

**Board Report**

File #: 2021-0453, **File Type:** Informational Report**Agenda Number:** 35.

**EXECUTIVE MANAGEMENT COMMITTEE
JULY 15, 2021****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE July 2021 State and Federal Legislative Report.

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

Chair Solis 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 29, 2021 and will be updated, as appropriate, at the Executive Management Committee meeting on July 15, 2021. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/210629_7%20-%20July%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/210629_7%20-%20July%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf), 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.

INFRA Grant Awards

The Los Angeles County Metropolitan Transportation Authority will be awarded \$30 million in grant funding to construct a series of improvements aimed at improving traffic flow in the confluence area (1.3 miles) between the SR-57 and SR-60 freeways in Los Angeles County. Project elements include a new SR-60 bypass off-ramp to Grand Avenue, a new bypass connector from Grand Avenue to SR-60, reconstruction of the Grand Avenue overcrossing, reconfiguration of the ramps at Grand Avenue, and extension of a lane on SR-57 through the confluence area. We are grateful for the strong cooperation we received on this front from our Board of Directors and members of the Los Angeles County Congressional Delegation.

Fiscal Year 2022 Appropriations Markups

Several House appropriations subcommittees met last week and reported out their Fiscal Year 2022

appropriations bills to the full committee, including: Agriculture, Military Construction and Veterans Affairs, Legislative Branch (6/24), and Financial Services-General Government (6/24). As is custom, each was reported out of its respective subcommittee by voice vote.

Bipartisan Infrastructure Framework

Last week, Senators from both parties and the President agreed on a bipartisan infrastructure framework to create good-paying jobs, invest in American competitiveness, and generate long term sustainable economic growth. The President said that he is committed to working with Congress and generating support among the public for the framework. The Bipartisan Infrastructure Framework addresses key challenges facing the American economy, families, small businesses, workers, and farmers.

The Bipartisan Infrastructure Framework is the largest long-term investment in our infrastructure in nearly a century. It is four times the infrastructure investment in the 2009 Recovery Act. It is the largest investment in public transit in history, the largest investment in passenger rail since the creation of Amtrak, and the largest investment in repairing our nation's bridges since the construction of the interstate highway system. It will build a nationwide network of electric vehicle (EV) chargers, eliminate the nation's lead service lines and pipes, and will accomplish the President's goal of getting every American reliable, affordable, high-speed internet. The Framework is the largest investment in clean transmission in American history, and will create good-paying union jobs addressing legacy pollution and advancing environmental justice. The Biden Infrastructure framework allows Metro to continue to address equity in Los Angeles County through the significant increases in investments in public transportation.

INVEST in American Act

Investing in a New Vision for the Environment and Surface Transportation in America Act or the INVEST in America Act bill addresses provisions related to federal-aid highway, transit, highway safety, motor carrier, research, hazardous materials, and rail programs of the Department of Transportation (DOT). The House Rules Committee started a two day markup of the rule to govern the INVEST act on the floor. Over 200 amendments were filed, and the plan is to finish the bill on the floor this week. Among other provisions, the bill will address climate change, including strategies to reduce the climate change impacts of the surface transportation system and a vulnerability assessment to identify opportunities to enhance the resilience of the surface transportation system and ensure the efficient use of federal resources. The INVEST Act allows Metro to expand our ability to address equity issues by increasing funding for public transportation operations and capital improvements. The vast majority of our riders come from disadvantaged communities so increased investments in public transit will expand our ability to address equity.

Conclusion

Chair Solis - 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 Solis 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 29,

2021 and will be updated, as appropriate, at the Executive Management Committee meeting on July 15, 2021. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/210629_7%20-%20July%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/210629_7%20-%20July%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

California State Legislative Process Update

The California State Legislature continues to meet to consider pending legislative proposals. July 14th, 2021 is the last day for policy committees to meet and report bills to the Assembly and Senate floors for consideration. July 16, 2021 commences the Summer Recess, where members will return to district offices in the communities they serve. 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 secured passage of the main budget bill (placeholder) by the June 15, 2021 deadline. The 2021-22 state budget includes a \$232.6 billion spending plan. This includes federal assistance and the estimated state budget surplus of \$76 billion. There are 14 budget trailer bills that came into print the week of June 28, 2021. Budget committees are meeting to consider the specifics of the budget trailer bills and each house will make final votes on Thursday, July 1st. There is a possibility that not all of the budget trailer bills will be heard this week. The Governor signed into law AB 128 - the Budget Act of 2021 on June 28, 2021. The Senate version of the Budget Act of 2021 - SB 128 will likely be decided upon later this week.

2021-22 State Budget Elements Under Preliminary Review & Analysis

Staff is currently evaluating the full extent of the budget bills for their impacts to Metro's programs, projects, and their potential impacts on addressing equity in LA County. At the Executive Management Committee, staff will provide a summary of the highlights of the budget bills that are currently being discussed in Sacramento.

Within the proposed budget agreement - the legislature and the Governor have plans to spend a total of \$12 billion over the next two years to address homelessness and its adverse impacts on the state's population and to fund the growing affordable housing needs of the state. \$1 billion per year will be dedicated to cities and counties to fight homelessness. The guidelines on how this money would be allocated are still to be determined.

The Governor also signed into law AB 832 and extended the statewide eviction moratorium through September 30, 2021 to provide some tenant protections and cited \$5.2 billion in federal funding to be made available for rental assistance. Through the Board-approved 2021 State Legislative Program goals, staff is directed to support policies and funding to expand outreach for individuals experiencing homelessness. Staff will continue to advocate for direct funding to assist Metro's efforts to address homelessness on the system.

The budget proposal also includes funding to assist local public health departments and to expand healthcare for undocumented seniors statewide. With Metro's efforts to partner with the County and other local health departments to expand access to COVID vaccination and testing sites for transit riders and communities experiencing higher rates of infection - staff will be closely monitoring this newly available funding.

Senate Bill 149 and Assembly Bill 149 include Transportation specific spending priorities. Staff is currently reviewing the specifics of the bills. One highlight of note - through the work with the California Transit Association, a coalition of transit agencies were successful in securing extended

relief for transit operators in farebox recovery reporting. This is an important victory - as transit agencies statewide rebound from lost ridership throughout the pandemic. The requirements to maintain specific farebox recovery ratios are suspended until July 1, 2026. The bill would also allow for operators to include all free and reduced transit fares at their current full retail value and will allow operators to include federal grant funds as local funds for those purposes. This is an important win for the agency's efforts to develop and implement a fareless transit system for k-12 students and low-income riders. The bill also expands the allowed use of state of good repair funds.

The legislature still has to agree on some elements of the spending budget. Outstanding issues include spending for the High-Speed Rail project, broadband service expansion, and wildfire prevention and mitigation. The undecided elements of the Legislature's priorities will shape up in discussions and the passage of budget trailer bills over the summer months. Staff anticipates that these budget trailer bills could provide some greater detail regarding an 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. The State budget contains many elements that will allow us to address equity. The budget includes increased funding for public transportation, homeless funding and also includes language that supports our ability to maintain the fare collection policies we currently have in place.

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.

Assembly Bill 811 by Assemblymember Luz Rivas (D-Arleta) passed the Senate Transportation Committee on Tuesday, June 29, 2021. The bill includes important updates to Metro's procurement statute that would help to accelerate project delivery ahead of the 2028 Olympic and Paralympic Games. The bill has received no formal opposition and was passed through the committee on a 17-0 vote. AB 811 will be heard by the full Senate next. The author plans to include amendments to the bill to address concerns regarding certain contract awards.

Assembly Bill 917 by Assemblymember Richard Bloom (D-Santa Monica) also passed the Senate Transportation Committee on June 29, 2021. The bill would allow transit agencies across the state to use cameras to collect parking violations in bus-only lanes and at bus stops. This measure directly addresses equity by improving speed and reliability for bus riders, given the demographics of Metro's bus riders and reliance on public transit and on-going air quality issues. These points on addressing equity through improved public transit and air quality improvements through expanded transit use were echoed in the comments of several Senators on the committee. Senators Josh Newman (D-Fullerton) and Dave Min (D-Irvine) will be added as co-authors of the bill. The final vote was 14-3. The bill will be heard next in the Senate Judiciary Committee. The author plans to include amendments to the bill to limit potential impacts to low-income communities, expand public information campaigns and reports to the legislature on the effectiveness of bus lane enforcement programs authorized under the statute. Staff will continue to advocate for the passage of AB 917 to support Metro's Recovery Plan and NextGen goals. This bill specifically addresses equity. One parked car in a bus only lane can impact over 50 of our riders and up to 5000 riders if the car is not

moved within an hour. Our riders come primarily from disadvantaged communities so this bill will allow us to address equity by improving transit service in our bus only lanes. 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.

LA County Delegation Engagement

Metro Government Relations staff hosted a summer Legislative Roundtable briefing for state and federal staff to hear the latest updates on the Fareless Transit Initiative, Traffic Reduction Study, Better Bus Initiative and state and federal legislative matters. 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.

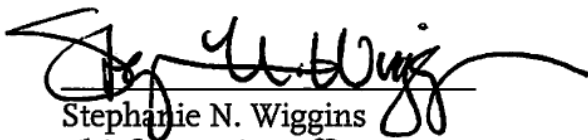
Conclusion

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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