



Board Report

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2nd REVISED
EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 19, 2015

**SUBJECT: CONSIDER GOALS AND ACTIVITIES CONTAINED IN THE
2016 LEGISLATIVE PROGRAM**
ACTION: ADOPT THE 2016 FEDERAL AND STATE LEGISLATIVE PROGRAM

RECOMMENDATION

ADOPTING the **proposed 2016 Federal and State Legislative Program.**

ISSUE

The Board of Directors adopts, on an annual basis, a legislative program for the upcoming state legislative and federal congressional sessions, which provides guidance to staff on legislative issues and policy as a means of advancing and protecting Metro’s authority and the transportation interests of Los Angeles County.

DISCUSSION

Each year, staff prepares a legislative program for adoption by the Board. The program is developed with input from Metro’s technical staff and representatives in Sacramento and Washington, D.C. This report contains the proposed 2016 Legislative Program. The program will serve as a blueprint and guide for pursuing the authority’s Board approved legislative proposals and strategies.

Federal Recap

In 2015, the agency continued to pursue our Board approved legislative priorities in Washington, DC. Among the challenges with respect to advancing our agenda on Capitol Hill was the continued gridlock between the U.S. Senate and the U.S. House of Representatives. In a welcome departure from this gridlock, on July 30, 2015 the U.S. Senate adopted the DRIVE Act - a long-term surface transportation authorization bill. Most recently, the U.S. House of Representatives adopted, on November 5, 2015, its own long-term surface transportation authorization bill, setting the stage for a conference to be held to resolve the differences between the two bills. Metro has worked closely with members of the Los Angeles County Congressional Delegation to advance our Board-approved Federal Legislative priorities with respect to the next surface transportation authorization bill.

Since 2010, at the direction of the Board of Directors, our agency began a campaign to advance legislative proposals that would address the acceleration of our transit and highway program, now

known as America Fast Forward. In 2012, Congress enacted a surface transportation bill (MAP-21) that addressed, in part, the goal of our America Fast Forward initiative. Specifically, MAP-21 included language that provided for a ten-fold expansion of the Transportation Infrastructure Finance and Innovation Act (TIFIA) program.

During the course of the current 114th Congress our agency has sought, with measured success and consistent with our Board approved Legislative Program, to expand the scale and scope of our efforts in Washington, DC. These efforts have included, but are not limited to: gaining legislative support for the America Fast Forward Transportation Bond initiative, building a national coalition to support our America Fast Forward program, working to conclude two Full Funding Grant Agreements valued at over \$2 billion for our New Starts projects, securing over \$1 billion in Transportation Infrastructure Finance and Innovation Act program loans for our New Starts projects, working cooperatively with the U.S. Department of Labor on the PEPRA/13c issue to release federal grants funds for Metro projects, and building unity among the Los Angeles County Congressional Delegation on transportation issues, among other initiatives.

Our America Fast Forward initiative has and continues to be discussed and debated by many senior transportation policymakers in Washington, DC. This includes lawmakers and policymakers at the White House, the U.S. Senate, House of Representatives and Executive Agencies, including the Office of Management and Budget and the U.S. Department of Transportation.

For the remainder of the 114th Congress, we will be working to expand on our successes by addressing the broad array of federal highway and transit programs and projects that impact our agency.

State Recap

Metro again successfully moved the largest legislative program of any transportation agency in the State of California through the legislative process in 2015. We were successful in obtaining approval through SB 767 (de Leon) to place a sales tax measure on a future ballot. Not only were we successful in securing passage of the legislation we were able to accomplish a key priority of the Board, maintaining the bottoms-up process by not identifying projects and programs in the legislation. Additionally, we secured passage of legislation, AB 726 (Nazarian) authorizing Metro to operate 82' buses on the Metro Orange line which will significantly increase capacity and we were able to secure passage of a measure, AB 194 (Frazier) which reauthorizes the process at the California Transportation Commission to approve High Occupancy Toll (HOT) lanes.

The 2015 Legislative session ended without resolution to one of the major challenges faced by the Legislature this year; addressing transportation funding in the First Extraordinary Session. A number of proposals were introduced into this session including a proposal from Governor Brown which contained a number of elements for which Metro had advocated. A conference committee has been formed for the special session and this committee has conducted two hearings. It is anticipated that the committee will continue to meet into 2016 and that members will continue to discuss how a consensus can be reached in First Extraordinary Session.

One key element of the Extraordinary Session is the reauthorization of the authorization to pursue

Public Private Partnerships (P3s). The authorization expires at the end of 2016. Metro is working closely with a coalition of stakeholders in Sacramento to continue to urge the Legislature to reauthorize this important tool and Metro's state advocacy team will continue those efforts in next year's legislative session.

Also unresolved from this year is the final allocation of Cap and Trade funds. The Legislature has already set allocations for much of the Cap and Trade proceeds however, much of the program remains undefined. We will work with our delegation and the members of the Gubernatorial administration to advocate for a structure that will benefit Metro's projects and programs.

During next year's session, staff anticipates that we will be addressing a number of new challenges. We anticipate there will continue to be discussions about overall project delivery issues in the State and which level of government is best position to perform certain functions. In addition, the California Air Resources Board (CARB) is moving forward on a Mobile Source Strategy which will impact Metro in a variety of ways. We have been engaged internally to ensure that we are working in partnership with CARB and maximizing the opportunities through that partnership.

Overall, the major focus of our state legislative program will continue to be the State Budget with the goal of protecting existing resources and possibly creating new sources of funding for a sustainable transportation system.

FINANCIAL IMPACT

A number of the proposed state and federal legislative initiatives may provide additional funding for countywide transportation programs and projects.

ALTERNATIVES CONSIDERED

The Board of Directors could determine that a legislative program is unnecessary for the agency. Failure to adopt a legislative program could result in Metro being ill prepared to address the policy and legislative challenges that will arise during the coming year.

NEXT STEPS

Government Relations staff will continue to regularly sponsor briefings in Washington, D.C. and Los Angeles County for our Congressional Delegation and other key staffers on both the House and Senate Appropriations and Authorization committees. We have and will continue to place a strong emphasis on briefings for professional staff members working for House and Senate committees with primary responsibility for authorizing and appropriations bills - in addition to advancing our plan to accelerate both our transit and highway program through our America Fast Forward initiative.

In Sacramento, we will continue to develop and strategically advance our agency's Board approved State Legislative Program through maintaining support and close relationships with the Los Angeles County State Legislative Delegation, key leaders in the Senate and Assembly Transportation Committees, as well as key stakeholders including, the Governor, Caltrans, California Transportation

Commission, and the California State Transportation Agency.

Government Relations staff will initiate briefings for the Gubernatorial Administration, members of the Legislature as well as committee staff. We will also work with state legislators to author any legislative initiatives proposed by this program. At the federal level, Government Relations will keep in close contact with new and existing members of our Congressional delegation and key Authorizing and Appropriations staff to keep our projects at the forefront. Staff will continue to monitor and track legislative efforts sponsored by other transportation interests and inform the Board of that legislation. Pursuant to the Board adopted Board Advocacy Plan we will also work closely with the Board to utilize Board member's relationships and experience in legislative matters.

Government Relations will continue to ensure that our legislative priorities and efforts are coordinated with our regional transportation partners, including Metrolink, Southern California Associations of Governments (SCAG), Municipal Operators, and Southern California County transportation commissions.

In addition, Government Relations will continue to pursue state and federal legislative initiatives that promote the efficient and rapid delivery of Measure R projects as well as leverage Measure R funds for additional state and federal transportation resources, and to form a coalition to protect state revenues.

The 2015 State Legislative Session is due to reconvene in January 2016. The 2016 Federal Legislative Session with both the U.S. House of Representatives and U.S. Senate scheduled to return in January 2016 for the remainder of the 114th Congress.

ATTACHMENTS

Attachment A - 2016 Federal Legislative Program

Attachment B - 2016 State Legislative Program

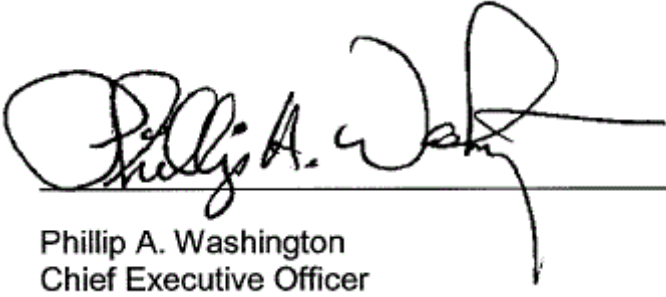
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