

**Board Report**

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**EXECUTIVE MANAGEMENT COMMITTEE
APRIL 21, 2022****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE April 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 April 8, 2022, and will be updated, as appropriate, at the Executive Management Committee meeting on April 21, 2021. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/220415%20-%20April%202022%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/220415%20-%20April%202022%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

There are a number of federal matters 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.

President Biden Fiscal Year 2023 Budget

Late last month, President Biden released his \$5.8 trillion budget proposal for the Federal Fiscal Year 2023. Included in the President's budget is a recommendation that Congress appropriate \$250 million for LA Metro's East San Fernando Valley (ESFV) Light Rail Transit Project, funded through the Federal Transit Administration's Capital Investment Grants (CIG) program.

As the Board is aware, Metro submitted an application for a Federal grant for the ESFV through FTA's CIG Expedited Project Delivery Pilot Program in November 2021, as only the second agency in the nation to apply for this innovative pilot program. Our application was bolstered by early support from Senators Feinstein and Padilla, as well as Congressman Cardenas, who have weighed in with the Department of Transportation through letters of support and direct outreach to Administration officials.

The President's Budget also includes a recommendation of \$813 million in funding for our existing Full Funding Grant Agreements for the Westside Purple Line Extension (Sections 1, 2, and 3). In welcome news, the annual CIG New Starts Report (attached), which accompanies the Budget, includes mention of our agency's top CIG priority project, the West Santa Ana Branch Transit Corridor Project - which has entered New Starts Project Development phase. Metro will work to ensure the President's budget recommendations are fully funded in Fiscal Year 2023 appropriations legislation to be considered by Congress later this year.

We look forward to continuing to work with the Biden Administration and Congress to move forward our Board-approved federal priorities in the coming months.

Infrastructure Investment and Jobs Act

Metro is pleased that the U.S. Department of Transportation is moving with dispatch in releasing Notice of Funding Opportunities (NOFO) tied to the Bipartisan Infrastructure Law (BIL).

Thanks to the strong, sure and steady leadership of our Chief Executive Officer, we have a dedicated team of individuals working on the Metro campus to ensure that we derive the maximum benefit for Los Angeles County residents from the BIL - a truly historic measure that promises to deliver enhanced mobility across Los Angeles County.

Most recently, the USDOT released a common NOFO for a number of major grant programs, including the new Mega Grant program and a newly energized INFRA grant program. Metro is actively reviewing this NOFO to put forward the project - or projects - that would best compete for these valuable federal funds.

We will continue to keep the Board closely informed as the Biden Administration moves forward on BIL related funding opportunities.

Justice40 Initiative

As I mentioned last month and in previous remarks before this committee, our agency has and continues to be in constant contact with the U.S. Department of Transportation on how they are working 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.

We continue to eagerly anticipate the Federal Transit Administration's ongoing work in updating their guidelines for the Capital Investment Grant (CIG) program - with a keen eye on including the aims of the Administration's Justice40 initiative. Specifically, we believe many of our mobility enhancing projects - especially the West Santa Ana Branch Transit Corridor Project will benefit from having the CIG program modified to reflect the goals of the Justice40 initiative.

Build Back Better Bill

As noted previously, our agency is working with key Senate stakeholders - including California's two

Senators - to ensure that language providing funding for fare-free and reduced-fare transit services be included in any future Build Back Better Bill considered by the U.S. Senate. It continues to be my 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 adopted by the House last year.

Fiscal Year 2022 Transportation Spending Bill

As of the writing of this update, the U.S. Congress is getting ready to work on their Fiscal Year 2023 spending bills. As they did last year, Congress is moving forward with their new earmark system - where both members of the House and Senate are requesting funds in most of the spending bills - including the transportation spending measure. We look forward to keeping the Board posted on our efforts related to earmarks.

APTA Legislative Conference and ACCESS DC

I am pleased to share that our Chief Executive Officer - joined at points with Metro Directors - Mayor Garcetti and Dupont-Walker - held a series of productive meetings in Washington, DC in March during the annual APTA Legislative Conference and the LA Chamber's annual ACCESS DC trip.

Our CEO's meetings included direct engagement with both the Executive and Legislative Branch to advance our Board-approved federal agenda. These meetings at the White House and the U.S. Capitol were very productive and offered a welcome opportunity to discuss our capital projects and a number of our initiatives - including but not limited to - our Fareless System Initiative, SEED School and our planned Center for Transportation Excellence.

Specifically, officials at the White House were very focused on our agency's efforts to promote mobility, equity, safety across Los Angeles County - while also addressing the climate challenges in our region. Our CEO's meeting at the White House was also a welcome opportunity to address the success of our Project Labor Agreements - which are marking their 10th year anniversary in 2022. With respect to the Executive Branch - our CEO also had an opportunity to hold a shared dialogue with the President Biden's Senior Advisor and Infrastructure Coordinator Mitch Landrieu.

On Capitol Hill - our CEO met with a number of members of the Los Angeles County Congressional Delegation - including directly with U.S. Senator Alex Padilla and senior aides for U.S. Senator Dianne Feinstein. At these meetings our CEO emphasized the importance of our number one New Starts priority project - the West Santa Ana Branch Transit Corridor Project and was also able to explore with Members of Congress and their senior aides how the federal government might partner with our agency on a number of our initiative - including our Fareless System Initiative and our planned Center for Transportation Excellence.

All in all - our CEO's trip to Washington, DC was a high value opportunity for her to clearly and directly convey our Board-approved federal priorities to a number of key federal stakeholders.

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 March 30, 2022 and will be updated, as appropriate, at the Executive Management Committee meeting on April 21, 2022. The status of relevant pending legislation is monitored on the Metro Government Relations Legislative Matrix, updated monthly.

State Budget

Metro continues to meet with key members of the state legislature to advocate for the Golden Opportunity Package, and have held several meetings with Budget Subcommittee members in the month of March. On March 29, Governor Gavin Newsom issued a new transportation proposal, in the wake of swiftly rising gas prices. The \$11 billion proposal includes \$750 million in state funds for free public transit for three months, alongside increased money for active transportation projects and a tax refund for vehicle owners. This recommendation still needs to be considered by the legislature. Metro continues to advocate for funding to support fare-free transit as the budget process moves forward. All transportation-related items have been held open at Budget Subcommittee hearings. The next milestone in the process will come with the Governor's May Budget Revision, with a deadline of June 15 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's Golden Opportunity Package identifies specific funding recommendations that would support these efforts.

Sponsored Bills Update

Policy committees began meeting in March to hear new legislation. Metro is the primary sponsor of two bills this year. AB 2039 by Assemblymember Luz Rivas (D- Arleta) would allow Metro to utilize job order contracting. Metro is also sponsoring AB 2271 by Assemblymember Mike Gipson (D-Carson), a bill that would allow Metro to exercise local business preferences in competitive low-bid

contracting. These bills will both be heard in policy committees in the coming weeks.

Metro is a co-sponsor of two additional bills. The first is SB 922 by Senator Scott Wiener (D- San Francisco), which passed the Senate Environmental Quality Committee on a vote of 5-0-2 on March 28. SB 922 would extend and improve upon Senator Wiener's previous legislation (SB 288 from 2020, which will sunset on January 1st of next year) to expedite active transportation, light rail, and bus rapid transit projects by exempting these environmentally sustainable projects from CEQA, helping accelerate climate-friendly projects in the state. Specifically, this bill will help Metro accelerate work related to our Bus Rapid Transit (BRT) projects, and charging facilities for zero emission bus conversion. Metro provided lead witness testimony at the hearing in support of the measure. The bill now goes to the Senate Appropriations Committee.

This month, Metro also signed on as a co-sponsor of SB 1161 by Senator Dave Min (D- Irvine). The bill would require certain transit districts in the state to develop and implement initiatives to combat street harassment of those traveling on public transit and consider the safety concerns and needs of these persons by gender when planning, designing, and operating their systems. This bill will be heard by the Senate Transportation Committee on April 19.

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. 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.

Other monitored bills include:

- AB 1919 (Holden) - AB 1919 by Assemblymember Holden was amended on March 7th. This bill would require transit agencies to offer free youth transit passes to all persons 25 and under with California residency, regardless of immigration status, in order to be eligible for certain state funding programs. The bill will be first heard in the Assembly Transportation Committee on April 4th.
- AB 2441 (Kalra) - This bill would require a public transit employer to provide notice to the applicable employee representative of its intention to begin any procurement process or a plan to acquire or deploy to new technologies for public transit services not less than 12 months before commencing the process, plan, or deployment. It passed the Assembly Public Employment and Retirement Committee on March 30th.
- AB 1938 (Friedman) - This bill would require the California State Transportation Agency Secretary, on or before July 1, 2023, to establish and convene the Transit and Intercity Rail Recovery Task Force, to develop policies to grow transit and intercity rail ridership and improve operations for users of those services. The bill will be first heard in the Assembly Transportation Committee on April 4th.
- AB 2438 (Friedman) - This bill was recently amended on March 21st, and would require that the agencies that administer the state transportation improvement program, the state

highway operation and protection program, the Solutions for Congested Corridors Program, the Trade Corridor Enhancement Program, and the Local Partnership Program, to revise the guidelines or plans applicable to those programs to ensure that projects included in the applicable program align with the California Transportation Plan, the Climate Action Plan for Transportation Infrastructure adopted by the Transportation Agency, and specified greenhouse gas emissions reduction standards. This bill passed the Assembly Transportation Committee on March 29th and will now be heard in the Assembly Appropriations Committee.

- AB 2622 (Mullin) - AB 2622 by Assemblymember Mullin would extend the sales tax exemption for zero-emission buses established by the Assemblymember's 2019 bill, AB 784. This bill will be heard in the Assembly Revenue and Taxation Committee on April 4th.

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

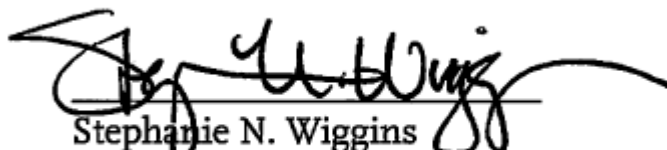
Government Relations will continue to work with the Office of Equity and Race in reviewing legislation introduced in Sacramento to address any issues of equity in proposed bills.

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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