

August 13, 2021

The Honorable Steve Hobbs,
Chair, Senate Transportation Committee
PO Box 40444
Olympia, WA 98504-0444

The Honorable Jake Fey,
Chair, House Transportation Committee
PO Box 40600
Olympia, WA 98504-0600

David Schumacher
Director, Office of Financial Management
PO Box 43113
Olympia, WA 98504-3113

RE: Request to transfer appropriation between programs

Chapter 333, Laws of 2021, sections 1004(3) and 1005(3) authorizes the department to make transfers of Motor Vehicle Account State and Federal funds between the Improvements program and Preservation program. As required by these provisions, the department is requesting the transfer of \$5,232,370 of Motor Vehicle Account Federal expenditures from the Improvements program to the Preservation program. These funds are not otherwise restricted, and this transfer will have no impact on the department's delivery of the Preservation program. This transfer is necessary since there is not sufficient federal appropriation available in the Improvements program to close out the 2019-21 biennium.

In the 2019 session, the legislature removed the Improvements program's federal placeholder which provided additional appropriation to account for cash flow changes and potential unanticipated receipts. This placeholder allowed the agency to manage and maximize the use of federal funds across the highway construction program. During the 2019-21 biennium, the fish passage removal program incurred higher than anticipated federal expenditures and lower Connecting Washington state expenditures. This transfer does not represent an overall increase of funding in the fish passage program in 2019-21 (\$275M), but rather an advancement of federal funds cash flow from 2021-23 and a deferral of state funds from 2019-21. This transfer will be reflected in the agency 2022 Supplemental Budget project list.

The following table details the proposed transfer:

Program	Account	Source	Approp Code	Approp Authority	Expended	Transfer Amount	Authority Remaining
Improvements	Motor Vehicle	Federal	N30	\$101,865,000	\$107,097,370	(\$5,232,370)	\$0
Preservation	Motor Vehicle	Federal	N10	\$476,968,000	\$386,917,001	\$5,232,370	\$84,818,629

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If no concerns are raised within 10 days of receipt of this request, the department will initiate this transfer utilizing the authority provided in Chapter 333, Laws of 2021, sections 1004(3) and 1005(3), see attachment.

Please contact me at (360) 705-7401 or vaughnd@wsdot.wa.gov if you have questions or need additional information. Thank you for your consideration.

Sincerely,

[Signature on File]

Doug Vaughn, Chief Financial Officer

DV:dc

cc: Erik Hansen, OFM
Ruth Roberson, OFM
Erica Bramlet, STC
Megan McPhaden, HTC

Chapter 333, Laws of 2021, sections 1004(3) and 1005(3)

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.