

FACTS ABOUT FEDERAL FUNDING

The Federal transportation budget provides several streams of funding. Some of those streams flow – by formula – from the federal government to the state Department of Transportation (WSDOT) and – by formula – to Regional/Metropolitan Transportation Planning Organizations such as TRPC. TRPC then distributes the funding (Call for Projects) to local applicants.

Each type of funding includes specific requirements, issue areas, and priorities. In summary:

- The U.S. Department of Transportation (Federal Highway Administration - FHWA and Federal Transit Administration - FTA) establishes guidance and rules.
- WSDOT (the state) also adds guidance and rules.
- TRPC and Recipients of the funding must follow all current state and federal rules and guidance.
- TPB may recommend and TRPC may approve additional guidance concerning priorities for certain types of projects.

The following sections summarize some of the key requirements and features of the federal funding process:

GENERAL FEATURES & REQUIREMENTS

1. **Easier to Get Than to Spend** - Buy American; Disadvantaged Business Goals; Federal Americans with Disability Act; and compliance with various paperwork processes.
2. **Not a large pot of money.**
3. **Funding Options:** While hard to spend, Federal Funding is one of only a few options available - especially for larger projects. Other federal and state competitive grant programs are sometimes for certain types of projects or certain geographic areas. At the state level, these may include the Transportation Improvement Board (TIB) and County Road Administration Board (CRAB). Both are subject to funding levels set in the state transportation budget and are often "swept" to fund other state priorities.
4. **Distribution:** 75% of Surface Transportation Block Grant (STBG) funds must be used in the urban area and 8% in the rural area; 17% is flexible for either.
5. **Match:** Applicant must commit to 13.5% non-federal match.
6. **Project Management:** Applicants must be able to administer all aspects of Project Management with FHWA grants. Applicants with WSDOT Certification Acceptance (CA) status meet this requirement. Non-CA applicants may ask WSDOT/another jurisdiction to act as CA.

CURRENT FUNDING TYPES

- **Surface Transportation Block Grant Program:** Most types of transportation projects/programs/studies qualify, except those that add general purpose capacity (road-widening). Projects generally must be located on federal-aid routes (not rural minor collectors and local roads). TRPC guidance prioritizes safety, preservation, and maintenance projects.
- **Transportation Alternatives Program (TAP):** Includes safe routes to school, planning, design & construction for bicycle and pedestrian infrastructure, management of outdoor advertising, preservation of historic transportation facilities, vegetation management, certain archaeological and environmental activities. Typically used for bicycle and pedestrian projects in the Thurston Region.
- **Congestion Mitigation and Air Quality Improvement Program (CMAQ):** Limited to specific urban area and projects must improve air quality or reduce vehicle miles traveled.

IN THE APPLICATION PROCESS

7. **Rules/Eligibility** different for each type of funding. At times, interpretation of the law/guidance differs between the state and federal agencies. Interpretations of the rules at either the state or federal level may change - sometimes during the process. For example, the threshold for the level of road project that triggers the requirement to update ADA compliant curb cuts has changed between the award of the funding and obligation of the funding.

BEFORE BEGINNING THE PROJECT

8. **Obligation:** This iterative, paperwork-heavy process must be completed/approved before project can start. Federal Highway Administration (FHWA) must approve; Washington State Department of Transportation (WSDOT) - Headquarters and Olympic Region - share responsibility for managing.
9. **RTIP/STIP:** Local projects with secure federal funding must be programmed in the Regional Transportation Improvement Program (RTIP). TRPC administers and TPB/TRPC approves the RTIP. The RTIP informs the State Transportation Improvement Program (STIP) process. FHWA must approve the STIP prior to obligation of federally funded projects. Transit projects must follow a similar process through the Federal Transit Administration (FTA).
10. **Obligation:** WSDOT sets an annual Target for TRPC, who must ensure that projects are moving/will meet their obligation date. Failure to meet the target could result in loss of funding (Use It or Lose It). TRPC can add new projects or move project obligation dates to avoid losing \$.

PROJECT START TO END

11. **Federalized.** \$1 Federal Funding on a project means for the life of the project, the awardee must follow federal rules.
12. **Time Constraints:** Once federalized, for construction phases, the clock for project completion starts ticking. Example: Construction Phase must begin prior to the 10-year anniversary of obligation for a Preliminary Engineering or Right-of-Way Phase.