

Federal & State Policy Updates

Transportation Policy Board

July 10, 2025

Updated
7/9/2025



Puget Sound Regional Council



We are leaders in the region to realize equity for all. Diversity, racial equity and inclusion are integrated into how we carry out all our work.

psrc.org/equity

Federal Updates

- Reconciliation bill signed by President July 4
- Extends tax cuts, cuts Medicaid and SNAP
- [Summary of the One Big Beautiful Bill Act](#)
- Recission



President's Budget/FY 2026 Appropriations



- April 30, President Trump released a “skinny” budget
- May 30, the White House shared additional details for President’s FY 2026 budget request
- House Appropriations Committee is expected to mark up Transportation-HUD bill week of July 14
- Sec. Duffy at House Transportation and Infrastructure Committee July 16

State Revenue Forecast

- Revenue down \$490m in FY 25–27 and \$638m in FY 27–29
- US & WA economies slowing, impacts of tariffs, federal employment/funding, geopolitical conflict, lower spending and higher interest and inflation rates
- New revenue adopted by legislature raises \$8b over 4 years creating a slight budget savings
- No special session – yet



Transportation Revenue Forecast



- \$11m increase from March 2025 for FY 23–25
- \$2.78b increase for FY 25–29
- Legislative changes are major driver of revenue changes

Learn More – State Background

[Tax collections tumble again in latest Washington budget forecast \(WA State Standard\)](#)

[Revenue Forecast](#)

[Transportation Forecast](#)

[Why Washington faces huge fallout from the Medicaid cuts in Trump's megabill \(WA State Standard\)](#)





Thank You!

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