

WAADAC Legislative Report

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The opposite house policy cutoff passed this week, shifting the Legislature's focus to the next major committee deadline, opposite house fiscal cutoff. Any legislation with budget implications must clear this step by Monday, March 2, or it will be considered dead for the session unless deemed necessary to implement the budget (NTIB). Also happening this week, budget writers in both the House and Senate unveiled their respective proposals, marking a critical step as the Legislature moves into the final weeks of the 2026 session. The releases set the stage for intense negotiations over funding priorities, as well as decisions that will shape state programs and services in the coming fiscal year.

Operating Budget. The operating budget plans (HB 2289 and SB 5998) total approximately \$79.2–\$79.3 billion, an increase from the enacted biennial budget of about \$77.8 billion. Both proposals assume passage of the Millionaire's Tax. Both proposals include targeted reductions for state agencies and higher education, as well as shifts in one-time funding sources, with differing approaches to the use of climate-related revenues. Each budget relies on a withdrawal of more than \$700 million from the state's Budget Stabilization Account (rainy day fund) to help balance spending.

Budget writers cite inflation, increased caseloads, and other near-term cost pressures as justification for drawing on reserves. A major driver of new spending is the sharp increase in legal judgments and settlement costs against state agencies. The Senate proposal sets aside roughly \$1 billion for these obligations, while the House allocates about \$400 million, one of the most significant differences between the two plans. Republican lawmakers have criticized the proposals for increasing overall spending and relying on reserves and other one-time resources rather than structural budget solutions.

The Senate will consider its budget on Friday, the House on Saturday. Legislators have less than two weeks to negotiate a final budget.

Millionaire's Tax. The proposed Millionaire's Tax (SB 6346) was heard this week in the House Finance Committee. A total of 284 individuals signed in to testify, and 129,687 people registered positions through the Legislature's online system, with roughly 90% opposed. It's scheduled for a Finance Committee vote on Friday.

However, supporters of the measure have raised concerns about the accuracy of those figures. The coalition Invest in Washington Now alleges that approximately 37,000 "con" sign-ins may have been duplicate or fraudulent. Some submissions reportedly used the names of public officials such as former Congressman Derek Kilmer (D) and organizational leaders such as Larry Delaney (WEA) and Adam Glickman (SEIU 775) without their consent. Supporters have asked the Washington State Attorney General Nick Brown and House Clerk Bernard Dean to investigate, arguing the inflated numbers could misrepresent public sentiment. Indeed, the entire situation could throw sign-ins into question. In response, House Finance Committee Chair Rep. April (D-44) issued this statement:

"Public comments and feedback to proposed policy is a critical aspect of our work in the Legislature. It allows us to more easily hear from constituents who may not be able to participate in the legislative process"

in-person. It's become clear, however, that the system is easy to manipulate. Following reports of impersonation from concerned stakeholders who had their information misused to sign in against SB 6346, initial investigation into the committee sign in reports have shown potentially tens of thousands of instances of fraudulent or duplicate data. Investigations into the full extent of the manipulation are ongoing through the Chief Clerk's Office, as are plans to make system improvements to prevent this sort of abuse in the future. In addition, the Washington State Attorney General's Office has been informed of the situation and alerted to the need for possible investigation. To those who participated in the manipulation of the public comment system, I want to be clear: your efforts have not benefited your cause and have in fact done damage to the democratic process and called into question every sign in on this bill."

Upcoming Events

Finance (House) - HHR A and Virtual JLOB - 2/27 @ 8:00am

- [ESSB 6346](#) - **Exec Session** - Establishing a tax on millionaires.

Appropriations (House) - HHR A and Virtual JLOB - 2/27 @ 10:30am

- [SB 5988](#) - **Exec Session** - Establishing fee authority for accreditation services provided to opioid treatment programs by the department of health.
- [ESSB 5845](#) - Public Hearing - Modernizing and clarifying timely payment requirements for health carriers. (Remote Testimony Available).
- [2SSB 5968](#) - Public Hearing - Improving regulatory efficiency by integrating executive order 25-03, concerning permitting and licensing processes, into chapter 43.42A RCW. (Remote Testimony Available).
- [E2SSB 5395](#) - Public Hearing - Making improvements to transparency and accountability in the prior authorization determination process. (Remote Testimony Available).

Appropriations (House) - HHR A and Virtual JLOB - 3/2 @ 10:30am

- [E2SSB 5395](#) - **Exec Session** - Making improvements to transparency and accountability in the prior authorization determination process.
- [ESSB 5845](#) - **Exec Session** - Modernizing and clarifying timely payment requirements for health carriers.
- [2SSB 5968](#) - **Exec Session** - Improving regulatory efficiency by integrating executive order 25-03, concerning permitting and licensing processes, into chapter 43.42A RCW.

Important Dates

March 2 – Fiscal Committee Cutoff (Opposite House)

March 6 – Floor Cutoff (Opposite House)

March 12 – Sine Die

High Priority Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
<u>HB 2340</u> Nursing assistants/SUD prg. Applying substance use disorder monitoring program provisions to nursing assistants.	S Rules 2	Simmons	
<u>2SHB 2429</u> (SB 6224) Youth behavioral health Supporting children and youth behavioral health.	S Ways & Means	Callan	

Monitoring Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
<u>ESHB 1155</u> (SSB 5437) Noncompetition agreements Prohibiting noncompetition agreements and clarifying nonsolicitation agreements.	S Rules 2	Berry	
<u>HB 1895</u> Educational assist./B&O tax Establishing a business and occupation tax credit for small business employers providing educational assistance to employees.	H Finance	Richards	
<u>HB 2100</u> (SB 6093) Payroll expense tax Enacting an excise tax on large operating companies on the amount of payroll expenses above the minimum wage threshold of the additional medicare tax to fund services to benefit Washingtonians and establishing the Well Washington fund account.	H Finance	Scott	
<u>ESHB 2168</u> (SSB 5933) Overdose mapping information Facilitating the rapid sharing of overdose mapping information for overdose prevention.	S Ways & Means	Manjarrez	
<u>HB 2289</u> (SSB 5998) Operating budget, supp. Making 2025-2027 fiscal biennium supplemental operating appropriations.	H Exec Action	Ormsby	
<u>SHB 2405</u> (SB 6293) PTSD treatment and research Establishing a pilot program for posttraumatic stress disorder treatment and research.	S Rules 2	Schmidt	
Local government fund use	S Ways & Means	Berg	

[ESHB](#)

[2442](#) (SB 6294) Providing local governments tax resources and fund flexibility.

[SHB](#)[2492](#)

(SSB

6282)

Apprenticeships/wellness

S Passed 3rd

Nance

Requiring state registered apprenticeships in the building and construction trades to provide behavioral health and wellness training.

[ESHB](#)[2548](#) (SB

6208)

Health care market standards

S Rules 2

Taylor

Strengthening health care market standards.

[HB 2724](#)

(ESSB

6346)

Tax on millionaires

H Finance

Fitzgibbon

Establishing a tax on millionaires.

[HB 2738](#)**Income tax**

H Finance

Walén

Establishing an income tax on individuals with Washington taxable income over \$1,000,000 per year and households with income over \$2,000,000 per year.

[HJR 4213](#)**Income tax**

H Finance

Walén

Amending the Constitution to allow for an income tax.

[ESSB](#)[5845](#)**Health carrier payments**

H Approps

Slatter

Modernizing and clarifying timely payment requirements for health carriers.

[ESSB](#)[5906](#)**Data and personal safety**

H Rules R

Hansen

Establishing data and personal safety protections within areas of public accommodation for all Washington residents.

[2SSB](#)[5968](#)

(HB

2198)

Permitting and licensing

H Approps

Krishnadasan

Improving regulatory efficiency by integrating executive order 25-03, concerning permitting and licensing processes, into chapter 43.42A RCW.

[SB 5988](#)

(HB

2437)

Opioid treatment prg. fees

H Approps

Robinson

Establishing fee authority for accreditation services provided to opioid treatment programs by the department of health.

[ESSB](#)[5993](#)**Medical debt interest**

H Rules R

Alvarado

Concerning lowering the interest rate for medical debt.

[SSB 5998](#) **Operating budget, supp.** S 2nd Reading Robinson
(HB
2289) Making 2025-2027 fiscal biennium supplemental operating appropriations.

[ESSB 6031](#) **Insurance crimes** H ConsPro&Bus Lovick
(HB
2394) Enhancing public safety and enforcement of crimes that impact insurance.

[ESSB 6346](#) **Tax on millionaires** H Finance Pedersen
(HB
2724) Establishing a tax on millionaires.
