SENATE BILL REPORT
SB 6211

As of February 5, 2026

Title: An act relating to creating uniformity for the process by which cities planning under the growth management act implement real estate excise taxes.

Brief Description: Creating uniformity for the process by which cities planning under the growth management act implement real estate excise taxes.

Sponsors: Senators Wilson, J., Lovelett, Frame and Nobles.

Brief History:
Committee Activity: Local Government: 1/26/26, 2/02/26 [DP, w/oRec].
Ways & Means: 2/05/26.

Brief Summary of Bill

- Removes the requirement that any county, and the cities within those counties, choosing to fully plan under the Growth Management Act submit a proposition to the voters prior to adopting an ordinance to impose a local real estate excise tax available to fully planning counties.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.
Signed by Senators Salomon, Chair; Lovelett, Vice Chair; Bateman and Goehner.

Minority Report: That it be referred without recommendation.
Signed by Senator Torres, Ranking Member.

Staff: Karen Epps (786-7424)

SENATE COMMITTEE ON WAYS & MEANS

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Staff: Tianyi Lan (786-7432)

Background: Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. The GMA establishes a significantly wider array of planning duties for fast-growing counties, and the cities within those counties, that are obligated to satisfy all planning requirements of the GMA. Other counties may have opted into fully plan under the GMA and are also obligated to satisfy all planning requirements of the GMA.

18 counties, and the cities within those counties, are required to fully plan under the GMA. An additional 11 counties originally opted to fully plan, although one county later opted out under legislation that passed in 2014. Counties that opted into fully planning under the GMA include Benton, Columbia, Douglas, Franklin, Garfield, Kittitas, Pacific, Pend Oreille, Stevens, and Walla Walla counties.

Real Estate Excise Tax. The real estate excise tax (REET) applies to real estate transactions including the sale of property and the transfer of controlling interest in property. The rate applies to the selling price and is usually paid by the seller. The REET is due and payable to the county treasurer in which the property is located on the date of the sale, regardless of the date of recording, except in a controlling interest transfer. The REET is imposed at the following rates:

- 1.1 percent if the selling price is equal to or less than $525,000;
- 1.28 percent on the portion of the selling price greater than $525,000 but equal to or less than $1.525 million;
- 2.75 percent on the portion of the selling price greater than $1.525 million but equal to or less than $3.025 million; and
- 3.0 percent on the portion of the selling price greater than $3.025 million.

Local governments are authorized to impose a local REET in addition to the state rate. The two main local REET options are:

- REET 1—a local government may levy a 0.25 percent REET. The revenues from REET 1 are primarily to be used for capital projects and limited maintenance; and
- REET 2—an additional 0.25 percent REET may be imposed by cities and counties that are fully planning under the GMA.

For jurisdictions that are required to fully plan under the GMA, REET 2 may be imposed by the legislative body and does not require voter approval. Any jurisdiction that chose to fully plan under the GMA must submit the REET 2 proposition to voters.

Local REET capital projects are local government public works projects for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of:

- streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, and bridges;

- domestic water systems and storm and sanitary sewer systems;
- libraries, parks, recreational facilities, and trails;
- judicial, administrative, law enforcement, and fire protection facilities;
- qualifying airports;
- certain housing projects;
- river flood control projects and certain other waterway flood control projects; and
- technology infrastructure integral to the capital project.

Summary of Bill: The requirement that any county, and the cities within those counties, choosing to fully plan under the GMA submit a proposition to the voters prior to adopting an ordinance imposing REET 2 is removed.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Local Government): PRO: This bill allows counties that have chosen to plan under the GMA to get the same benefit as counties obligated to plan under the GMA. Cities and counties that would impose REET go through an open process. Jurisdictions that are voluntarily planning under the GMA should not be left out and this bill will make REET uniform. This bill ensures that cities are treated equally because they all plan under the GMA equally. This bill allows all GMA planning cities to operate under the same statutory structure, balancing equity with local decision making. Cities that are required to fully plan under GMA can use this tool without requiring voter approval, cities that chose to voluntarily plan under the GMA cannot use this tool and this is the only situation where voluntary and mandated cities are treated differently under the GMA. This bill will remove that arbitrary distinction and preserve local control. All counties that plan under the GMA are held to same strict standards, whether they opted in or were required to plan under the GMA, and this bill affords them the same tools.

CON: There is concern over the rising costs of owning a home and the removal of voter approval to implement the tax. This additional tax without opportunity for vote of the people in combination with the already extensive taxes and fees applied during the home buying and ownership process will continue to place home ownership further out of reach for many Washingtonians. There is a concerted and purposeful effort to remove or circumvent the people's vote.

Persons Testifying (Local Government): PRO: Senator Jeff Wilson, Prime Sponsor; Rick Eskill, City of Walla Walla; Elizabeth Chamberlain, City of Walla Walla; Steven Ellis, Association of Washington Cities; Paul Jewell, Washington State Association of Counties.

CON: Jeff Pack, Washington Citizens Against Unfair Taxes; John Worthington; Mary Hull-Drury, Washington Realtors.

Persons Signed In To Testify But Not Testifying (Local Government): No one.

Staff Summary of Public Testimony on Original Bill (Ways & Means): PRO: The bill creates parity amongst all cities that are planning under the GMA, whether or not that was mandated or was a voluntary choice. It places all GMA planning counties and cities operating under the same statutory structure, balancing equity with local decision-making. Cities retain discretion over whether to impose REET 2 and how to prioritize eligible capital projects and will utilize the revenue to support local infrastructure investments.

The bill provides flexibility to local jurisdictions. REET 2 is a critical funding mechanism for local infrastructure that is needed to support housing development and other economic activities in our communities.

CON: The bill raises the cost of housing transactions and makes home ownership less accessible. A 0.5 percent additional excise tax adds about $1,600 to the selling cost of a median price home of $650,000, which could make the total excise tax obligation around $12,000. This places additional hardship on property owners by removing the opportunity to share their opinion at the ballot box. It also diminishes their voice in the local decision-making process as to whether higher taxes should be levied.

Persons Testifying (Ways & Means): PRO: Paul Jewell, Washington State Association of Counties; Elizabeth Chamberlain, City of Walla Walla; Candice Bock, Association of Washington Cities.

CON: Mary Hull-Drury, Washington Realtors.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.