

# State Legislative Session

## 2026 Session Wrap Up

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March 24, 2026



# Information Only

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# Agenda

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1. Session Review & Supplemental Budgets Summary
2. Key Legislative Priorities
3. Session Takeaways
4. Next Steps & Interim Work



# 2026 Session Review

Second year of the biennium

- 60-day session, supplemental budgets
- Governor's first budget proposals
- Democrat majorities in House & Senate

By the Numbers

- 1,482 bills from 2025 Session
- Legislature introduced another 1,207 and passed 267 bills
- 270 bills on Bellevue's Tracker
- Council testified at 8 bill hearings



# 2025-2027 Supplemental Budgets

- Supplemental Budgets Adopted
  - Operating
  - Capital
  - Transportation
- New revenue proposals



# City of Bellevue 2026 State Legislative Agenda



## City of Bellevue 2026 State Legislative Agenda

### Economic Prosperity and Partnership

State and federal actions play a significant role in shaping Bellevue's economic health. The City asks State and federal actions play a significant role in shaping Bellevue's economic health. The City asks to be engaged as a consulted partner as the Legislature considers responses to shifting economic conditions and federal policy changes. The decisions by the Legislature have direct downstream impacts on city services and affordability for our residents. Bellevue strongly urges the Legislature to avoid tax on city services and affordability for our residents. Bellevue strongly urges the Legislature to avoid tax on a competitive disadvantage in a dynamic marketplace.

Bellevue will evaluate state taxation proposals or budget adjustments through the lens of fiscal sustainability and economic prosperity. We support strategies that promote fair competition among businesses without disproportionate impact on size or industry, foster innovation and economic growth, and help attract and retain talent in communities across Washington. Bellevue urges the State to prioritize revenue sources that are less volatile and more stable across economic cycles, while carefully balancing fiscal needs with the potential impacts on cities, residents, and ratepayers.

### Key Legislative Priorities

#### Affordable Housing

Bellevue seeks ongoing partnership with the State to help build an equitable and caring community where everyone can thrive. We urge the Legislature to provide adequate funding, resources and time to effectively implement recent state land use and housing laws that have significantly impacted cities.

Bellevue supports flexible funding tools for local jurisdictions to address affordable housing needs, including construction and preservation of affordable housing. Funding tools should provide support for early planning, pre-development and acquisition to promote affordable housing development in diverse, inclusive and growing communities like Bellevue.

#### Streamlined Permitting

Consistent permitting across jurisdictional boundaries is critical to supporting local economies, housing, environmental protection and trust in government, and is critical to achieving Bellevue's long-term growth plans. The City is working to reduce permit processing timelines by implementing Senate Bill 5290 (2023) and investing in innovative technologies to streamline review processes. As these local efforts continue, Bellevue urges the Legislature to prioritize funding support and incentive-based approaches, rather than imposing additional mandates, to help jurisdictions accelerate permitting.

Bellevue supports the eCityGov Alliance funding request that will modernize MyBuildingPermit online platform so that it remains an industry-leading, digital permitting technology solution with improved outcomes for applicants, customers, planners, builders and designers. The eCityGov Alliance is the only non-profit, government-led organization delivering a predictable digital permitting experience consistent with the needs of permitting customers and jurisdictions across the region.

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## 2026 State Legislative Agenda

### City of Bellevue State Policy Statement

### High Performance Government



Bellevue supports data-informed and collaborative decision making, strategic investment of public resources and strong commitment to inclusive engagement. Bellevue is a Smart City and we are interested in leveraging technology to optimize data management, safe and secure infrastructure, and the customer experience. Moreover, residents often do not distinguish between services delivered at the state level versus the local level; the City supports efforts to ensure all levels of government are financially stable. When state policies are achieving their goals at the local level, we encourage the State to recognize and preserve those local approaches, maintaining the flexibility cities need to effectively meet the unique needs of our communities.

### Governance and Fiscal Sustainability

- Bellevue supports preserving and enhancing **state-shared revenues** and retaining programs to meet the diverse needs of local government.
- Cities must not be burdened by **state mandates** that are unaccompanied by sufficient funding or necessary resources.
- Bellevue strongly opposes proposals that would undermine the ability for cities to administer local **business and occupation (B&O) tax** revenues. Diminished local authority reduces flexibility to tailor taxes to local conditions and may reduce revenues that fund critical services.
- The city requests that the Legislature provide greater flexibility for **local revenue decisions**.
- Cities require support managing public works needs in the most efficient manner possible. Ensure state regulatory requirements, including proposals related to **contracting and procurement**, are flexible, reasonable, and balanced and consider the cost impacts on local governments, as well as taxpayers.
- Bellevue urges the Legislature to preserve **public employer management rights** in collective bargaining. The City's right to make decisions about expenditures, programs and new technologies should not be impeded.

### Liability

- Bellevue seeks opportunities to reduce **liability exposure** and reduce costs of litigation and insurance.
- Bellevue supports proposals to reduce inefficient, costly and outdated requirements, while maintaining transparency and reducing **litigation abuse** and disruptions to **public meetings**.



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# 2026 Key Legislative Priorities: Selected Bills of Note

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## Bills That *Passed*:

- Residential in Mixed-Use/Commercial (6026)
- Employer Shuttles in BAT Lanes (1980)
- Affordable Housing Funding (6027)

## Bills That *Did Not* Pass:

- Payroll Expense Tax (2100)
- Land Use and Permitting Changes (1160, 1175, 5729)



# 2026 State Policy Statement : Selected Bills of Note

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## Bills That *Passed*:

- Local Government Revenue Flexibility (2442)
- Tax Increment Financing (TIF) (2451)
- Supportive & Emergency Housing (2266)
- Housing Developments by Religious Organizations (1859)

## Bills That *Did Not* Pass:

- Public Space Local Use Laws (2489)
- Autonomous Motor Vehicles (6243)
- Transportation Resources (6352)
- Mobile Dwellings as ADUs (1443)
- Public Defense Services (1592, 2163, 5912, 5914)

# Overall Session Takeaways

- Continued trend of land use mandates
- Budget uncertainty for 2027-2029
- Expecting renewed interest in homelessness and human services next session
- 2026 is a campaign year for half of the Senate and all members of the House



# Next Steps in 2026 Interim

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- Understand impacts of new laws on Bellevue
- Thank lawmakers and show them our progress
- Look ahead to the 2027 long session
  - Identify new or different funding opportunities
  - Collaborate with colleagues and stakeholders on partnerships
  - Participate in development of AWC's 2027 Legislative Priorities
  - Develop and adopt Bellevue's 2027 Legislative Agenda



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