



2026 Legislative Session Weekly Report

CleanTech Alliance

March 16, 2026

End of Session

The 60-day 2026 legislative session officially adjourned on Thursday March 12th at 8:26pm (click [here](#) to watch the Sine Die ceremony). During the last week of the session, the legislature focused on reconciling differences on bills passed by the House and Senate, passing the new “millionaire’s tax”, and passing the final 2026 Supplemental Operating, Capital and Transportation Budgets. This session ultimately 267 passed the legislature and are on their way to the Governor’s desk to be signed into law you can view the full list of bills that passed this session [here](#). The Governor also has the option to veto a bill entirely or veto a specific section or appropriation within a bill. The Governor may not veto a word or sentence within a section of a bill. To see a full list of bills that have already passed the legislature and have been signed by the Governor, click [here](#). As a reminder this is the end of the biennium so any bill that did not pass will need to be reintroduced as a new bill in 2027.

One of the most notable moments of the 2026 legislative session was the Washington State House’s marathon floor debate on the proposed “Millionaire’s Tax,” SB 6346. The debate started on Monday March 9th around 6pm and stretched for more than 24 consecutive hours, one of the longest floor debates in Washington State’s history. In total, 79 amendments were offered, largely by Republicans as part of a strategy to slow the bill’s advancement and force debate on various tax policy issues. After the lengthy debate concluded, the House passed the bill on a narrow 51–46 vote. Eight Democrats — Reps. Bronoske, Morgan, Reeves, Richards, Rule, Shavers, Timmons, and Walen — joined Republicans in opposing the measure, underscoring the political sensitivity of creating a new state income tax even within the majority caucus. The Senate concurred with the changes made to the bill in the House and the Governor is expected to sign the bill. You can read more about the debate and the policy [here](#). It is widely expected to face immediate legal challenges once signed into law. Opponents argue the measure violates long-standing Washington Supreme Court precedent treating income as property, meaning it must be taxed uniformly under the state constitution, setting up a likely court battle that could ultimately be decided by the Washington Supreme Court. It is unclear if there may also be initiatives to undo this new tax. Should the tax be upheld and enacted it would go into effect in 2028, making the first tax payments collected in 2029.

The 2026 Supplemental Operating, Capital and Transportation Budgets were all released on Wednesday, March 11. The Capital budget was negotiated informally, and both the Transportation and Operating budgets were negotiated through conference committees. A conference committee is a process where designated members from each chamber are selected to come together and negotiate final agreements. The proposed [2026 Supplemental Capital Budget](#) appropriates \$889.7 million, including \$435.1 million in bonds and \$454.6 million from other state and federal sources. A significant portion of the budget relies on \$839.9 million from Climate Commitment Act (CCA) funds, which are used both for new investments—such as clean energy, building decarbonization, and salmon recovery—and to refinance previously bond-funded projects, freeing up other funds to support the supplemental operating budget.

[The 2026 Supplemental Transportation Budget](#) provides \$16.6 billion in total appropriations, including \$10.2 billion for capital projects and \$6.4 billion for operating programs, representing a \$1.2 billion increase over the 2025 enacted budget. The conference agreement prioritizes preservation and maintenance of existing transportation infrastructure, committing more than \$1.5 billion in new preservation and maintenance investments through the 2029-31 biennium, supported in part by an \$800 million bond authorization. Key investments include increased funding for highway preservation and maintenance, Washington State Ferries preservation and hybrid-electric vessel procurement, and terminal electrification, along with targeted funding for flood recovery, traffic safety initiatives, and transit and mobility grants. The budget maintains a six-year planning horizon through 2029-31 to support long-term project delivery and infrastructure planning, while also advancing studies and policy initiatives focused on transportation system sustainability, safety improvements, and emerging technologies.

[The 2026 Supplemental Operating Budget](#) increases spending in the 2025–27 biennium to \$80.2 billion Near General Fund–Outlook (NGF-O) and \$157.3 billion in total budgeted funds, reflecting adjustments to maintain existing programs and address rising service costs. The budget includes \$1.7 billion in NGF-O maintenance level increases to sustain current obligations—primarily driven by higher costs in Medicaid medical assistance, Working Connections Child Care, and long-term care services—as well as \$621 million in net policy-level NGF-O investments. The agreement relies on several balance sheet actions, including an \$880 million transfer from the Budget Stabilization Account (rainy day fund), assumed agency savings and reversions, and updated revenue projections. Following these adjustments, the budget is projected to end the 2025–27 biennium with a \$231 million NGF-O ending balance and \$1.3 billion in total reserves, while maintaining compliance with the state’s four-year balanced budget requirement. Looking ahead, the outlook assumes additional revenue in future years, including from legislation such as the proposed “millionaire’s tax” (ESSB 6346), which is expected to significantly increase resources in the 2027–29 biennium.

As we head into the interim this is a major election year with the entire 98 seats in the House of Representatives up for election and half of the 49 members of the Senate, 25 seats are up for election. Many legislators have announced retirements or plans to run for different offices. While there will likely be many more in the coming weeks, below is a list of members who have announced their departure from their current roles:

- House: Michelle Valdez (R-26), Steve Tharinger (D-24), Jenny Graham (R-6), Sharon Wylie (D-49), Timm Ormsby (D-3), Chipalo Street (D-37) is running for the Senate, Sharlett Mena (D-29) is running for Senate
- Senate: Judy Warnick (R-14), Rebecca Saldana (D-37), Steve Conway (D-29), Matt Boehnke (R-8), Sharon Shewmake (D-42)

The long 105-day 2027 legislative session will begin on the second Monday in January. **To reiterate, the legislature works on a two-year biennium so next year is the beginning of a new biennium.**

Key Insights:

- **Caucus Newsrooms:**
 - [This Week In The Senate - Week 9: SINE DIE - Washington Senate Democrats](#)
 - [Daily E-Clips – Washington State House Democrats](#)
 - [House Republicans Caucus Newsroom](#)
 - [Senate Republicans Caucus Newsroom](#)
- **Press Conferences:**
 - [Legislative Republican Leaders Media Availability - TVW](#)
 - [Legislative Democratic Leaders Media Availability - TVW](#)
 - [Gov. Bob Ferguson Media Availability - TVW](#)

CleanTech Alliance Specifics

We will need to spend some time well in advance of the next legislative session preparing for any specific budget conversations around traditional CleanTech Alliance state resources, such as the district energy systems and nuclear cluster efforts.

EITE

[SB 6246](#), sponsored by Sen. Slatter (D), addresses emissions-intensive, trade-exposed facilities. Looking ahead, we expect the environmental community to continue advocating for sustained investment in decarbonization efforts related to these facilities. We will also be closely monitoring the cap-and-invest auction process and any resources the state may consider deploying in response to gas price concerns. The Senate concurred on the House amendments on March 10th (29-20), and the bill will now move to the Governor's office for final passage.

Data Centers

[HB 2515](#), sponsored by Rep. Doglio (D), addressed the growing energy demands of large data centers by requiring utilities to develop specialized tariffs to ensure these facilities fully cover the costs associated with infrastructure, transmission, clean energy compliance, and Climate Commitment Act obligations. While the bill generated significant debate among industry, labor, and environmental stakeholders, it ultimately did not advance before the legislative cutoff. Despite its failure to move forward this session, the policy concerns surrounding data center energy use and cost allocation remain active topics, and we expect this issue to continue to surface in future legislative discussions.

With the passage of [SB 5982](#) also known as the Ports/Clean Energy Transformation Act bill, it will be important to closely monitor how local communities respond to its implementation. Continued, direct engagement with key stakeholders will be critical, particularly around resiliency and reliability projects. These issues are expected to have significant implications for behind-the-meter energy arrangements associated with data center development, and we anticipate sustained attention and stakeholder engagement on future data center projects. Strengthening and maintaining strong partnerships with local communities, utility partners, and organized labor will be essential to improving the environment for data center development in Washington State.

[SB 6231](#), sponsored by Sen. Frame (D), seeks to remove a key tax preference that data centers receive on replacement equipment. The bill specifically repeals the retail sales and use tax exemption for replacement server equipment and refurbishment of existing data centers, meaning companies upgrading hardware would no longer qualify for the exemption beginning July 1, 2026. The bill has passed both chambers and now sits on the Governor's desk awaiting final action. While the legislative session has concluded, the Governor retains the authority to review the measure and determine whether to sign it into law.

Energy

We met with legislators throughout the session to discuss the nuclear budget proviso; we will continue these efforts moving forward, including engagement on advanced nuclear legislation. [SB 5821](#), focused on advancing policy discussions around the development and deployment of advanced nuclear technologies in Washington, received a public hearing in the Senate Environment, Energy & Technology Committee on January 16 but did not advance further this session.

Transmission policy remained a key topic this session as the state continues to recognize the growing need for additional energy resources and grid capacity. [HB 1960](#), sponsored by Representative Ramel, received concurrence by the House on the Senate amendments, and will now move to the Governor’s office for final passage. The bill focuses on transmission development and planning by improving coordination and acknowledging the need for expanded energy infrastructure to support Washington’s future power demands.

Additionally, [SB 6355](#) creates a new vehicle for advancing transmission development in the state by establishing a state transmission authority. The authority is intended to help facilitate planning, financing, and development of large-scale transmission projects needed to integrate new energy resources and maintain grid reliability as demand continues to grow. We will need to closely monitor the implementation of this legislation.

Permitting and Siting

[House Bill 2496](#), sponsored by Representative Stearns (D), clarifies and protects government-to-government tribal consultation in the Energy Facility Site Evaluation Council's energy facility siting and monitoring processes by exempting those consultations from the Open Public Meetings Act. The House concurred in Senate amendments on March 9, and House Bill 2496 will now head to the Governor’s office for final passage.

[House Bill 2509](#), sponsored by Representative Bernbaum (D), restructures the Energy Facility Site Evaluation Council’s process for siting electrical transmission lines and repowering existing wind facilities, including a specialized three-member council for transmission cases and a more focused adjudicative review. The bill creates a new SEPA categorical exemption and minor amendment pathway for certain wind repowering projects, expands mandatory expedited processing for qualifying solar, wind, storage, and transmission facilities conditioned on early tribal engagement, and ties local design standard compliance to SEPA impact findings to streamline permitting. The bill failed to receive an initial hearing in the House Environment & Energy Committee this session.

Bill Status

Bill #	Companion	Abbrev. Title	Title	Status	Sponsor
ESHB 1155	SSB 5437	Noncompetition agreements	Prohibiting noncompetition agreements and	Del to Gov	Berry

			clarifying nonsolicitation agreements.		
E2SHB 2416	SB 6092	Waste to energy facilities	Concerning fair treatment of waste to energy facilities under the climate commitment act.	Del to Gov	Hill
SHB 2496	SSB 6010	EFSEC tribal consultation	Concerning tribal consultation conducted by the energy facility site evaluation council.	Del to Gov	Stearns
SSB 6076		Utility procurement	Streamlining consumer-owned utility procurement requirements for clean energy generation, energy storage, transmission, and distribution projects.	Del to Gov	Goehner

Dead Bills

Bill #	Companion	Abbrev. Title	Title	Status	Sponsor
SHB 1071	SB 5058	Recycling rates	Implementing strategies to achieve higher recycling rates within Washington's existing solid waste management system.	H Approps	Fey
HB 1117		Motor vehicle emissions	Removing the delegation of authority related to California motor vehicle emissions standards to generate new transportation revenue for the state by reducing administration	H Env & Energy	Barkis

			burdens on the government and the people.		
2SHB 1150	E2SSB 5284	Solid waste management	Improving Washington's solid waste management outcomes.	H Rules X	Berry
HB 1237	SB 5246	Energy facility site eval.	Facilitating predictable and timely application decisions by the energy facility site evaluation council.	H Env & Energy	Fitzgibbon
HB 1249		Advanced nuclear commission	Creating the commercial liftoff for energy from advanced nuclear advisory commission.	H Env & Energy	Barnard
2SHB 1303	SB 5380	Environmental justice	Increasing environmental justice by improving government decisions.	H Approps	Mena
HB 1328	SSB 5359	Clean energy development	Accelerating the development of clean energy and transmission.	H Env & Energy	Doglio
SHB 1360	SB 5451	Quantum economic development	Concerning advancement of quantum economic development.	H Approps	Ryu
HB 1481		Nuclear energy study	Concerning the commercial liftoff for energy from advanced nuclear study.	H Env & Energy	Barnard
SHB 1550	SB 5586	Electric vehicle batteries	Improving the end-of-life management of electric vehicle batteries.	H Rules C	Street
3SHB 1607	2SSB 5502	Recycling & waste reduction	Concerning recycling and waste reduction.	H Rules R	Stonier

SHB 1673	3SSB 5466	Electric transmission system	Improving reliability and capacity of the electric transmission system in Washington state.	H Approps	Ramel
HB 1679		Nuclear reactor projects	Encouraging electric utility investments in advanced nuclear reactor projects for clean energy transformation act compliance.	H Env & Energy	Barnard
HB 1712		Qualified biomass facilities	Allowing the use of electricity generated by qualified biomass facilities in the Pacific Northwest to meet renewable resource requirements.	H Env & Energy	Waters
ESHB 1819		Transmission capacity	Increasing transmission capacity.	H Rules X	Barnard
HB 1844	SSB 5601	Alternative jet fuels	Advancing the production and use of alternative jet fuels in Washington.	H Env & Energy	Gregerson
2SHB 1847		Distributed alt. energy dev.	Prioritizing the development of distributed alternative energy resources in targeted circumstances.	H Approps	Doglio
HB 1860	ESB 5649	Supply chain competitiveness	Creating a Washington state supply chain competitiveness infrastructure program.	H Transportation	Reed
2SHB 1871	SB 5727	Residential energy storage	Incentivizing grid-connected residential battery energy storage systems.	H Approps	Hunt

E3SHB 1960		Renewable energy	Encouraging renewable energy in Washington through tax policy and investment in local communities.	Del to Gov	Ramel
HB 1994		Renewable energy hosts/tax	Encouraging local support of communities that host renewable energy through changes in tax policy.	H Finance	Klicker
HB 2045		Business and occupation tax	Investing in Washington families by restructuring the business and occupation tax on high grossing businesses and financial institutions.	H Finance	Fitzgibbon
HB 2046		Intangible assets tax	Creating fairness in Washington's tax by imposing a tax on select financial intangible assets.	H Finance	Berg
HB 2082	ESSB 5813	Tax rates/cap. gains, estate	Increasing funding to the education legacy trust account by creating a more progressive rate structure for the capital gains tax and estate tax.	H Finance	Street
HB 2083	ESSB 5814	Excise taxes	Modernizing the excise taxes on select services and nicotine products and requiring certain large businesses to make a one-time prepayment of	H Finance	Stonier

			state sales tax collection.		
SHB 2084		Tax preferences	Increasing funding for K-12, health care, and public safety by repealing or modifying tax preferences for certain industries and goods.	H Rules X	Ramel
HB 2103	SB 6004	Electric/public contracts	Authorizing certain public entities to contract for the capability of renewable or nonemitting electric generation projects.	H Local Govt	Stearns
2SHB 2281		State-tribal relationship	Concerning the state and tribal government-to-government relationship.	H Rules X	Stearns
SHB 2446		Quantum technology industry	Developing the quantum technology industry into the state's economic development and workforce.	H Approps	Barnard
HB 2509		EFSEC application review	Improving the efficiency of the review of applications by the energy facility site evaluation council.	H Env & Energy	Bernbaum
E2SHB 2515	SSB 6171	Large energy use facilities	Addressing emerging large energy use facilities.	H Rules 3C	Doglio
HB 2608		Nuclear facilities/tax pref.	Modifying the targeted urban areas tax preference for projects related to nuclear facilities.	H Finance	Barnard

HB 2682		Env. justice application	Ensuring the consistent application of environmental justice principles.	H Env & Energy	Reeves
HB 2724	ESSB 6346	Tax on millionaires	Establishing a tax on millionaires.	H Finance	Fitzgibbon
SB 5015		EFSEC governor approval	Increasing efficiency at the energy facility site evaluation council by removing the governor from the project approval process.	S Environment, E	Boehnke
SB 5058	SHB 1071	Recycling rates	Implementing strategies to achieve higher recycling rates within Washington's existing solid waste management system.	S Environment, E	Chapman
SSB 5160	HB 1226	Additive transp. funding	Concerning additive transportation funding and appropriations.	S Rules X	Liias
SB 5208		Clean energy fund program	Establishing a new clean energy fund program.	S Environment, E	MacEwen
SSB 5241	HB 1018	Fusion energy facilities	Adding fusion energy to facilities that may obtain site certification for the purposes of chapter 80.50 RCW.	S Rules X	Liias
SB 5246	HB 1237	Energy facility site eval.	Facilitating predictable and timely application decisions by the energy facility site evaluation council.	S Environment, E	Shewmake
SB 5283		Energy storage siting/EFSEC	Prohibiting the energy facility	S Environment, E	Wagoner

			site evaluation council from preempting local laws that forbid the siting of certain storage facilities in critical areas.		
SSB 5359	HB 1328	Clean energy development	Accelerating the development of clean energy.	S Ways & Means	Shewmake
SB 5401	EHB 1329	Wholesale power purchases	Concerning wholesale power purchases by electric utilities under the Washington clean energy transformation act.	S Environment, E	Slatter
SB 5451	SHB 1360	Quantum economic development	Concerning advancement of quantum economic development.	S Ways & Means	Slatter
3SSB 5466	SHB 1673	Electric transmission system	Improving reliability and capacity of the electric transmission system in Washington state.	S Rules X	Shewmake
SSB 5601	HB 1844	Alternative jet fuels	Advancing the production and use of alternative jet fuels in Washington.	S Ways & Means	Liias
ESB 5649	HB 1860	Supply chain competitiveness	Creating a Washington state supply chain competitiveness infrastructure program.	H Transportation	Liias
SB 5673	HB 1924	Manufacturing/sales tax	Providing a sales and use tax exemption for manufacturing facilities and green manufacturing facilities.	S Ways & Means	Boehnke

SB 5674		Manufacturing facilities/tax	Concerning manufacturing facilities.	S Ways & Means	Boehnke
SB 5675		Manufacturing/B &O tax	Providing a business and occupation tax exemption for manufacturing facilities and green manufacturing facilities.	S Ways & Means	Boehnke
SB 5795		Sales and use tax rate	Reducing the state sales and use tax rate.	S Ways & Means	Krishnadasan
ESB 5797		Intangible assets tax	Enacting a tax on stocks, bonds, and other financial intangible assets for the benefit of public schools.	S Ways & Means	Frame
SSB 5798		Property tax	Concerning property tax reform.	S Ways & Means	Pedersen
SB 5811	SHB 2077	Zero-emission vehicle prg.	Establishing a tax on certain business activities related to surpluses generated under the zero-emission vehicle program.	S Ways & Means	Lovelett
SB 5812	ESHB 2049	K-12 education funding	Investing in the state's paramount duty to fund K-12 education and build strong and safe communities.	S Ways & Means	Wellman
SB 5815	ESHB 2081	Business and occupation tax	Modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax	S Ways & Means	Saldana

			deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies.		
SB 5821	HB 2090	Advanced nuclear energy	Integrating advanced nuclear energy into the state energy strategy.	S Environment, E	Braun
SB 5989		Aircraft fuel tax distrib.	Concerning the distribution of aircraft fuel tax revenue.	S Ways & Means	Boehnke
SB 6004	HB 2103	Electric/public contracts	Authorizing certain public entities to contract for the capability of renewable or nonemitting electric generation projects.	S Environment, En	Boehnke
SSB 6010	SHB 2496	EFSEC tribal consultation	Concerning tribal consultation conducted by the energy facility site evaluation council.	S Rules X	Shewmake
SB 6092	E2SHB 2416	Waste to energy facilities	Concerning fair treatment of waste to energy facilities under the climate commitment act.	S Environment, E	Riccelli
SB 6121		Large energy use facilities	Providing electricity service to large energy use facilities.	S Environment, En	Boehnke
SB 6165		Eminent domain/electrical	Limiting the exercise of eminent domain for the purposes of constructing electrical transmission facilities on	S Environment, E	Boehnke

			agricultural lands.		
SB 6168		CCA suspensions	Providing cost relief to Washingtonians by suspending certain requirements in the climate commitment act.	S Environment, E	Boehnke
SSB 6171	E2SHB 2515	Large energy use facilities	Addressing emerging large energy use facilities.	S Ways & Means	Shewmake
SSB 6284	HB 2667	AI consumer protections	Providing consumer protections for artificial intelligence systems.	S Ways & Means	Lias
SSB 6289		Economic dev. strategic plan	Creating a statewide economic development and competitiveness strategic plan.	H Approps	Kauffman
ESSB 6346	HB 2724	Tax on millionaires	Establishing a tax on millionaires.	Del to Gov	Pedersen