

**BILL:** SENATE BILL 268  
AS AMENDED MAY 1, 2017

**AUTHOR:** SENATOR TONY MENDOZA (D-ARTESIA)

**SUBJECT:** LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION  
AUTHORITY BOARD COMPOSITION

**STATUS:** SENATE APPROPRIATIONS COMMITTEE

**ACTION:** OPPOSE

**RECOMMENDATION**

Staff recommends that the Board of Directors adopt an OPPOSE position on Senate Bill 268 (Mendoza).

**ISSUE**

Senator Tony Mendoza has recently amended Senate Bill 268, which would make substantial changes to the Metro Board of Directors governance structure.

Specifically the bill would:

- Delete the requirement for Metro to submit a plan to the Legislature for revising the composition of the authority, if the number of members of the Board of Supervisors is increased, within 60 days of the increase;
- Add the county auditor as a non-voting member;
- Reduce the members of the Board of Supervisors from 5 to 2 members;
- Require that one Supervisor represent the largest population in the unincorporated area of the County of Los Angeles;
- Delete the appointment of two public members;
- Require the Mayor of the City of Los Angeles to appoint five members of the City Council who represent contiguous clusters of 3 council districts;
- Require the City Council to determine the contiguity;
- Remove the City Selection Committee's authority to shorten the term-limits to ensure staggered terms;
- Remove the mechanism that exists in current law for transferring the City of Los Angeles appointment to the City Selection Committee should the population of the City of Los Angeles change drastically; and
- Impose a state-mandated local program.

## **DISCUSSION**

The structure of the Board of Directors was originally negotiated at the local level by local stakeholders. The Board has long maintained that there should be no changes to the Board unless there is a locally derived consensus to do so. We are concerned that legislation on this subject, without such a consensus, is not productive and will not further the agency's goals of improving mobility for the 10 million residents of Los Angeles County.

During the 2015-2016 Legislative Session, Senator Mendoza introduced three unique proposals to restructure Metro's Board, SB 1472, SB 1379 and SB 522. Pursuant to Board Direction, Metro advocated in opposition to the measures and the measures did not achieve passage. The impetus behind last year's effort was in opposition to Measure M and to change composition of the Board to achieve greater representation for the cities outside of the City of Los Angeles. The author has also stated that the intent of this restructuring is to reallocate Measure M despite Measure M being approved by 71% of the voters.

SB 268 represents yet another attempt to restructure the Metro Board of Directors without any significant discussion with local stakeholders. While Senator Mendoza has conducted meetings with certain local representatives, that process has not been open, transparent and inclusive. We remain concerned that as with last year's attempts to mandate a Board structure from Sacramento rather than through a bottoms-up, consensus driven process, this bill would only perpetuate conflicts rather than seek compromise.

SB 268 could have serious unintended consequences. Since only two of the County Board of Supervisors would be represented on the board, people who live in the unincorporated areas of the three unrepresented Supervisorial districts would be completely unrepresented on our Board. Additionally, the cities in those 3 Supervisorial Districts would only have one vote on the Board while under the current structure they are represented by both their corridor representative and the County Supervisor.

The proposal would designate the County Auditor as a non-voting appointee. Staff finds this to be duplicative and unnecessary. Metro has an independent Inspector General and is required to maintain an independent procurement department, all of which is unique to transportation agencies in California. Metro is subject to multiple audit requirements including annual independent audits, independent audits of sales tax expenditures, and regular audits by the federal government.

Staff recommends that the Board adopt a formal OPPOSE position on the measure SB 268 (Mendoza).

## **DETERMINATION OF SAFETY IMPACT**

There is no determined safety impact due to the enactment of the proposed legislation.

## **FINANCIAL IMPACT**

The estimated financial impact has yet to be determined.

## **ALTERNATIVES CONSIDERED**

Adopting a support position on the bill would be counter to the Board approved position as outlined in the 2017 State Legislative Program goals that direct staff to oppose any legislation that seeks to restructure the Board of Directors. The staff recommended position on this measure supports the Board's policy to maintain the locally-derived process for determining the board governance structure.

## **NEXT STEPS**

Should the Board decide to adopt an OPPOSE position on this measure; staff will communicate the Board's position to the author and work vigorously oppose the bill and future iterations of the measure by the author. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.