

Pannone, Dom M (DOT)

From: Pannone, Dom M (DOT)
Sent: Tuesday, April 8, 2025 9:48 AM
To: Partlow, Michael J (LEG); Scott, David (LEG)
Cc: Sanders, Lacey M (GOV)
Subject: RE: Prior year match

Categories: Tracked

Mr. Partlow, Mr. Scott,

I wanted to take a moment to articulate in writing some of the concerns raised in our conversations that were not explicitly conveyed in the prior response.

A reappropriation of match back to DOT&PF is not something DOT&PF desires; it is not something we initiated, advocated, or are advocating for. In the prior email, DOT&PF was responding to a direct request from the Legislature regarding balances listed on the CASR, we were not initiating a proposal independently. The email included proposed language only after legislative staff requested it.

In our conversations taking place on March 10th (HUM/CASR), February 2nd, February 3rd, it was mentioned that the age of these funds was being associated with lack of need for these funds. DOT&PF is not stating these are available or idle funds—they have latent programmatic purposes, even if not yet assigned to specific projects. Per FHWA, project lifecycles can span well over a decade, with typical ranges from FHWA provided below:

Typical Steps (9-19 years from planning to completion)	
Planning	4-5 years
Preliminary Design and Environmental Review	1-5 years
Final Design and Right of Way Acquisition	2-3 years
Construction	2-6 years

<https://highways.dot.gov/public-roads/julyaugust-2004/life-cycle-continuum>

To be clear, the funds in question are aged match funds carried for project life-cycle purposes (e.g., project overages, non-participating costs, final voucher and project closeout costs) and are also necessary to leverage August Redistribution Authority and Advance Construction. DOT&PF is anticipating a significant FFY2025 August Redistribution of upwards of \$120M, as well as planning significant amounts of Advance Construction (which requires match). The Advance Construction planned in our STIP is in response to strong transportation industry and public sentiment.

We do not propose reappropriating these funds. We do not recommend repurposing appropriations still associated with active projects, which in addition to the reasons above creates increased risks to compromising proper accounting and financial reporting required by our federal partners.

The suggested reappropriation or reduction in match carries significant risk for the department and could result in real impacts to DOT&PF, the public, and private industry. The most prudent action to ensure the best outcome for our program is to appropriate the match requested as put forward by the governor.

Respectfully,
Dom