

SKAGIT COUNTY
END OF SESSION REPORT
2026



COLUMBIA
POLICY ADVISORS

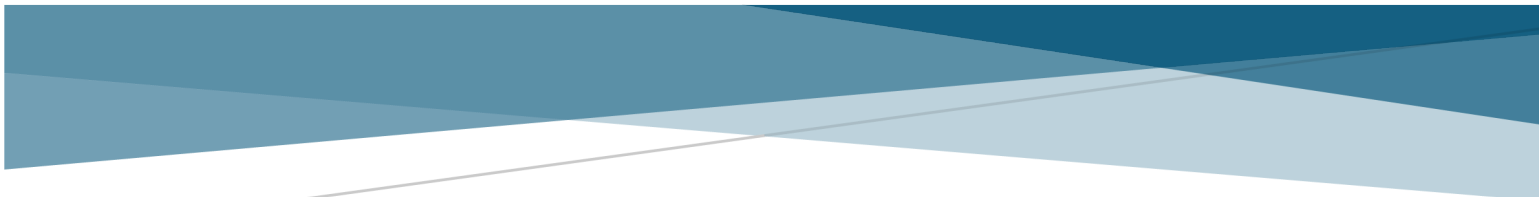


Introduction

Every legislative session presents unique challenges, and 2026 was no different. Initially facing a \$2.3 billion operating budget deficit, the Legislature passed legislation that ended or eliminated tax exemptions and raised revenue with the passage of the millionaire's income tax (see the Supplemental Budget Summary below). The Legislature also passed other significant legislation that makes changes to local government revenue flexibility ([HB 2442](#)); requires facial coverings for local and federal law enforcement officers ([SB 5855](#)); and establishes guidelines on the use of automated license plate readers ([SB 6002](#)).

This report is divided into four sections: first is a summary of your priorities for the session; second are detailed summaries of various pieces of legislation that we believe are of interest to you; third is our summary of the three supplemental budgets and budgetary items you care about; and finally is a list of topics and bills that did not pass this session, but that we believe will come back next year in some form. Our goal is to provide you with a comprehensive view of the legislative landscape, as well as more detailed information on the higher priority issues.

Please let us know if you have any questions or would like further information. Contact information for the Columbia Policy Advisors team can be found at the end of this report.



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Skagit County Priorities

Capital Projects

As in past sessions, Skagit County fared incredibly well in the capital budget, receiving funding for every one of its requests. The final capital budget provided:

- \$1.55 million for the Senior Center / Affordable Housing project (10th LD)
- \$1 million for the Lorenzon Creek Daylighting and Fish Passage project (39th LD)
- \$206,000 for the Morgue Generator (10th LD)
- \$2 million for the Recovery Café Facility Purchase (40th LD)
- \$258,000 for the Lila Lane Recovery Housing project (40th LD)
- \$294,000 for the Regional Public Safety Campus Feasibility Study (10th LD)

We have listed the legislative districts who originally championed these requests but want to emphasize that members of all three districts coordinated on these requests and their collaboration is a large reason for why Skagit County is so successful.

Authorize and Fund Additional Superior Court Judge

The Legislature passed [SB 5868](#), sponsored by Senator Wagoner (R-39 LD), which adds one additional superior court judge in Skagit County and Yakima County. The budget provides \$440,000 of the general fund for fiscal year 2027 solely for implementation. The bill goes into effect on June 11, 2026.

Clarify Authority to Meet During Declared Emergencies

After the flooding emergency in December of 2025, Skagit County requested legislation to clarify existing authority for local government elected officials to hold a public meeting without notice when exigent circumstances necessitate it. Senator Wagoner introduced [SB 6000](#) and Representative Lekanoff introduced [HB 2520](#) as a result of these conversations. After reviewing the language proposed in these different bills, the county asked that HB 2520 move forward. The bill was heard and passed unanimously out of the House Committee on State Government & Tribal Relations, with strong support from the Washington State Association of Counties and the Association of Washington Cities. The Coalition for Open Government and the Allied Daily Newspapers expressed concerns with the proposal, but it was not evident that they had an accurate understanding of the bill's impact. As noted, these concerns were not sufficient to garner a single vote in opposition. Having said that, the bill did not advance onto the House floor for consideration by the full chamber. We made multiple requests to advance the bill with members of the Skagit County delegation, and with the House Majority Floor Leader. Unfortunately, these efforts were in vain, and the bill did not advance further during the short session.

Summary of Significant Legislation

Agriculture & Natural Resources

HB 2089, sponsored by Representative Shaun Scott (D-43 LD) and titled the Wildfire Alleviation Support Act, requires high-volume mortgage lenders to pay the B&O tax on amounts received as interest on loans that are primarily secured by first mortgages or trust deeds on non-transient residential properties. These organizations were previously exempted from B&O tax. The bill is estimated to raise between \$34 million and \$40 million per biennium which, starting in 2027, the State Treasurer must transfer to the Wildfire Response, Forest Restoration, and Community Resilience Fund. The bill goes into effect on July 1, 2026.

HB 2104, sponsored by Representative Dent (R-13 LD), makes the Aviation Assurance Funding Program (AAFP) permanent. The AAFP requires the Department of Natural Resources to provide aviation resources to local fire departments during the initial attack of a wildfire. The bill was unanimously passed by both chambers and goes into effect on June 11, 2026.

HB 2199, sponsored by Representative Richards (D-26 LD), modifies the definition of a derelict vessel by removing the requirement that the owner is known, able to be located, and exerts control of the vessel. In addition, vessels that have been in violation of registration requirements for at least two annual registration periods and are prioritized for removal by the Department of Natural Resources or another authorized public entity may be removed. The bill was unanimously voted out of both chambers and goes into effect June 11, 2026.

HB 2348, sponsored by Representative Dent (R-13 LD), modifies the process requirements for the Department of Natural Resources (DNR) to sell state land, timber, and other valuable materials. The bill allows the DNR to post the sales on their public website instead of the Olympia DNR office, county auditor office, and newspaper. The bill goes into effect on June 11, 2026.

Energy & Carbon

HB 1960, sponsored by Representative Ramel (D-40 LD), creates a state and local Renewable Energy Excise Tax. The Department of Commerce must distribute at least 75 percent of the tax revenue to the Local Distribution Grant Program, which is also created in this bill. The tax can be imposed on qualified renewable energy systems, battery electric

storage system, or repowered facility or system that will become operational on or after January 1, 2028, and these rates apply for the life of the facility or system. For a county to be eligible to receive the grant money, the county must either host a qualifying energy project prior to January 1, 2029, or have submitted a completed State Environmental Policy Act application on a project and include in its development regulations requirements for qualifying energy projects. Starting in 2032, counties will be allowed to impose the tax in qualified special districts. Finally, the bill repeals the production excise tax and the personal property tax exemption for renewable energy projects. The bill goes into effect January 1, 2028.

SB 6355, sponsored by Senator Victoria Hunt (D-5 LD), establishes the Washington Electric Transmission Authority (ETA). Among its responsibilities, the ETA is tasked with expanding and upgrading existing electric transmission capacity; creating new electric transmission capacity; identifying and pursuing cost-effective alternatives for electric capacity; working with tribes and local and national partners to develop transmission resources; and supporting community and economic development. The ETA will be run by a ten-member Board of Directors appointed by the Governor, and the bill creates the Tribal Clean Energy Partnership Work Group to identify and evaluate opportunities for tribal participation in the development and ownership of clean energy facilities and infrastructure. The bill was signed by the Governor and contains multiple effective dates.

Environment

HB 2436, sponsored by Representative Lekanoff (D-40 LD), was requested by the Board of Pilotage Commissioners, and corrects a technical oversight in current rules that allowed larger oil-bearing vessels to use a lesser powered escort tug than smaller oil-bearing vessels. The bill equalized the minimum horsepower requirements for escort tugs and oil-bearing vessels. This bill was unanimously passed in both chambers and goes into effect June 11, 2026.

General Government

HB 1170, sponsored by Representative Shavers (D-10 LD), requires providers of certain generative artificial intelligence (AI) systems to make a detection tool available to users. Government agencies must notify consumers when interacting with certain AI systems. The bill goes into effect on February 1, 2027.

HB 1909, sponsored by Representative Jamila Taylor (D-30 LD), creates the Court Unification Task Force (Task Force). The Task Force is to conduct an analysis of the state's court system, identify ways for the court system to be more efficient, and to provide greater

uniformity and consistency in judicial services and outcomes. The analysis will review disparate local court rules, technology, and funding levels. The bill goes into effect on June 11, 2026.

SB 5923, sponsored by Senator Muzzall (R-10 LD), allows Island Hospital, in Anacortes, upon certification by the Centers for Medicare and Medicaid Services, to be eligible for payment as a critical access hospital. This bill was unanimously passed out of both chambers and goes into effect June 11, 2026.

Housing

HB 1345, sponsored by Representative Low (R-39 LD), authorizes counties planning under the GMA to allow detached accessory dwelling units (DADUs) outside of the Urban Growth Area (UGA) under certain circumstances. Counties may allow DADUs that are outside the UGA subject to development regulations and code enforcement measures. Rural counties may allocate no more than 10 percent of their rural population to target DADUs, and counties that are not rural may only allocate a maximum of 7 percent of their rural population target to DADUs. The bill goes into effect on June 11, 2026.

HB 2266, sponsored by Representative Peterson (D-21 LD), requires local jurisdictions to allow transitional housing, permanent supportive housing, indoor emergency shelters, and indoor emergency housing (STEP housing) in an urban growth area in which residential units and hotels are allowed, but not in industrial use zones. STEP housing must have the same requirements that other types of housing or lodging have in that particular zone, and except in certain circumstances, local jurisdictions may not require more restrictive standards or requirements for STEP housing in that zone. Local jurisdictions may place requirements related to income qualification, coordinated entry, or reporting and monitoring requirements. Finally, counties and cities must incorporate the requirements of this bill into their development and zoning regulations within two years of the effective date of this legislation or the next comprehensive plan update, whichever is sooner. The bill goes into effect on June 11, 2026.

HB 2269, sponsored by Representative Bernbaum (D-24 LD), requires middle housing in limited areas of more intensive rural development (LAMIRDs) located in rural counties to be served either by a publicly owned sanitary sewer system or a large on-site sewage system. Middle housing in LAMIRDs located in non-rural counties may be served only by a publicly owned sanitary sewer system. This bill was unanimously passed out of both chambers and goes into effect June 11, 2026.

[SB 5552](#), sponsored by Senator Jeff Wilson (R-19 LD), is designed to make it easier for the development and purchase of prefabricated kit homes. Kit homes are defined as residential houses comprised of prefabricated walls, floors, and roofs which are assembled on-site and are 800 square feet or smaller in size. This bill requires the State Building Code Council to conduct rulemaking regarding kit homes by March 31, 2027. This bill was unanimously passed out of both chambers and goes into effect June 11, 2026.

[SB 6026](#), sponsored by Representative Alvarado (D-34 LD), prohibits any GMA planning city or county with a population over 30,000, or any county that does not meet the definition as a “rural” county that is fully planning under the GMA, from excluding residential uses in areas zoned for commercial and mixed-use development. The prohibition does not apply to certain lots or portions of lots. For example lots located: in industrial zones, areas requiring demolition of designated historical landmarks, outside the UGA or within a UGA that is not contiguous with a city, within a tax increment financing area, where residential uses are prohibited because of a military installation or airport, or where residential uses are restricted because of a shoreline environment or critical area. In addition, a city or county may not require mixed-use or ground floor commercial or retail as a condition of permitting residential housing in a commercial or mixed-use zone if the project includes publicly subsidized affordable housing. The bill goes into effect on June 11, 2026.

[SB 6027](#), sponsored by Senator Alvarado (D-34 LD), authorizes that at least 60 percent of the local sales and use tax for housing and related services can be used for funding the operation and maintenance of existing housing and facilities where housing-related programs are provided, and rehabilitating existing affordable housing. The remaining funds can be used for rental assistance or affordable supportive housing operations and maintenance. These authorizations are duplicated in **[HB 2442](#)** (see below). The bill also modifies the Affordable Housing for All Account, by clarifying that housing projects must be affordable to extremely low-income households with incomes at or below 30 percent of the area’s median income. The bill goes into effect on June 11, 2026.

Land Use & Permitting

[HB 2418](#), sponsored by Representative Duerr (D-1 LD), makes numerous changes to statutes addressing local government permit review processes and timelines. The bill specifies that the determination of completeness made by a city or county must be based on whether an application is procedurally complete, but a determination of completeness is not considered a substantive review. Any government entity other than a local government, special purpose district, or public utility district that imposes a review fee for a residential project permit application must complete its review within the local

jurisdiction's project permit review timeline. Local governments are required to designate a permit-responsible official with authority to issue final administrative decisions on residential project permit applications, and to designate a single point-of-contact on each project permit application. The bill was unanimously passed by the Legislature and goes into effect on June 11, 2026.

Liability

HB 1710, sponsored by Representative Mena (D-29 LD), amends the Washington Voting Rights Act (WVRA) by adding a preclearance requirement for certain jurisdictions before they can make changes to their election system or policies, including boundaries of electoral districts. Any jurisdiction that has been subject to enforcement action or settlement based on violating the WVRA, the Federal Voting Rights Act, and the Fifteenth Amendment of the US Constitution or State Constitution, in the last 25 years, is subject to the preclearance requirement. The bill goes into effect on June 11, 2026.

HB 1750, sponsored by Representative Hill (D-3 LD), modifies the standard for when a political subdivision's implementation or enforcement of an election policy or practice violates the WVRA. Critically, the new law establishes specific facts that may not be raised by a jurisdiction to defend itself against a claim. The bill goes into effect on June 11, 2026.

SB 5925, sponsored by Senator Hansen (D-23 LD) was requested by the Attorney General's Office (AGO). The bill allows the AGO to issue a civil investigative demand (CID) if after an investigation there are facts and circumstances that would reasonably lead to a possible violation of the United States Constitution, Washington State Constitution, Keep Washington Working Act requirements, wage laws, the Washington Law Against Discrimination, and the City and County Jails Act. A CID must be within the authority of the AGO, the demand must not be too indefinite, and any information sought must be relevant to the investigation. The AGO cannot issue a CID in any investigation of a federal agency for conduct taken in the course of the agency's duties. The bill goes into effect on June 11, 2026.

Local Government Revenue

HB 2442, sponsored by Representative Berg (D-44 LD), is one of the most significant local government revenue bills to be enacted in years, particularly for counties. This was an omnibus bill that changed several times through the legislative process, but in its final form contains ten elements:

- 1) Allows local governments to use Real Estate Excise Tax (REET) 2 revenues for the abatement of nuisance properties.

- 2) Authorizes a new local sales and use tax of 0.01 percent to fund services for children and families. This includes childcare, perinatal support services, before and after school services, workforce capacity building, shelter and rental assistance, and client transportation.
- 3) Revenue from the \$.01 housing sales and use tax can now be used for the operation and maintenance of existing units of affordable housing and facilities. Prior law only allowed operation and maintenance for new units. This revenue can now also be used to rehabilitate existing affordable housing including emergency, transitional, and supportive housing. These authorizations are repeated in [SB 6027](#) (see above). Additionally, a portion of the revenue may now be used for rental assistance.
- 4) With voter approval, a levy lid lift for a single year may be authorized for two consecutive years, and a multi-year levy lid lift may be authorized for up to 10 consecutive years.
- 5) Allows funds from a county's sales and use tax on rental cars to be used for criminal justice purposes, which is broadly defined.
- 6) Flood control zone districts may provide funds for county-administered flood recovery assistance to households and businesses damaged in a flood that has been declared an emergency by the Governor.
- 7) Allows counties or cities to enter interlocal agreements with one or more counties, cities, or public housing authorities to issue bonds secured by the pooled tax distributions from the housing and related services sales and use tax.
- 8) Authorizes a new county property tax levy of up to \$0.05 per \$1,000 of assessed value for the operation, maintenance, and capital expenses of public health clinics.
- 9) Allows counties to create separate, standalone property tax levies for the veterans' assistance levy and mental health and developmental disabilities assistance levy.
- 10) Amends current law governing the formation of single-city fire protection districts for cities under 500,000 in population. Currently, if a city forms a citywide fire district it is required to reduce its own property tax rate by an amount equal to that which the new district would assess. HB 2442 removes this requirement and simply requires that the property tax levy for a new single-city fire protection district in a city less than 500,000 is subject to the aggregate levy limit of all other junior taxing districts (\$5.90 per \$1,000 in assessed value).

The bill contains multiple effective dates, with the earliest starting on July 1, 2026.

[HB 2451](#), sponsored by Representative Duerr (D-1 LD), makes various changes to refine the requirements and provisions for establishing tax increment financing. The bill goes into effect on June 2, 2026.

Personnel & Labor

HB 2034, sponsored by Representative Ormsby (D-3 LD), terminates the Law Enforcement Officers' and Firefighters' Retirement System Plan 1 (LEOFF 1), and creates the Restated Law Enforcement Officers' and Firefighters' Retirement System (Restated LEOFF) on June 30, 2029. On that date the State Treasury will transfer funds equal to 110 percent of LEOFF 1 liabilities into the Restated LEOFF and the remainder will be transferred into the newly created Pension Surplus Holding Account (PSHA). During the 2027-29 biennium the Legislature can direct the State Treasurer to transfer money in the PSHA to the State General Fund. The Department of Revenue must work with the Internal Revenue Service to ensure compliance with LEOFF 1 and the Restated LEOFF. The benefits paid to the annuitants of LEOFF 1 are unchanged as they are transferred to the Restated LEOFF. The bill was signed by the Governor and contains multiple effective dates, the first of which is June 30, 2029.

HB 2105, sponsored by Representative Ortiz-Self (D-21 LD), requires employers to notify workers and former workers within 72 hours of receiving a federal Notice of Inspection of its Employment Eligibility Verification Forms I-9. The bill was signed by the Governor and contains multiple effective dates.

SB 5847, sponsored by Senator Saldaña (D-37 LD), makes changes to the workers' compensation claims treatment guidelines and allows treatment by a nonnetwork provider. This bill would require an employer to notify an injured employee that the employee has the right to seek initial or emergency medical treatment from a provider of their choice and the employer cannot require or force an injured employee to receive treatment from a specific provider. If, after an investigation, the Department of Labor & Industries (L&I) finds that an employer has violated these rights, L&I can fine the employer between \$250 to \$2,500 based off the severity of the violation. The bill was signed by the Governor and contains multiple effective dates.

Public Health

SB 5981, sponsored by Senator Cleveland (D-49 LD), modifies the 340B drug pricing program which is utilized by county public health clinics to procure medicines used to combat communicable disease outbreaks. The bill prohibits a drug manufacturer or a third-party from denying or restricting access of a 340B drug to a covered entity. A covered entity has the right to file a civil action against a manufacturer or a third party if they believe they have been wrongfully denied access to a 340B drug. If a court finds that a manufacturer or a third-party has violated the covered entity's access to a 340B drug, they

can be fined up to \$5,000 per day for each violation, plus attorneys' fees and cost. The bill goes into effect on June 11, 2026, and is already facing legal challenges from drugmakers.

SB 6291, sponsored by Senator Lovelett (D-40 LD), a local board of health can allow noncertified individuals to review designs and conduct inspections of on-site wastewater treatment systems under the supervision of an individual certified by the Board of Registration for Professional Engineers and Land Surveyors for a maximum of four years after the date of hire. The bill was unanimously passed by both chambers and goes into effect on June 11, 2026.

Public Safety

SB 5068, sponsored by Senator Lovick (D-44 LD), allows for a noncitizen who is legally allowed to work in the United States and meets the job's requirements, to apply and be employed by a Washington law enforcement agency, correctional facility or local jail, or as a deputy prosecuting attorney. An agency is not liable for an employment discrimination claim if the agency believes that the applicant's legal authorization to work in the United States is limited in a manner that would make employing them impracticable. This bill was signed by the Governor, contained an emergency clause, and has gone into effect.

SB 5855, sponsored by Senator Valdez (D-46 LD), prohibits local and federal law enforcement from using facial coverings while interacting with the public. The bill allows law enforcement officers to wear facial covers under certain circumstances, such as: if the officer is wearing a translucent face shield or clear mask; a medical N95 mask or other medical coverings to prevent the spread of an illness; helmets for safety; protective gear used by SWAT team officers while performing their duties; or during certain undercover operations. A person detained by a law enforcement officer that is in violation of this bill can bring a civil action against the officer. This bill contained an emergency clause and has gone into effect.

SB 5974, sponsored by Senator Lovick (D-44 LD), modifies eligibility requirements, duties, and responsibilities of sheriffs, police chiefs, town marshals, and volunteers. Sheriffs, police chiefs and marshals all must meet the same eligibility requirements outlined in the bill. These include: be at least 25 years old; have not be convicted of a felony or a gross misdemeanor; have no history in engaging in conduct requiring denial or revocation of certification; have five years of regular and uninterrupted full-time law enforcement work; receive certification within nine months of taking office; never have had a certification denied, revoked or surrendered; and pass a background investigation. The county is

required to reimburse the Washington State Patrol for conducting the background investigation.

Volunteers, specialty commissioned officers and cadets must be clearly identifiable as such and be distinguishable from peace officers. Volunteers are also limited in what they can assist peace officers with and cannot be used for enforcement, engagement, use of force, or the detaining and arresting of individuals.

A group of sheriffs have filed a lawsuit to halt the bills implementation. The bill contains multiple effective dates, the earliest of which goes into effect on April 30, 2026.

State Budgets & Revenue

HB 2487, sponsored by Representative Macri (D-43 LD), reduces the number of insurance businesses that can claim a B&O tax exemption and raises revenue by \$55.6 million in 2025-2027 and \$17.2 million in 2027-2029.

SB 6228, sponsored by Senator Frame (D-36 LD), repeals the tax exemption for warehousing and reselling of prescription drugs. Beginning in 2027 the B&O tax rate for warehousing and reselling of prescription drugs is set to 0.5 percent, and in 2028 it is set at 0.35 percent. The preferential B&O tax rate for “critical access pharmacies” is set at 0.138 percent. The preferential B&O tax rates are permanent and not subject to tax preference performance review or automatic expiration. The bill goes into effect January 1, 2026.

SB 6231, sponsored by Senator Frame (D-36 LD), repeals the tax exemption for data centers. Beginning July 1, 2026, the Department of Revenue can no longer issue new tax exemptions for data centers that qualify through refurbishment, and any previous exemptions will be set to expire. Replacement server equipment is removed from the definition of eligible server equipment for a sales and use tax exemption. The bill contains multiple effective dates, the earliest one of which begins on July 1, 2026.

SB 6346, sponsored by Senator Pedersen (D-43 LD), is the millionaire’s income tax. The bill imposes a 9.9 percent tax on an individual's receipt of income exceeding \$1 million beginning in calendar year 2028. Proceeds from the income tax are deposited into the Fair Start for Kids Account and General Fund. The legislative budget anticipates making expenditures for the expansion of the Working Families Tax Credit, and to make investments in K-12 education, health care, human services, and higher education.

Cuts and Exemptions: The bill also includes cuts and exemptions to sales and B&O taxes. The sales tax for diapers, personal care products and many over-the-counter drugs are eliminated. Companies grossing less than \$250,000 a year are exempt from paying the B&O tax. The bill exempts public libraries, library districts, and library service centers from sales and use tax on certain services. Health care services by a licensed health care provider are exempt from the 0.5 percent B&O surcharge implemented in [SB 2081](#), which passed in 2025. All of the retail services enacted under [SB 5814](#) in 2025, except for advertising services, are repealed effective January 1, 2030. Starting July 1, public schools are exempt from paying a new state sales tax on services, including live presentations, temporary staffing and security.

Local Impact: Local government revenues are estimated to be reduced by \$45.8 million in the 2027-2029 biennium, \$543 million in the 2029-2031 biennium, and by approximately \$800 million per biennium thereafter. The intent section of the bill acknowledges that local government revenues will be impacted and identifies the need for a mitigation account. However, this account is not created nor is any revenue statutorily directed to local governments. The operating budget identifies \$200 million as being needed in the four year outlook, but a future Legislature will need to make this appropriation before any revenue will be received.

The bill is expected to be challenged in the courts and face repeal by initiative. The bill contains multiple effective dates, the earliest of which is June 11, 2026.

[SB 6347](#), sponsored by Senator Kauffman (D-47 LD), removes the estate taxes that were established during the 2025 legislative session. For estates of decedents dying on or after July 1, 2026, the estate tax rates are reset to the rates they were effective prior to July 1, 2025. The bill also changes the exclusion amount to \$3 million for decedents dying on or after July 1, 2026. The bill goes into effect on June 11, 2026.

Transportation & Public Works

[HB 1906](#), sponsored by Representative Tharinger (D-24 LD), makes changes related to consumer protection in water system rates. The bill requires public water systems to notify the county, water district or public utility district, and customers of any change in ownership. The Utilities and Transportation (UTC) is required to adopt rules to determine rates to be charged by water companies. When reviewing any transaction that would result in a person acquiring a controlling interest in a water company, the UTC is prohibited from approving the transaction if they find that it does not provide a net benefit to customers of the company. The UTC must verify that the water company has provided the customers

with 90 days' notice of the acquisition as well as a good faith estimate of future capital improvements and water system rate changes. Every general rate case filing of a water company may also include a multiyear rate plan to provide greater consumer transparency. The bill goes into effect on June 11, 2026.

HB 2588, sponsored by Representative Timmons (D-42 LD), makes changes to existing county authority to create ferry districts. The bill removes the provision that ferry districts can only operate passenger ferries, thus allowing ferries that transport cars to be supported by a ferry district. The bill removes the option for counties to create a district that is smaller than the entire county. In addition, voter approval is now required to levy a property tax at a rate of more than 10 cents per \$1,000 of assessed value. The maximum property tax rate of 25 cents per \$1,000 of assessed value is maintained. After the formation of the ferry district, the county's legislative authority must appoint an advisory committee. The bill goes into effect on June 11, 2026.

SB 5690, sponsored by Senator MacEwen (R-35 LD), directs the Department of Transportation to adopt policies that proactively provide utility owners with information about highway fish barrier removal projects and to seek the maximum amount of federal funding for fish barrier removal projects that also allows funds to be used for utility relocation costs. The bill was unanimously passed by both chambers and goes into effect on June 11, 2026.

SB 6066, sponsored by Senator Torres (R-15 LD), establishes crash prevention zones (CPZs). A CPZ is an area of road that has a higher rate of accidents when compared to a road of similar type. Once established local governments can increase penalties and are required to investigate and take action on solutions to decrease accidents in the CPZ. The CPZ must be dissolved when new safety improvements are implemented. Until January 1, 2029, the authority is limited to portions of U.S. Highway 395 between Pasco and Mesa and Highway 12. Beginning January 1, 2029, other local governments may establish CPZs. The bill goes into effect on June 11, 2026.

2026 Supplemental Budget Summary

Operating Budget

The operating budget, [SB 5998](#), provides resources for the basic functioning of state agency programs and related staffing. This includes authorization to pass funding through to local governments via direct appropriation or agency managed grant programs. Though the state constitution prohibits the Legislature from making laws unrelated to the budget in the operating budget bill, that boundary is often fuzzy, and directive provisos are commonly included.

Coming into this legislative session, the state was facing an estimated \$2.3 billion dollar deficit, but the Economic and Revenue Forecast Council provided good news with their [February revenue outlook](#) that showed an increase of \$827 million over the prior forecast. As a result, the 2026 supplemental operating budget adds \$1.6 billion in expenditures to the biennial budget enacted in April of 2025, bringing total expenditures to \$79.4 billion for the biennium.

The state estimated that it would cost an additional \$1.7 billion to continue existing services due to inflation and enrollment increases (called the maintenance level), that \$766 million in prior appropriations would not be spent (called reversions), and additionally added \$621 million in new expenditures (called the policy level). The budget includes a combination of revenue increases, one-time transfers from dedicated accounts, cuts to existing programs, and increased expenditures.

Increased Revenues

The Legislature enacted 18 bills that had a direct impact, both positive and negative, on state operating budget revenues. Over the entire four-year budget outlook these bills are estimated to net over \$2 billion additional revenue. Five of these bills (also described in the Summary of Significant Legislation above) are worth noting specifically:

[HB 2487](#) – Concerning taxes imposed on insurers operating within the state. This bill reduces the number of entities that can claim a B&O tax exemption and raises revenue by \$55.6 million in 2025-2027 and \$17.2 million in 2027-2029.

[SB 6228](#) – Removing a tax exemption for the warehousing and reselling of prescription drugs. This bill removes a B&O tax exemption, increasing state revenue by \$24 million in 2025-2027 and \$141.7 million in 2027-2029.

SB 6231 – Removing a tax exemption for the replacement of equipment for data centers. This removes a sales tax exemption, and increases state revenue by \$63 million in the current biennium and \$140.5 million in the next.

SB 6346 – Income Tax on Millionaires. This bill included sales and B&O tax reductions (some of which take effect this year), as well as the headlining 9.9 percent tax on annual income above \$1 million (which takes effect in 2028). As a result, state revenues are decreased by \$46.5 million in the current biennium, but increase by over \$2 billion in the 2027-2029 biennium and by \$2.9 billion starting in fiscal year 2030. Local government revenues are estimated to be reduced by \$45.8 million in the 2027-2029 biennium, \$543 million in the 2029-2031 biennium, and by approximately \$800 million per biennium thereafter.

SB 6347 – Undoing certain changes to the estate tax. This bill lowers the maximum estate tax rate from 35 percent to 20 percent, an increase that was enacted in the 2025 session. This decreases state revenue by \$41 million in the current biennium and in excess of \$340 million per biennium thereafter.

Transfers

The budget relies on transfers of about \$2.3 billion from dedicated fund sources into the State General Fund. Three transfers make up the bulk of this amount:

\$880 million of this amount is from the Budget Stabilization Account (“rainy day fund”). This is predicated on an \$880 million transfer in 2029 from the surplus in the Law Enforcement Officers and Fire Fighters 1 (LEOFF 1) pension account, enabled by the enactment of **HB 2034**. This bill terminates the LEOFF 1 plan and creates a restated LEOFF benefit. The Office of the State Actuary estimated that the LEOFF 1 plan is funded at 226 percent above the plan’s liability, and the additional assets could reach a \$4 billion value. The budget also states an intent to transfer \$539 million from the pension surplus to the Climate Commitment Account in 2027-2029.

\$395 million is capital gains revenue that would otherwise go to common school construction. This is effectively a transfer from the capital budget to the operating budget.

\$375 million is shifted from the Public Works Assistance Account to the State General Fund. \$300 million of this is backfilled with state bond proceeds in the

capital budget. This is not only a reduction in the program, but also a reduction in capital budget capacity that otherwise could have been used for new capital projects.

Cuts

The supplemental operating budget makes cuts in some programs, though not to the extent that was feared prior to the positive February revenue forecast. The largest reductions include:

- \$600 million over four years from the Working Connections Child Care program.
- \$214 million from the higher education system.
- Over \$90 million from K-12 education, including \$25 million from pupil transportation, \$26 million from levy equalization, and \$25 million from kindergarten transition programming.
- \$13 million from developmental disabilities and \$25 million from long term care programs at the Department of Social and Health Services (DSHS).
- \$143 million from early learning through the Department of Children Youth and Family Services.
- \$123 million from mental health services at the DSHS.
- \$76 million from community behavioral health through the Health Care Authority.

While not as large on a sheer dollar amount, a number of other program-specific cuts were also included (please note that some of these items are also included in the larger numbers reported above):

- \$2.9 million elimination of Growth Management Implementation grants through the Department of Commerce.
- \$200,000 is reduced for the Shorelands and Environmental Assistance Program.
- \$492,000 is eliminated from group B water planning technical assistance at the Department of Health.
- \$1.6 million saved by reducing funding for grants to cover the cost of energy audits for public buildings.
- \$630,000 (20 percent) reduction in grant funding for alternatives to arrest and jail for persons with behavioral health disorders.
- \$900,000 (20 percent) reduction to grants for law enforcement assisted diversion services.

- \$1.96 million (10 percent) reduced from the Recovery Navigator Program.
- \$269,000 is eliminated for technical support to Medications for Opioid Use Disorder in Jails programs.
- Funding for grants for associate development organizations is reduced by \$152,000.

Expenditures

The largest of all new expenditures in the supplemental operating budget is the \$1 billion dedicated to legal liability payouts. Whether the Legislature would take substantive action to reduce these costs was a topic of speculation, however at the end of the day, the only politically viable solution was to pay. Another big-ticket item is the investment of an additional \$241 million for the enterprise-wide replacement of the state Agency Financial Reporting System.

Additional new investments of note include:

- \$30 million is provided for the State Home Energy Assistance Program.
- \$202,000 is provided for the Department of Commerce to adopt guidelines for indicators, measures, milestones, and criteria for use by counties and cities in the implementation of housing and climate plan progress reports as required by 2022 legislation, [HB 1241](#) (GMA planning).
- \$500,000 is provided for grants to local governments to increase the speed at which residential project permit applications are processed.
- \$175,000 is provided for the Department of Archaeology and Historic Preservation to participate in the development of a model ordinance for archaeological and cultural resource protection at the local level.
- \$4.9 million is provided for local governments to support siting and permitting of clean energy projects.
- \$250,000 is provided to analyze existing public banking tools for the purpose of expanding local government access to infrastructure financing and to conduct outreach to identify barriers, gaps, and additional tools needed to support local infrastructure investments.
- \$50 million is provided for implementation of 2021 legislation, [HB 1168](#) (forest health and wildfire reduction). These dollars are derived from the Wildfire Response, Forest Restoration, and Community Resilience Account created in [HB 2089](#) (see summary above) as follows:
 - \$20 million for wildfire response;
 - \$20 million for forest restoration; and

- \$10 million for community resilience.
- \$13.371 million in expenditure authority is provided to balance the available revenue in the Resource Management Cost Account for state trust land management.
- \$15 million is provided for grants to recipients of HUD Continuum of Care grants for costs to maintain permanent supportive housing.
- \$719,000 for fiscal year 2026 and \$1.825 million for fiscal year 2027 is provided to maintain core public health information technology infrastructure and staff at the Department of Health.
- \$2.15 million is provided for food banks for reimbursement for the cost of services during the November 2025 federal government shutdown.
- \$320,000 is provided to increase the contracted county juvenile detention bed rate from \$150 to \$250.
- County juvenile direct intervention and prevention services (Becca) are limited to \$3.5 million in fiscal year 2027. These funds must be used for direct services to youth.
- \$2 million is provided for the Juvenile Court Block Grant Program that provides grant funding to county juvenile courts for the purpose of serving youth who are referred, diverted, or adjudicated as a juvenile offender. In addition, the budget contains proviso language requiring a service inventory by county that shows how much each county court received in block grant funding and how they were spent. DCYF is required to provide this information to the Legislature by June 30, 2026.
- \$100,000 is provided for the HCA to create and submit a report detailing a statewide implementation roadmap and funding plan for crisis relief centers and crisis stabilization units to the governor and the Legislature by December 1, 2026.
- \$11.646 million is provided for the HCA to implement two Certified Community Behavioral Health Clinic sites through a federal demonstration project.
- \$300,000 is provided for the Department of Commerce to create an economic development and competitiveness strategic plan.
- Funding is provided for the creation of the Joint Legislative-Executive Committee on Budget Transparency and Fiscal Sustainability (Committee). The Committee shall review revenue growth projections and spending assumptions in the four-year budget outlook; statutory cost drivers and their effect on carryforward and maintenance levels; and relevant budget

practices in other states; management staffing levels, administrative overhead costs, and performance management practices; public reporting tools and data accessibility; and relevant budget practices in other states.

- \$50,000 is provided for the Office of Administrative Hearings to convene a committee to recommend improvements to the systems and processes related to adjudication of claims for tortious conduct against the state or its political subdivisions. The committee must have a county representative.

Capital Budget

The state capital budget, [SB 6003](#), directs expenditures for the acquisition of real property and the construction and maintenance of state facilities such as schools, universities, prisons, behavioral health treatment centers, and parks. A combination of general obligation bonds and cash receipts from a variety of dedicated accounts are used to fund the capital budget.

In the 2023-2025 biennium, following enactment of the 2024 supplemental capital budget, total capital spending equaled \$25.6 billion. The biennial budget signed by Governor Ferguson in May of 2025 totaled \$19.6 billion. The 2026 supplemental capital budget adds \$889 million in new expenditures to this amount, \$435 of which is derived from new bonds. This biennial capital budget is about \$4 billion less than last biennium, partially because the Legislature moved approximately \$1 billion from the capital budget to the operating budget (some of these transfers are discussed above in the operating budget section).

The Legislature also moved \$540 million in projects from state bond funding to Climate Commitment Act revenues in this budget. This includes the Brian Abbot Fish Barrier Removal Board, Chehalis Basin Strategy funding, Yakima River Basin Water Supply, Floodplains by Design, Washington Wildlife and Recreation Program, Conservation Commission Voluntary Riparian Grant and irrigation efficiencies programs, and four salmon restoration programs at the Recreation and Conservation Office.

Despite the lower expenditure level, the Legislature still provided \$200 million for housing and homelessness, \$41 million for flood preparedness and response, and \$30 million for new local and community projects.

Notable items include:

- \$123 million for the Housing Trust Fund.

- \$17 million for mobile and manufactured homes assistance. These resources provide grants and technical assistance for the preservation and acquisition of affordable manufactured and mobile home communities.
- \$6.5 million for state juvenile justice facility projects.
- The Department of Natural Resources (DNR) is directed, by December 1, 2026, to report to the Legislature projected revenues from trust lands it manages. The report must include projected fund balances for the Resource Management Account and Forest Development Account, which are the funds utilized by the DNR for its trust land management activities.

A list of the specific capital projects funded in Skagit County is included at the end of this report.

Transportation Budget

The state transportation budget, **SB 6005**, is unique because it provides funding for the operation of the Washington State Department of Transportation (WSDOT) and transportation-related operational spending at other agencies, in addition to capital construction funding for transportation infrastructure. It is by far the most complicated of the three budgets.

Coming into the 2026 session, the transportation budget also faced a budget deficit, with each of the three economic forecasts since last year showing declining revenues caused by declining gas tax revenue and the rising cost of materials and maintenance.

The supplemental transportation budget totals \$16.6 billion, which is a \$1.2 billion addition to last session's budget. Spending in the three biennia plan relies on a mix of existing revenue and \$800 million in funding bonds from **SB 6225**.

The Legislature also passed and the Governor signed **HB 2711**, which makes various changes to transportation resources, including:

Revenue and Fees: Fuel taxes received because of inflationary adjustments are distributed in the same manner as the other 2025 increases in the motor fuel tax and special fuel tax rates; areas annexed to a Public Transportation Benefit Areas (PTBA) are subject to taxes imposed by the PTBA; Washington State Ferries can collect three percent in debit card transaction costs related to the collection of ferry fares; and allows tire retailers to is 25 cents per tire from the existing tire fee.

Aircraft: the luxury aircraft tax is repealed; aircraft fuel tax is increased to 25 cents per gallon starting on November 1, 2026, and beginning in 2027 the annual aircraft registration fee is increased to \$30; and the Sustainable Aviation Fuel Airport Infrastructure Account is created.

Luxury vehicles: the use tax bases for the luxury vehicle tax and recreational vessel tax are modified to align with the corresponding sales tax bases, prohibiting the value of any trade-in from being deducted from the measure of tax; motor homes are exempted from the luxury vehicle tax from July 1, 2026, to December 31, 2026.

Programs and Grants: The program to reimburse Registered Tow Truck Operators for the costs of towing indigent persons' vehicles is delayed to July 1, 2027; the Bus and Bus Facilities Grant Program is expanded to include safety or security enhancements; and a program is established to provide reduced-cost identicards for individuals 70 and older.

This budget provides a new level of clarity for preservation and maintenance on the state highway system, including ferries. The plan calls for a combined \$344 million in the current biennium, \$588 million in 2027-2029, and \$596 million 2029 – 2031. In the 2025-2027 biennium, this is an increase of \$40 million for preservation and maintenance.

Of concern for local governments is an assumed under-expenditure in the Local Programs category of WSDOT's capital program and authority for WSDOT to use \$180 million of this appropriation. These are funds that are currently budgeted for local projects. While there is always a risk that the Legislature will claw-back funds from projects that are behind schedule, this new policy provides an administrative framework for WSDOT to easily implement a certain level of shift of funding from local to state projects.

Several items are of particular note:

- \$74,000 is provided for Skagit County to support a zero-fare for youth policy on the Guemes Island ferry.
- The Joint Transportation Committee is directed, by December 15, 2026, to report to the Legislature on several areas related to liability claims from vehicles that could benefit local governments. One item is whether other state laws allow evidence of failure to wear a seat belt as evidence of negligence. The second item is to review other state policies concerning defenses against wrongful death claims where a driver was engaged in felony

activity, specifically whether Washington’s policy should be extended to misdemeanors such as impaired driving, reckless driving, and racing.

A list of the specific transportation projects funded in Skagit County is included at the end of this report.

Budget Spotlight: Ferry Funding Items

At the beginning of session, it appeared as if policy makers might significantly change the trajectory for state ferry operations. Governor Ferguson proposed bonding revenues to generate enough new resources to begin the construction of three additional new vessels. House Transportation Committee members were [presented](#) with a remarkably thorough [report](#) on the dire need for new resources in order to meet the needs of the Puget Sound ferry system. The proposed Senate transportation budget dedicated a portion of state sales tax revenue generated from the sale of automobiles to state ferry operations.

Despite these signals, the final transportation budget looks more like a traditional supplemental budget than a course correction. Resources are provided to largely keep the vessel replacement plan on track. \$28 million in additional funding is provided over the next six years for ferry system preservation. In addition, the budget moves money up in the prior schedule so the first of the new hybrid vessels currently under construction are delivered by 2030. An additional \$31 million is provided to continue electrifying ferry terminals as part of the electrification plan. The Legislature also provides an additional \$17 million for the current plan to convert existing vessels to hybrid propulsion. The Legislature intends that this will be the last installment necessary for this project.

A table showing the schedule and amounts for vessel replacement and construction, and terminal improvements is attached at the end of this section.

The budget includes two provisos of interest to ferry communities:

The Joint Transportation Committee is directed to convene a work group to consider options for long-term, financially sustainable vessel preservation and replacement, terminal improvements, and ferry asset management. This includes many specific directions including evaluating in-state vs. out-of-state procurement, and alternative vessel and fuel types. The initial report is due to the Legislature by December 15, 2026. The JTC is also directed to commission additional related studies from independent third-parties.

WSDOT is provided with \$500,000 for a feasibility study regarding the costs and benefits of establishing a state-owned or leased dry dock facility for the maintenance of ferries and other public or private vessels. The report is due to the Legislature by June 30, 2027.

Budget Spotlight: Flood Recovery Resources

The Legislature dedicated significant resources in all three budgets to pay for state and local assistance in response to the December 2025 flood event, consistent with Governor Ferguson's disaster declaration.

Operating

\$21 million in expenditure authority is provided to the state Military Department in anticipation of funding from the Federal Emergency Management Authority. This is combined with the removal of expenditure authority that remained from the Covid crisis. As a result, the budget documents appear to show a cut and the resources for the flood event are somewhat hidden.

Capital

\$5 million through the Department of Commerce for low-income home rehabilitation projects in any flood impacted areas of the state.

\$10 million through the Department of Commerce for the Public Works Board to make emergency grants to local governments for public works projects that were impacted by the December emergency.

\$25 million through the Department of Commerce from the Natural Climate Solutions Account and \$1 million from the State Building Construction Account for a new category called Flood Response: Infrastructure. Specific projects are designated:

- \$140,000 Bridge 33 Rehabilitation
- \$464,000 Burpee Hill Road Landslide Recovery
- \$1.545 million Carlisle Lake Dam Safety Improvement
- \$7.5 million City of Pacific Infrastructure Replacement and FEMA Match
- \$2 million Green River Signature Pointe Levee
- \$13.05 million Nooksack Integrated Floodplain
- \$258,000 PCLS Parkland Library Flood Mitigation
- \$200,000 Samish River Levees
- \$1 million Whatcom Co. Fire Dist. 1 Station Replacement

\$2 million through the Military Department for county risk and assessment needs. Counties can receive up to \$300,000 for a risk and needs assessment addressing flood response, preparedness, and prevention. Grants are provided solely for counties impacted by the December emergency proclamation.

\$3.1 million through the Military Department for grants to counties to address the removal of debris in rivers and other waterways related to the flood event (this is a decrease from the proposed amount).

Transportation

\$2 million to the Military Department to assist owners of recreational vehicles damaged or destroyed by the December 2025 flood event.

\$30 million through the County Road Administration Board for financial assistance to county infrastructure that was damaged from the flood. The funding is described as a temporary loan program to bridge counties until federal reimbursement is received. Counties must pay back a loan after receiving federal reimbursement.

\$15 million in loans through the Transportation Improvement Board for city infrastructure in the same manner as the county program.

Returning Issues from Bills That Did Not Pass

The following issues have a high likelihood of returning in some form during the 2027 legislative session. Bills introduced but not passed during the 2025-2026 legislative sessions are noted.

Topic	Related Bills
Agriculture & Natural Resources	
Adding federally recognized Indian tribes to the list of entities that may participate in the conservation futures program.	SB 6097
Authorizing additional use of private recreational docks and mooring buoys.	HB 2395
Behavioral Health	
Increasing resources for behavioral health emergency services providers.	HB 2720
Environment	
Environmental justice in government decisions.	HB 1303 , HB 2682 , SB 5380
Environmental crimes.	SB 5360
Forest Policy	
Ecosystem services from state trust lands.	HB 1508 , HB 2170 , SB 5999
Adding a tribal representation to the board of natural resources.	HB 2117 , SB 5838
General Government	
Shifting general elections for local governments to even-numbered years to increase voter participation.	HB 1339 , SB 5373
Housing	
Allowing objectively reasonable regulation of the utilization of public property.	HB 1380
Funding affordable housing programs with a tax on vacation rentals, or local excise taxes.	HB 1763 , HB 2583 , SB 5576
Human Services	
Updating the involuntary treatment commitment standards for individuals suffering from a substance use disorder.	HB 1787

Land Use & Permitting	
Encouraging construction of affordable housing by streamlining the permitting process.	SSB 5729
Standardizing city and county planning and development regulations with an urban growth area.	HB 2201
Implementing the International Wildland Urban Interface Code.	SHB 1254
Subdivisions.	SSB 5633
Agritourism zoning.	HB 2129
Performance-based building codes.	HB 2346
Liability	
Requiring arbitration for tort claims against the state of Washington and its subdivisions.	HB 2700 , HB 2706 , E2SSB 6239
Recognizing posttraumatic stress disorder as an occupational disease for county coroners, examiners, and investigative personnel.	HB 1002
Local Government Revenue	
Concerning solid waste and establishing the local government solid waste assistance account.	HB 2018
Expanding access to the property tax exemption program for seniors, people retired due to disability, and veterans with disabilities.	HB 1165
Creating a primary residence property tax exemption.	HB 2024 , SB 5770
Personnel & Labor	
Allowing bargaining over the use of artificial intelligence.	HB 1622 , SB 5422
Public Health	
Excise taxes on cigarettes, vapor products, and tobacco products.	HB 2382 , SB 6129
Increasing the statewide 988 behavioral health crisis response and suicide prevention line tax.	SB 5762
Public Safety	
Concerning legal financial obligations.	HB 2102 , HB 1499

Modifying juvenile convictions.	<u>HB 1274</u> , <u>HB 1322</u> , <u>HB 2389</u> , <u>SB 5296</u> , <u>SB 5715</u> , <u>SB 6062</u>
Appointed counsel for individuals detained under the involuntary treatment act.	<u>HB 1905</u>
Juvenile access to an attorney.	<u>HB 1053</u>
Independent oversight of the city, county, and regional jail systems.	<u>HB 1424</u> , <u>SB 5005</u>
Assaults by individuals in behavioral health crisis.	<u>HB 1220</u>
Access to services for individuals charged with a misdemeanor.	<u>HB 1113</u>
Transportation & Public Works	
Passenger-only ferries.	<u>HB 1923</u>
Tribal representation in transportation planning.	<u>SB 5374</u>
Road usage charge.	<u>HB 1921</u> , <u>SB 5726</u>



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Capital Budget -- 2026 Supplemental
Proposed Compromise (03/11/2026)
Total Budgeted Funds (TOT-B)
Includes Alternative Finance Projects
Supplemental Changes Only
(Dollars in Thousands)

	New Appropriations
Total Skagit County	14,454
<i>Department of Commerce</i>	
2025-27 Behavioral Health Facilities #	
Recovery Cafe Building Acquisition	2,050
2027 Local and Community Projects #	
Anacortes Birth Center	68
Anacortes Community Event and Tourism Facility	515
Rexville Grange #815	50
2027 Revitalized Local and Community Projects #	
SPARC Capital Grant	750
Affordable Housing Supply and Preservation #	
Lila Lane Short-Term Recovery Housing	258
Skagit County Senior Center and Affordable Housing	1,545
Disaster and Flood Response #	
Burpee Hill Road Landslide Recovery	464
Local and Water Infrastructure #	
Alice Bay Tidegate Replacement	1,200
Bradshaw Pump Station Modernization	200
Channel Drive Water	515
Lorenzan Creek Daylighting and Fish Passage	1,030
No Name Slough Tidegate Replacement	1,200
Skagit District 15: Irrigation Well Project	300

Capital Budget -- 2026 Supplemental
Proposed Compromise (03/11/2026)
Total Budgeted Funds (TOT-B)
Includes Alternative Finance Projects
Supplemental Changes Only
(Dollars in Thousands)

	New Appropriations
Total Skagit County	14,454
Regional Needs #	
Regional Public Safety Campus	294
Skagit County Morgue Backup Generator	206
Tribal Clean Energy and Climate Resilience #	
Samish Nation People's House	309
<i>Recreation and Conservation Office</i>	
2025-27 Estuary and Salmon Restoration Program #	
Guidelines for Large Wood in Low Tide Pool Habitat	0
2025-27 Family Forest Fish Passage Program \$	3,500
2025-27 Puget Sound Acquisition and Restoration #	
IMW Island Unit Estuary Restoration Construction	0
2025-27 Washington Wildlife Recreation Program #	
NA Cypress Island Nature Resources Conservation Area	0

* Project funded through alternative financing.

\$ Reflects funding for entire project, however funds will be spent in multiple locations. The amounts listed are not specific to a single location.

For those projects with sub-project detail, only those components associated with the specified location are displayed.

% Amounts associated with Minor Works projects for this location are preliminary and actual spending may vary due to changes in scope and costs.

**2025-27 Biennium -- 2026 Supplemental
Conference (03/11/2026)
Department of Transportation**
(Dollars in Thousands)

Project		Leg Dist	Prior	2025-27	2027-29	2029-31	Future	Total
Skagit County			92,196	106,951	30,334	15,676	63,250	308,407
Projects only in Skagit County			7,797	16,763	1,200	3,486	23,000	52,246
Route			7,797	16,763	1,200	3,486	23,000	52,246
000	Skagit Transit-Maint., Oper., & Admin Facility Replacement - BU252701	39	0	7,771	0	0	0	7,771
000	Skagit Transit-Replacement of Heavy-Duty Coaches - BU252707	10,39,40	0	3,530	0	0	0	3,530
000	Guemes Channel Trail - G2000020	40	0	0	328	3,172	0	3,500
000	Trestle - Park & Ride - Trail - G2000025	40	0	250	0	0	0	250
000	Washington Park to Ferry Terminal - Trail - G2000026	40	0	150	600	0	0	750
000	Port of Anacortes Electrification - L1000338	99	168	1,831	0	0	0	1,999
000	Jones/John Liner Road BNSF Railroad Undercrossing - L2000361	39	486	365	0	0	0	851
000	Sustain Rural Transit Service - L2021175	39	464	533	0	0	0	997
000	Guemes Ferry Boat Replacement Project (All Electric) - L4000124	40	0	1,000	0	0	23,000	24,000
000	Skagit Transit Purchase Rideshare Vehicles - RS252708	10,39,40	0	452	0	0	0	452
000	Skagit Transit Implement New Rideshare Incentive Program - RS252712	10,39,40	0	54	0	0	0	54
000	Samish Nation Tribal Transit Mobility Grant - TT252709	10, 40	0	189	0	0	0	189
000	Swinomish Indian Tribe Vans Purchase - TT252710	39	0	288	0	0	0	288
000	Samish Nation-Youth & Elder Transport-Mobility Management - TT252713	10, 39	0	155	0	0	0	155

**2025-27 Biennium -- 2026 Supplemental
Conference (03/11/2026)
Department of Transportation**

(Dollars in Thousands)

Project		Leg Dist	Prior	2025-27	2027-29	2029-31	Future	Total
Skagit County			92,196	106,951	30,334	15,676	63,250	308,407
020	Anacortes Tml Improvement - 902020D	40	6,679	195	272	314	0	7,460
Note: Funding for the following project(s) covers multiple locations.			84,399	90,188	29,134	12,190	40,250	256,161
Route			84,399	90,188	29,134	12,190	40,250	256,161
000	Whatcom Transportation Authority - Whatcom Smart Trips (WST) - 20230004	40, 42	440	409	0	0	0	849
000	MV Chelan Improvement - 944405F	40	818	0	457	335	1,950	3,560
000	MV Sealth Improvement - 944406E	40	752	626	362	430	2,550	4,720
000	MV Kaleetan Improvement - 944433E	40	996	0	316	477	2,800	4,589
000	MV Yakima Improvement - 944434E	40	1,171	367	302	462	2,700	5,002
000	MV Chimacum Improvement - 990041W	40	700	0	300	460	2,600	4,060
000	WSF / Systemwide - Ticketing and Reservation System Modernization - 990052C	10, 21, 23, 26, 34, 40, 43	1,561	6,471	4,759	4,465	4,400	21,656
000	Ferries Schedule System Replacement - 990052D	10, 21, 23, 26, 34, 40, 43	502	788	100	100	650	2,140
000	WSF/Systemwide - Ladder Safety - 998603A	10, 21, 23, 26, 34, 40, 43	0	37	213	0	0	250
000	WSF/IT EFS Preservation - 998604A	10, 21, 23, 26, 34, 40, 43	507	126	0	0	0	633

**2025-27 Biennium -- 2026 Supplemental
Conference (03/11/2026)
Department of Transportation**
(Dollars in Thousands)

Project		Leg Dist	Prior	2025-27	2027-29	2029-31	Future	Total
Skagit County			92,196	106,951	30,334	15,676	63,250	308,407
000	Computerized Maintenance Management System (CMMS) Transition - 998607A	10, 21, 23, 26, 34, 40, 43	1,970	70	0	0	0	2,040
000	WSF Terminal Wait Times Traveler Information System - 998609A	10, 21, 23, 26, 34, 40, 43	342	4,903	5,000	0	0	10,245
000	WSF/Systemwide - Dispatch System Replacement - 998901O	10, 21, 23, 26, 34, 40, 43	3,505	15,316	0	0	0	18,821
000	Globe Fleetwatch Application and AIS Replacement - 998951V	10, 21, 23, 26, 34, 40, 43	162	136	0	0	0	298
000	Emergency Repair - 999910K	26, 40, 43	46,584	5,000	5,000	5,000	20,000	81,584
000	MV Samish Improvement - L1000009	40	535	0	300	461	2,600	3,896
000	Samish Nation Demand-Response Service - TT252707	10, 40	0	342	0	0	0	342
000	Swinomish Indian Tribal Community Mobility Support Program - TT252711	38, 40, 42	0	305	0	0	0	305
005	I-5/Slater Road Interchange - Improvements - L1000099	40, 42	12,912	32,956	0	0	0	45,868
020	SR 20/Deception and Canoe Pass Bridge Interventions - L2021291	10	0	900	0	0	0	900
531	SR 531/43rd Ave NE to 67th Ave NE - Corridor Improvements - L1000114	10, 39	10,942	19,273	12,025	0	0	42,240
900	WSF/Systemwide - Credit Card Security Enhancement Project - 990052I	10, 21, 23, 26, 34, 40, 43	0	2,163	0	0	0	2,163

Capital Investment Schedule for Ferry Vessels, Terminals, and Related Projects

*Dollars are in thousands.

Project	Prior	2025-27	2027-29	2029-31	Future	Total
Vessel Conversions	115,636	17,285	0	0	0	132,921
Terminal Electrification	25,692	145,815	29,404	40,823	77,465	319,199
Hybrid Electric Vessel Construction	23,036	298,121	575,955	248,827	136,078	1,282,017
Vessel Preservation	336,469	282,162	220,645	220,645	1,103,225	2,163,146
Terminal Preservation	539,841	183,085	134,468	117,692	292,040	1,267,126
Ticketing and Reservation System	1,561	6,471	4,759	4,465	4,400	21,656
Schedule System Replacement	502	788	100	100	650	2,140
MV Issaquah	1,217	3,243	344	448	2,650	7,902
MV Kittitas	1,005	434	623	323	1,900	4,285
MV Kitsap	811	625	329	462	2,700	4,927
MV Cathlamet	1,101	625	744	47	350	2,867
MV Chelan	818	0	457	335	1,950	3,560
MV Sealth	752	626	362	430	2,550	4,720
MV Tillikum	789	2	329	462	2,700	4,282
MV Kaleetan	996	0	316	477	2,800	4,589
MV Yakima	1,171	367	302	462	2,700	5,002
MV Walla Walla	953	0	66	727	4,200	5,946
MV Spokane	468	0	255	538	3,100	4,361
MV Chetzemoka	2,221	0	329	460	2,700	5,710
MV Salish	2,873	1,406	66	724	4,150	9,219
MV Kennewick	1,805	0	66	724	4,150	6,745
MV Puyallup	1,985	1,406	66	727	4,200	8,384
MV Tacoma	5,203	0	329	462	2,700	8,694
MV Wenatchee	2,501	452	279	460	2,700	6,392
MV Chimacum	700	0	300	460	2,600	4,060
MV Tokitae	752	0	300	461	2,600	4,113
MV Samish	535	0	300	461	2,600	3,896
Lopez Terminal	460	144	0	0	0	604
Orcas Terminal	1,057	1	0	0	0	1,058
Friday Harbor Terminal	61	2	0	0	0	63
Coupeville (Keystone) Terminal	2,329	186	0	0	0	2,515
Anacortes Terminal	6,679	195	272	314	0	7,460
Edmonds Terminal	1,312	807	0	0	26,000	28,119
Kingston Terminal	0	79	0	0	0	79
Eagle Harbor Maintenance Facility	8,190	2	6,836	7,807	0	22,835
Seattle Terminal	1,681	1	0	0	0	1,682
Mukilteo Terminal	185,185	4,400	0	0	0	189,585
Clinton Terminal	160	3,135	11,468	25,937	0	40,700