

2026 PUBLIC POLICY PRIORITIES

Pass progressive revenue to prevent cuts and ensure that Washington can meet the needs of people across the state

Washington is facing an ongoing budget deficit that forces lawmakers to choose between deep cuts to essential services or raising new revenue. A cuts-only approach would devastate communities and make it impossible to respond to growing needs at a time when federal budget and policy decisions are already creating significant funding gaps.

Without new revenue, Washington risks rolling back hard-won progress and leaving more people without stable housing, food assistance, and basic supports. Lawmakers should reject an all-cuts budget and ensure that the wealthiest individuals and most profitable corporations contribute their fair share by passing significant progressive revenue in 2026.

Washington has the second-most regressive tax structure in the country, second only to Florida. This means that lower-income households pay a greater share of their income for taxes than wealthy households. Enacting progressive revenue would make our tax system fairer and would help the state fund basic needs and respond to crises like homelessness.

Lawmakers should consider a range of progressive revenue options in the 2026 session, including a millionaire's tax and a high salary payroll tax (House Bill 2100 and Senate Bill 6093).

Key points:

- Washington voters have repeatedly made it clear: they support asking the wealthiest residents and most profitable corporations to pay their fair share to fund essential services and strengthen communities.
- A millionaire's tax would tax income over \$1 million a year. At 9.9%, early analysis shows this could raise nearly \$3.5 billion a year from only 20,000 of the wealthiest people statewide, reflecting only .005% of the working population in Washington.
- House Bill 2100 and Senate Bill 6093 establish an employer-paid 5% payroll tax on wages above \$125,000 and would generate more than \$2 billion per year. By only applying to businesses with over \$7 million in payroll, this new payroll tax means wealthy corporations will pay more of what they owe towards our shared public supports and services.

Progressive revenue is critical to fund housing and homelessness interventions at the scale of need, and to urgently speeding up affordable housing production, which are key policy elements in our "Roadmap to Housing Justice" – a comprehensive strategy to end the housing and homelessness crisis in Washington. Learn more at wliha.org/roadmap