



City of Bellevue

City Manager's Office

DATE: June 9, 2026

SUBJECT: State Legislative Update, May 2026

Legislative Work Session: On May 18, the House Environment and Energy Committee held a [work session](#) on carbon sequestration, the process of capturing carbon and storing it in underground geological formations, and extended producer responsibility for hazardous materials. The presentations on carbon sequestration build upon [House Bill 2285](#) introduced in 2025, to propose a way to decarbonize industries that are unlikely to move to electricity. These industries continuing to use natural gas would also alleviate growing pressure on the electric grid.

Several other states have adopted a regulatory framework to facilitate carbon sequestration. The Washington State Department of Ecology (Ecology) is conducting [rulemaking](#) on sequestered carbon exemptions under the Climate Commitment Act. Questions from legislators included potential concerns about unknown impacts — hundreds of years into the future — if carbon is injected into the state's basalt geographies.

The Committee also heard a presentation on household hazardous waste, highlighting that there is a limited number of collection sites in the state and outlined interest in the state adopting extended product stewardship for these substances. King County indicated that they are working with stakeholders on legislation for 2027. Vermont recently enacted extended producer responsibility (EPR) for household hazardous waste.

Income Tax Repeal Initiative: [Initiative 26-645](#) is a proposed measure backed by *Let's Go Washington* and filed by Brian Heywood that would repeal [Senate Bill 6346](#), the recently passed legislation establishing a 9.9% tax on household income above \$1 million beginning January 1, 2028, with collections set to begin in 2029. The proposal has been cleared for signature gathering and could appear on the November 3 ballot as an Initiative to the People. Organizers are also considering an initiative to the Legislature, which could place the issue before voters in 2027. To make it to the ballot this November, the initiative will need over 300,000 signatures submitted by July 2. This measure comes on the heels of the Washington Supreme Court's rejection of a referendum challenge and falls amid ongoing legal, political and economic debate. Opponents say the tax represents a significant expansion of state taxing authority, may raise constitutional concerns and could affect the business climate. Supporters purport it would make Washington's tax system less regressive, generate more than \$3 billion annually for education and health care, and provide relief for lower-income residents and some small businesses.

Washington's Water Future: Governor Bob Ferguson and Ecology announced the launch of a new statewide initiative, *Washington's Water Future*, on [May 6](#) to ensure Washington has stable water supply into the future. Ecology will host a series of regional roundtables with local and

Tribal governments, industries, utilities, environmental groups and community groups to inform new water supply policies and recommendations for Ecology to submit to the Governor before the next legislative session. More details about the regional roundtables and opportunities for cities to engage in them are anticipated soon.

Department of Housing Task Force: The Governor's task force to establish a Department of Housing under [Executive Order 25-12](#) is continuing their work to develop recommendations for a new cabinet-level housing agency focused on expanding housing supply, better aligning state housing programs and addressing housing needs across Washington. To support their work by a November 15 deadline, the task force solicited input from stakeholders via survey and requests for comments. The City of Bellevue's Office of Housing provided comments to the task force with recommendations on areas for improvement and focus of this new agency to advance housing goals with lessons learned from the development of Bellevue's own centralized housing department. The task force's next meeting is scheduled for June 10 with more information on the [Department of Housing Task Force](#) webpage.

June Look Ahead

- Final day to submit Referendum Measure petition signatures on June 10
- Laws enacted in the regular legislative session become effective on June 11
- The Association of Washington Cities (AWC) Legislative Priorities Committee meets on June 25 during AWC's Annual Conference in Spokane to continue their work of developing AWC's 2027 Legislative Priorities.