

**Board Report**

File #: 2022-0047, **File Type:** Informational Report**Agenda Number:** 32.

**REGULAR BOARD MEETING
FEBRUARY 24, 2022****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE February 2022 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 January 26, 2022 and will be updated, as appropriate, at the Executive Management Committee meeting on February 17, 2022. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/220209%20-%20February%202022%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/220209%20-%20February%202022%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

There are four 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.

Infrastructure Investment and Jobs Act

As we have mentioned previously - Metro looks forward to aggressively seeking funding made available by this new Bi-partisan Infrastructure measure signed into law by President Biden on November 15, 2020.

In the coming weeks and months, the U.S. Department of Transportation will be announcing Notice of Funding Opportunities related to the new infrastructure law. Working in partnership across our agency - the government relations team is ensuring that our agency is actively working to secure robust federal funding from the vast number of programs authorized and funded by the Infrastructure

Investment and Jobs Act.

In the coming days, NOFO's will be announced relative to the INFRA and Mega-Project grant programs - along with several others - including but not limited to the Low or No Emissions and RAISE grant programs.

I am confident that - given the strong direction provided by our CEO, the sure and steady leadership of our Planning Department and the new TIGER team assembled to maximize our ability to secure federal transportation dollars - that our agency will continue our longstanding tradition of being a national leader in being awarded federal funds for our innovative projects and programs.

Justice40 Initiative

We have and continue to be in constant contact with the U.S. Department of Transportation on how they plan to embed their Justice40 initiative in the federal transportation programs - and grants - that will be issued as a result of the passage of the Bi-Partisan Infrastructure Law. It is welcome news that we expect Justice40 goals to be included in the funding parameters for the NOFO's cited above and also for the Capital Investment Grant program. With respect to CIG, we expect the interim guidance that will be issued on the program to directly address how equity is going to play a bigger role in the rating process for transit projects seeking funding.

Build Back Better Bill

As was shared with the Board last month, Metro has worked with key Senate stakeholders to ensure that language providing funding for fare-free and reduced-fare transit services was included in the Senate's Build Back Better Bill. It is our hope that a revised version of this legislation will be considered in the second session of the 117th Congress and that this revised bill will maintain the language which our agency - and specifically our Board Chair Hilda Solis - worked so hard to embed in the original Build Back Better reconciliation bill.

While prospects for congressional consideration of the Build Back Better Bill do not appear bright at the moment - Metro's government relations team and our advocates stand ready to act on this measure - consistent the principles and goals of our Board-approved federal legislative program.

Fiscal Year 2022 Transportation Spending Bill

Late last year, President Biden signed legislation into law the "Further Extending Government Funding Act" that extends federal spending through February 18, 2022. It is important that Congress comes to an agreement to pass legislation that will fund the federal government through the balance of the federal fiscal year (September 30, 2022). This action will ensure that the USDOT has the resources it needs to implement the programs and projects outlined in the recently adopted Infrastructure Investment and Jobs Act.

Congressman Jimmy Gomez

Metro's CEO was pleased to take part in a briefing with Congressman Jimmy Gomez (D-34) on January 27, 2022, to discuss our plans for enhancing mobility across Los Angeles County in 2022

and beyond. Metro is pleased to work with Congressman Gomez and his colleagues in the Los Angeles County Congressional Delegation to ensure that federal funding continues to flow to worthwhile Metro projects and programs.

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 January 25, 2022 and will be updated, as appropriate, at the Executive Management Committee meeting on February 17, 2022. The status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/220209%20-%20February%202022%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/220209%20-%20February%202022%20-%20LA%20Metro%20Legislative%20Matrix.pdf), updated monthly.

State Budget

Governor Gavin Newsom released his budget proposal for the upcoming fiscal year on January 10, 2022. The budget focuses on five key areas of investment: the pandemic, the climate crisis, homelessness, cost of living, and safety. The Governor's proposal includes \$9.1 billion in new transportation spending, including \$2 billion for statewide transit projects, and \$1.25 billion for transit projects in southern California. Also proposed is \$750 million for active transportation, \$500 million for grade separations, and \$400 million for climate adaptation related to transportation. Additionally, included in the proposal is a \$4.2 billion allocation for the High-Speed Rail Project. These funds are separate from a large proposal to increase zero-emission vehicles, including 1,700 new zero-emission transit buses. Additionally, the Budget proposes \$2.3 billion for supply chain investments, including \$1.2 billion for port, freight, and goods movement infrastructure and \$1.1 billion for other areas, including ZEV equipment and infrastructure related to the supply chain.

Staff continue to review the details of the budget proposal for impacts to agency programs and projects. In the coming weeks, the legislature will hold budget committee and subcommittee hearings in order to discuss the details of each section of the proposed budget. Staff continue to be engaged with the members of these committees in order to ensure that the board-endorsed Golden Opportunity Package is considered. (Of note, all Council of Governments have signed on to the Golden Opportunity Package.) The budget proposal may change after the Governor issues his revision in May, which takes actual revenues into account. The legislature has until June 15th to pass a state budget for the next fiscal year.

Equity Impact Analysis - State Budget

The State Budget surplus provides an excellent opportunity to address many historic inequities in Los Angeles County. The Board recently signed the Golden Opportunity letter that identifies specific funding recommendations that would support these efforts.

Sponsored Bills and Key Legislative Deadlines

The deadline for new bills to be introduced in the state legislature for the current session is February 18, 2022. Metro is working with our legislative partners to introduce legislation that would enable the agency to use job order contracting and improve participation in our small and medium size business programs, in advance of this deadline.

Other State Legislation

Government Relations monitors all newly-introduced legislation for bills that may impact Metro's projects, programs and funding. Metro is currently monitoring a number of other recent bill introductions and proposals. On January 25th, the Governor reached a deal with the legislature to move forward a proposal to bring back supplemental paid sick leave for those affected by or caring for those with COVID-19. A similar measure, which provided 80 hours of leave, expired in September of 2021. The new proposal would guarantee up to 80 hours of leave and would be retroactive to January 1, 2022, extending to September 30th of this year. Language is expected to be released in the coming weeks.

Metro staff are also monitoring the progress of AB 1400 (Kalra), which would establish the nation's first single-payer healthcare system for the entire state. This legislation is also tied to ACA 11, which would impose additional taxes in order to fund the CalCare system, and if passed, would require the voters to pass a ballot measure in the November 2022 election.

The deadline to introduce legislation for this year is February 18, 2022. Staff will continue to monitor all newly introduced legislation, work with the affected internal departments and work with the Board to determine the appropriate Metro position as bills are introduced.

Project Briefings and Statewide Coordination

Metro Government Relations staff continues to host virtual legislative roundtable briefings to update state and federal offices on the status of key Metro projects and programs and the agency response to the pandemic. These briefings are both an opportunity to brief staff from elected offices, as well as to hear comments and concerns directly from their constituents. The legislative roundtables, as well as district-specific briefings, will continue on a regular basis virtually to ensure that the members of the LA delegation have access to Metro's most up-to-date project and program information.

State Equity Analysis

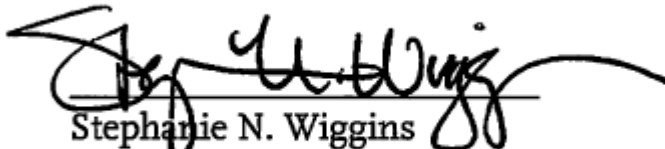
Government Relations will continue to work with the Office of Equity and Race in reviewing legislation introduced in Sacramento to address any issues of equity in proposed bills.

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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