

Federal & State Budget and Policy Update

Growth Management Policy Board

July 16, 2026



Puget Sound Regional Council



Build Here, Puget Sound!

Housing Data and
Policy Platform Tool



Check out the tool
at [PSRC.org](https://psrc.org)



July Economic & Revenue Updates

- U.S. consumer prices decreased in June over May, up 3.5% over the year
- Seattle-area inflation remains elevated
- Housing construction has been strong in the second quarter
- General Fund-State revenue collections June/July 2026 collection period were \$4.9m (0.2%) lower than forecasted
- Revenue Act collections \$0.2m(0.0%) higher and all other tracked revenues were \$5.2 million (0.9%) lower than forecasted

July Economic & Revenue Update



Washington State

Economic and Revenue Forecast Council



Federal Updates



- FY 2027 Appropriations
- Reconciliation 3.0
- 21st Century Road to Housing
- Continuum of Care
- Surface Transportation Reauthorization



21st Century ROAD to Housing Act Enacted

- Went into effect midnight July 10
- Bipartisan bill, with Senate and House housing priorities
- Includes over 45 provisions from the ROAD to Housing Act and the Housing for the 21st Century Act

[News Post: 21st Century ROAD to Housing Act Becomes Law](#)



21st Century ROAD to Housing Act Provisions



- Focused on expanding housing supply
- Removes regulatory barriers
- Modernizes HUD programs, including HOME
- Institutional investor single family homes
- Enhances Community Banking Operations
- Innovation Fund
- Database of publicly owned land



Continuum of Care

- District Court struck down funding criteria in FY 2025 NOFO, HUD has appealed
- New lawsuit filed FY 2026 NOFO on July 7

[WA Attorney General Press Release](#)



USDOT Surface Transportation Priorities



Letter from Sec. Duffy to Congress 7/22

- Prioritize motor vehicle travel over bicycle lanes
- Combine ferry programs with no set aside for electric or low emitting vessels
- Eliminate complete street set-aside
- Change Safe Streets & Roads for All to formula program
- Remove transit from Congestion Relief Program
- Eliminate culvert program



BUILD America 250 – Surface Transportation Reauthorization



- House Bill Transportation & Infrastructure voted out of committee
- House bill will not come to vote until after August recess
- Senate version not released yet
- Continuing Resolution





Thank You!

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