



PUGET**SOUND**
PARTNERSHIP

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WA State Legislative Update

May 21, 2026

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Agenda

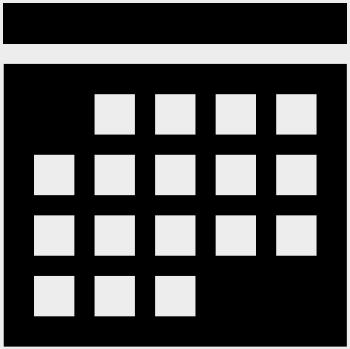
- State - 2026 Session context and high level outcomes
- Federal - PS Day on the Hill
- State - Looking ahead to 2027
 - Legislative turnover
 - Future of CCA revenue and spending
- Questions, comments, discussion



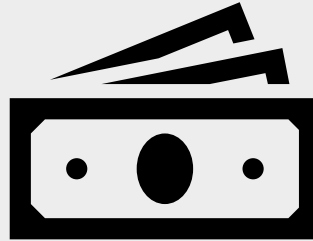
2026 Session



2026 Session Basics



- Short session
- 60 days



- Supplemental budgets



- Continued budget deficit
- CCA “windfall”

Selected Outcomes

New policies and budget

- Allowing quicker enforcement and removal of derelict vessels when the owner cannot be identified or located (HB 2199).
- Supplemental capital funding for Deschutes estuary restoration, Skokomish timberland acquisition, the Nisqually Community Forest, and flood response.

Unfinished business

- Budget shifts using Climate Commitment Act revenue to replace previously allocated bonds for natural resource capital grant programs, with the bond savings redirected to address the operating budget deficit.
- Reductions in the operating budget that eliminate recent new investments supporting Puget Sound recovery, including Department of Natural Resource's derelict aquatic structures, Department of Ecology's interagency climate response strategy, Department of Fish and Wildlife funding for regional fishery enhancement groups, and other programs.
- Lack of supplemental capital appropriations in established habitat restoration programs such as the Salmon Recovery Funding Board, Puget Sound Acquisition and Restoration, and Floodplains by Design.
- Failure of bills that limit water pollution from ocean going vessels (HB 1652), phase out toxic tire chemicals that harm salmon (HB 2421), require data centers to report information about water use and effluent (HB 2515), develop model local code to balance infill housing and urban tree canopy (HB 2267), and establish tribal eligibility for local conservation fund sources (SB 6097).

Federal - PSDOH





Puget Sound Day on the Hill

Puget Sound Day on the Hill - successes



- NW Straits Reauthorization – hotlined
- Floodplain Enhancement Act – new bipartisan sponsors
- 6PPD Task Force legislation – introduced

Puget Sound Day on the Hill - successes

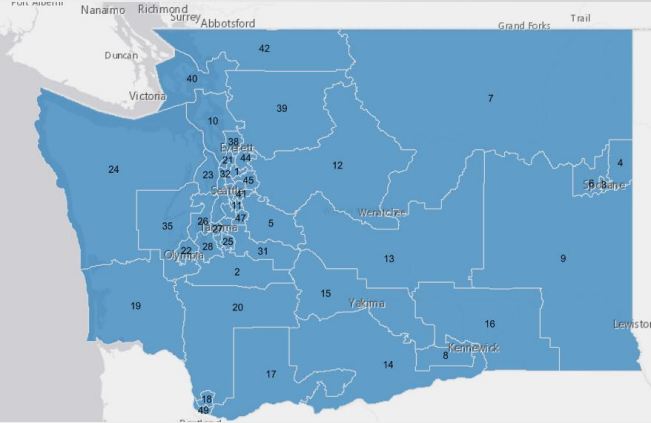


- Appropriators (relatively) more optimistic
- Movement on some stalled BIL programs? (Culvert AOP, etc.)

State - Looking Ahead to 2027



What's Next – Things on our radar



➤ Site visits and legislative tours

➤ Elections / legislative turnover

➤ Future of CCA investments

➤ Economic/budget outlook – Ongoing challenges

Legislative Tours



Retirements, Elections, and Legislative Turnover



Rep Tharinger
House Capital, Chair



Sen Shewmake
Senate Environment, Chair



Sen Saldaña
Sen Natural Resources



Sen Boehnke
Sen Environment
Ranking



Sen Warnick
Sen Ways & Means



Rep Ormsby
House Approps, Chair

Examples of Possible Leadership Changes

House Capital Budget Committee



Rep Tharinger
Outgoing Chair



Lisa Callan, Likely Chair?



Lisa Parshley, Likely NR Lead?

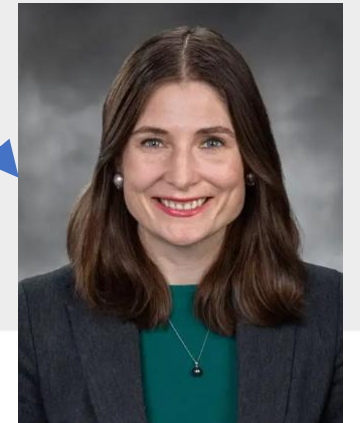
Senate Environment Committee



Sen Shewmake
Outgoing Chair



Vandana Slatter, co-vice chair



Victoria Hunt, co-vice chair

CCA – “One Time” (?) Fund Swap

Capital Budget Summary

Account Changes

Natural Resources Programs
Higher Education Building Account Projects
Human Services Programs
Clean Energy/Decarbonization
Local Infrastructure
Total Account Changes

1. CCA replaces bonds for eligible projects

2. Bonds replaces approps from “cash accounts”

3. Cash accounts send money to the operating budget

Debt Limit Bonds	Climate Commitment Act	Total Budgeted Funds
-386,935	386,935	0
179,540	871	0
-18,132	18,132	0
-46,650	46,650	0
279,500	0	14,500
7,323	452,588	14,500

Payback?

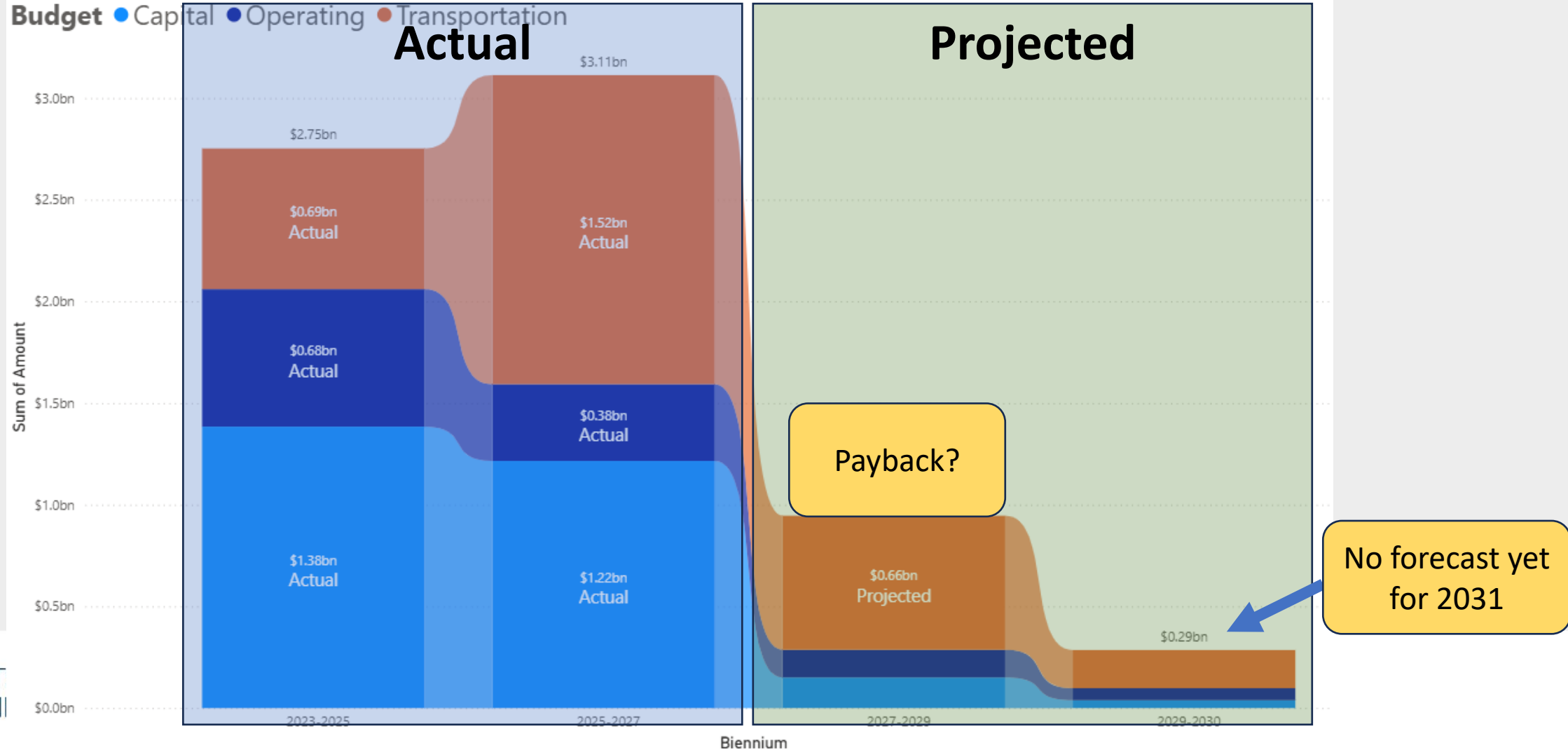
- Puget Sound Acquisition Restoration
- Estuary and Salmon Restoration
- Brian Abbott Fish Barrier Removal
- Riparian Grants
- Washington Wildlife and Recreation Program
- Floodplains by Design

Commitments account to the Natural Climate Solutions account.

(5) During the 2027-2029 fiscal biennium, the legislature intends to direct the state treasurer to make transfers of money in the pension surplus holding account to the climate commitment account in the amount of \$539,000,000.

CCA – Projected revenue decline vs historic investments

CCA Revenue Invested in Budgets (Historic Actual and Projected Future)



CCA – Example CCA Investments That May Be At Risk



Operating Budget Item	Agency	Proposed reduction in 26 House budget (not included in final)
Local Government Salmon Recovery	COM	-\$2,604,000
Shoreline and GMA Updates	ECY	-\$497,000
Riparian Coordinator	RCO	-\$197,000
Salmon Riparian Restoration Program	SCC	-\$1,000,000
Urban Forest Assistance	DNR	-\$1,820,000

Capital Budget Item	Agency	25-27 Bonds (b4 '26 swap)	25-27 CCA plus-up	25-27 Total
Puget Sound Acquisition & Restoration	RCO/PSP	\$50,438,000	\$10,100,000	\$60,538,000
Floodplains by Design	ECY	\$59,629,000	\$16,154,000	\$75,783,000
Estuary and Salmon Restoration	RCO/DFW	\$6,668,000	\$8,997,000	\$15,665,000
Salmon Riparian Restoration Program	SCC	\$5,000,000	\$20,000,000	\$25,000,000

CCA – Example CCA Investments That May Be At Risk



Commerce awards grants to boost salmon recovery planning



Salmon Recovery Grantees

Skokomish Indian Tribe: \$226,000	City of Sultan: \$146,000
City of Des Moines: \$80,000	Clark County: \$316,631
City of Everett: \$350,000	Kitsap County: \$403,878
City of Kirkland: \$183,000	Pierce County: \$115,000
City of Lake Stevens: \$106,000	Snohomish County: \$500,000
City of Port Angeles: \$109,000	Thurston County: \$489,696



"This grant turns science into action. It enables the City of Lake Stevens to move the Salmonid Basins Plan from research to implementation. With prioritized capital projects and updated development standards, the result will be long-term protection for water quality, community well-being, and salmon habitat."

— Olin Anderson, City of Lake Stevens Surface Water Coordinator

"These funds are helping Kirkland advance work towards salmon recovery that we would otherwise not be able to take on at this time. There is always more work to do than funds available and this grant will help the city gather critical information and develop an effective and efficient pipe inspection program and strategy for the surface water utility. This will allow us to advance capital projects that are highest need with the highest impact, improving water quality for our region's salmon population."

— Julie Underwood, City of Kirkland Public Works Director

"We are excited to use the grant funds to develop a Comprehensive Stormwater Systems Plan. With this plan, the city will work to integrate and promote salmon recovery, improve fish passage and barrier identification, and synchronize projects within our capital facilities. We are excited to engage the public and stakeholders in this process to build a more resilient Sultan."

— Russell Wiita, City of Sultan Mayor

2027

~~2026~~ Puget Sound Legislative Priorities



2026 Puget Sound Legislative Priorities

The Puget Sound Partnership is a coalition of individuals representing state, local, and federal government, tribal nations, non-profit organizations, and businesses that are committed to Puget Sound recovery. Several principles should guide state legislative action during the 2026 session:

- ▶ Advance Puget Sound and salmon recovery, as defined by the Action Agenda for Puget Sound and the Puget Sound Salmon Recovery Plan. These plans also guide our region's contributions to climate resilience and environmental justice.
- ▶ React to potential federal actions that change the federal government's role and commitment to Puget Sound recovery.
- ▶ Acknowledge and support the people that drive Puget Sound recovery by investing in education, workforce development, and program implementation.



KEY LEGISLATIVE ACTION

- ▶ Provide supplemental capital and/or CCA revenue for the Salmon Recovery Funding Board, Puget Sound Acquisition and Restoration, and other funding programs.
- ▶ Restore ranked project list for the Estuary and Salmon Restoration program by including the Double Bluff acquisition on Whidbey Island on the program LEAP list.



KEY LEGISLATIVE ACTION

- ▶ Restore priority funding for Puget Sound recovery that was previously reduced and avoid additional cuts to priority programs. Budgetary challenges and decisions at both the state and federal level are slowing the pace of Puget Sound recovery efforts. The legislature should consider the effect of past and future budget decisions on Puget Sound recovery efforts and regional outcomes related to human wellbeing and ecological improvement.
- ▶ Avoid diverting dedicated revenue sources such as the Hazardous Substances Tax (MTC) and cap and invest (CCA/NCSA)
- ▶ Restore funding for programs that have experienced federal or state budget reductions:
 - * \$600k (placeholder amount) for ECV to backfill top priority federal grants that may be reduced or eliminated
 - * \$16.66m (placeholder amount) for DFW to restore forest health programs
 - * \$2.5m for WSCC and \$2.4m for DFW to restore forest health programs
- ▶ Seek assistance from the Puget Sound recovery community to understand and consider the effects of additional proposed cuts on Puget Sound recovery

2026 PUGET SOUND LEGISLATIVE PRIORITIES



KEY LEGISLATIVE ACTION

- ▶ Re-establish state and local permit streamlining for habitat restoration projects.



KEY LEGISLATIVE ACTION

- ▶ Provide Washington Department of Transportation with optimal delivery of Move Ahead Washington stormwater funds.
- ▶ Lay the groundwork for phasing out ePPD in tires once a safer alternative is approved for Washington roads.



KEY LEGISLATIVE ACTION

- ▶ Carefully review any proposed changes to growth management laws to avoid weakening protections for ecologically important lands.



KEY LEGISLATIVE ACTION

- ▶ Support policies and program investments that encourage natural ecological resilience as part of state efforts to prepare for and respond to natural disasters. Examples include critical areas protection under the Growth Management Act, streamlined restoration permitting, innovative financing, and capital funding for forest health and floodplain acquisition and restoration.



Contact for more information:

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Discussion

- About 2026 session and outcomes
- About looking forward to 2027