



Board Report

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Agenda Number: 42

**EXECUTIVE MANAGEMENT COMMITTEE
JANUARY 19, 2017**

SUBJECT: STATE AND FEDERAL REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE **State and Federal Legislative Report.**

DISCUSSION

**Executive Management Committee
Remarks Prepared By Raffi Haig Hamparian
Government Relations Director, Federal Affairs**

Chairman Fasana and members of the Executive Management Committee, I am pleased to provide an update on a number of federal matters of interest to our agency. This report was prepared on December 28, 2016 and will be updated, as appropriate, prior to the Executive Management Committee meeting on January 19, 2017.

Federal Grants for Fiscal Year 2017

I am pleased to share that on January 4, 2017 Metro is slated to formally celebrate the signing of a Full Funding Grant Agreement (FFGA) with the Federal Transit Administration to receive multi-year funding through the New Starts Grant Program in the amount of \$1.187 billion for the Westside Purple Line Extension Section 2. In addition to this discretionary grant award, Metro has also concluded a \$307 million TIFIA loan that is a part of the Purple Line Extension's funding package.

The FFGA for the Westside Purple Line Extension Section 2 means that the value of our total FFGA's signed recently exceeds \$3 billion - not including over \$1.8 billion in low interest federal Transportation Infrastructure Finance and Innovation Act loans we have secured from the U.S. Department of Transportation.

On another federal grant matter - the U.S. Department of Transportation recently announced a Notice of Funding Opportunity for the second round of the FASTLANE Grant Program which was created as part of the freight focused funding section of the FAST Act. Applications were due on December 15th. With the incredible work by our Planning Department, Metro submitted the following projects for

consideration: America's Global Freight Gateway: Southern California Rail Strategy, America's Global Freight Gateway: Southern California Highway Strategy, and the Interstate 5 Truck and HOV Lanes Project. Metro's Government Relations Department is and will continue to work closely with our Congressional Delegation to strongly advocate for these applications in 2017.

Federal Appropriations for Fiscal Year 2017

As Federal Fiscal Year 2016 came to a close on September 30th, Congress was unable to agree on passing a full year funding bill. On December 9, 2016, Congress approved a continuing resolution to fund the federal government at FY2016 levels until April 28, 2017.

We will be working to make sure the final federal spending bill includes \$100 million for the Regional Connector, \$100 million for Purple Line Extension (Segment 1), and \$100 million for Purple Line Extension (Section 2).

Local Hire

We are very pleased that our Board of Directors sent a letter several months ago calling on the Obama Administration - through the U.S. Department of Transportation - to make permanent their Local Hire Pilot Program.

At present, the U.S. Department of Transportation's (USDOT) Local Hire Pilot Program is slated to expire in March of 2017. Metro - through our America Fast Forward initiative - has been at the forefront of efforts to reform the USDOT's local hire rules. Specifically - in September of 2011 - our Board added the goal of reforming federal local hire rules to our existing America Fast Forward initiative. In November of 2013 Congresswoman Karen Bass introduced - after consulting with Metro - H.R. 3620 - The Local Hire Act. In December of 2014 - Congresswoman Bass was successful in embedding language in the Fiscal Year 2015 federal spending bill that permitted the use of local hire practices around the nation. The following year - in 2015 - the USDOT announced that they would be launching a Local Hire Pilot Program.

We look forward to securing a favorable reply to our Board's letter requesting that the Local Hire Pilot Program be made permanent.

New Administration and Congress

As 2017 begins - we look forward to working with the new Trump Administration and the new 115th Congress to explore innovative ways that we can work together to leverage Metro's local funds. As we did with the TIFIA program and the New Starts program - it will be our aim to smartly leverage Measure R and Measure M funds to build Metro's transit and highway capital projects.

Conclusion

I look forward to expanding on this brief report at the Executive Management Committee meeting with any new developments that occur in the days ahead.

This concludes my remarks before the committee. I would welcome the opportunity to answer any questions from you Mr. Chairman or from members of this committee.

**Executive Management Committee
Remarks Prepared By Michael Turner
Deputy Executive Officer Government Relations**

Chairman Fasana and members of the Executive Management Committee, I am pleased to provide an update on a number of state legislative matters of interest to our agency. This report was prepared on December 29, 2016 and will be updated, as appropriate, at the Executive Management Committee meeting on January 19, 2017.

California State Legislature Begins 2017-2018 Legislative Session

The California State Legislative session officially began on Monday, December 5, 2016. The first day, a number of new and re-elected members were sworn in to their offices and over 100 bills were introduced in the Senate and Assembly, collectively. Staff is reviewing all of the proposed legislation for potential impacts to Metro programs and projects and will keep the Board apprised through the legislative session as bills move through the legislative process. In a separate report, staff has prepared the annual updated State Legislative program for Board consideration for the coming year that outlines Metro's legislative priorities.

Post-election California State Legislative Changes

Following the November 2016 election, we now welcome new and re-elected members to the Los Angeles County State Senate and Assembly delegation. Members were sworn in on December 5, 2016. Of note, Democrats maintain a supermajority in both the Senate and Assembly, post-election. Governor Edmund G. Brown Jr. named U.S. Congressman Xavier Becerra (D-CA) to replace Attorney General Kamala D. Harris, who was elected to the U.S. Senate last month. The nomination, which is subject to confirmation by the California State Assembly and Senate, will be officially submitted after Attorney General Harris resigns to assume her post as California's newly elected U.S. Senator. Metro staff will continue to update the Board of Directors regarding changes in key leadership and the state Senate and Assembly delegation. The Senate and Assembly announced Committee assignments in late December.

Special Session on Transportation Funding

The legislature did not convene a meeting before the close of the 2015-2016 legislative session in Sacramento to act in special session on a transportation funding proposal. The Chairmen of both transportation policy committees have introduced new versions of their proposals under Senate Bill 1 and Assembly Bill 1. Each are continuing discussions on the elements of the newly introduced proposals and exploring the possibility of securing support in each house. Metro staff and advocacy team is actively briefing key offices on our priorities to support a robust funding package that aggressively addresses Metro's key priorities. At the close of the 2015-2016 legislative session, Metro shared a letter to the Los Angeles County State Senate and Assembly delegation that urges

the legislature to act and communicates Metro's strong support for prioritizing transit, freight and highway funding. The bills will be brought forward later in this Committee for Board consideration and will be monitored throughout the legislative process as the proposals are refined.

Conclusion

We will expand on this brief report at the Executive Management Committee meeting with any new developments that occur in the days ahead.

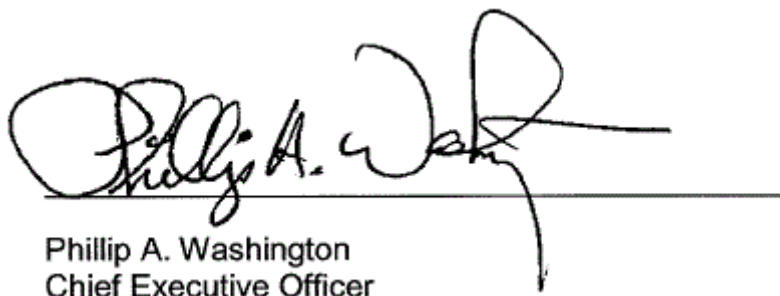
We welcome the opportunity to answer any questions from you Mr. Chairman or from other members of this committee.

ATTACHMENTS

Attachment A - January 2017 - Legislative Matrix

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