticipated early collections from tax measures enacted in 2025, state economists cautioned that growth in K-12 education, health care, and long-term care costs continues to outpace projected revenues.

The supplemental operating budget authorizes an additional \$2.3 billion in spending, bringing the biennial budget to \$80.2 billion. To achieve a balanced Operating Budget, legislators relied on a combination of targeted program reductions, inter-account transfers, and new revenues generated by eliminating select tax preferences, including those affecting data centers, prescription drug wholesalers, and insurance carriers. The enacted budget uses \$880 million from the Budget Stabilization Account and transfers an additional \$375 million from the Public Works Assistance Account to the state general fund. It further assumes \$2.23 billion in new revenue over the four-year outlook from the recently adopted millionaire's tax and incorporates the fiscal impacts of repealing the estate-tax increase approved during the 2025 session. The Budget Stabilization Account is backfilled using funds from the LEOFF 1 retirement system. For a full list of account transfers and legislation impacting revenue, [click here](#).

Despite these adjustments, the state faces a projected \$878 million deficit in fiscal year 2027—a challenge for next year's legislature, pending updated revenue forecasts. This deficit would significantly expand if the millionaire's tax were invalidated by the courts or overturned by voters. The only reason the state is not required to have a four-year balanced budget is that it utilized the Budget Stabilization Account during this biennium, which temporarily exempts it from the statutory four-year balance requirement.

#### *Local Government Fiscal Health*

In the four-year outlook, the budget includes intent to transfer \$200 million from the state's general fund to a new account called Local Government Fiscal Health. The intent of this allocation is to help offset some of the local tax reductions from the implementation of the sales tax exemptions included in Senate Bill 6346, the millionaire's tax. The \$200 million would be shared between cities, counties and transit agencies.

Other notable expenditures in the supplemental operating budget include:

- Roughly \$1 billion to cover the state's self-insurance liability costs
- \$15 million for grants to permanent supportive housing providers for operations, maintenance and service costs
- \$25 million for Immigrant, Refugee, and New Arrival Supports
- \$18 million for state employee collective bargaining agreements
- \$82.4 million to the Disaster Response Account

To view the summary of expenditures and reductions included in the supplemental operating budget, [click here](#). To view the text of the supplemental budget, [click here](#).

## **Transportation Budget**

Transportation Budget writers faced another challenging year in developing a balanced budget that meets the state's transportation needs now and into the future. In the 2025 session the Legislature adopted a 6-cent fuel tax increase and a variety of other fee increases. That resulted in an estimated \$4.4 billion increase for the next three biennia. However, in the last three revenue forecasts, that estimate has been lowered by \$843 million. In other words, 20% of the projected increase in resources from the 2025 session have been offset by decreases since then. The primary reason for the lower projection is declining fuel consumption. Fuel tax collections represent 40% of the total forecasted revenues, which limits overall available transportation resources.

In developing the supplemental transportation budget, the top priority for both parties and both chambers was increasing investments in preservation and maintenance of the state's highway system. Additionally, to provide clarity and certainty for long-term planning, the supplemental budget plans for the next 3-biennia, through 2031.

The supplemental budget appropriates \$16.6 billion, an increase of \$1.2 billion over the biennial budget. Of the total, \$10.2 billion (61%) is dedicated to capital projects and programs and \$6.4 billion (39%) to operating programs. The budget includes \$1.3 billion in new bond authority, sufficient to provide capacity for \$200 million in highway maintenance, \$1.3 billion in highway preservation and \$28 million in ferries preservation through the 2029-31 biennium. Click [here](#) to access Supplemental Transportation Budget documents.

### *Highway Preservation and Maintenance*

For the current biennium, the supplemental budget allocates an additional \$40 million for the WSDOT Highway Maintenance Program, \$300 million for the Highway Preservation Program. In addition to these amounts, there is \$65 million in federal funding for state highway flood recovery and \$45 million for local highway flood recovery (\$30 million for county and \$15 million for city). These funds are specified for transportation infrastructure damaged during the December 2025 weather events.

### *Ferries*

The state's ferry system includes 20 marine terminals and 21 car and passenger ferries with an average age of over 33 years. The supplemental budget allocates an additional \$4 million for preservation of ferries in the current biennium and doubles that amount in each subsequent biennia, for a total of \$28 million over 6 years. The budget advances \$29 million of previously allocated Climate Commitment Act resources to complete the construction of new hybrid electric ferries, with the first ferry anticipated to be delivered by 2030.

In contrast to the Governor's budget which provided funding for three new ferries, the supplemental budget allocates \$750,000 to the Joint Transportation Committee to convene a work group to consider options for long-term, financially sustainable vessel preservation and replacement. The work group's initial report is due to the Governor and Legislature by December 15, 2026. The budget also includes \$500,000 for a feasibility study regarding the establishment of state owned or leased dry dock facilities which would enable WSDOT to control scheduling for maintenance of the ferry fleet.

### *Local Project Impacts*

The supplemental budget makes relatively no new investments in capital projects at the state or local level. However, the budget includes intent to increase funding by \$107 million for the Regional Mobility Grant Program and the Rideshare Grant Program in the next two biennia. The application window for the Regional Mobility Grant Program is already open, and the signal of increased investment means there will be additional funding awarded in the upcoming cycle. Click [here](#) to learn more about the Regional Mobility Grant Program.

The final budget also incorporates the budgeting tool referred to as "resource smoothing" which assumes a \$180 million underspend of the Local Programs project list for the current biennium. This amount is invested elsewhere in the budget.

### *Traffic Safety & Enforcement*

The biennial budget reduced funding for the WA State Patrol (WSP) due to staff vacancies and the supplemental budget restores \$2.7 million of that reduction. An additional \$11 million is provided to WSP for capital and operational improvements. Other traffic safety-related investments include:

- \$250,000 for WSDOT to develop an implementation plan for a new Megaproject Safety Program
- \$234,000 to report crash data and wrong-way driving violations at locations where wrong-way driving prevention strategies have been implemented
- Establishment of an older driver reduced fee identicaid program for currently licensed drivers aged 70 years or older who wish to replace their driver's license with an identicaid or an enhanced identicaid

### *Looking Ahead*

The supplemental budget makes relatively few changes to the underlying budget and signals intent to make more sweeping changes in the 2027-29 budget. Minimal funding is provided to complete studies and provide recommendations on a variety of issues, including:

- \$100,000 for the Joint Transportation Committee to facilitate review of the long-term financial sustainability of the transportation budget.
- \$640,000 for the Joint Transportation Committee to continue to oversee a Climate Emission Reduction Account investments tracking tool.
- \$400,000 for a report on the state's maintenance and preservation needs, including recommendations for a sustainable and integrated delivery plan and a public education program on investment needs and options.

### **Capital Budget**

The state's Capital Budget funds infrastructure and building construction for state and local communities through direct appropriations and grant programs. A percentage of the operating budget is dedicated to paying bonds issued to fund the budget. Of the three budgets, revenues in the capital budget were the most stable although not as ample as in previous years when there was an influx of federal funding from the American Rescue Plan Act (ARPA). The 2026 supplemental capital budget relies on debt limit bond capacity, Climate Commitment Act (CCA) accounts, and minimal other cash resources.

The supplemental Capital Budget authorizes \$889 million in new expenditures for a total of \$8.5 billion over the 2025-27 biennium. To help balance the operating budget, the capital budget transferred roughly \$1 billion in cash resources typically dedicated to capital purposes. These resources included capital gains, public works and higher education building accounts, described in more detail below. To view the supplemental budget and the associated project lists and grant programs, [click here](#).

Notable investments in the final Capital Budget include:

- The operating budget utilized \$375 million of the Public Works Assistance Account (PWAA) resources and the capital budget backfills the account with \$279.5 million of

bond funding. There is \$100 million in existing bond backfill and the capital budget allocates \$10 million for emergency grants to local governments for public works projects impacted by the December 2025 flooding event. This brings the total amount of funding available in PWAA to \$389.5 million.

- An additional \$123 million in Housing Trust Fund investments which includes \$50 million for multifamily/rental units, \$40 million for preservation and \$55 million for homeownership.



## Washington final supplemental budgets FY 2025-27: Selected impacts on cities

*For more information, please visit the [fiscal.wa.gov](http://fiscal.wa.gov) website for legislative budget proposals and the Office of Financial Management website at [ofm.wa.gov](http://ofm.wa.gov) for the Governor's proposed budget.*

	Final 2025-27 Budget	Final passed Supplemental 2025-27 budget
<b>Operating budget – Shared revenues</b>		
Liquor profits (Liquor Revolving Account)	\$98.9 million	No change
Liquor taxes (Liquor Excise Tax Account)	\$88 million	No change.
Cannabis Excise Tax	\$44.2 million	Reduces by \$5.1 million.
Municipal Criminal Justice Assistance Account	<ul style="list-style-type: none"> <li>• \$60.3 million</li> <li>• \$266,000 for reimbursement for mandatory arrest for repeat offenders.</li> </ul>	No change.
City-County Assistance Account (6050)	\$43.8 million	Adds \$1.3 million.
Fire Insurance Premium Tax	\$16.9 million	Adds \$1.6 million.
Local Government Fiscal Health (SB 6346)		Intent to transfer \$200 million from general fund to new account beginning in 2027-29 for local impacts of millionaire tax ( <b>SB 6346</b> ).
<b>Operating budget – Programs</b>		
<b>General Government</b>		
Pensions	<ul style="list-style-type: none"> <li>• Select Committee on Pension Policy to study implications of possible Plans 1 merger (as suggested by <b>SB 5085</b>) or LEOFF 1 restatement (as suggested by <b>HB 2034</b>). Report by January 9, 2026.</li> <li>• Pension rates adjusted to take into account <b>SB 5357</b>. New employer rates:               <ul style="list-style-type: none"> <li>▪ PERS 5.38%</li> <li>▪ PSERS 6.91%</li> <li>▪ LEOFF 2 employer rate: 5.32%</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Transfers \$880 million from pension funding stabilization account to budget stabilization account by Jun 30, 2029 (<b>HB 2034</b>).</li> <li>• Transfers \$539 million from Pension Surplus Holding Account to Climate Commitment Account in 2027-29.</li> </ul>
PERS 1 COLA	No PERS 1 COLA included.	Adds \$10,000 for PERS plan 1 COLAs ( <b>SB 5862</b> ).

	Final 2025-27 Budget	Final passed Supplemental 2025-27 budget
<b>Paid Family &amp; Medical Leave Program</b>	<ul style="list-style-type: none"> <li>\$10.8 million for additional staff to process PFML customer and employer inquiries.</li> <li>\$8.9 million completing statutorily required PFML implementation.</li> <li>\$5 million to implement changes to PFML job protections.</li> </ul>	Adds \$1.2 million to implement paid leave contributions ( <b>HB 2345</b> ).
<b>Miscellaneous HR &amp; labor provisions of interest</b>	<ul style="list-style-type: none"> <li>\$851,000 to implement restriction on including unnecessary driver requirements in job applications (<b>SB 5501</b>).</li> <li>\$852,000 to implement UI benefits for striking workers (<b>SB 5041</b>).</li> <li>\$102,000 to implement changes to public employee bargaining (<b>SB 5503</b>).</li> </ul>	Adds \$19 million to support unemployment program due to projected federal revenue shortfall.
<b>Municipal Research and Services Center</b>	\$6.8 million	No change.
<b>Municipal Revolving Account</b>	Sweep of \$5 million from State Auditor municipal revolving account balance of local audit fees.	No change.
<b>Elections</b>	\$500,000 to UW to study local government compliance with voting and elections laws and recommend best practices.	No change.
<b>Public Safety &amp; Criminal Justice</b>		
<b>Training for law enforcement</b>	<ul style="list-style-type: none"> <li>Funds 23 BLEA classes per year in 2026 and 2027, with two per year in each of four regional academies in Arlington, Pasco, Spokane, and Vancouver. Remaining classes in Burien.</li> <li>Reinstates 25% local match for BLEA and basic corrections officer training programs.</li> </ul>	No change.
<b>Crisis intervention training</b>	\$1.8 million for <i>Trueblood</i> phase 1-3 regions.	No change.
<b>Co-responder team funding</b>	\$5.2 million for cities/counties alternative response, including: <ul style="list-style-type: none"> <li>\$4 million to AWC to provide funds to cities to create alternative response team programs around the state.</li> <li>\$1.2 million to support Whatcom County alternative response team.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced AWC alternative response grants by \$600,000.</li> <li>Reduced Whatcom alternative response team by \$176,000.</li> </ul>
<b>Law enforcement behavioral health &amp; suicide prevention program</b>	\$5 million to the CJTC for officer wellness programs, including: <ul style="list-style-type: none"> <li>\$3 million for grants to local law enforcement agencies for wellness programs.</li> <li>\$2 million for a wellness app.</li> </ul>	No change.

	Final 2025-27 Budget	Final passed Supplemental 2025-27 budget
<b>Public safety funding</b>	<ul style="list-style-type: none"> <li>\$100 million for public safety funding grants to support recruiting, hiring, retaining, and training officers and co-responders (<b>HB 2015</b>).</li> <li>\$635,000 to CJTC to administer grants.</li> </ul>	No change.
<b>Organized retail crime program</b>		Adds \$500,000 for statewide organization to conduct a retail crime pilot program focused on diversion-oriented programs.
<b>Auto theft prevention authority</b>	Transfers \$1.8 million to general fund.	Transfers an additional \$2.1 million to general fund.
<b>Drug &amp; gang prevention</b>	\$1 million grant program.	No change.
<b>Impaired driver safety account</b>	\$1.2 million	No change.
<b>Small &amp; rural court grants for increased security</b>	\$1 million for grant matching funds to increase small rural court security.	No change.
<b>Public defense grants</b>	<ul style="list-style-type: none"> <li>\$900,000 for grants to cities.</li> <li>Additional \$2.7 million for public defense grants to cities.</li> </ul>	Reduced public defense grants to cities by \$180,000 due to state budget drafting error.
<b>Vacating &amp; resentencing under <i>State v. Blake</i> decision &amp; refunding LFOs</b>	<ul style="list-style-type: none"> <li>\$5.9 million to AOC to refund legal financial obligations vacated under <i>Blake</i> and an additional \$1.7 million for the activities of the AOC including contracting with cities and counties to disburse legal financial obligations.</li> <li>\$7.6 million to AOC to assist cities and counties with costs to comply with <i>Blake</i>.</li> <li>\$8.6 million to the Office of Public Defense to assist cities and counties with public defense services related to <i>Blake</i>, including SPAR grants.</li> </ul>	No change.
<b>Human Services</b>		
<b>Community Behavioral Health</b>	<p>Continued investments in the community behavioral health system, including:</p> <ul style="list-style-type: none"> <li>\$78.5 million for community treatment (PACT) teams.</li> <li>\$4.1 million for mental health services for mentally ill offenders in county or city jails and connection to services after release from confinement.</li> <li>\$38.1 million for clubhouse programs.</li> <li>\$17 million for substance use disorder peer support.</li> <li>\$61.2 million to support the housing needs of individuals with behavioral health disorders.</li> <li>\$9.5 million for health engagement hub pilot program sites (<b>SB 5536</b>).</li> <li>\$5.3 million to continue behavioral health street</li> </ul>	<p>Reduces investments in the community behavioral health system, including:</p> <ul style="list-style-type: none"> <li>\$5.7 million reduction for clubhouse programs.</li> <li>\$1.2 million reduction for health engagement hub pilot program sites (<b>SB 5536</b>).</li> <li>\$1 million reduction to distribution of naloxone to community health programs and community settings.</li> <li>Adds Clallam County to street medicine team eligibility.</li> </ul>

	Final 2025-27 Budget	Final passed Supplemental 2025-27 budget
	<p>medicine teams for homeless individuals in Tacoma, Everett, and Spokane, plus King and Kitsap Counties.</p> <ul style="list-style-type: none"> <li>• \$6.9 million to expand distribution of naloxone to community health programs and other community settings.</li> </ul>	
<b>Forensic mental health</b>	<ul style="list-style-type: none"> <li>• \$18.3 million to phase-in <i>Trueblood</i> settlement competency evaluations, competency restoration, forensic navigators, crisis diversion and supports, education and training, and workforce development.</li> <li>• \$14.3 million to improve the timeliness of competency evaluations for individuals in local jails.</li> <li>• \$8 million, including \$7 million for <i>Trueblood</i> phase one and phase two regions.</li> <li>• \$10.3 million to expand efforts to provide opioid use disorder and alcohol use disorder medication in city, county, regional, and tribal jails.</li> </ul>	\$1.3 million reduction for phase-in <i>Trueblood</i> settlement competency evaluations, competency restoration, forensic navigators, crisis diversion and supports, education and training, and workforce development.
<b>Foundational public health</b>	\$300.2 million	Adds language directing \$2.5 million of existing funding to maintain core infrastructure and staff.
<b>Housing &amp; Homelessness</b>		
<b>Housing and homelessness</b>	<ul style="list-style-type: none"> <li>• \$200 million for covenant homeownership program.</li> <li>• \$137 million for HEN program.</li> <li>• \$117.6 million for grants to local governments to maintain programs impacted by loss of document recording fees.</li> <li>• \$111 million for grants for local governments and NGOs for homeless housing programs and services.</li> <li>• \$90 million to transition those living in encampments to safer housing.</li> <li>• \$30.4 million for homeless families, youth prevention and diversion.</li> <li>• \$25 million for grants to support building operations, maintenance and service costs of permanent supportive housing projects.</li> <li>• \$22.5 million for housing assistance, including rental subsidies, permanent supportive housing, and low- and no-barrier housing beds for unhoused individuals.</li> <li>• \$6.5 million for Consolidated Homeless Grant Program.</li> <li>• \$1.2 million for foreclosure prevention assistance.</li> <li>• \$1 million for diversions services for those at risk of</li> </ul>	<ul style="list-style-type: none"> <li>• \$4.5 million reduction in permanent supportive housing for families that are chronically homeless with a disability.</li> <li>• Adds \$15 million for grants to permanent supportive housing providers for O&amp;M.</li> <li>• Adds \$313,000 to support a task force to establish a state department of housing.</li> </ul>

	Final 2025-27 Budget	Final passed Supplemental 2025-27 budget
	losing stable housing or are homeless that are determined to have a high probability of returning to stable housing.	
<b>Land Use &amp; Environment</b>		
<b>Stormwater nonpoint pollution</b>	<p>\$8.5 million for Ecology to address and mitigate 6PPD (tire chemical lethal to salmonids), including to identify effective management practices for stormwater treatment. Including:</p> <ul style="list-style-type: none"> <li>• \$4.4 million to identify effective best management practices to treat 6PPD in stormwater.</li> <li>• \$2.7 million to develop a strategy and recommendations to eliminate 6PPD in consumer products.</li> </ul>	No change.
<b>PFAS and water quality</b>	<ul style="list-style-type: none"> <li>• \$4 million to investigate and monitor sources and impacts of PFAS, including a study of how to manage discharges at municipal wastewater treatment facilities.</li> <li>• \$196,000 to implement <b>SB 5033</b>, required PFAS testing of biosolids.</li> </ul>	No change.
<b>Growth Management Act Planning Grants</b>	<ul style="list-style-type: none"> <li>• \$22.5 million for local government climate planning implementation.</li> <li>• \$18 million for updating comprehensive plans and development regulations to comply with the Growth Management Act.</li> <li>• \$3.8 million to support implementation of various land use bills (<b>HB 1096</b> (lot splitting), <b>HB 1183</b> (development regulations), <b>HB 1491</b> (transit density), <b>SB 5148</b> (housing element audits), <b>SB 5509</b> (childcare zoning), <b>SB 5559</b> (subdivision reform), &amp; <b>SB 5587</b> (housing gaps report &amp; infill housing).</li> <li>• \$1.7 million to increase middle housing.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduces 2027 GMA periodic update formula planning grants by \$2.9 million and repealed proviso allowing for a competitive grant cycle for unallocated funds.</li> <li>• Adds \$500,000 for grants to local government to update permit review processes.</li> </ul>
<b>Clean energy technologies</b>	<ul style="list-style-type: none"> <li>• \$5 million to support local governments in siting and permitting clean energy projects.</li> <li>• \$13 million to assist owners of public buildings conduct energy audits.</li> <li>• \$10 million to assist local governments, local organizations, and tribes to access federal tax incentives and grants.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduces assistance to local governments, local organizations, and tribes to access federal tax incentives and grants by \$2.5 million.</li> <li>• Reduces assistance to owners of public buildings for conducting energy audits by \$1.6 million.</li> </ul>
<b>Climate mitigation and resiliency</b>	\$1.9 million for coastal hazard monitoring and resilience, including grant technical assistance to local governments and tribes.	Adds \$10 million for community wildfire resilience per RCW 76.04.511(3)(c).

	Final 2025-27 Budget	Final passed Supplemental 2025-27 budget
Urban and Community Forest Grant Program	\$3 million.	No change.
<b>Public Works &amp; Infrastructure</b>		
Public Works Assistance Account (PWAA)	\$288 million transfer from PWAA to state general fund in FY 2026.  <i>See also PWAA under Capital Budget.</i>	Adds \$375 million transfer from PWAA to state general fund on June 30, 2027.
Local Solid Waste Financial Assistance	\$24 million for Local Solid Waste Financial Assistance grants.	No change.
Utility assistance	\$25 million for grant funding through existing network of federal low-income home energy assistance.	Adds \$30 million for grant funding through existing network of federal low-income home energy assistance.
<b>Capital budget</b>		
<b>Public Works &amp; Infrastructure</b>		
Public Works Assistance Account (PWAA)	<ul style="list-style-type: none"> <li>• \$365 million in new funding</li> <li>• \$468 million in new and existing diversions: <ul style="list-style-type: none"> <li>- \$288 million to general fund (new)</li> <li>- \$114 million (\$57 million/year) transfer to general fund (temporary redirection of existing transfers to the Move Ahead WA Account).</li> <li>- \$41 million to Water Pollution Control Revolving Account.</li> <li>- \$25 million to Drinking Water Assistance Account.</li> </ul> </li> </ul> <i>See also PWAA under Operating Budget.</i>	Add \$14.5 million <ul style="list-style-type: none"> <li>• \$279.5 million in new bond revenue (backfilling sweeps)</li> <li>• \$10 million for emergency grants to local governments impacted by 2025 weather events.</li> <li>• \$381.9 in new diversions. <ul style="list-style-type: none"> <li>- \$375 million transfer to general fund in FY 2027.</li> <li>- \$6.9 million transfer to Drinking Water Assistance Account.</li> <li>- Reduces existing diversion to Water Pollution Control Revolving Account to \$20.5 million</li> </ul> </li> </ul> <i>See also PWAA under Operating Budget.</i>
Stormwater Financial Assistance Program	\$60 million	No change.
Puget Sound Nutrient Reduction WWTP Grant Program	\$10 million	No change.
Drinking Water State Revolving Fund Loan Program (DWSRF)	<ul style="list-style-type: none"> <li>• \$120 million for water system infrastructure construction projects through DWSRF.</li> <li>• \$25 million for DWSRF state match dollars from PWAA.</li> </ul>	Add: <ul style="list-style-type: none"> <li>• \$3 million for DWSRF preconstruction loans.</li> <li>• \$6.9 million for DWSRF state match dollars from PWAA.</li> </ul>

	<b>Final 2025-27 Budget</b>	<b>Final passed Supplemental 2025-27 budget</b>
<b>Water Pollution Control Revolving Loan Program</b>	\$614 million: <ul style="list-style-type: none"> <li>• \$214 million federal</li> <li>• \$400 million state</li> </ul> \$41 million PWAA	No change.
<b>Centennial Clean Water Grant Program</b>	\$40 million	No change.
<b>Community Economic Revitalization Board (CERB)</b>	\$81.3 million for CERB Capital Construction.	No change.
<b>Broadband grants and loans</b>	\$1.3 billion, including: <ul style="list-style-type: none"> <li>• \$114 million as match for Broadband Equity, Access, and Deployment state grants program from IIJA.</li> <li>• \$1.2 billion federal.</li> </ul>	No change.
<b>Regional Approaches Grant Program</b>	\$2 million	No change.
<b>Land Use &amp; Environment</b>		
<b>Puget Sound Restoration and Salmon Recovery Grants</b>	<ul style="list-style-type: none"> <li>• \$105 million for Salmon Recovery Funding Board (SRF) grants, plus an additional \$20 million for riparian area grants.</li> <li>• \$60.5 million for Puget Sound acquisition and restorations.</li> <li>• \$9.6 million for Washington Coastal Restoration &amp; Recovery.</li> </ul>	No change.
<b>PFAS &amp; Water Quality</b>	\$14.5 million to address PFAS cleanup.	No change.
<b>Remedial Action Grants</b>	\$84.4 million	No change.
<b>Urban and Community Forest Grant Program</b>	\$6.2 million	Adds \$3 million.
<b>Floodplains by Design Grant Program</b>	\$75.7 million	No change.
<b>Aquatic Lands Enhancement Account</b>	\$4.3 million	No change.
<b>Washington Wildlife &amp; Recreation Program</b>	\$120 million	No change.
<b>Youth recreational facilities</b>	\$7.6 million for specific projects.	No change.
<b>Youth and community outdoor athletic facilities</b>	\$19.8 million for specific projects.	No change.
<b>Fish Barrier Removal Board</b>	\$32.5 million to fund identified projects and agency administration.	No change.

	<b>Final 2025-27 Budget</b>	<b>Final passed Supplemental 2025-27 budget</b>
<b>Air quality &amp; greenhouse gas reduction</b>	<ul style="list-style-type: none"> <li>• \$10.1 million for landfill methane capture grants.</li> <li>• \$4.1 million for community participatory budgeting program for mitigating climate change impacts on overburdened communities.</li> </ul>	No change.
<b>Clean energy &amp; climate resilience and mitigation</b>	<ul style="list-style-type: none"> <li>• \$35 million for Weatherization Plus Health grants.</li> <li>• \$26 million for Clean Energy Fund program.</li> <li>• \$23 million for Community EV charging grants.</li> <li>• \$20 million for Solar and Energy Storage grants.</li> <li>• \$11 million for Energy Retrofits for Public Buildings grants.</li> <li>• \$10 million for Clean Energy Community grants.</li> <li>• \$5 million for Clean Buildings Performance grants.</li> </ul> <p><i>Extended 2023-25 appropriation of clean energy retrofit dollars for grants (administered by AWC) for energy audits of city-owned tier 1 &amp; 2 buildings into FY 2026.</i></p>	Adds \$11 million for Weatherization Plus Health grants.
<b>Housing &amp; Homelessness</b>		
<b>Housing Trust Fund</b>	<p>\$605 million, including:</p> <ul style="list-style-type: none"> <li>• \$536 million for housing to benefit low-income and special needs populations, including permanent supportive housing, including: <ul style="list-style-type: none"> <li>• \$215 million multifamily rental housing.</li> <li>• \$100 million for Apple Health &amp; Homes.</li> <li>• \$75 million for first-time low-income homeownership.</li> <li>• \$62 million for identified projects.</li> <li>• \$50 million for housing for those with developmental disabilities.</li> <li>• \$50 million for affordable housing preservation.</li> <li>• \$30 million for mobile home park preservation.</li> <li>• \$10 million for rapid conversion or acquisition of housing to address extremely low-income and unhoused populations.</li> <li>• \$5 million for farmworker housing.</li> <li>• \$5 million for urgent repair grants.</li> </ul> </li> </ul>	<p>Adds \$123 million, including:</p> <ul style="list-style-type: none"> <li>• \$96 million, for housing to benefit low-income and special needs populations, including permanent supportive housing, including: <ul style="list-style-type: none"> <li>• Reduction in Apple Health &amp; Homes by \$57 million.</li> <li>• \$55 million for first-time low-income homeownership.</li> <li>• \$49 million for multifamily rental housing projects.</li> </ul> </li> <li>• \$40 million for affordable housing preservation. Projects impacted by December 2025 atmospheric river and winter weather event are eligible.</li> <li>• \$8 million for farmworker housing.</li> <li>• \$21 million for identified projects.</li> <li>• \$5 million for urgent repair grants or risk mitigation for affordable housing.</li> <li>•</li> </ul>

	<b>Final 2025-27 Budget</b>	<b>Final passed Supplemental 2025-27 budget</b>
<b>Additional investments in housing and shelters</b>	<ul style="list-style-type: none"> <li>• \$90 million for Connecting Housing to Infrastructure (CHIP) grants to local governments.</li> <li>• \$22 million for identified projects.</li> <li>• \$14.7 million for recovery residences grants.</li> <li>• \$9 million for youth shelters and housing.</li> <li>• \$8 million for identified transit-oriented housing projects.</li> <li>• \$5 million for low-income home rehabilitation grants.</li> </ul>	<ul style="list-style-type: none"> <li>• Adds proviso to allow CHIP to fund deferred loans.</li> <li>• Adds \$37 million for identified projects.</li> <li>• Adds \$17 million for grants and technical assistance for mobile home communities.</li> <li>• Adds \$5 million for projects impacted by December 2025 atmospheric river and winter weather event.</li> </ul>
<b>Human Services</b>		
<b>Behavioral Health Community Capacity</b>	\$119.8 million, including: <ul style="list-style-type: none"> <li>• \$70 million for competitive community behavioral health grants to address regional needs, including preventing closure of existing facilities, youth and adult bed capacity, facilities that serve specialized populations, and crisis relief centers.</li> <li>• \$49.8 million for 11 specific local crisis stabilization projects.</li> </ul>	Reduced to \$74.3 million and allocated differently: <ul style="list-style-type: none"> <li>• Reduces \$60 million from the competitive community behavioral health grants.</li> <li>• Adds \$14.5 million for 10 additional specific local crisis stabilization projects</li> </ul>
<b>Transportation budget</b>		
<b>WSDOT Local Programs Capital budget</b>	\$962.7 million	\$180 million temporary diversion from existing legislative appropriations to local projects; assumes delay in delivery of projects.
<b>Statutory transfers to local governments</b>	<ul style="list-style-type: none"> <li>• \$494 million</li> <li>• Additional \$36.2 million over next 3 biennia for city distribution of 6-cent increase to motor vehicle fuel tax.</li> </ul>	Adds \$14.5 million.
<b>Transportation Improvement Board (TIB)</b>	\$310.8 million, including: <ul style="list-style-type: none"> <li>• \$3.9 million to Small City Pavement and Sidewalk Program.</li> <li>• \$24.6 million for Complete Streets grants.</li> <li>• \$9.3 in preservation funding for cities.</li> </ul> Legislature intends to provide an additional \$21 million in 2027-29 for the Complete Streets Program.	Adds \$15 million in assistance for cities recovering from 2025 weather events.
<b>Recovery from 2025 weather events</b>	-	See <b>Transportation Improvement Board</b> .
<b>Safe Routes to Schools Grants</b>	\$83.4 million	Adds \$34 million.
<b>Pedestrian and Bicycle Safety Programs &amp; Grants</b>	\$81.7 million	Adds \$33.4 million.

	<b>Final 2025-27 Budget</b>	<b>Final passed Supplemental 2025-27 budget</b>
<b>Safety and Active Transportation</b>	<ul style="list-style-type: none"> <li>• \$33.2 million for the Sandy Williams Connecting Communities Pilot Program for projects to reconnect communities bifurcated by state highways.</li> <li>• \$500,000 for grants to local jurisdictions to implement network-wide traffic conflict screening programs.</li> </ul>	<p>Adds:</p> <ul style="list-style-type: none"> <li>• \$13.2 million for the Sandy Williams Connecting Communities Program.</li> <li>• \$500,000 for local jurisdictions to implement network-wide traffic conflict screening programs.</li> <li>• \$6.5 million for the Reducing Rural Roadway Departures Program, to which cities are now eligible to apply.</li> </ul>
<b>Freight Mobility Strategic Investment Board</b>	<ul style="list-style-type: none"> <li>• \$44.2 million for FMSIB recommended projects.</li> <li>• \$35.5 million in federal funds for recommended local preservation projects.</li> </ul>	<p>Adds:</p> <ul style="list-style-type: none"> <li>• \$4.9 million for FMSIB recommended projects.</li> <li>• \$8 million in federal funds for recommended local preservation projects.</li> </ul>
<b>Fish passage</b>	<ul style="list-style-type: none"> <li>• Retains proviso language to coordinate with Fish Barrier Removal Board on watershed approach to include local culverts.</li> <li>• Includes language allowing partnerships to leverage state and local funds to match opportunity for federal funding under BIL.</li> </ul>	No change.
<b>Homeless encampments</b>	<p>\$9.2 million to address homeless encampments on WSDOT-owned rights-of-way in coordination with local governments and social service organizations to direct people to housing and prevent future encampments.</p> <ul style="list-style-type: none"> <li>• A minimum of \$2 million dedicated to litter removal.</li> <li>• \$1 million in coordination with the City of Spokane.</li> <li>• \$1 million for safety improvements and debris cleanup in Seattle.</li> <li>• \$1 million in coordination with the City of Tacoma.</li> <li>• \$1.2 million to contract with the City of Fife.</li> </ul> <p><i>See also Housing and Homelessness in <b>Operating budget</b></i></p>	No change.
<b>Rural mobility grant</b>	\$32.2 million	No change.
<b>Alternative fuel and electric vehicle infrastructure</b>	<ul style="list-style-type: none"> <li>• \$25 million for clean alternative fuel vehicle charging and refueling infrastructure program.</li> <li>• \$3.5 million for an e-bike lending library and ownership program offering competitive grants.</li> </ul>	No change.
<b>Federal fund exchange pilot program</b>	\$17.5 million for a federal fund exchange pilot program of Transportation Block Grant population funding and state funds at an exchange rate of 95 cents in state funds per \$1 in federal funds.	No change.

	<b>Final 2025-27 Budget</b>	<b>Final passed Supplemental 2025-27 budget</b>
<b>Studies</b>	<ul style="list-style-type: none"> <li>• \$250,000 to update the 2013 memorandum of understanding between AWC and WSDOT for the construction, operations and maintenance responsibilities for city streets as part of state highways.</li> <li>• \$140,000 for the JTC to update the 2019 assessment of city transportation funding needs.</li> <li>• \$200,000 for the JTC to study alternative new methods for local governments to fund sidewalk improvements.</li> </ul>	No change.
<b>FHA bridge load rating</b>	\$5 million for the County Road Administration Board to provide grant dollars to counties and cities for the costs associated with obtaining a new federal highway administration load rating.	No change.



## Bills Impacting Cities 2026 Legislative Session

Below is a list of bills that passed this session that impact city operations and interests or will likely require a change in city code. We encourage you to review and prepare for the requirements outlined in the following bills. For reference, click [here](#) to view all bills approved by the Legislature, even those without a nexus to city government.

### *Child Care*

**Private Donation to Pre-K:** [Senate Bill 5872](#), sponsored by Sen. Claire Wilson (D-30th LD), creates the “preK promise account” as a dedicated state treasury account under the custody of the state treasurer to receive gifts, grants, and donations to support children served through the Early Childhood Education and Assistance Program. This bill was created to allow the state to accept up to \$170 million a year for 10 years, for a total of over \$1 billion as a planned gift from the Ballmer Group to support public early education.

**Child Care Subsidies and Caseload Caps:** [House Bill 2689](#), sponsored by Rep. Mia Gregerson (D-SeaTac), restructures Working Connections Child Care eligibility and subsidy payment policies, including – among other changes – changing attendance requirements, and eliminating scheduled future expansions of income eligibility above 60 percent of state median income and retaining a single income threshold, and maintains the existing provision deeming households eligible for or receiving basic food benefits to meet income requirements.

**Child Care Operational Flexibility:** [House Bill 2219](#), sponsored by Rep. Lillian Ortiz-Self (D-Mukilteo), allows licensed child care centers to use limited mixed-age staffing ratios each day and permits returning or experienced staff to waive repeat completion of the state’s early learning orientation when certain conditions are met.

**Early Learning Licensing Exemption:** [House Bill 2317](#), sponsored by Rep. Carolyn Eslick (R-Sultan), revises the definition of “agency” under state early learning licensing law to exclude certain school-day Early Childhood Education and Assistance Program (ECEAP) and Head Start programs that are located in a public school building or community or technical college building, or on the premises of a public school or community or technical college. This change narrows which early learning programs require state child care licensing, reducing regulatory requirements for specified school- and college-based early childhood programs and aligning them more closely with K-12 and higher education facility oversight.

### *Courts*

**Court System Unification Task Force:** [House Bill 1909](#), sponsored by Rep. Jamila Taylor (D-Federal Way), creates a statewide Court Unification Task Force to evaluate how disparate local

rules, technology, and funding create inefficiencies and inequities, and to recommend more unified approaches to improve access and consistency statewide. The task force must convene by October 1, 2026, report preliminary findings by June 30, 2027, submit a final strategic plan by June 30, 2028, hold at least one additional full meeting before June 30, 2029, and then sunset on December 31, 2029.

**Court Procedures Update:** [House Bill 2178](#), sponsored by Rep. My-Linh Thai (D-41st LD), updates civil infraction timelines by extending the response period to 30 days for personally served notices and 33 days for notices served by mail, changes the filing deadline for notices of infraction to five days excluding weekends and holidays and requires untimely notices to be dismissed without prejudice absent good cause shown, increases the damage threshold for aggregating certain malicious mischief charges to second degree from \$250 to \$750, enhances access to payment plans for civil infraction monetary obligations by allowing requests at any time and requiring courts to enter into payment plans in specified circumstances while permitting discretionary plans after referral to collections, corrects a technical cross-reference related to litter penalties, repeals an obsolete legal financial obligations collection and distribution statute, and requires annual state treasurer distributions to counties for clerk collection budgets based on a formula recommended by the Washington Association of County Officials.

### *Energy*

**Clean Energy Tax Preferences:** [House Bill 1210](#), sponsored by Rep. Stephanie Barnard (R-8th LD), seeks to extend targeted urban area property tax exemptions to clean energy transformation businesses and facilities requiring federal regulatory commission certification to promote economic growth and carbon-free energy goals. The bill defines “clean energy transformation business” to include businesses that create a product for sale that will aid in lowering Washington’s carbon emissions, while excluding government agencies and tribal nations. It introduces new requirements for tax exemption applications and post-construction documentation for facilities requiring federal regulatory commission certification, including community workforce or project labor agreements, compliance with labor standards, and consultation with the Department of Labor and Industries to confirm wage, apprenticeship, and labor law compliance, and allows for extended project completion deadlines specifically for those facilities. The bill also exempts the tax preferences from certain performance review provisions.

**Renewable Energy Taxation and Siting:** [House Bill 1960](#), sponsored by Rep. Alex Ramel (D-Bellingham), establishes a new state excise tax framework for large wind, solar, and battery storage facilities that replaces the existing renewable energy excise regime and property tax treatment, paired with optional local excise taxes, property tax exemptions for renewable energy personal property, a local community investment account with matching grants for jurisdictions hosting projects, tribal capacity grants funded in part from climate policy accounts, and minimum siting and wind facility decommissioning standards that counties and cities must meet to qualify for grant funding.

**Coal Plant Greenhouse Gas and Tax Regulation:** [House Bill 2367](#), sponsored by Rep. Joe Fitzgibbon (D-West Seattle), would end special greenhouse gas protections and coal sales and use tax exemptions for a specific coal-fired power plant, bringing its post-2025 emissions under the state cap-and-invest program and allowing additional state or local greenhouse gas requirements after 2025.

#### *Finance*

**Local Government Revenue Tools:** [House Bill 2442](#), sponsored by Rep. April Berg (D-Mill Creek), expands local government taxing authority and flexibility by broadening how several existing local revenue sources may be used and authorizing new ones. The bill allows wider use of local real estate excise taxes, local sales and use taxes for housing and related services, county rental car sales taxes, and flood control district funds; creates a new optional 0.01% local sales and use tax dedicated to services for children and families; extends the maximum duration of voter-approved levy lid lifts; and authorizes a new county property tax levy to support public health clinic expenses. It also modifies veterans', developmental disabilities, and mental health assistance levies, including allowing certain levies to be imposed outside aggregate property tax limits, and adjusts rules for city-initiated fire protection districts, including levy rate interactions and consultation requirements. With respect to fire protection districts, the bill revises rules for single-city fire districts by requiring governance by newly established, independently elected fire commissioners rather than city legislative authorities, adjusts how city levy rates interact with district levies, and requires cities to consult with impacted labor organizations and public hospital districts prior to forming such districts. These changes are intended to expand fiscal tools available to fund fire services while establishing independent district governance.

**Affordable Housing Revenue Flexibility:** [Senate Bill 6027](#), sponsored by Sen. Emily Alvarado (D-West Seattle), expands eligible uses of sales and use tax authority and local state credit sales and use tax to include operations, maintenance, and rehabilitation of existing affordable and supportive housing, and revises document recording fee distributions and eligible activities to prioritize households below 30% of area median income while directing Commerce to maintain stability for existing permanent supportive housing projects.

**Tax Increment Financing Revisions:** [House Bill 2451](#), sponsored by Rep. Davina Duerr (D-Bothell), addresses special district concerns while maintaining and tightening the tax increment financing (TIF) tool. The bill is the result of a stakeholder workgroup convened by AWC last year to discuss how TIF works, what the impacts are, and potential revisions to the tool. It makes multiple changes to local TIF rules to clarify project eligibility, require mitigation for affected taxing districts, restructure revenue apportionment, and limit the use of the mandatory multifamily property tax exemption in increment areas taking effect on or after June 2, 2026. The bill applies its changes prospectively, so existing increment areas are not modified.

**Senior and Disabled Property Tax Relief and State Levy Consolidation:** [Senate Bill 6162](#), sponsored by Sen. Deborah Krishnadasan (D-Gig Harbor), expands senior, disabled, and veteran property tax exemptions and deferrals by raising benefit tiers, redefining income eligibility with a standard deduction and rental income exclusions, and tying thresholds to higher percentages of county median income, while consolidating the state school property tax into a single "state

school levy” that is subject to regular levy growth limits beginning with taxes levied for collection in 2028.

### *Fire Service*

**Wildfire Alleviation Support Funding:** [House Bill 2089](#), sponsored by Rep. Shaun Scott (D-43rd LD) and titled the “Wildfire Alleviation Support Act,” modifies Washington’s business and occupation tax treatment of certain mortgage interest by redefining when interest earned by high volume mortgage lenders is taxed, with the additional general fund revenue annually transferred into the state’s wildfire response, forest restoration, and community resilience account to restore and support ongoing preparedness, mitigation, and community resilience activities beginning July 1, 2026. The bill responds to a reduction in the previously planned biennial investment in the wildfire response account by directing the Department of Revenue to estimate the increased general fund revenue attributable to the revised tax structure by October 15, 2027, and annually thereafter, and requiring the State Treasurer to transfer that amount to the wildfire response, forest restoration, and community resilience account by November 1 each year.

**Wildland Firefighting Aviation:** [House Bill 2104](#), sponsored by Rep. Tom Dent (R-13th LD) and Rep. Larry Springer (D-Kirkland), makes permanent the state’s aviation assurance funding program for wildland fire response, converting a successful pilot into an ongoing mechanism to support local firefighting aviation resources. The bill removes the prior sunset and affirms continued financial support through the Department of Natural Resources for local and tribal suppression efforts using aviation assets under trained air operations commanders, solidifying the program as a standing component of the state’s wildland fire strategy.

**Ambulance Personnel Requirements:** [House Bill 2110](#), sponsored by Rep. Joe Schmick (R-9th LD), allows qualified registered nurses, even without EMT certification, to staff interfacility specialty care ambulance transports under specified conditions when paramedics or nurse-EMTs are unavailable, clarifying definitions of interfacility and specialty care transports to better address workforce shortages and providing that the sending hospital must coordinate with the ambulance service to ensure the nurse is familiar with the ambulance’s equipment and supplies before participating in a transport.

**Fire Sprinkler Enforcement:** [House Bill 2472](#), sponsored by Rep. Dan Bronoske (D-Lakewood), enhances enforcement of existing fire protection sprinkler licensing laws by authorizing investigations, stop work orders, documentation checks, payroll record reviews, and safety-based system replacement determinations to ensure only properly licensed contractors and certified fitters perform sprinkler work, including residential systems, and requiring contractors and fitters to provide proof of licensure or certification upon request from a fire code official.

**EMT Recertification Intervals:** [House Bill 2540](#), sponsored by Rep. Dan Bronoske (D-Lakewood), extends the recertification period for emergency medical technicians from three to six years for practitioners who have been certified in Washington for at least ten years, while retaining the three-year interval as the standard requirement for all others.

**Wildfire Home Hardening in Common Interest Communities:** [Senate Bill 6054](#), sponsored by Sen. Victoria Hunt (D-Issaquah), prohibits homeowner and condominium association governing documents from unreasonably restricting an owner’s installation, use, or maintenance of qualified fire-hardened building materials that meet specified wildfire safety standards, including ignition-resistant construction under the International Wildland Urban Interface Code, relevant NFPA wildland construction standards, or Insurance Institute for Business and Home Safety wildfire-prepared home criteria. Associations may adopt reasonable aesthetic or design regulations regarding the design, dimensions, placement, or appearance of these materials as long as such rules do not make their use impractical or significantly increase their cost compared to alternative fire-hardened materials, and the bill clarifies that owners do not gain any right to construct on property owned by others, on leased property without lessor permission, or in common areas. Any conflicting existing provisions are rendered unenforceable until the bill’s sunset on January 1, 2028.

### *Housing Affordability*

**Social Housing Framework:** [House Bill 1687](#), sponsored by Rep. Julia Reed (D-36th LD), amends Washington’s housing cooperation statute to explicitly recognize social housing public development authorities (SHPDAs) and social housing within existing authority for state and local government support of housing projects. The bill defines “social housing” as subsidized and cross-subsidized rental housing available to households of any income level, publicly owned in perpetuity by a social housing developer, and adds related income and cross-subsidization definitions. SHPDAs are treated as housing authorities for cooperation purposes, allowing state public bodies to aid SHPDAs on the same basis as traditional housing authorities, including conveying or leasing property, providing adjacent public facilities and services, purchasing bonds or other obligations, entering into long-term agreements, making payments in lieu of taxes or no payments, and lending or donating money and support to boards of commissioners. Key provisions include the introduction of cross-subsidization, where rents from high-income households offset lower rents for low- and moderate-income households, and streamlined procedural requirements for state public bodies to authorize housing-related actions.

**Religious Organization Affordable Housing Density Bonuses:** [House Bill 1859](#), sponsored by Rep. Osman Salahuddin (D-Redmond), modifies the current requirement that cities and counties must grant increased residential density for affordable housing developments on property owned or controlled by religious organizations by lowering the affordability set-aside threshold from 100% of units to either 50% of units to be affordable to low-income households or 20% of units to be affordable to very low-income households, and clarifies that affordability is based on monthly housing costs not exceeding 30% of a qualifying household’s income. The bill also requires local jurisdictions to develop policies to implement these density bonus provisions upon request from a religious organization and allows them to require higher affordability set-asides as a condition of receiving the increased density bonus.

**Homeless Youth Advisory Committee Membership:** [Senate Bill 5957](#), sponsored by Sen. Tina Orwall (D-Des Moines), expands and diversifies the Office of Homeless Youth Prevention and

Protection Programs advisory committee by specifying broader representation, clarifying appointment and staffing roles, and allowing young adult members who turn 25 to complete their terms, thereby strengthening the committee's capacity to advise on funding, policy, and practice to reduce youth homelessness.

**Condominium Warranty Changes:** [House Bill 2304](#), sponsored by Rep. Jamila Taylor (D-Federal Way), expands the types of small condominium buildings that can substitute insured express warranties for statutory implied warranties of quality by allowing this option for buildings with up to twelve units and four or fewer stories.

**Nonprofit Housing Property Tax Exemptions Alignment:** [House Bill 2610](#), sponsored by Rep. Chipalo Street (D-Seattle), revises property tax exemptions for nonprofit homeownership and affordable housing by aligning them with general nonprofit standards, clarifying exclusive-use requirements, and coordinating expiration dates through 2038.

**Eviction Notice Service:** [House Bill 2664](#), sponsored by Rep. April Connors (R-Kennewick), standardizes service of eviction and related notices by eliminating the certified mail requirement, directing mailed notices to the tenant's place of residence rather than their last known address, and clarifying that service by mail is complete when the notice is deposited in the U.S. mail from within Washington state, properly addressed with postage prepaid.

**Flood Risk Disclosures for Rentals:** [Senate Bill 6237](#), sponsored by Sen. Jessica Bateman (D-Olympia), expands landlord duties under the Residential Landlord-Tenant Act by requiring, for residential leases entered into after December 31, 2026, disclosure that a property may be located in a special flood hazard area or area of potential flooding, that the landlord's insurance does not cover loss of the tenant's personal possessions and that tenants should consider renter's and flood insurance, and that information about hazards affecting the property, including potential flood risk, is available from the county government in which the property is located, and makes conforming renumbering changes to existing landlord duties without otherwise altering them.

### *Human Resources*

**Employee Information Sharing Expansion:** [House Bill 2091](#), sponsored by Rep. Julia Reed (D-Seattle), expands the requirement to provide employee contact information to unions from a limited set of higher education institutions to all public employers covered under the state employee collective bargaining statute, standardizing disclosure obligations statewide by eliminating the prior limitation that applied only to certain four-year universities so that all employers subject to the chapter must provide specified employee information to exclusive bargaining representatives upon request; the bill also temporarily limits employer liability for failing to provide required information when an employer is unable to do so due to limitations of its current technological systems until the state's One Washington human resources Phase 2 subproject is completed and fully implemented.

**Workers' Compensation Rate Transparency:** [Senate Bill 6136](#), sponsored by Senator Curtis King

(R-Yakima), requires the Department of Labor and Industries to publish actuarially indicated workers' compensation premium rates and disclose any director-imposed limitations that cause cross-subsidization among risk classes. The bills also require this information to be posted online and transmitted to legislative committees and the workers' compensation advisory committee to support more informed oversight of the program.

**Workers' Compensation Medical Access and Claims Management:** [Senate Bill 5847](#), sponsored by Sen. Rebecca Saldaña (D-Seattle), expands injured workers' access to workers' compensation medical treatment and provider choice, eases access to nonnetwork providers when network access fails, tightens utilization review timelines, and authorizes additional claims managers to reduce caseloads and improve claim oversight. The bill also clarifies employer conduct standards around provider coercion, updates treatment duration and post-closure care rules including ongoing monitoring for accepted cancer conditions, modernizes provider network guidelines and appeal rights, and phases in these changes across all claims regardless of injury date through staggered effective dates.

**Voluntary Layoff Unemployment Eligibility:** [House Bill 2264](#), sponsored by Rep. Liz Berry (D-Seattle), clarifies that employees who volunteer for employer-initiated layoffs or reductions in force under a written workforce reduction plan are treated as unemployed through no fault of their own and may receive unemployment benefits if separated on or after June 14, 2026. The bill limits eligibility to situations meeting specified written notice and volunteer criteria, excluding early retirement or separation incentive programs that do not follow the formal reduction plan framework, while allowing employers to let workers rescind a volunteer offer without jeopardizing eligibility as long as the core conditions are met.

**Mandatory Microchip Ban:** [House Bill 2303](#), sponsored by Rep. Brianna Thomas (D-West Seattle), prohibits employers from requesting, requiring, or coercing employees or job applicants to receive an implanted microchip and establishes a private right of action for violations. The bill adds a new section to employment law to regulate the use of implanted microchips in the workplace and authorizes courts to award injunctive relief, actual and punitive damages, and reasonable attorneys' fees and costs to aggrieved employees.

**Paid Family and Medical Leave Premium Allocation:** [House Bill 2345](#), sponsored by Rep. Suzanne Schmidt (R-Spokane Valley), adjusts how paid family and medical leave premiums are split between employers and employees by reversing which portions of the premiums may be deducted from employee wages so that employers may now deduct up to the full amount of the required medical leave premium from employee wages and redefining the maximum employee-deductible share of the family leave premium through a new cross-referenced formula designed to keep the overall employer-employee split of the total premium unchanged, while leaving unchanged the overall premium rate structure and the ability of employers to cover part or all of the employee share.

**PTSD Workers' Compensation Pilot and Behavioral Health Grants:** [House Bill 2405](#), sponsored by Rep. Suzanne Schmidt (R-Spokane Valley), expands workers' compensation law by authorizing Labor and Industries to fund workplace behavioral health initiatives for

trauma-exposed occupations and establishing a time-limited PTSD pilot program that provides pre-adjudication and limited post-closure treatment while easing administrative burdens and protecting certain treatment records from disclosure. House Bill 2405 further specifies use of existing Safety and Health Investment Project return-to-work funds for behavioral health workplace grants and clarifies how nonnetwork providers may deliver short-term PTSD care within the pilot.

**Electronic Labor & Industries Communications Modernization:** [Senate Bill 6039](#), sponsored by Sen. Curtis King (R-Yakima), authorizes the Department of Labor & Industries and related entities to use trackable electronic or nonelectronic methods for notices, standardizes deadlines when service is electronic versus nonelectronic, and modernizes notice requirements for workplace safety rulemaking.

**Expanded Shared Leave Protections:** [House Bill 2411](#), sponsored by Rep. Osman Salahuddin (D-Redmond), expands the state employee shared leave program to cover hate crime victims and absences related to immigration enforcement actions involving employees or their families, with confidentiality protections for immigration-related verification and updates to the definitions of eligible family members and victims.

**LEOFF Survivor Medical Benefits:** [House Bill 2441](#), sponsored by Representative Sam Low (R-Lake Stevens), expands and clarifies that surviving spouses, domestic partners, and dependent children of LEOFF members killed in the course of employment are entitled to reimbursement of medical and Medicare Part A and Part B premiums, including coverage for premiums paid while a line-of-duty determination is pending and retroactive reimbursement for eligible premiums paid after June 10, 2010.

**Wage Complaint Enforcement Discretion:** [Senate Bill 6058](#), sponsored by Sen. Rebecca Saldaña (D-Seattle), aligns and modernizes the Department of Labor and Industries' wage enforcement authority by broadening recoverable "wages" to "amounts," capping administrative recoveries to three years, adding interest and penalties through a clearer administrative order framework, and making complaint investigations discretionary under a publicly documented prioritization process tied to complaint acceptance and clarified tolling of limitation periods.

**Wage Recovery Program:** [House Bill 2479](#), sponsored by Rep. Mary Fosse (D-Everett), revises wage complaint enforcement by changing the Department of Labor and Industries' obligation from investigating all wage complaints to investigating complaints consistent with a publicly available prioritization process, expanding its authority to initiate and consolidate investigations, increasing and indexing civil penalties for wage violations beginning in 2030, and redirecting collected penalties into a new wage recovery account funded by civil penalties under wage and transportation network company statutes. The bill also creates a wage recovery program that can advance up to 85% of anticipated unpaid wages, capped at \$2,500 per employee, to qualifying low-wage workers beginning the later of July 1, 2028, or when the wage recovery account reaches \$130,000, and requires a long-term program and fiscal review by the Joint Legislative Audit and Review Committee; the bill repeals the existing statute addressing mandatory civil penalties for repeat willful violators and, under a new penalty

framework, narrows penalty waivers while directing the Department to adopt a penalty matrix with enhanced penalties for repeat willful and other repeat violators.

**Expanding Public Sector Employment Eligibility:** [Senate Bill 5068](#), sponsored by Sen. John Lovick (D-44th LD), seeks to expand eligibility for certain public safety and prosecutorial positions in Washington state to all individuals legally authorized to work in the United States under federal law. The bill revises several sections of state law to ensure that roles in prosecuting attorneys' offices and corrections officer positions in state correctional facilities and local jails are accessible to a broader pool of candidates, provided they meet federal work authorization requirements, while preserving existing citizenship, lawful permanent residence, or Deferred Action for Childhood Arrivals standards for peace officer positions. It maintains existing qualifications, such as language proficiency and suitability for specific roles, while requiring compliance with federal regulations, including verification of work authorization, and specifies that these standards must be applied consistently with federal law and may not be used to bypass federal employment verification requirements; it also clarifies that certain weapons prohibitions based solely on immigration status cannot, by themselves, be used to deny or revoke certification where federal law would otherwise allow lawful possession in an official capacity. The bill applies its new work-authorization requirements retroactively to individuals employed on and after the act's effective date and takes effect immediately upon enactment as an emergency measure.

**PFML Premium Rate Methodology:** [Senate Bill 5292](#), sponsored by Sen. Steve Conway (D-Tacoma), replaces the current formula-based approach to calculating Paid Family and Medical Leave (PFML) premiums with actuarially determined rates aimed at ensuring long-term solvency and establishing a four-month reserve by the end of 2030, without changing the existing statutory cap of 1.2% on the total premium rate and with the changes taking effect January 1, 2028.

**Retirement Benefits Adjustment:** [Senate Bill 5862](#), sponsored by Sen. Perry Dozier (R-16th LD), provides a one-time 3% cost-of-living increase, capped at \$110 per month, to beneficiaries of Teachers' Retirement System Plan 1 and Public Employees' Retirement System Plan 1 who are receiving a monthly benefit on July 1, 2025, with the act taking effect July 1, 2026 and the increase effective that same date.

**Unemployment Reporting Amendments:** [Senate Bill 5874](#), sponsored by Sen. Drew MacEwen (R-35th LD), modernizes unemployment insurance tax and wage reporting penalty provisions by standardizing how monetary amounts and percentages are expressed in statute and expanding the Employment Security Department commissioner's authority to waive penalties for minor or insignificant reporting errors, including inadvertent errors caused by software failures to correctly produce required job classification information. The bill clarifies that employers are subject to penalties for missing standard occupational classification or job title data only when they knowingly fail to report that information.

**Layoff Notice Requirements and Tribal Exemption:** [Senate Bill 6106](#), sponsored by Sen. Annette Cleveland (D-Vancouver), exempts Indian tribes from state layoff-notice requirements by excluding them from the definition of "employer" under the Securing Timely

Notification and Benefits for Laid-Off Employees Act, and creates a new public records exemption shielding employee names and addresses submitted to the Employment Security Department for layoff notifications from disclosure. The bill also clarifies that written layoff notices must be provided to both the Employment Security Department and the affected employees or, if applicable, their bargaining representative, and that the names and addresses of employees in a mass layoff or business closure notice are required only in notices sent to the department and, if applicable, the employees' bargaining representative.

### *Land Use/Permitting*

**Factory Built Housing Standards Modernization:** [House Bill 2151](#), sponsored by Rep. Deb Manjarrez (R-Wapato), aligns factory built housing and commercial structure rules with updated international building, mechanical, and plumbing codes, clarifies approval and oversight of nongovernmental qualified inspection agencies, and exempts certain utility-owned prefabricated energy and electrical enclosures from state approval when tightly controlled by the utility and not used for occupancy.

**Scissor Stair Code Study:** Substitute [House Bill 2228](#), sponsored by Rep. Janice Zahn (D-Mercer Island), temporarily directs the State Building Code Council to convene a technical advisory group to recommend 2027 code changes allowing scissor stairs in multi-unit, primarily permanent residential occupancies.

**Permitting of STEP (Shelter, Transitional Housing, Emergency Housing, and Permanent Supportive Housing):** [House Bill 2266](#), sponsored by Rep. Strom Peterson (D-Edmonds), standardizes statewide zoning and permitting rules to require most cities and counties planning under the Growth Management Act to allow transitional and permanent supportive housing in any urban growth area zones where residential dwelling units or hotels are allowed, and to allow indoor emergency shelters and indoor emergency housing in any urban growth area zones where hotels are allowed, while limiting local development, operating, and permitting standards for these uses to those that are no more restrictive than those applied to comparable lodging or residential development in the same zone. It also allows cities to impose additional operational requirements when a jurisdiction contributes general fund dollars or public land to a project.

**Residential Required to Be Allowed in Commercial Zones:** [Senate Bill 6026](#), sponsored by Sen. Emily Alvarado (D-West Seattle), is Governor-request legislation that requires jurisdictions with a population of 30,000 or more that plan under the Growth Management Act, and counties that plan under the Act and are not rural counties, to allow residential uses in most commercial and mixed-use zones and limits a city or county's ability to require ground-floor commercial. Under the latest version, a jurisdiction generally cannot impose ground-floor commercial or mixed-use requirements in more than 40% of the total area zoned for commercial or mixed use (with specified exceptions, including industrial areas, certain historic and Main Street areas, business improvement areas, and additional allowances in station areas and higher-height zones) and may not impose such requirements on publicly subsidized affordable housing projects; covered cities and counties must also provide an administrative

process for applicants to seek reductions or waivers of ground-floor commercial or retail requirements, while grandfathering any jurisdiction that has a process already in place. Local governments have 18 months after the bill's effective date to adopt required ordinances and, if they do not, the state standards automatically preempt conflicting local regulations; they are not obligated to update growth and development assumptions until their first comprehensive plan update after January 1, 2031.

**Sound Transit Permitting Streamlining:** [Senate Bill 6309](#), sponsored by Sen. Marko Liias (D-Lynnwood), makes changes to local permitting, land use, and subdivision requirements for regional transit authorities, including Sound Transit, to expedite project delivery and reduce project costs. The bills allow earlier permit applications and exemptions for partial parcel acquisitions needed for transit facilities. The bills also clarify that local governments must accept land use, construction, or technical permit applications from a regional transit authority for projects on property the authority does not yet own, while requiring the authority to independently secure necessary property rights or permissions before proceeding with permitted work.

**Elevator Safety Standards:** [Senate Bill 5156](#), sponsored by Sen. Jesse Salomon (D-32nd LD), directs the State Building Code Council to adopt standards in the 2027 technical codes that will allow cities and counties to permit smaller passenger elevators in small apartment buildings, defined as buildings with up to six stories and no more than 24 units. The bill requires the State Building Code Council to adopt new rules ensuring that all passenger elevators in these buildings are minimally sized to meet federal accessibility requirements, while convening an expert technical advisory group to review hoistway opening protection and two-way visual emergency communication requirements and evaluate elevator safety and cost standards for small apartment buildings and to align state policy with national and international model code and competitiveness efforts.

**Kit Home Building Codes:** [Senate Bill 5552](#), sponsored by Sen. Jeff Wilson (R-19th LD), establishes a new category of building codes for “kit homes” to promote affordable introductory housing in Washington State. The bill defines kit homes as prefabricated residential structures of 800 square feet or smaller, comprised of prefabricated walls, floors, and roofs that are assembled on-site, and directs the State Building Code Council to perform rulemaking on the state building codes applicable to kit homes and to update those provisions over time, with rulemaking to be completed no later than March 31, 2027.

#### *Miscellaneous*

**Derelict Vessel Management:** [House Bill 2199](#), sponsored by Rep. Adison Richards (D-Gig Harbor), amends procedures for managing and disposing of derelict and abandoned vessels by updating and expanding the definition of a derelict vessel, including allowing a vessel to be classified as derelict if it has been in violation of state registration requirements for at least two full annual registration periods, and by removing ownership status and owner control as conditions for classifying a vessel as derelict.

**Statewide Food Security Strategy:** [House Bill 2238](#), sponsored by Rep. Kristine Reeves (D-Federal Way), modifies the Department of Agriculture’s responsibilities to monitor food system performance, coordinate statewide food security efforts, and lead a time-limited, multiagency planning effort to end hunger, reduce diet-related health disparities, and improve agricultural viability and supply chain resilience through 2028. The department must submit the finalized statewide food security strategy to the appropriate legislative committees by December 1, 2027, and, beginning June 30, 2030, must report to the Legislature at least once every four years on the competitiveness of Washington’s agricultural regulatory landscape, including metrics that monitor and quantify regulatory costs imposed by the state on fuel, packaging, and labor.

**Restrictive Real Estate Agreements:** [House Bill 2294](#), sponsored by Rep. Darya Farivar (D-Seattle), prohibits most new private real estate agreements that restrict otherwise-allowed use of property for grocery stores or pharmacies, declares such restrictions void as against public policy, and treats entering into or maintaining such agreements as unlawful practices. The bill provides limited exceptions for preexisting agreements, certain relocation arrangements within specified distance and time limits that may be extended by local governments for good cause, and specified retail center covenants that lose enforceability if the use is discontinued beyond a set period, while authorizing enforcement by local governments and the Attorney General and requiring parties entering covered agreements to provide notice to the Attorney General and the relevant local government within ten days.

**Commercial Truck Safety and Education Council:** [House Bill 2410](#), sponsored by Rep. Jake Fey (D-Tacoma), creates the Washington State Commercial Truck Safety and Education Council within the Washington Traffic Safety Commission to address rising large-truck collisions and support coordinated public-private safety, training, and education initiatives, funded in part by increasing the commercial vehicle safety enforcement fee from \$16 to \$32 and directing a share of the revenue to a new commercial truck safety and education account overseen by the council.

**Behavioral Health Training in the Trades:** [House Bill 2492](#), sponsored by Rep. Greg Nance (D-Bainbridge Island), adds optional behavioral health and wellness content to existing continuing education requirements for plumbers and electricians and creates a mandatory behavioral health and wellness training component in all state-approved building and construction apprenticeships.

**Community Reinvestment Governance and Planning:** [House Bill 2523](#), sponsored by Rep. Kristine Reeves (D-Federal Way), revises Washington’s community reinvestment framework to add long-term planning, outcome reporting, and independent evaluation for funding targeted to communities disproportionately harmed by past drug laws.

**Alien Terminology Replacement:** [House Bill 2632](#), sponsored by Rep. My-Linh Thai (D-Bellevue), standardizes state law by defining “noncitizen,” replacing existing references to “alien” and related terms across multiple statutory titles without changing eligibility rules or program

structures, and authorizing expedited rulemaking to implement those technical language updates. The bill also directs that, beginning July 1, 2026, new state and local enactments use “noncitizen” or another context-appropriate term instead of “alien,” unless federal law or funding conditions require the term “alien.”

**Rural County Eligibility Expansion:** [Senate Bill 6149](#), sponsored by Sen. Jeff Wilson (R-Longview), broadens the definition of “rural county” used for Community Economic Revitalization Board programs and the rural county public facilities sales and use tax by allowing eligibility for counties that either have a population density below 100 persons per square mile, have a population density of 100 persons per square mile or greater but no city larger than 45,000 people, or are smaller than 225 square miles.

### *Procurement*

**Small Works Roster Expansion:** [House Bill 2420](#), sponsored by Rep. Janice Zahn (D-Bellevue), incrementally raises the maximum contract amount eligible for small works roster procurement, allowing the limit to increase from \$350,000 to \$650,000 over a phased period while clarifying that the thresholds are based on estimated cost not including sales tax and retaining existing documentation, direct contracting, and public access provisions.

**Public Works Independent Contractors:** [Senate Bill 6302](#), sponsored by Sen. Steve Conway (D-Tacoma), creates a mandatory Department of Labor & Industries misclassification investigation process for certain finishing-trade independent contractors on public works projects by requiring the department to investigate potential misclassification when a contractor or subcontractor uses three or more independent contractors to perform the same type of covered finishing work—defined as drywall, flooring, tiling, painting, and glazier and glasswork—simultaneously on a public works project, upon referral from specified public entities, contractors or subcontractors on the project, labor organizations representing covered workers, or affected individuals performing covered finishing work, and, if misclassification is found, to apply all applicable prevailing wage requirements, liabilities, and penalties and refer the matter for appropriate industrial insurance and unemployment insurance actions.

### *Public Safety (Police and Corrections)*

**AI-Generated Child Sexual Exploitation Depictions:** [Senate Bill 5105](#), sponsored by Senator Tina Orwall (D-Des Moines), expands existing child sexual exploitation crimes to clearly cover AI-generated and other digitally fabricated depictions of minors in sexually explicit conduct, including images where the minor is not identifiable but the material is obscene.

**Transgender Jail Searches:** [House Bill 1604](#), sponsored by Rep. Osman Salahuddin (D-48th LD), establishes specific statewide standards and procedures for searches and physical examinations of transgender, intersex, and gender nonconforming individuals in local jails and aligns related strip search laws with these requirements. Local jails are required to develop policies that comply with the federal Prison Rape Elimination Act (PREA) and include training for staff to ensure searches are conducted respectfully and in the least intrusive manner consistent with security needs. Key provisions include prohibiting searches solely to determine genital status,

allowing individuals to choose the gender of the staff conducting strip searches or have them conducted by a medical professional, clarifying that lack of available trained female staff is not an exigent circumstance justifying cross-gender searches, and ensuring privacy protections during searches and daily activities such as showering, toileting, and changing clothes.

**Attorney General Investigators:** [House Bill 2156](#), sponsored by Rep. Edwin Obras (D-33rd LD), authorizes specially trained Attorney General’s Office investigators who handle economic and financial crime investigations to be designated as limited authority Washington peace officers for narrowly defined economic and financial crime investigations, while explicitly denying them detention, arrest, or firearms authority, limiting their search warrant authority to electronic service on businesses after judicial approval, prohibiting them from physically serving search warrants for business records, and preserving existing law enforcement powers.

**Attorney General Civil Investigative Demands:** [Senate Bill 5925](#), sponsored by Sen. Drew Hansen (D-Bainbridge Island), authorizes the Attorney General to issue civil investigative demands for specified civil rights, labor, and law enforcement oversight investigations, with confidentiality protections, judicial review, and limits to civil, noncriminal matters. The bill further narrows use by excluding federal agencies and the Attorney General’s criminal justice division, and adds a four-year legislative reporting requirement on how the civil investigative demand authority is used.

**False Identification as Peace Officers:** [House Bill 2165](#), sponsored by Rep. Edwin Obras (D-SeaTac), is Governor-request legislation that creates a new gross misdemeanor offense for falsely identifying as a peace officer and removes peace officer impersonation from the existing criminal impersonation statute.

**Law Enforcement Facial Covering Restrictions:** [Senate Bill 5855](#), sponsored by Sen. Javier Valdez (D-Seattle), prohibits law enforcement officers from wearing facial coverings while interacting with the public in the performance of their duties, while allowing limited exceptions for officers working as undercover operatives or as part of a special weapons and tactics (SWAT) team, and establishes a civil cause of action for individuals detained in violation of these requirements. The bill also clarifies that personal protective equipment required or authorized under federal or state workplace safety rules, helmets used on certain vehicles, and religious head or face coverings are not subject to the ban.

**Digital Firearm Manufacturing Restrictions:** [House Bill 2320](#), sponsored by Rep. Osman Salahuddin (D-Redmond), expands Washington’s regulation of ghost guns by defining digital firearm manufacturing code and three-dimensional printers, expressly covering 3D printing and CNC milling within existing prohibitions on manufacturing untraceable and certain prohibited firearms and components. The bill further restricts who may possess, distribute, or use firearm-related digital design files and equipment.

**Blue Envelope Program:** [House Bill 2323](#), sponsored by Rep. Carolyn Eslick (R-Sultan), creates a voluntary “blue envelope program” to support safer traffic-stop interactions by providing drivers and passengers with disabilities or conditions that may affect interactions, including

neurodiverse individuals, with a distinct envelope containing key documents, safety tips, and communication guidance for law enforcement. The program requires the Department of Licensing, in collaboration with stakeholders, to make blue envelopes available free of charge at driver licensing offices and to maintain program information on an existing website.

**Automated License Plate Privacy Regulations:** [Senate Bill 6002](#), sponsored by Sen. Yasmin Trudeau (D-Tacoma), establishes comprehensive limits on when agencies may use automated license plate reader (ALPR) systems, including exempting ALPR data from public records disclosure and tightly limiting authorized uses, retention, sharing, and enforcement to protect driver privacy. The bill clarifies that existing automated traffic safety, school bus, and toll camera systems that do not interface with ALPR beyond their current statutory purposes are excluded from the new rules, restricts agencies from using ALPR systems except in specified circumstances such as investigations involving stolen vehicles, missing or endangered persons, persons with felony or gross misdemeanor warrants, vehicles related to felonies or gross misdemeanors, commercial vehicle enforcement, and parking enforcement, and generally limits data retention to 21 days except in certain circumstances. The bill also prohibits specified surveillance practices and collection in sensitive locations, requires agencies to register ALPR systems with the Attorney General, adopt policies consistent with model policies to be developed by 2027, conduct annual audits, and provide public reporting and oversight, with violations subject to gross misdemeanor penalties and civil remedies, including treatment as unfair trade practices under the consumer protection act and inadmissibility of unlawfully obtained ALPR data in court.

**Police Use of Force Investigations:** [House Bill 2508](#), sponsored by Rep. Debra Entenman (D-Kent), broadens and clarifies the Office of Independent Investigations' jurisdiction over police use-of-force deaths and in-custody death cases, strengthens its authority over scene control and access to records (including certain fire and ambulance records, subject to consent or court order where they contain health care information), and narrows certain definitional references. The bill makes Office of Independent Investigations investigative records confidential until referral to a prosecutor for a charging decision and limits disclosure of certain non-investigative records to protect personal privacy through new exemptions under the Public Records Act.

**Wrongful Conviction Compensation Expansion:** [Senate Bill 5520](#), sponsored by Sen. Tina Orwall (D-Des Moines), broadens eligibility for wrongful conviction claims by tying compensation to an "actually innocent" standard based on a preponderance of the evidence, clarifies key definitions including "actually innocent," "significant new exculpatory information," and "wrongly convicted," restructures filing and merits standards, increases and clarifies compensation and attorney fee provisions by setting attorneys' fees at 10% of a claimant's confinement- and community-custody-related monetary damages and capping fees and expenses at \$75,000, extends the statute of limitations and notice-related filing windows, authorizes structured settlements, and expands educational and reentry benefits and tuition waivers for exonerated individuals and their families.

**DUI Toxicology Testing:** [Senate Bill 5880](#), sponsored by Sen. Keith Wagoner (R-39th LD), expands who may conduct DUI toxicology testing by authorizing ISO/IEC 17025-accredited forensic toxicology laboratories to perform blood analyses as an alternative to individuals permitted by the state toxicologist, while retaining the toxicologist's authority to approve testing methods and issue individual permits; the bill also clarifies that local governments may, but have no duty to, accept private donations to fund such analysis and includes delayed transition language with one section expiring June 30, 2027, and a successor section taking effect on that date to align with future statutory updates, and requires cities and counties that choose to use private laboratories for analysis of evidence previously submitted to the state toxicological laboratory to reimburse the Washington State Patrol for the cost of returning the evidence and prohibits the laboratory from releasing evidence unless a contract governing the release is in place, and further requires cities and counties that use private laboratories for blood analysis to contract with those laboratories in advance and mandates that such contracts include provisions for free, timely defense interviews with laboratory personnel, which may be conducted remotely, and acceptance by the laboratory of electronic service of pleadings, discovery, and subpoenas.

**Law Enforcement Qualifications:** [Senate Bill 5974](#), sponsored by Sen. John Lovick (D-Mill Creek), modernizes eligibility, certification, background investigation, and accountability standards for sheriffs, police chiefs, town marshals, and sheriff candidates, and regulates the use of volunteers, youth cadets, specially commissioned officers, and deputized process servers by law enforcement agencies in cities, code cities, and counties. The bill restores the right of officers, their attorneys, or representatives to review and copy confidential records held by the Criminal Justice Training Commission, updates eligibility and background check rules for sheriffs, police chiefs, and marshals by clarifying that non-vacated gross misdemeanors can disqualify candidates while vacated gross misdemeanors do not, adding experience and grandfathering provisions, requiring state and federal criminal history checks, and authorizing the Washington State Patrol to treat sheriff candidates as peace officer certification applicants to accelerate fingerprint-based eligibility verification processes. The changes specify that decertification or failure to meet eligibility requirements creates a vacancy in office for sheriffs, police chiefs, and marshals, adjust volunteer firearm restrictions for qualified retired officers, permit fixed cameras in facilities, allow limited supervisor data sharing, clarify that specially commissioned peace officers are not subject to volunteer limits and that deputized process servers may only perform non-law-enforcement-authority tasks unless they are certified peace officers, require sheriff, police chief, and marshal candidates to undergo a pre-appointment background investigation equivalent to peace officer certification standards, with an attestation of eligibility and suitability submitted to the Commission before appointment, and prohibit volunteers and youth cadets who are not fully trained and certified peace officers from exercising core law enforcement powers, including pursuits, arrests, use of force, carrying weapons, certain surveillance activities beyond fixed internal cameras, use of tracking or apprehension dogs, and immigration enforcement.

## *Transportation and Traffic Safety*

**Transit Lane Access:** [House Bill 1980](#), sponsored by Rep. Janice Zahn (D-41st LD), allows private employer transportation services to use certain business access and transit-only lanes in counties with populations over 2,000,000 under a fee-for-use, two-year pilot permit system initiated before 2035, contingent on public transportation provider approval and performance standards to protect transit operations. The bill requires public transportation providers, in consultation with local authorities and representatives of one or more labor organizations representing transit employees, to establish operational performance measures for affected lanes, jointly prepare annual performance reports with labor input, and revoke permits if those standards are not met, with permit revenues first covering local administrative costs and any remaining revenues supplementing rather than replacing existing funding for transit-only lane maintenance and improvements.

**Crash Prevention Zones:** [Senate Bill 6066](#), sponsored by Sen. Nikki Torres (R-Pasco), authorizes and defines “crash prevention zones,” adjusts related enforcement, and links fine revenue to targeted safety improvements. The bill allows the creation of crash prevention zones on specified high-collision segments of US 395 and SR 12 prior to January 1, 2029, and beginning in 2029 authorizes counties, cities, towns, and the Washington State Department of Transportation to designate additional zones on high-collision road segments, require public hearings and engineering and traffic investigations to identify safety improvements (including potential speed limit changes), and direct increased law enforcement presence within the zones. Monetary penalties for personal electronic device violations and automated camera-based speed violations committed within crash prevention zones may be doubled, with resulting revenues dedicated to zone-related engineering and traffic investigations, signage, and safety improvements, including deposits to local crash prevention zone accounts and, for certain state-established zones, the highway safety fund. The bill also authorizes the use of automated traffic safety cameras for speed enforcement in crash prevention zones and requires that any remaining camera revenue after program costs be spent only on safety purposes within the zone.

**Traffic Fatality Review Confidentiality and Data Access:** [House Bill 2192](#), sponsored by Representative Sam Low (R-Lake Stevens), expands the Washington Traffic Safety Commission’s role as a public health authority by authorizing confidential traffic fatality review committees, protecting related crash and health data from public disclosure, and enabling broader access to law enforcement, licensing, and medical records to analyze serious and fatal collisions and recommend safety improvements, while shifting detailed review and confidentiality functions from the Cooper Jones Active Transportation Safety Council to the commission.

**Electric Motorcycle Regulations:** [Senate Bill 6110](#), sponsored by Sen. Sharon Shewmake (D-Bellingham), clarifies that high-speed or easily modified electric bicycles are treated as motorcycles rather than electric-assisted bicycles, and establishes a temporary work group process to develop a new statutory framework for electric motorcycles, including enforcement tools and potential penalties related to youth operation and deceptive marketing or tampering,

while also directing the work group to assess the regulatory landscape for other micromobility devices such as electric unicycles, scooters, and tricycles. An emergency clause allows the work group section of the bill to take effect immediately, with an interim report due by December 15, 2026, and a final recommendation, including any draft legislation, due by October 31, 2027.

### *Utilities*

**Industrial Symbiosis Incentives:** [House Bill 1302](#), sponsored by Rep. Julio Cortes (D-38th LD), allows local utilities to waive or delay utility connection charges for organizations practicing industrial symbiosis, defined as collaboration among businesses or organizations to exchange materials, energy, water, and byproducts to optimize resource use and achieve measurable reductions in resource consumption or greenhouse gas emissions while supporting sustainable development and long-term community benefits. The bill requires that waived charges be covered by general funds or other revenue sources and mandates repayment if the property no longer qualifies.

**Clean Energy Compliance Expansion:** [Senate Bill 5982](#), sponsored by Sen. Victoria Hunt (D-Issaquah), broadens the Clean Energy Transformation Act to cover ports and nonresidential electricity consumers that self-generate or procure power outside traditional utilities, requiring affected market customers to report their retail electric load and comply with clean energy standards enforced by the Utilities and Transportation Commission. Senate Bill 5982 additionally directs the Department of Commerce to tailor reporting for port districts and phases in enhanced contract disclosure requirements for consumer-owned utilities starting in 2026, with later timelines for port districts.

**Energy Reporting Requirements:** [House Bill 2575](#), sponsored by Rep. Zach Hall (D-Issaquah), reduces utility and energy strategy reporting requirements by shifting qualifying utilities' renewable portfolio compliance reports to the Department of Commerce from annual to biennial, lengthening state energy strategy reporting intervals, and eliminating multiple heat-related utility disconnection and energy planning-related reporting obligations while retaining underlying customer protections and disconnection rules, and adds nonbinding encouragement for utilities to use savings from the reduced reporting requirements to support low-income energy assistance programs.

**Fish Barrier Coordination:** [Senate Bill 5690](#), sponsored by Sen. Drew MacEwen (R-35th LD), directs the Washington State Department of Transportation (WSDOT) to adopt and maintain policies to proactively coordinate with utility owners and to maximize federal funding for utility relocation in state highway fish barrier removal projects. The bill requires WSDOT to provide utility owners with information about planned state highway fish barrier removal projects, with at least one year of advance notice where feasible, and to adopt agency procedures to ensure this coordination consistent with applicable federal rules and regulations. Additionally, WSDOT is directed to adopt policies aimed at maximizing the amount of federal funding available for fish barrier removal projects where such funding can also be used for utility relocation costs, whether incurred by WSDOT or by utilities, and is encouraged to deposit eligible federal awards into the multimodal transportation account and report recommendations to the Legislature

and the Office of Financial Management on changes that would improve access to federal funding.

**Utility Procurement Streamlining:** [Senate Bill 6076](#), sponsored by Sen. Keith Goehner (R-Dryden), streamlines procurement processes for public utility districts and other consumer-owned utilities to more quickly procure and construct clean energy generation, storage, transmission, and distribution projects through 2045. The bill raises competitive bidding thresholds for specified clean energy projects to \$500,000, authorizes an intermediate quotation-based procurement pathway for certain mid-range purchases, clarifies that bids must be awarded to the lowest responsible and responsive bidder, increases from 15% to 25% the maximum amount by which an awarded contract may exceed the estimated cost, and adds temporary exemptions allowing a municipality's governing body to waive competitive bidding for proprietary or specialized technologies needed to meet reliability standards or for projects that are common facilities.

**On-site Sewage Inspections:** [Senate Bill 6291](#), sponsored by Sen. Liz Lovelett (D-Anacortes), extends from two to four years the period during which noncertified individuals may review designs and conduct inspections of on-site wastewater treatment systems under the supervision of a certified individual, while leaving all other qualification and oversight requirements unchanged.