

2026 Session Budget Preview

Senate Committee Days

December 4, 2025

Starting Point

- 1 2025-27 Biennial Budget - As Passed Legislature

4 Year Impact*

FY29 - Ending Balance*

\$ 0.7

Impact of Governor Vetoes & Lapses

- 2 Vetoes & Lapses

4 Year Impact*

FY29 - Ending Balance*

\$ (0.3)

- 3 **Enacted Budget**

\$ 0.4

Impact of Revenue Forecast

- 4 June 2025
- 5 September 2025
- 6 November 2025

4 Year Impact*

FY29 - Ending Balance*

\$ (0.7)

\$ (0.9)

\$ (0.1)

- 7 **Enacted Budget - with Revenue Updates**

\$ (1.3)

Impact of FY25 Close

- 8 FY25 Close = Reversions, Prior Period Adjustments, etc.
- 9 **Enacted Budget - with Revenue Updates + FY25 Close**

4 Year Impact*

FY29 - Ending Balance*

\$ 0.2

\$ (1.1)

Impact of Preliminary Maintenance Level - 2026 Supplemental

- 10 DSHS = *largest driver* - Caseload (DD, LTC, ESA)
- 11 HCA = *largest driver* - Managed Care Rates
- 12 DCYF = *largest driver* - Caseload (WCCC)
- 13 K12 = *largest driver* - Special Ed Safety Net
- 14 All Other = WA College Grant, Working Families Tax Credit, etc.
- 15 **Enacted Budget - with Revenue Updates + FY25 Close + Costs (ML)**

4 Year Impact*

FY29 - Ending Balance*

\$ (0.9)

\$ (0.8)

\$ (0.6)

\$ (0.5)

\$ (0.4)

\$ (4.3)

Policy Level - 2026 Supplemental

- 16 Costs, Savings, Transfers, New Revenue

4 Year Impact*

FY29 - Ending Balance*

TBD

2025-27 Omnibus Operating Budget -- 2026 Supplemental

2026 Session Budget Preview

Funds Subject to Outlook

(Dollars in Millions)

	FY 2026	FY 2027	FY 2028	FY 2029
1 NGF-O Beginning Balance	\$ 2,536	\$ 460	\$ (1,519)	\$ (3,250)
2 Total Revenues and Resources	\$ 39,165	\$ 38,282	\$ 37,039	\$ 36,840
3 Projected Spending Thru Maintenance Level	\$ 38,705	\$ 39,801	\$ 40,289	\$ 41,140
4 NGF-O Projected Ending Balance	\$ 460	\$ (1,519)	\$ (3,250)	\$ (4,300)
5 Budget Stabilization Account (BSA) Ending Balance	\$ 1,636	\$ 2,046	\$ 2,478	\$ 2,937
6 Total Reserves	\$ 2,096	\$ 527	\$ (772)	\$ (1,364)

Note: Revenues are based on the November 2025 forecast and do not include the 4.5% revenue growth adjustment in 2027-29 allowed for under the Outlook statute. Projected spending is net of assumed reversions and is a staff estimate of mandatory costs based on preliminary information. These figures will change and come with a greater margin of error than is typical. Potential policy level budget items are not included in this analysis. This analysis was prepared by SWM staff for legislative deliberations of Senate members. It is not an official Outlook or an official state publication.