

**Board Report**

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**EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 21, 2021****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE October 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 update several federal matters of interest to our agency. This report was prepared on October 5, 2021, and will be updated, as appropriate, at the Executive Management Committee meeting on October 21, 2021. The status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/211011%20-%20October%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/211011%20-%20October%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf), updated monthly.

As has been widely reported in the press, Congressional Democrats and White House officials are continuing to try and forge a framework agreement for a reconciliation bill that would fund key elements of President Biden's Build Back Better agenda. President Biden, Senate Majority Leader Schumer, and House Speaker Pelosi have all indicated they now hope to build consensus around a more modest reconciliation framework closer to \$2 trillion, down from the previous target of \$3.5 trillion.

The hope is that if all sides can come together around a reconciliation bill, it would unlock the votes necessary to pass the bipartisan *Infrastructure Investment and Jobs Act*, which includes the traditional 5-year surface transportation reauthorization, as well as \$548 billion in new funding to address a broad spectrum of infrastructure needs.

Despite a previously agreed to date of September 27, 2021 for a House vote on the bipartisan infrastructure legislation, this date was pushed down the road when it became clear that the bill did not have the votes necessary to advance in a closely divided House.

[20October%202021%20-%20LA%20Metro%20Legislative%20Matrix.pdf](#)>, which is updated monthly.

State Legislative Session Updates

The first year of the 2021-2022 State Legislative session concluded on September 10, 2021. The Governor has yet to act on a number of bills that were passed by the Legislature ahead of the October 10, 2021 bill signing/veto deadline. This year, the Governor will be reviewing over 800 measures that were passed by the Legislature. Due to the pandemic, limited bill hearings and lighter bill loads for each member, this is a significant reduction in the number of bills that are moving forward. In his first year in office, the Governor vetoed around 16.5% of the over 1,000 bills that the Legislature approved.

During the session recess this fall, staff anticipates that members will begin to develop priorities for the upcoming legislative session. Staff will also work internally to develop and bring forward the 2022 Legislative Goals for the Board's consideration and approval during the November/December 2021 Board cycle.

State Budget Updates

The state is experiencing an immense budget surplus and a number of legislative proposals outlining how that surplus would be allocated have moved forward and have since been signed into law. The state approved momentous budget spending bills related to the state's plan to support COVID recovery, climate resiliency and response to wildfires, affordable housing, homelessness response and prevention, economic development, education, public safety and vehicles, including highway beautification.

Specifically, the \$3.7 billion Climate Resilience Package includes funding over three years to support urban greening, grants to support community resilience centers and projects that address urban heat impacts to communities. The first year of the funding package includes programs lead by the California Natural Resources Agency (urban greening), Strategic Growth Council (transformative climate communities, regional climate collaboratives, community resilience), Office of Planning and Research (vulnerable communities mapping and regional climate resilience), and the California Environmental Protection Agency (environmental justice initiative). Fiscal year 2022-23 includes funding to directly support community resilience centers, extreme heat and community resilience programs administered by the Strategic Growth Council.

The \$3.9 billion Zero-Emission Vehicle Package that was approved includes funding for transit buses and zero-emission trucks and school buses, and the funding needed for charging infrastructure. The package also includes incentives for consumers to replace passenger vehicles with cars that are electric or use near-zero emission technology. The state budget also includes \$1.5 billion in the Greenhouse Gas Reduction Fund, with a portion of that going to support Cap and Trade allocations for zero-emission vehicles and trucks and the Clean vehicle rebate program. Metro has participated in the rebate/voucher programs in the past to offset the cost of zero-emission transit vehicle purchases.

The state budget also includes an allocation of \$600 million in one-time federal funding to support workforce development initiatives and response to the pandemic and worker shortages across

industries. Special emphasis is being placed on the creation of jobs in sustainable industries.

Through the Governor's approval of the May Revision to the budget - there was a conditional approval of transportation specific funding - \$3.4 billion in General Funds. The allocation of these funds is contingent upon the Legislature approving a budget framework by October 10, 2021. A final agreement was not met at the conclusion of the legislative session. Staff is continuing to engage with leadership in the ongoing discussions. Staff anticipates that the legislature will act as early as January to specify where the funds should be allocated to support Olympics readiness in LA County, improve transit connectivity statewide, and address high-speed rail.

State Funding - Equity Impact Analysis

In the upcoming legislative session, staff will provide an analysis of the potential financial and equity impacts of a transportation budget. As reported in the September update to the Board - if significant state funding for the fareless transit demonstration is approved and allocated - this would directly benefit students and low-income commuters in LA County. Increasing access to low-cost or free transit would provide an indirect economic stimulus to communities that participate in a future pilot program.

Funding that will be made available for climate resiliency response and planning could directly assist in Metro's efforts to establish regional collaboration on addressing the effects of urban heat on the communities in Los Angeles County. Specifically, the Customer Experience Plan and Better Bus Plan outline the need for expanding bus shelter improvements around the county to address urban heat at Metro's bus stops. Metro has over 13,000 bus stops county-wide that are maintained by local cities. Any improvements to the bus system would directly benefit communities of color, specifically African American and Latino riders that currently use the bus system. Addressing climate impacts in the communities that rely heavily on buses and need adequate amenities, including bus shelters, presents an opportunity for regional collaboration. With state support, there is potential for Metro to help to ensure that cities are able to access those funds to address the needs of Metro riders.

Update on Sponsored Legislation

October 10th is the last day for the Governor to act on legislation by signature or veto. As of the drafting of this report - the Governor has not yet acted on two of Metro's three sponsored bills.

Assembly Bill 811, authored by Assemblymember Luz Rivas, which would clarify certain provisions of Metro's procurement statute was signed into law on September 30th. The statute will provide time and potential cost savings on future Metro procurement actions. The bill's provisions go into effect on January 1, 2022.

Senate Bill 44, authored by Senator Ben Allen, would authorize a shortened CEQA litigation process for major transformative transit projects in Los Angeles county. This bill would accelerate transit project delivery for Metro's Four Pillar projects. The bill is awaiting action by the Governor.

Assembly Bill 917, authored by Assemblymember Richard Bloom, which would allow Metro to install front facing cameras on transit vehicles to assist cities with enforcing parking violations in bus only

lanes. This will be an important tool to deploy on new and existing bus lane corridors to improve bus speeds and overall reliability of the transit system. The bill received a broad spectrum of support from transit and local municipalities and now awaits the Governor's action.

Sponsored Bills - Equity Impact Analysis

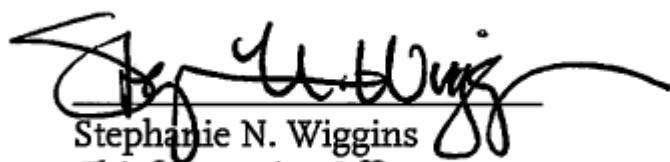
If signed into law, AB 917 (Bloom) will provide direct benefits to essential workers and communities by improving bus speeds and shortening the transit times for riders on heavily used bus corridors around LA County (and the state). The bill would provide a statewide authorization to develop and implement bus lane enforcement programs to improve transit statewide. Metro's bus riders on average report incomes of less than \$20,000 per year and a majority do not own a personal vehicle. Staff finds that one vehicle parked illegally in a bus only lane during posted operational hours could delay up to 5,000 riders in one hour. An effective bus lane enforcement program in Los Angeles county would provide immediate improvements overall to Metro's bus speeds and operations. Improving bus speeds along bus lane corridors is also a priority of the Vision 2028 and Customer Experience Plan goals.

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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