



STATE OF WASHINGTON
DEPARTMENT OF LICENSING
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November 19, 2024

TO: Pat Sullivan, Director
Office of Financial Management

FROM: Marcus J. Glasper, Director
Department of Licensing

SUBJECT: BUDGET REDUCTIONS FOR FISCAL YEAR 2025 & THE 2025-27 BIENNIUM

As addressed in our 2025 supplemental transmittal letter, the Department has taken steps to reduce our spending to address the ongoing challenging circumstances in the transportation budget. So far this biennium, DOL has experienced close to \$12.6 million in budget cuts. This follows \$21.2 million in cuts during the 2021-2023 biennium and \$59 million in cuts during the 2019-2021 biennium, totaling roughly \$93 million over the last five years. Managing the Department through ongoing cuts to our budget, along with vacancy budget reductions and large consumer price index increases, has strained our capacity.

The Department implemented the following strategies to manage our spending within our current authority:

- The customer contact center underwent a hiring freeze, resulting in a shrinking pool of workers to handle an increasing call volume. This has led to about 20 percent of calls not being answered, longer hold times, and low morale among staff.
- In lieu of layoffs, the Department paused all hiring within the agency for 30 days when a position becomes vacant, to increase vacancy savings to cover items normally covered by routine vacancy savings.
- In response to the enhanced driver licensing funding reduction, the Department is reducing staff in our driver licensing offices. This could result in customer experience time tripling to almost an hour in the agency's busiest offices in the coming years.
- Training and travel for agency staff has been severely restricted. This limits staff ability to attend events and trainings providing updates on industry best practices for all DOL services.

Implementing these strategies has made it so the Department is likely to be able to absorb the one-time costs associated with the 2025 Supplemental requests for:

- RE - Reclassifications
- CS - Armored Car Courier Services
- PC - Printing Cost Increase

In light of the above referenced cuts to the agency's budget, the Department is unable to propose further ongoing savings for the coming biennium.

If you or your team have any questions, please contact me at (360) 634-5005, or Collin Ashley, DOL Budget Operations Administrator, at (564) 669-9190.