

2026 Federal Update & End of State Session Recap



THORN RUN PARTNERS



Federal Update

- Tualatin's 2026 Federal Agenda
 - Support Funding for the Riverfront Park Project
 - Rep. Salinas declined to support the project in Fiscal Year 2027
 - Senators may still support, although it is not likely to be among their highest priorities
 - Will work with the City and the Salinas office this summer and fall to develop a broader array of project ideas that we can ensure will get the Congresswoman's support
 - Re: FY 2026 funding for 65th & Borland: City working with Salinas office to respectfully decline \$250,000 allocation as "federalizing" the project by accepting the money will greatly increase its cost
 - Support Community Development Block Grant (CDBG) Program Funding
 - Congress maintained funding for the program at \$3.3 billion in Fiscal Year 2026
 - President's Fiscal Year 2027 budget proposes \$0 funding for CDBG and also proposes to eliminate the HOME program, among other HUD programs
 - We anticipate Congress will once again support robust funding for CDBG this year



Federal Update

- Tualatin's 2026 Federal Agenda
 - Support the Community Fueling Infrastructure (CFI) Program and Secure Tualatin's CFI Grant Funding from DOT
 - Increased advocacy to break loose TANC-UP funding, including City letter in February highlighting a judicial ruling that identified that the administration's actions were "simply not how things are lawfully done."
 - Support the Railroad Crossing Elimination (RCE) Program
 - Congress must reauthorize surface transportation programs prior to the end of September 2026; the Bipartisan Infrastructure Law expires then.
 - The RCE program is one – along with many others – that must be reauthorized to allow the City to compete for funds in the future.
 - The House may release a new authorizing bill this month, but given political challenges, the bill may not be finished until next year, after the November mid-terms.
 - Support Local Government's Ability to Offer Tax Exempt Municipal Bonds
 - Tax exempt bonds still at risk, along with the Low-Income Housing Tax Credit, as House and Senate majorities work on new reconciliation bills this year (like the OBBBA) to pass their priorities without bi-partisanship, but where they have to find pay-fors.



State Update

- 2026 Legislative Overview
 - Budget and Revenue
 - Economic Development
 - Transportation Finance
 - Housing

- Budget Rebalance
 - No reduction to Tualatin's seismic valving project



Looking Ahead

- **Budget Process:** State agencies are currently developing their ARBs for the next biennium. The Governor will review these requests and issue the GRB in December.
- **Revenue Forecast:**
 - Q2 released May 20
 - Q3 released August 26
 - Q4 released November 18
- **Interim Legislative Days:**
 - June 15-17
 - September 8-10
 - December 1-3
- **2027 Legislative Session begins January 19 and runs through June 2027:**
 - Economic Development
 - Transportation Funding
 - Land Use

