



Board Report

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EXECUTIVE MANAGEMENT COMMITTEE
MARCH 18, 2021

SUBJECT: STATE AND FEDERAL REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE March 2021 State and Federal Legislative Report.

DISCUSSION

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

Chair Garcetti and members of the Executive Management Committee, I am pleased to provide an update on several federal matters of interest to our agency. This report was prepared on March 1, 2021 and will be updated, as appropriate, at the Executive Management Committee meeting on March 18, 2021. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

There are six major issues I would like to focus on today - mindful that there are many other issues at play with respect to our Board-approved federal legislative program.

COVID - Federal Emergency Funding Package

Last week, the U.S. House of Representatives passed H.R. 1319 - the American Rescue Plan Act of 2021- a \$1.9 trillion COVID-19 relief bill that the Senate is now poised to act on in the coming weeks. The transportation section of the measure adopted today would provide \$30 billion for transit agencies nationwide and \$50 billion for the Federal Emergency Management Agency for major disasters. Included in the measure adopted today is a provision that would provide \$1.25 billion for existing New Starts projects. The measure also includes \$8 billion for airports and \$1.5 billion for Amtrak. Metro is deeply appreciative for the strong support this COVID-19 relief bill enjoyed among many members of the Los Angeles County Congressional Delegation. Metro will continue to be fully engaged with the Los Angeles County Congressional Delegation to ensure that the final COVID relief bill signed into law by President Biden includes funds for our agency and transportation agencies across Los Angeles County.

Jobs-Focused Stimulus Bill

As we reported last month, the Biden Administration is expected to craft and propose a jobs-focused stimulus bill that will likely be offered after the House and Senate pass the American Rescue Plan Act of 2021. We continue to believe that many of the programs and projects we have here at Metro can serve as a template for any future jobs-focused stimulus bill adopted by the federal government. We will remain engaged with the White House, USDOT and Congress to make sure items in our Board-adopted federal legislative program are embedded in any future job-focused infrastructure package. As evidence of this effort, last month our CEO shared correspondence with the Biden Administration and the Los Angeles County Congressional Delegation that we would like a Fare-Free Pilot Program - similar to language in the Freedom to Move Act - to be included in any new jobs-focused stimulus bill.

President's Fiscal Year 2022 Budget

It is our understanding that the Biden Administration's Office of Management and Budget is hard at work on their Fiscal Year 2022 Budget. We are encouraged that the Biden Administration is considering proposals to significantly enhance transportation funding in their non-binding Budget document - which we expect to be released later this month.

Surface Transportation Authorization Bill:

As noted last month, we are continuing to reach out to House and Senate authorizers on the bills they intend to craft this year to replace the FAST Act. This outreach includes members of our Los Angeles County Delegation - but also includes national leaders on the committees of jurisdiction - like House Committee on Transportation and Infrastructure Chair Peter DeFazio of Oregon and Senate Committee on Environment and Public Works Chair Tom Carper of Delaware.

Metro intends to remain a leader when it comes to the national policy dialogue regarding replacing the FAST Act - whether the topic is Local Hire, the SEED School, the New Starts Program, Goods Movement funding, the Center for Transportation Excellence, Equity/Justice40 matters or our Rebuilding America initiative. The fact is that Metro is a national leader on many policy transportation initiatives that could be easily replicated across the nation through a future surface transportation authorization bill.

Fiscal Year 2022 Transportation Spending Bill

As the Biden Administration prepares to release their Fiscal Year 2022 Budget in the days ahead - Metro continues to work with the House and Senate appropriations committees to make sure that our federal priorities are included and fully funded in the transportation spending measures slated to be adopted later this fiscal year. This effort will include, but not be limited to, working with the relevant Committee Chairs in the House and Senate and with our Los Angeles County Congressional Delegation.

Return of Earmarks - Community Funded Projects

Late last week - and as reported to the Board in a Legislative Alert - the Chair of the House Committee on Appropriations - Representative Rosa DeLauro (D-CT) announced that the House will be ending the longstanding prohibition against congressionally directed spending. The Chair outlined a new set of rules for what is being referred to as Community Project Funding. Chair DeLauro in

discussing the return of earmarks issued the following statement, "Community Project Funding will allow Members to put their deep, first-hand understanding of the needs of their communities to work to help the people we represent." Metro will carefully review the Community Project Funding parameters to understand how they may benefit mobility projects across Los Angeles County. Finally on this matter - I would remind the Board that the congressional moratorium on earmarks was first instituted in calendar year 2011.

Conclusion

Chair Garcetti - I look forward to expanding on this report at the Executive Management Committee meeting with any new developments that may occur over the next several weeks.

Executive Management Committee State Remarks Prepared by Michael Turner Deputy Executive Officer, Government Relations

Chair Garcetti and members of the Executive Management Committee, I am pleased to provide an update on a number of state matters of interest to our agency. This report was prepared on March 2, 2021 and will be updated, as appropriate, at the Executive Management Committee meeting on March 18, 2021. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

California State Legislative Process Update

The California State Legislature is currently in session. As of the bill introduction deadline of February 19, 2021 - the Assembly has introduced 1,560 bills, and the Senate has introduced 809 bills. Recently introduced bills are being assigned to policy committees for consideration and votes. Nearly 400 of those bills are intent and/or spot bills which will likely be amended at a later date to include substantive language. Staff continue to review bills as they are introduced and work internally with Metro departments to evaluate impacts on Metro's programs and projects. March 25, 2021 marks the beginning of the Spring Recess; the Legislature will reconvene on April 5, 2021. Pursuant to the Board adopted legislative program goals, Metro staff continue to evaluate legislative proposals and advocate on behalf of the agency's priorities in Sacramento.

Cap and Trade Auction Proceeds

The state's Greenhouse Gas Reduction Fund (GGRF) will receive \$647 million in estimated revenue from February cap-and-trade auction proceeds. The Legislative Analyst's Office (LAO) released a summary of the auction and outlined that there will be potential increases in the state's discretionary grant programs (over what the Governor estimated in the Budget Proposal), including Transit and Intercity Rail Capital Program (TIRCP) as a result. In November 2020, the state saw \$587 million in proceeds. The Greenhouse Gas Reduction Fund (GGRF) expenditure plan outlines how the funds will be allocated statewide. Per the LAO: Under current law, a total of 65 percent of auction revenue is continuously appropriated to the high-speed rail project (25 percent), Affordable Housing and

Sustainable Communities Program (20 percent), Transit and Intercity Rail Capital Program (10 percent), low carbon transit operations (5 percent), and safe drinking water (5 percent). *As a result, of the \$117 million in additional revenue, about \$76 million will be allocated to these continuously appropriated programs. The remaining \$41 million in additional revenue will be available for discretionary spending-which can be allocated by the Legislature as part of this year's budget process, or in future years.* Pursuant to the Board-adopted 2021 State Legislative Program, Metro will continue to advocate for more funding for state transportation investments in Los Angeles County.

COVID-19 Vaccine Prioritization for Metro's Frontline Employees

As a follow up to Metro's December and January communications with the Governor regarding Metro's request to prioritize the vaccine for frontline staff, Metro continues to engage regionally and in Sacramento. Metro, along with a coalition of Southern California transit operators submitted a new letter to urge the state to consider transit operators as partners in the education industry to ensure that frontline transit employees are considered along education staff and students as vaccine distribution rolls out statewide. Transit employees are essential, and their work is critical to providing the transportation services that support other essential industries and workforces. Staff will continue to work with the California Transit Association's coalition of transit agencies across the state and the members of the LA County delegation to advocate for funding, policies to support recovery and priority for PPE distribution and the vaccines. Metro testified in support of CTA's request at the Assembly and Budget Subcommittee Hearings on the Budget as they discussed the re-opening of schools and vaccination plan development.

Update on Metro's 2021 State Legislative Session Sponsored Bills

Metro's Board of Directors approved the 2021 Legislative Program, which included direction to sponsor several legislative proposals, including Senate Bill 44 (authored by Senator Allen) which would create a new CEQA litigation process for certain types of transit projects. The bill was referred to the Senate Environmental Quality and Senate Judiciary Committee for consideration.

Assemblymember Bloom introduced Assembly Bill 917, Metro's proposal to install front facing cameras on transit vehicles to help local municipalities enforce parking violations to improve our bus speeds. The bill was referred to the Assembly Transportation and Privacy and Consumer Protections Committees for consideration. The bill was expanded beyond the 2020 proposal (AB 2337) to include statewide authorization for transit agencies. Metro is partnering with the California Transit Agency and Alameda-Contra Costa County Transit District (AC Transit) on the bill.

Assemblymember Luz Rivas introduced Assembly Bill 811 Metro's sponsored proposal to clarify provisions of Metro's procurement statute to accelerate project delivery. The bill was referred to the Committees on Local Government and Transportation for consideration.

Updates on Senate Bill 1 Programs and State Transportation Grant Opportunities

The California Transportation Commission (CTC) is considering updates the Local Streets and Roads Guidelines. CTC staff are reviewing comments on the discussion draft until March 15, 2021, and final guidelines will be considered at the March 24-25, 2021 Commission Meeting. Approved through Senate Bill 1 (2017), this Local Streets and Roads funding goes directly to cities and counties via formula pursuant to Streets and Highways Code (SHC) Section 2032 (h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

The Affordable Housing and Sustainable Communities program, administered by the Strategic Growth Council, has published a Notice of Funding Availability for \$405 million in Round 6 (FY2019-20) investments to fund land-use, housing, transportation and land preservation projects to support infill and development that reduce greenhouse gas (GHG) emissions. Fifty percent of the funding is available for Affordable Housing Developments and 50 percent are set aside for projects benefiting disadvantaged communities. The program provides grants and loans for projects that achieve GHG emission reductions and benefit disadvantaged communities, low-income communities, and households by increasing access of affordable housing, employment centers and key destinations. Applications are due in June 2021, awards are tentatively set to be approved in October 2021.

LA County Delegation Engagement

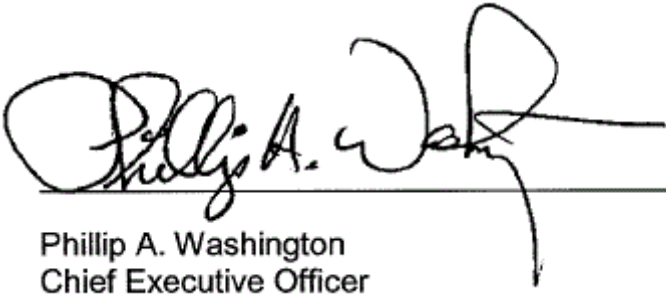
Metro Government Relations staff will continue to work with the state legislative delegation to advance Metro's priorities in Sacramento and locally in Senate and Assembly Districts. Historically, these briefings are held in-person, in order to have both an opportunity to brief staff from elected offices, as well as to hear comments and concerns directly from their constituents. Due to current measures in place statewide and nationwide - Government Relations staff has moved to a virtual model - hosting the updates via an online video meeting platform. These briefings, as well as district-specific briefings, will continue on a regular basis to ensure that the members of the LA delegation have access to Metro's most up-to-date project and program information on a regular basis.

Conclusion

Staff will expand on this report at the Executive Management Committee meeting with any new developments that occur over the next several weeks.

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