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Agenda Number: 41.

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 17, 2021**

SUBJECT: STATE AND FEDERAL REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE June 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 June 1, 2021 and will be updated, as appropriate, at the Executive Management Committee meeting on June 17, 2021. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Flibraryarchives.metro.net%2FDB_Attachments%2F210601%2520-%2520June%25202021%2520-%2520LA%2520Metro%2520Legislative%2520Matrix.pdf&data=04%7C01%7CJonesDe%40metro.net%7C8309321d63454c634ac808d92543f2b1%7Cab57129bdbfd4caca77fc74c40364af%7C0%7C0%7C637581796020899581%7CUnknown%7CTWFpbGZsb3d8eyJWljiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IjEhaWwiLCJXVCi6Mn0%3D%7C1000&sdata=XioYQOL9OSgatzcxUQR64SmrHsgNHPfzJLcVFi7CiQ%3D&reserved=0>](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Flibraryarchives.metro.net%2FDB_Attachments%2F210601%2520-%2520June%25202021%2520-%2520LA%2520Metro%2520Legislative%2520Matrix.pdf&data=04%7C01%7CJonesDe%40metro.net%7C8309321d63454c634ac808d92543f2b1%7Cab57129bdbfd4caca77fc74c40364af%7C0%7C0%7C637581796020899581%7CUnknown%7CTWFpbGZsb3d8eyJWljiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IjEhaWwiLCJXVCi6Mn0%3D%7C1000&sdata=XioYQOL9OSgatzcxUQR64SmrHsgNHPfzJLcVFi7CiQ%3D&reserved=0), which is updated monthly.

There are several specific 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.

The American Jobs Plan

On March 31, 2021 President Biden unveiled in Pittsburgh, Pennsylvania the American Jobs Plan. This multi-trillion infrastructure plan - would if adopted into law - provide over \$571 billion in roadway, transit and mobility projects and programs. Metro will remain engaged with the White House and Congress to make sure the plan aligns with our Board-approved Federal Legislative Program. At present - there are ongoing negotiations between President Biden and Senate Committee on

Environment and Public Works Ranking member - Senator Shelly Moore-Capito (R-WV) to see if a compromise measure can be agreed to - that can enjoy bi-partisan support on Capitol Hill. Should no compromise be reached between the White House and Senate Republicans on the American Jobs Plan - it is expected that Speaker Pelosi and Senate Majority Leader Schumer would bring the American Jobs Plan forward through the reconciliation process.

President's Fiscal Year 2022 Budget

Last week, the Biden Administration issued their proposed Budget for Fiscal Year 2022. The Budget provides \$88.2 billion in gross discretionary budgetary resources for the U.S. Department of Transportation - which is a slight increase over Federal Year 2021 enacted levels. The Budget includes a 25% increase in funding for the Capital Investment Grant program - through which New Starts projects are funded. The Budget also includes \$1 billion for the newly named Raise Grants (previously TIGER/Build Grants). The Budget released last week also includes the broad outlines of the American Jobs Plan. While not a binding document - the Biden Budget lays out an aggressive plan to enhance infrastructure across our nation and would - if adopted into law - result in Metro receiving a large increase in federal funding.

Surface Transportation Authorization Bill

Both the House and Senate are moving forward with their versions of a multi-year surface transportation authorization bill. On May 26, 2021 - the Senate Committee on Environment and Public Works adopted the Surface Transportation Reauthorization Act of 2021 that sets a baseline funding level at a historic high of \$303.5 billion for Department of Transportation programs for highways, roads, and bridges. The House Committee on Transportation and Infrastructure is slated to mark up their version of the bill on June 9, 2021.

As I have previously shared, Metro will 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. Metro remain a national leader on many policy transportation initiatives that can be easily replicated across the nation through a future surface transportation authorization bill.

Fiscal Year 2022 Transportation Spending Bill - Return of Earmarks - Community Funded Projects and Surface Transportation Authorization Bill

As was shared with the Board of Directors last month - we have diligently engaged with all members of the Los Angeles County Congressional Delegation with respect to both the Community Project Funding process as it relates to the Fiscal Year 2022 transportation spending bill and the Member Designated Projects process as it relates to the upcoming surface transportation authorization bill. On Friday - April 30, 2021 we issued a Legislative Alert outlining all the transportation-related requests made by members of the Los Angeles County Congressional Delegation as it relates to both Community Project Funding requests and Member Designated Projects.

INFRA Grant

Metro continues to work in with local, regional, and federal stakeholders to advance our INFRA grant request for the 57/60 Confluence Project. We are grateful for the strong cooperation we have gotten on this front from our Board of Directors and members of the Los Angeles County Congressional Delegation.

Low or No Emissions Grant

Metro is advocating for a grant award of \$8.6 million from the Federal Transit Administration's (FTA) Low or No Emission Grant Program for the Los Angeles Zero-Emission Buses and Charging Infrastructure Deployment Project. The Project consists of the procurement and integration into transit revenue service of fourteen (14) battery-electric buses and supportive charging infrastructure. The zero-emission buses will replace compressed natural gas buses that have exceeded their useful life. We are grateful to the strong support this grant has secured from the Los Angeles County Congressional Delegation and look forward to a favorable review of this grant request by FTA officials.

Local Hire

Metro is deeply appreciative to the Biden Administration and U.S. Department of Transportation leaders for restoring the Local Hire Program launched years ago by the Obama Administration. We are also grateful for the strong support the Board lent to restoring the Local Hire Program - which can serve as a powerful tool to empower local communities where we are building new projects.

Freedom to Move Act

As was noted at last month's Board meeting, U.S. Senator Edward Markey (D-MA) and Congresswoman Ayanna Pressley (D-MA) have both moved to re-introduce the Freedom to Move Act - that they initially offered in the 116th Congress. The bills (S.1172 and H.R. 2287) would - if adopted into law - direct the Secretary of Transportation to carry out a grant program to support efforts to provide fare-free transit service. The Metro Board has voted to back this legislation. It remains our goal to get language from these bills included in an appropriate federal measure that will be signed into law by the President this year.

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 June 1, 2021 and will be updated, as appropriate, at the Executive Management Committee meeting on June 17, 2021. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Flibraryarchives.metro.net%2FDB_Attachments%2F210601%2520-%2520June%25202021%2520-%2520LA%2520Metro%2520Legislative%2520Matrix.pdf&data=04%7C01%7CJonesDe%40metro.net%7C8309321d63454c634ac808d92543f2b1%7Cab57129bdbfd4caca77fc74c40364af%7C0%7C0%7C637581796020899581%7CUnknown%7CTWFpbGZsb3d8eyJWljiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikk1haWwiLCJXVCi6Mn0%3D%7C1000&sdata=XioYQOL9OSgaztcxUQr64SmrHsgNHPfzIJLcVFi7CiQ%3D&reserved=0) <https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Flibraryarchives.metro.net%2FDB_Attachments%2F210601%2520-%2520June%25202021%2520-%2520LA%2520Metro%2520Legislative%2520Matrix.pdf&data=04%7C01%7CJonesDe%40metro.net%7C8309321d63454c634ac808d92543f2b1%7Cab57129bdbfd4caca77fc74c40364af%7C0%7C0%7C637581796020899581%7CUnknown%7CTWFpbGZsb3d8eyJWljiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikk1haWwiLCJXVCi6Mn0%3D%7C1000&sdata=XioYQOL9OSgaztcxUQr64SmrHsgNHPfzIJLcVFi7CiQ%3D&reserved=0>, which is updated monthly.

California State Legislative Process Update

The California State Legislature continues to meet to consider hundreds of legislative proposals. Staff have been informed that members in the Senate and Assembly have been directed by leadership to limit bill loads significantly. This will impact legislation moving forward after the Appropriations committee process. Metro's sponsored legislation is currently moving forward for consideration after successfully passing through the house of origin. Staff continue to monitor bill amendments that include substantive language changes that could potentially impact Metro's programs and projects. Staff will also continue to engage on legislation that aligns or directly conflicts with Metro's Board-adopted 2021 State Legislative Program goals and will communicate those priorities and positions to the state legislature accordingly.

State Budget Update

The Legislature has communicated its priorities for the next phase of the state budget process, which includes the Governor's issuance of the May Revision. The Legislature's priorities and final approval of the budget updates could provide some added infusion of much-needed transportation investments. Metro has formally communicated priorities for a budget surplus to address investments in capital projects, homelessness outreach, zero-emission bus conversion, transit improvements and access, soundwalls in disadvantaged communities. Staff will continue to advocate for the Board's priorities to be included in the discussions as they continue amongst the LA County delegation and leadership in Sacramento.

State Legislature Holds Budget Hearings

Following the release of the May Revision to the Governor's 2021-22 budget, the California Senate and Assembly have been continuing to meet to discuss the proposal during the respective Budget Subcommittee hearing process to consider items in the Governor's proposed budget. Transportation-related items in the proposal include \$1 billion in priority rail and transit projects, \$2 billion for state highways and local roads and bridges, \$1.4 billion for the electrification of buses and trucks, \$500 million in active transportation projects, and \$1 billion to deliver projects in time for the 2028 Olympic Games in Los Angeles.

Metro has been testifying in support of our Board priorities during the Subcommittee hearings and in

the budget process and will continue to advocate for increased funding for Metro's projects and programs. The legislature has until June 15 to pass a budget for the next fiscal year, and staff will continue to keep the Board apprised of the legislature's progress.

Metro's Sponsored Bills Update

Metro's sponsored bills, Assembly Bill 811 (Rivas), Assembly Bill 917 (Bloom) and Senate Bill 44 (Allen) continue to move ahead in the legislative process successfully. Each bill has cleared the respective legislative house of origin policy & fiscal committees and floor hearings - garnering widespread support from members of the Legislature. The bills will now move forward to the opposite house for further policy committee consideration and ultimate passage. Staff will continue to advocate for the passage of these measures and support legislation that aligns with the Board-adopted State Legislative Program Goals as the legislative process continues.

State Funding Update

The California Air Resources Board (CARB) recently announced that the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) will reopen on June 8, 2021 with \$165 million in available funding to be allocated across the transportation industry. The vouchers available through this program can potentially provide transit agencies with around \$150,000 - 190,000 per electric vehicle purchase to assist with fleet conversion. Metro historically has applied for HVIP funding to supplement fleet conversion efforts as a component of Metro's Zero-Emission Bus Plan. This program has certain provisions and capacity limits and the funding is made available to public agencies and private companies to assist with their heavy-duty truck and bus conversion efforts. Additional HVIP incentive funding can be allocated to agencies for the conversion of vehicles deployed in disadvantaged communities.

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.

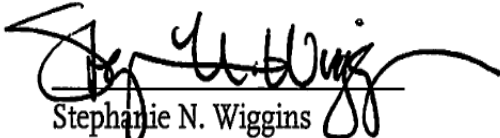
Conclusion

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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