



U.S. Department
of Transportation

**Federal Highway
Administration**

Washington Division

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February 4, 2019

HRW-WA/WAP2960S982

Roger Millar
Secretary of Transportation
Department of Transportation
Olympia, Washington

Attention: R. Marshall Elizer, Jr.

**SEP-16 Request WSDOT Letter of
Interest Appraisal Waiver Valuation**

Dear Mr. Millar:

This letter is in response to your December 5, 2018 letter of interest (LOI) requesting participation in FHWA's Special Experimental Project (SEP-16). Your LOI asked for delegation of responsibility for determining the maximum dollar limit for use on appraisal waiver valuations for Federal-aid highway projects. We have completed our review of your proposal, and concluded that delegation of responsibilities relating to appraisal waiver valuation limits is not appropriate under the SEP-16 program. Key reasons for this decision include:

1. Statutory authority for using appraisal waiver valuations appears in 42 U.S.C. 4651(2). The dollar limits on the use of appraisal waiver valuations are established by a government-wide Uniform Act regulation at 49 CFR 24.102(c)(2).
2. The Federal Register notice announcing the SEP-16 program states “[t]he experimental authority *may be used to test deviations from Title 23 statutory, regulatory, or policy provisions*, provided that the experimental features are consistent with the overall purpose and intent of the underlying statute, regulation, or policy being tested” (83 FR 47674, 47675 (September 20, 2018)) (emphasis added). As noted above, the Uniform Act appraisal waiver valuation provisions are not contained in title 23 statutes or regulations.

We understand the many reasons WSDOT is interested in pursuing a change in the appraisal waiver valuation limits. We will continue to work with your staff to address the concerns outlined in your LOI.

We appreciate your interest in SEP-16, and we would be happy to work with you and your staff on other concepts that may be appropriate for SEP-16 experimentation. If you have any questions, please contact David Leighow at david.leighow@dot.gov or (360) 753-8655.

Sincerely,

A handwritten signature in blue ink, appearing to read "Daniel M. Mathis", with a long horizontal stroke extending to the right.

for DANIEL M. MATHIS, P.E.
Division Administrator

cc electronically: Terry Meara, WSDOT
Kyle McKeon, WSDOT
Michelle Newlean, WSDOT
Hollie Rogge, WSDOT