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ACEC Ohio ACTION ALERT--FHWA Rule will impact QBS

The Federal Highway Administration (FHWA) has proposed a problematic change in the regulations governing the procurement and management of engineering and design services on federally funded projects found in 23 CFR part 172. Unfortunately, the proposal would limit applicability of federal QBS requirements and compliance with the FAR cost principles to *only* State DOTs and their subrecipients, and ***it would remove local governments that receive direct grants from coverage under the rules.***

If the proposed rule goes into effect, ***discretionary grants awarded directly to local agencies*** (e.g. RAISE, SS4A) would be governed by the Uniform Guidance for all federal grants and agreements found in 2 CFR part 200. Unlike the current FHWA regulations on highway funds, those provisions make QBS *permissible* but *not mandatory* for procurement of A/E services.

Grantees would need to follow state and local law, which may or may not require a QBS process. ***In the State of Ohio, the law requires QBS for public agencies, including local authorities.*** Home rule municipalities can bypass if they choose. [Click here for Ohio QBS Law](#)

ACEC opposes the removal of these important requirements for local governments managing federal highway funds, and have filed the following in opposition, [click here for letter.](#)

As an industry that supports QBS, please take action and share your concerns on these rules this week, the more comments opposed the more likely FHWA listens! Member firms are encouraged to submit their own [comments here](#) in opposition to the removal of QBS and other requirements on local governments that receive federal grants.

The ACEC blog post with additional information can be [found here.](#)