



# 2026 Legislative Session Recap





## Government Relations Team

### [Candice Bock](#)

#### **Director**

Issue areas – Economic development; federal issues; finance; human resources, labor relations & pensions; liability; open government

### [Carl Schroeder](#)

#### **Deputy Director**

Issue areas – Building codes; environment & natural resources; housing & homelessness; land use & planning

### [Steven Ellis](#)

#### **Government Relations Advocate**

Issue areas – Public works & infrastructure; telecommunications; transportation; utilities & energy

### [Derrick Nunnally](#)

#### **Government Relations Advocate**

Issue areas – Cannabis; emergency management; general government; human services & behavioral health; public safety & criminal justice

### [Sheila Gall](#)

#### **General Counsel**

Issue areas – Finance, taxes, & budgets; economic development

### [Shannon McClelland](#)

#### **Senior Legislative Policy Analyst**

Issue areas – Building codes; environment & natural resources; housing & homelessness; land use & planning

### [Brianna Morin](#)

#### **Legislative Policy Analyst**

Issue areas – Federal issues; public works & infrastructure; telecommunications; transportation; utilities & energy

### [Emma Shepard](#)

#### **Legislative Policy Analyst**

Issue areas – Cannabis; emergency management; finance, taxes, & budgets; human services & behavioral health; public safety & criminal justice

### [Leah White](#)

#### **Legislative Policy Analyst**

Issue areas – Human resources, labor relations, & pensions; liability; open government; general government; parks

### [Kirsten Peterson](#)

#### **Project Coordinator**

### [Shayla Nelson](#)

#### **Government Relations Assistant**

# 2026 Legislative Session

60-day Session: January - March

Election year

Democratic majorities: 30-19 Senate, 59-39 House

Economic environment: budget shortfall, uncertainty at the federal level especially related to Medicaid and food assistance

Supplemental budgets: Operating, Capital, Transportation

Focus: Millionaires Tax, addressing budget shortfalls

# 2026 AWC Legislative Priorities



## Indigent defense

Increase state support and funding for indigent defense services. Enhance state support for increasing the indigent defense workforce.



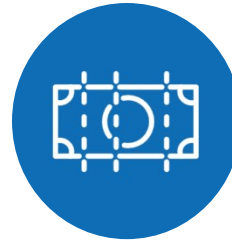
## Transportation

Increase sustainable revenue that supports local transportation preservation, maintenance, and operations and includes direct distributions to cities and towns.



## Housing supply

Provide time to implement recent state housing legislation. Increase housing investments and provide local funding options.



## Shared revenues

Continue the historical revenue-sharing partnership between the state and its cities and towns, which provides stability and continuity for local budgets.

# Budget outcomes



## Operating

- Reduces cannabis revenues by \$5 million and funds other state-shared revenues at expected levels
- \$375 million PWAA transfer
- Reduces \$600,000 from alternative response team grant program



## Transportation

- \$180 million temporary diversion of existing legislative appropriations to local projects
- \$34 million increase to Safe Routes to Schools grants
- \$33.4 million increase to Pedestrian and Bicycle Safety programs
- \$15 million in forgivable loans to cities recovering from 2025 extreme weather events



## Capital

- \$375 million transfer from PWAA to general fund with \$279.5 million in bond revenue backfill
- Made significant capital budget investments in housing and homelessness, including for manufactured home park acquisition and preservation



# Budget & finance

## Passed

- **HB 2442** – Local revenue flexibility
  - Expands levy lid lift time-frames up to 10 years
  - Authorizes new 0.01% sales tax for child and family services
  - Expands housing revenue uses
  - Amends single-city fire district authority
- **SB 6113** – Technical changes to sales taxes on services codifying last year's implementation guidance
- **SB 6346** – Tax on millionaires and creating new state and local sales tax exemptions effective in 2029

## Did not pass

- **HB 2120/SB 5879** – Eliminating annual JLARC lodging tax report
- **HB 2650** – DOR request bill changing notifications requirements for REET and lodging taxes



## Public safety & criminal justice

### Passed

- **HB 1909** – Creating a court unification task force
- **HB 2165** – False identification as a police officer
- **SB 5855** – Prohibiting face coverings by law enforcement
- **SB 5880** – Permitting toxicology testing by private laboratories
- **SB 5974** – Updating police and sheriff qualifications and roles, and restricting what duties police volunteers can perform



## Public safety & criminal justice *cont.*

### Did not pass

- **HB 2102** – Reducing and eliminating legal financial obligations
- **HB 2389/SB 6062** – Increasing juvenile offender release opportunities
- **SB 5280** – Establishing consumer protections for crypto kiosks
- **SB 5912** – Reviving the state’s indigent defense task force
- **HB 2351** – Limiting federal immigration enforcement in emergency operation zones



# Homelessness

## Passed

- **HB 2266** – Added additional requirements for cities to permit STEP housing (housing for homeless population)

## Did not pass

- **HB 2489** – Would have restricted city ordinances that regulate use of public space such as public camping ordinances



# Open government

## Passed

- **HB 1170** – AI content notice requirements
- **SB 6002** – Regulation of automated license plate readers



# Transportation

## Passed

**HB 1980** – Pilot program to let private employer transportation services use business access and transit-only lanes

**HB 2192** – Updating the role of the Traffic Safety Commission in identifying risk factors resulting in death or serious injury

**SB 6066** – Establishing crash prevention zones with higher fees for speed and phone-use violations to fund safety improvements

**SB 6110** – Creating a work group to develop a new regulatory framework for e-motorcycles and similar mobility devices



## Transportation

### Did not pass

**HB 1529** – Relaxing procurement rules on cities' use of county resources to help with city road striping and paving

**SB 5081** – Allowing vehicles started remotely to run unattended

**SB 6243** – Creating a regulatory framework to allow for the operation of autonomous vehicles

**SB 6262** – Making heavier vehicles subject to TBD license fees

**SB 6311** – Requiring pedestrian passage in construction zones



## General government

### Passed

- **HB 1710** – Washington Voting Rights Act preclearance
- **HB 1750** – Washington Voting Rights Act enforcement
- **SB 5925** – Attorney General civil investigative powers

### Did not pass

- **HB 2095** – Protecting vulnerable road users
- **HB 2210** – Ranked-choice voting for local jurisdictions
- **HB 2291** – Kratom regulation
- **SB 6204** – Cannabis home grows
- **SB 6239** – Establishing an alternative resolution process for state and local tort claims



## HR & labor relations

### Passed

- **HB 2105** – Immigrant worker protections – creating new notice requirements for employers
- **HB 2303** – Ban on microchipping employees
- **HB 2345** – PFML contribution rates adjustments in response to IRS guidance
- **HB 2405** – PTSD pilot program creation allowing for early coverage of treatment
- **SB 5292** – Directing PFML rate calculations based on actuarial report
- **SB 5847** – Medical provider choice in worker's compensation claims
- **SB 6014** – Pregnancy-related accommodation requirements



## HR & labor relations *cont.*

### Did not pass

- **HB 1571/SB 6180** – Reduces criteria for presumptive heart disease for firefighters and police officers
- **HB 1622** – Bargaining decisions related to AI technology
- **HB 2144** - Employee notice for electronic monitoring tied to performance evaluation
- **SB 5882** – Presumptive PTSD for local correctional workers
- **SB 5972** – Correctional workers interest arbitration



# Pensions

## Passed

- **HB 2034** – LEOFF 1 pension restatement
- **HB 2124** – Increases minimum lump sum retirement payments from \$50 to \$250 annually
- **HB 2441** – Increases LEOFF 2 survivor medical benefits
- **SB 5862** – PERS 1 COLA increase



## Public works & infrastructure

### Passed

- HB 1302** – Authorizing utility connection charge waivers
- HB 1903** – Creating a low-income energy assistance program
- HB 1906** – Increasing transparency in water system rates
- HB 2215** – CCA compliance obligations for fuel suppliers
- HB 2353** – Increasing predesign thresholds for capital projects
- HB 2420** – Increasing small works roster contract limits
- SB 6302** – Addressing alleged misclassification of independent contractors in the finishing trades on public works projects



## Public works & infrastructure

### Did not pass

**SB 5061** – Paying prevailing wages at time work is performed, rather than at time of contract

**SB 5176** – Requiring prompt payment for contractors and subcontractors on public works projects

**SB 6096** – Requiring cities to adopt a system for deferring water and sewer utility connection fees

**SB 6234** – Requiring local governments to allow installation of sewage grinder pumps in new residential buildings



## Broadband & telecommunications

### Did not pass

**HB 2365** – Updating and modifying the state’s 2022 Digital Equity Act

**HB 2579** – Creating a 20-cent tax on telephone services to fund public media and digital equity

**SB 5188** – Authorizing the Public Works Board to fund broadband infrastructure repair and replacement



# Housing

## Passed

- **HB 1859** – Bonus density for religious institutions – Updated requirements that cities allow density bonuses to affordable housing projects proposed by religious institutions. Now allows projects to have a lower proportion of units qualifying as affordable and allows different area medium income rates to get the density bonus.
- **HB 2304** – Condominium liability reform - create an alternative express warranty for certain scale of condo projects, rather than the implied warranty that is driving significant insurance and liability costs.
- **SB 6027** – Expands the 1/10<sup>th</sup> sales tax for housing purposes and HB 1406 sales tax credit for housing to authorize support for operations and maintenance of existing facilities, rather than just new facilities.



## Housing *cont.*

### Did not pass

- **HB 1443** – Mobile dwellings requiring cities to allow campers and RVs as permanent homes.
- **HB 1717** – Sales tax refund on construction materials would have authorized cities to waive local sales tax for affordable housing.
- **HB 2559/SB 5576** – Local option short-term rental tax would have authorized cities to establish up to a 4% tax on the nightly rental rate of short-term rentals.



## Land use & planning

### Passed

- **SB 6026** – Housing in commercial and mixed-use zones

### Did not pass

- **HB 1175** – Mandate that cities allow neighborhood cafes and stores in all residential areas
- **SB 5633** – Overhaul of the subdivision statutes to provide for administrative approval and removing public hearings



# Economic development

## Passed


- **HB 2451** – Tax increment financing stakeholder compromise
  - Exempts EMS levies and future levy lid lifts
  - Updates formation criteria and mitigation provisions for impacted districts
  - Applies to TIF areas effective after June 2, 2026

# Looking ahead to 2027

- 105 Day marathon, full budget session
- New leaders of key committees & new legislators
- Another (yes, really) budget shortfall
- Continued impacts from federal actions
- Key topics may include: education, more on housing, focus on affordability, exploring replacement for state B&O and other more progressive revenues
- AWC developing legislative agenda this summer: preliminary focus on budget sustainability issues – what are your ideas?



# Legislative success: Session is only the tip of the iceberg



SESSION

- Get educated on the latest: Attend AWC's City Action Days, read AWC's Legislative Bulletin, and join City Action Calls on Fridays.
- Talk to your legislators, sign onto position statements, and testify throughout the session on bills and budget items that affect your city.
- Communicate the specific impacts of legislative issues on your city to the AWC team.

INTERIM

- Share your legislative priorities with your local legislators as session approaches.
- Attend AWC district meetings and pre-session briefings.
- Develop a legislative agenda, including reference to AWC's adopted priorities.
- Engage with AWC's legislative priorities process.
- Set up meetings and tours with your legislators to share your city's needs, challenges and opportunities, particularly items that are part of your legislative agenda. A good option is to invite legislators to your budget meetings.
- Set up recurring check-ins with your legislative delegation. Request post-session legislative updates from your local legislators.

# To do list: Before 2027



## **Get regular meetings on the calendar**

The interim is your best opportunity to get real time with your legislators to discuss the issues impacting your community. By setting up regular meetings, you build understanding, relationships, and dialogue.



## **Develop your legislative agenda**

A foundational tool to advocate for your city is an annual legislative agenda that distills what your city needs from your legislators in the upcoming session. This is where you can lay out your policy, budget and regulatory needs. Remember to indicate support for the AWC agenda as well.



## **Invite legislators to budget work sessions**

Help legislators understand budget challenges by inviting them to listen in on your budget work sessions with your council.



**Questions?**