



**Washington State
Department of Transportation**

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May 30, 2024

The Honorable Marko Liias, 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: Section 501 – Fund Transfers (2024 c 310 s 501)

Section 501 (1) of Chapter 310, Laws of 2024 (ESHB 2134) authorizes the Director of the Office of Financial Management to approve appropriation adjustments for highway projects funded with Transportation Partnership Account (TPA) and Connecting Washington Account (CWA) appropriations that exceeds the authority provided to the department in section 501 (1)(j). See attachment for bill language.

Consistent with the process established by the Office of Financial Management, the department is reporting that there are no fund transfer requests per section 501 (k) for the quarter ending March 31, 2024.

Please contact me at (360) 705-7121 or Troy.Suing@wsdot.wa.gov if you have questions or need additional information. Thank you for your consideration.

Sincerely,

[Signature on File]

Troy A. Suing, Director
Capital Program Development and Management Division

TAS:bsa

cc: Erik Hansen, OFM
Maria Thomas, OFM
Mark Matteson, HTC
Kelly Simpson, STC

1 **IMPLEMENTING PROVISIONS**

2 **Sec. 501.** 2023 c 472 s 601 (uncodified) is amended to read as
3 follows:

4 **MANAGEMENT OF TRANSPORTATION FUNDS WHEN THE LEGISLATURE IS NOT IN**
5 **SESSION**

6 (1) The 2005 transportation partnership projects or improvements
7 ~~((and)),~~ 2015 connecting Washington projects or improvements, and
8 move ahead WA projects or improvements are listed in the LEAP
9 Transportation Document ~~((2023-1))~~ 2024-1 as developed ~~((April 21,~~
10 ~~2023))~~ March 6, 2024, which consists of a list of specific projects
11 by fund source and amount over multiple biennia. Current fiscal
12 biennium funding for each project is a line-item appropriation, while
13 the outer year funding allocations represent a 16-year plan. The
14 department of transportation is expected to use the flexibility
15 provided in this section to assist in the delivery and completion of
16 all transportation partnership account ~~((and)),~~ connecting Washington
17 account, and move ahead WA account projects on the LEAP
18 transportation document referenced in this subsection. For the
19 2023-2025 project appropriations, unless otherwise provided in this
20 act, the director of the office of financial management may provide
21 written authorization for a transfer of appropriation authority
22 between projects funded with transportation partnership account
23 appropriations ~~((or)),~~ connecting Washington account appropriations,
24 or move ahead WA account appropriations to manage project spending
25 and efficiently deliver all projects in the respective program under
26 the following conditions and limitations:

27 (a) Transfers may only be made within each specific fund source
28 referenced on the respective project list;

29 (b) Transfers from a project may not be made as a result of the
30 reduction of the scope of a project or be made to support increases
31 in the scope of a project;

32 (c) Transfers from a project may be made if the funds
33 appropriated to the project are in excess of the amount needed in the
34 current fiscal biennium;

35 (d) Transfers may not occur for projects not identified on the
36 applicable project list;

37 (e) Transfers to a project may not occur if that project is a
38 programmatic funding item described in broad general terms on the

1 applicable project list without referencing a specific state route
2 number;

3 (f) Transfers may not be made while the legislature is in
4 session;

5 (g) Transfers to a project may not be made with funds designated
6 as attributable to practical design savings as described in RCW
7 47.01.480;

8 ~~((Except for transfers made under (l) of this subsection,
9 transfers may only be made in fiscal year 2024;~~

10 ~~(i))~~ The total amount of transfers under this section may not
11 exceed \$50,000,000;

12 ~~((j))~~ (i) Except as otherwise provided in ~~((l))~~ (k) of this
13 subsection, transfers made to a single project may not cumulatively
14 total more than \$20,000,000 per fiscal biennium;

15 ~~((k))~~ (j) Each transfer between projects may only occur if the
16 director of the office of financial management finds that any
17 resulting change will not hinder the completion of the projects as
18 approved by the legislature; and

19 ~~((l))~~ (k) Transfers between projects may be made by the
20 department of transportation without the formal written approval
21 provided under this subsection ~~((l))~~ (1)(k), provided that the
22 transfer amount to a single project does not exceed \$250,000 or 10
23 percent of the total project per fiscal biennium, whichever is less.
24 These transfers must be reported quarterly to the director of the
25 office of financial management and the chairs of the house of
26 representatives and senate transportation committees.

27 (2) The department of transportation must submit quarterly all
28 transfers authorized under this section in the transportation
29 executive information system. The office of financial management must
30 maintain a legislative baseline project list identified in the LEAP
31 transportation documents referenced in this act, and update that
32 project list with all authorized transfers under this section,
33 including any effects to the total project budgets and schedules
34 beyond the current fiscal biennium.

35 (3) At the time the department submits a request to transfer
36 funds under this section, a copy of the request must be submitted to
37 the chairs and ranking members of the transportation committees of
38 the legislature.

39 (4) Before approval, the office of financial management shall
40 work with legislative staff of the house of representatives and

1 senate transportation committees to review the requested transfers in
2 a timely manner and address any concerns raised by the chairs and
3 ranking members of the transportation committees.

4 (5) No fewer than 10 days after the receipt of a project transfer
5 request, the director of the office of financial management must
6 provide written notification to the department of any decision
7 regarding project transfers, with copies submitted to the
8 transportation committees of the legislature.

9 (6) The department must submit annually as part of its budget
10 submittal a report detailing all transfers made pursuant to this
11 section, including any effects to the total project budgets and
12 schedules beyond the current fiscal biennium.