

# CITY COUNCIL MEETING STAFF REPORT

| Meeting Date: November 3, 2025   |   | Sub         | Subject: 2026 State Legislative Agenda          |                          |  |
|--|---|-------------|---|--------------------------|--|
|  |   |             | <b>f Member:</b> Everett V<br>nager             | Vild, Government Affairs |  |
|  |   | Dep         | artment: Administra                             | ition                    |  |
| Action Required  |   | Adv         | <b>Advisory Board/Commission Recommendation</b> |                          |  |
| $\boxtimes$  | Motion                                  |             | Approval  |                          |  |
|  | Public Hearing Date:                    |             | Denial  |                          |  |
|  | Ordinance 1 <sup>st</sup> Reading Date: |             | None Forwarded                                  |                          |  |
|  | Ordinance 2 <sup>nd</sup> Reading Date: | $\boxtimes$ | Not Applicable                                  |                          |  |
|  | Resolution                              | Con         | nments: N/A                                     |                          |  |
| $\boxtimes$  | Information or Direction                |             |   |                          |  |
|  | Information Only                        |             |   |                          |  |
|  | Council Direction                       |             |   |                          |  |
|  | Consent Agenda                          |             |   |                          |  |
| <b>Staff Recommendation:</b> Staff recommends Council adopt the 2026 State Legislative Agenda. |   |             |   |                          |  |
| Recommended Language for Motion: I move to adopt the 2026 State Legislative Agenda.            |   |             |   |                          |  |
| Project / Issue Relates To:  |   |             |   |                          |  |
| ☐ Council Goals/Priorities: ☐ Adop   |   |             | Master Plan(s):                                 | ⊠Not Applicable          |  |

# **ISSUE BEFORE COUNCIL:**

City Administration offers a 2026 State Legislative Agenda for Council's consideration that will help advance key City priorities, establish City policy positions, and guide how staff responds to legislative proposals that may arise during the 2026 Legislative Session.

#### **EXECUTIVE SUMMARY:**

The City has traditionally adopted a legislative agenda to guide City objectives in upcoming state legislative sessions. The agenda serves both as a guiding policy document and as a mnemonic for legislators and staff to remind them of Wilsonville's interests and general positions. The proposed 2026 State Legislative Agenda, Attachment A, reflects both current, topical issues and core priorities for the City.

The agenda is divided into three main sections. "Initiatives" are our primary objectives for the upcoming session. They are issues for which the City may request a legislator introduce or sponsor a bill on our behalf and have reasonable likelihood of being politically and financially achievable in the next legislative session. They may be issues that are unique to Wilsonville, or issues where we experience an outsized impact. "Priorities" are also issues of high importance, but are aided by the leadership of partners such as the League of Oregon Cities (LOC) or another city making the effort to pass legislation, or they are longer-horizon issues that may take multiple sessions to achieve. "Principles" are the steady, rarely-changing policies that reflect Wilsonville's values and broad interests. Principles are also intended to act as a guide for staff to evaluate the City's position on legislation proposed by others.

The entirety of Wilsonville is represented by Representative Sue Rieke Smith in the House and Senator Courtney Neron Misslin in the Senate. The planned Frog Pond East neighborhood, which is not currently annexed to the City, is in different House, Senate, and US Congressional districts. The Legislature convenes annually, for 160-day "long sessions" in odd-numbered years and for 35-day "short sessions" in even-numbered years. Most policy and the state budget are approved in long sessions. Short sessions are intended for legislative fixes and minor budget adjustments. For 2026, both Senators and Representatives are limited to two bills each and committees are limited to three bills each, with some exceptions (such as for Rules committees and the Joint Committee on Ways and Means).

However, the 2026 session is poised to be more complex than a typical short session. Not only is the legislature coming off a challenging short session for transportation funding, but legislators will be asked to plug a sizeable hole in the state budget. When the 2025 session adjourned, the state was expected to have a \$515 million surplus. State income tax structure in Oregon is closely tied to federal income tax. Following the passage of H.R. 1, which changed federal tax liabilities and shifted responsibility for certain programs to the states, the legislature is now looking at a minimum \$300 million deficit, with the actual number likely higher as revenue forecasts firm up.

Both the special session and the fiscal shortfall are setting the mood in Salem for 2026. Legislators will be wary, at best, of any requests for funding. They will be making difficult choices about either raising taxes or cutting programs and services. The City's legislative agenda is designed to reflect that reality—emphasizing policy changes rather than capital projects—while retaining consistency by highlighting longstanding Wilsonville issues.

## **EXPECTED RESULTS:**

The agenda will guide Wilsonville's engagement with legislators on issues of importance to the City and on legislative proposals raised by others.

### TIMELINE:

The Legislature meets for Legislative Committee Days from November 17-19, with a revenue forecast expected on November 19. Legislative Concepts must be submitted to Legislative Counsel by November 21. The Legislature will again hold Committee Days from January 13-15, 2026. The Legislative Session begins on Monday, February 2, 2026, and is constitutionally limited to 35 calendar days, ending on or before March 9, 2026.

## **CURRENT YEAR BUDGET IMPACTS:**

Adoption of a legislative agenda has no direct impact on the City's budget. Actions taken by the Legislature may have a positive or negative effect on future City finances.

# **COMMUNITY INVOLVEMENT PROCESS:**

This agenda was developed based on City guiding documents such as the City Charter and Code, Comprehensive Plan, and other documents based on extensive public outreach.

## POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

The policies, programs, and capital projects included in the agenda are of general benefit to the City of Wilsonville and its residents and businesses.

### **ALTERNATIVES:**

Council could add, remove, or modify individual elements of the proposed agenda. Council could choose not to adopt a legislative agenda.

## CITY MANAGER COMMENT:

N/A

# **ATTACHMENT:**

1. Proposed 2026 State Legislative Agenda