



# Federal Transportation Fund Exchange



## Why are we asking for a federal transportation fund exchange program?

Federal funding is vital to the success of county transportation programs. The Surface Transportation Block Grant (STBG) program funds critical preservation and maintenance activities counties desperately need. However, federal funds often come with added requirements, resulting in heftier price tags and longer timelines for local projects. As in some other states, WSAC proposes allowing counties to swap our sub-allocation of federal STBG funds for state transportation revenue. This would save local jurisdictions time and resources on project delivery, allowing for the more efficient use of scarce transportation dollars.

### OUR REQUEST:



**Allow us to swap our sub-allocation of federal Surface Transportation Block Grant funds for state transportation dollars.**

### How does it work?

Federal fund exchange programs are arrangements where state DOTs allow local jurisdictions to swap their suballocation of federal-aid highway funds for state transportation funds. The primary source of federal funds used in state swapping programs is the portion of each state's STBG program that must be suballocated to areas of the state based on population. (See back page for details).

An exchange like this allows counties and cities to deliver projects with state, rather than federal revenue, therefore rendering projects subject to applicable state and local, not federal, requirements. As a result, the state DOT applies the swapped STBG dollars to state projects and administers a greater amount of federal funds than it would have originally.

## What challenges do local agencies face when utilizing federal funds?

- 1 Federal funding comes with additional regulation, administrative process, and construction contracts that require special provisions, all which can increase a project's timeline and cost.
- 2 Federally funded highway construction projects typically have longer project schedules than state funded projects because they require that all rights-of-way be acquired, and all permits/utility agreements be completed before a contract can be advertised.
- 3 Federal specifications for road construction standards can be more rigorous than state standards and may not allow local jurisdictions to make efficient trade-offs on road design.
- 4 Federal funding often requires a local match and is provided on a reimbursable basis which involves local jurisdictions paying, accumulating, tracking, and billing for federally eligible expenditures, sometimes causing cashflow problems.
- 5 Projects that use Federal Highway Administration funds must be included in the Statewide Transportation Improvement Program (STIP). The STIP development, approval, oversight, and amendment processes can often be challenging for local jurisdictions.

2022 SURFACE TRANSPORTATION BLOCK GRANT (STBG) PROGRAM						STBG TOTAL
	Urbanized (UL)	Urban Medium (UM)	Urban Small (USS)	Rural (R)	Any Area	TOTAL
	Areas >= 200,001	Areas >= 50,000 and <= 200,000	Areas >= 5,000 and <= 49,999	Areas <= 4,999	Flexible	
BFCG	3,435,435	-	113,073	927,318	744,529	5,220,355
PSRC	49,817,977	5,603,501	831,392	1,450,950	8,430,942	66,134,762
RTC	5,854,969	-	3,534	423,954	1,026,787	7,309,244
SRTC	6,315,551	-	172,102	996,509	1,258,085	8,742,247
<b>TMA total</b>	<b>65,423,932</b>	<b>5,603,501</b>	<b>1,120,101</b>	<b>3,798,731</b>	<b>11,460,343</b>	<b>87,406,608</b>
CWCOG	-	1,003,038	91,937	311,699	287,917	1,694,591
LCV	-	328,668	-	253,048	89,264	670,980
SCOG	-	1,025,314	272,132	484,600	348,586	2,130,632
TRPC	-	2,875,963	327,122	347,218	641,969	4,192,272
WCOG	-	1,864,034	444,054	435,495	535,309	3,278,892
CDTC	-	1,094,699	92,882	908,050	403,933	2,499,564
WWVMPO	-	765,004	-	624,888	235,721	1,625,613
YVCOG	-	2,109,282	828,983	988,788	730,152	4,657,205
<b>MPO Total</b>	<b>-</b>	<b>11,066,002</b>	<b>2,057,110</b>	<b>4,353,786</b>	<b>3,272,851</b>	<b>20,749,749</b>
Adams	-	-	182,490	967,169	188,802	1,338,461
Clallam	-	-	686,338	262,017	209,498	1,157,853
Columbia	-	-	-	342,690	61,277	403,967
Ferry	-	-	-	346,729	70,078	416,807
Garfield	-	-	-	334,517	55,770	390,287
Grant	-	-	764,027	1,323,466	415,145	2,502,638
GHCOG	-	-	709,900	451,980	245,875	1,407,755
Island	-	-	637,683	281,716	225,390	1,144,789
Jefferson	-	-	136,782	233,035	107,086	476,903
Kittitas	-	-	341,744	442,894	165,990	950,628
Klickitat	-	-	77,429	578,602	133,098	789,129
Lewis	-	-	483,428	487,791	256,194	1,227,413
Lincoln	-	-	-	954,613	168,832	1,123,445
Mason	-	-	304,585	389,742	200,780	895,107
Okanogan	-	-	133,998	907,466	232,504	1,273,968
Pacific	-	-	-	216,542	81,989	298,531
Pend Oreille	-	-	-	269,452	71,285	340,737
San Juan	-	-	-	132,261	57,135	189,396
Skamania	-	-	-	323,670	74,894	398,564
Stevens	-	-	-	850,341	230,864	1,081,205
Wahkiakum	-	-	-	119,720	27,430	147,150
Whitman	-	-	484,096	917,742	238,346	1,640,184
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>4,942,500</b>	<b>11,134,155</b>	<b>3,518,262</b>	<b>19,594,917</b>
<b>Grand Total</b>	<b>65,423,932</b>	<b>16,669,503</b>	<b>8,119,711</b>	<b>19,286,672</b>	<b>18,251,456</b>	<b>127,751,274</b>

Axel Swanson, Managing Director, Washington State Association of County Engineers (WSACE)

(360) 489-3014 | aswanson@wsac.org