



# Federal Fund Exchange Program



## OVERVIEW

Federal transportation dollars are vital to the success of any county road fund. The Surface Transportation Block Grant (STBG) program funds critical preservation and maintenance activities counties desperately need. However, federal funds often come with added red-tape, resulting in heftier price-tags and longer timelines.

### How does it work in Washington?

A federal fund exchange, or “swap,” is quite simple. Counties would be allowed to swap their state’s proposed sub-allocation of federal-aid highway funds for state transportation funds. This exchange would allow counties to undertake local projects with state funds, rendering the projects subject to applicable state and local requirements rather than federal requirements.

## What problems are local agencies having in utilizing federal funds?

- 1** Yearly STBG allocations to counties are often small and force counties to award federal funding to simple projects that do not reflect the agencies’ highest priority but can be obligated quickly to meet artificial yearly funding targets.
- 2** Federal land acquisitions require costly appraisals, review appraisals, and long WSDOT review timelines for approval.
- 3** The project construction documentation effort required for federal projects is extremely labor-intensive and costly, requiring trained engineers to spend hundreds of hours documenting each item used in a project.
- 4** Federal construction projects require increased levels of product testing, which adds to project costs.
- 5** Federal projects often require federal permits with very long approval lead times, costly mitigation requirements, and narrow project work window timing requirements.
- 6** Post project documentation reviews require many hours of staff preparation.



## Proposal

Counties request the authority to exchange our sub-allocation of federal-aid highway funds for state transportation funds. A swap saves resources and time on our STBG, allowing for the more efficient use of federal and state funds.