

King County's Projected General Fund Deficit for the 2026-2027 Biennium.

With the adoption of the 2025 Annual Budget, the County General Fund (GF) was projected to run a deficit of \$150 million for the 2026-2027 biennium. By June 2025, that figure had grown to about \$175 million. The GF deficit was based on a combination of unusually high inflation during the COVID-19 pandemic, which raised the County's costs for salaries, health care benefits, materials, utilities, and construction, and the structural gap that limits growth in the County's major revenue sources.

Revenue from the new Criminal Justice Sales Tax authorized under House Bill 2015 and adopted by the Council under Ordinance 19958 allowed the County to preserve public safety and related services which would have otherwise been cut. According to the Executive, the programs and services which may have been cut to meet the \$175 million GF deficit include:

- About 80 Sheriff's deputies serving the unincorporated area and regional functions.
- Dozens of prosecutors and support staff.
- Services for crime victims in Superior Court and the Prosecutor's Office.
- Services to help people navigate the judicial system, especially for family law cases.
- Efforts to reduce gun violence through early intervention and community outreach.
- Services for domestic violence survivors and victims of sexual assault that are provided through contracts run by the DCHS.
- Programs to divert people from the justice system.
- Behavioral health programs that help people avoid contact with the justice system.
- Services provided in adult and juvenile detention facilities that support education, training, and re-entry

The dollar amount associated with each GF reduction target is provided in Table 1 labeled "2026-2027 General Fund Reduction Targets Retracted due to CJ Sales Tax." According to the Executive, reduction targets were based on the agency's share of the GF budget and the level of discretionary services. For example, the Sheriff's Office received the largest reduction target because it makes up one of the largest shares of the GF budget and has a higher level of discretionary spending than other agencies such as the Department of Adult and Juvenile Detention.

New CJ Sales Tax Allocations included in the Executive's 2026-2027 Budget

The new CJ Sales Tax is projected to generate \$203.5 million for King County's GF in the 2026-2027 biennium. With the \$175 million in GF reductions retracted, the Executive proposed to utilize the remaining \$28.5 million for a series of new investments across multiple agencies. These investments are included in Table 2 labeled "Proposed 2026-2027 CJ Sales Tax Allocations." According to the Executive, these investments come to a total of \$31.5 million. The additional \$3 million is due to recently adopted state legislation (ESSB 5814) which expanded the sales tax base.

Table 1. 2026-2027 General Fund Reduction Targets Retracted due to CJ Sales Tax

Item	Appropriation Unit	Base budget/ Decision Package	FTEs	Projected Gap	Added Revenue	Net Impact
\$150 Million in Retracted General Fund Targets*				\$150.0 M		\$175.0 M
Adult and Juvenile Detention		Base Budget		\$7.5 M	\$1.8 M	\$9.3 M
Sheriff		Base Budget		\$30.2 M	\$7.2 M	\$37.4 M
Public Defense		Base Budget		\$3.0 M	\$0.7 M	\$3.7 M
Prosecuting Attorney		Base Budget		\$15.5 M	\$3.7 M	\$19.2 M
Superior Court		Base Budget		\$15.5 M	\$3.7 M	\$19.2 M
Jail Health Services		Base Budget		\$2.3 M	\$0.6 M	\$2.9 M
Assessments		Base Budget		\$3.0 M	\$0.7 M	\$3.7 M
District Court		Base Budget		\$ 7.5 M	\$1.8 M	\$9.3 M
Judicial Administration		Base Budget		\$4.7 M	\$1.1 M	\$5.8 M
Records and Licensing Services		Base Budget		\$4.1 M	\$1.0 M	\$5.1 M
General Fund Transfer to DCHS		Base Budget		\$25.2 M	-	\$25.2 M
General Fund Transfer to DPH		Base Budget		\$17.6 M	-	\$17.6 M
Medical Examiner		Base Budget		\$0.7 M	\$0.2 M	\$0.9 M
Elections		Base Budget		\$0.7 M	\$0.2 M	\$0.9 M
General Fund Transfer to DLS		Base Budget		\$6.8 M	\$1.6 M	\$8.4 M
Office of Inquest		Base Budget		\$3.0 M	\$0.7 M	\$3.7 M
General Fund Transfer to DNRP		Base Budget		\$2.6 M	-	\$2.6 M
Subtotal: Avoided Reductions				\$150.0 M	\$25.0 M	\$175.0 M

Table 2. Proposed 2026-2027 CJ Sales Tax Allocations

Item	Appropriation Unit	Base budget/ Decision Package	FTEs	Expenditures	Revenue	Net Impact
-Increasing GF support for reducing gun violence	GF to DPH	DS_011		\$3.4 M		\$3.4 M
-Increasing victim support services in the PAO	PAO	DS_024	8	\$2.2 M		\$2.2 M
-Adding monies to support recruiting and hiring	KCSO	DS_007, DS_008		\$2.1 M	\$1.1 M	\$1.0 M
-Adding a SAU deputy to reduce the backlog of cases in UKC	KCSO	DS_020	1	\$0.5 M	\$0.2 M	\$0.2 M
-Providing funding to KCSO for services, equipment, and supplies	KCSO	TA_001		\$12.2 M	\$4.8 M	\$7.5 M
-Adding monies to preserve homeless shelter services	GF to DCHS	DS_009		\$3.0 M		\$3.0 M
-Adding monies for youth homelessness	GF to DCHS	DS_012		\$2.6 M		\$2.6 M
-Increasing GF support for BH programs to prevent reductions in the MIDD program	DAJD, Superior Court	Base budget		\$ -	\$(2.0 M)	\$2.0 M
-Adding juvenile probation counselors to support youth with court- ordered obligations	Superior Court	DS_011	3	\$1.0 M		\$1.0 M
-Increasing compensation for interpreters to ensure access to justice.	Superior and District Courts	DS_015 (SC), DS_002 (DC)		\$1.7 M		\$1.7 M
-Expanding adult reentry education and employment programming	DAJD	AC_003	2	\$1.0 M		\$1.0 M
-Adding staff and funding to DPD in response to higher filings and new caseload standards	DPD	DS_001	17	\$6.1 M		\$6.1 M
Subtotal: Additions*				\$35.6 M	\$4.1 M	\$31.5 M
Total				\$210.6 M	\$4.1 M	\$206.5 M

* General Fund target reductions were avoided partially due to the additional 0.1% sales tax collected by the General Fund.

* The General Fund could support additional investments due to the additional 0.1% sales tax collected by the General Fund as well as the expanded sales tax base.