



## **Federal Funds Expenditure**

ESHB 2190 sec 204(8) directs the JTC to convene a study group to evaluate the effectiveness, transparency and priorities by which WSDOT spends federal transportation funds. The study group shall make recommendations to:

- Increase transparency in the programming of federal funds;
- Evaluate assumptions used to predict future federal funds from the different federal programs;
- Develop a process to link statewide priorities to distribution of federal funds from project savings and redistributed federal funds from other states; and
- Develop a process to incorporate legislative and OFM feedback in the development of federal grant and loan applications.

Study group members include representatives from WSDOT, the Office of Financial Management, a local representative from the Federal Highways Administration, and legislative staff.

### **Overall study approach:**

The study group will hold a series of meetings throughout the summer and fall to address the following:

#### **Phase 1      Current Federal Transportation Funding Authorization Act**

- a. Achieve a common base level of understanding among WSDOT, OFM, and Legislative staff regarding the allocation of federal funds.
  - i. Review timelines and processes for allocation of federal formula funds, federal funds redistributed from other states, and federal funds from project savings. The primary focus of discussions will be federal highway funds.
  - ii. Analyze specific issues that have arisen recently.
  - iii. Identify the challenges of and opportunities for increased consultation between WSDOT, OFM and Legislature
  - iv. Discuss statewide priorities used to guide project investments made with any additional federal funds.
- b. Make recommendations regarding ongoing, regular consultation between WSDOT, OFM and the Legislature on the budgeting of additional federal funds.
- c. Make recommendations regarding establishing an ongoing forum for updating information on federal funds availability and other developments affecting the use of federal funds.

#### **Phase 2      Upcoming Reauthorization of Federal Transportation Authorization Act**

Begin discussions (inviting city and county representatives) of how the state will approach the allocation of new federal funds between:

- a. State and local governments
- b. Among transportation programs in the state

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Report due date: December 16, 2012

Staff lead/back-up: Beth Redfield/Mary Fleckenstein