

**Board Report**

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**EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 20, 2022****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE October 2022 State and Federal Legislative Report.

DISCUSSION

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

Chair Najarian and members of the Executive Management Committee, I am pleased to provide an update on a number of key federal matters of interest to our agency. This report was prepared on October 4, 2022, and will be updated, as appropriate, at the Executive Management Committee meeting on October 20, 2022. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/221001-October2022-LA%20Metro%20Legislative%20Matrix_.pdf>](http://libraryarchives.metro.net/DB_Attachments/221001-October2022-LA%20Metro%20Legislative%20Matrix_.pdf), which is updated monthly.

The focus of this report is on several subjects - including the federal appropriations process, a recent meeting held with senior FTA officials, an update on the Bipartisan Infrastructure Law and our continuing work related to the Biden/Harris Administration's Justice40 initiative.

Federal Appropriations Process:

Guided by our Board-approved Federal Legislative Program, we have been urging House and Senate appropriators to ensure that the spending measures for the coming federal fiscal year track the level of spending authorized through the Bipartisan Infrastructure Law that was signed into law by President Biden late last year.

Unfortunately, the House and Senate were not able to adopt their spending bills before the end of Federal Fiscal Year 2022 - which was on September 30, 2022.

Last week (September 30, 2022), Congress did move to adopt a Continuing Resolution - which will keep federal government agencies funded through December 16, 2022.

We look forward to Congress passing their spending bills for Federal Fiscal Year 2023 when members of the House and Senate return to Washington, DC during the lame duck session after the

mid-term elections are held on November 8, 2022.

Federal Transit Administration

Last month, our Chief Executive Officer Stephanie Wiggins had the opportunity to hold a shared and positive dialogue in Washington, DC with the Federal Transit Administration's (FTA) Deputy Administrator Veronica Vanterpool. Joining our CEO at the meeting was FTA Executive Director Matt Welbes, FTA Region IX Administrator Ray Tellis - along with several other senior FTA professionals.

In addition to reviewing the successful implementation of Metro's Project Labor Agreements - which are marking their 10th anniversary this year, our CEO raised a number of substantive issues with the FTA - including but not limited to: the upcoming 2028 Olympic and Paralympic Games, our Mega Grant application and New Starts Report focus for the West Santa Ana Branch (WSAB) Transit Corridor Project, our keen interest in launching a Center for Transportation Excellence in Los Angeles County and the fact that Metro is encouraged that the FTA is working to embed Justice40 in the updated Capital Investment Grant Program guidelines - that will ultimately strengthen this enormously important federal program.

The welcome news from this meeting is that our agency's working relationship with the FTA has never been stronger. This is especially important as the FTA - and more broadly the U.S. Department of Transportation - continue to implement the historic Bipartisan Infrastructure Law.

Prior to this FTA meeting with Deputy Administrator Vanterpool - our CEO had the opportunity to briefly confer with U.S. Secretary of Transportation Pete Buttigieg at a Brain Trust event hosted at the Congressional Black Caucus annual legislative event.

Bipartisan Infrastructure Law

Consistent with the direction provided by our CEO - Metro is continuing to submit grant request(s) with the U.S. Department of Transportation for funding made available through the Bipartisan Infrastructure Law.

At present - we are waiting to hear from the U.S. Department of Transportation on our Mega Grant application for the West Santa Ana Branch Transit Corridor Project.

LA Metro is fortunate that as we seek federal funding from the Bipartisan Infrastructure Law - we continue to enjoy strong support members of the Los Angeles County Congressional Delegation - along with strong support from our Metro Board members and key labor, business, and community groups across Los Angeles County.

Justice40 Initiative:

As noted in my remarks about our CEO's recent visit to the FTA's headquarters in Washington, DC - Metro continues to be in close contact with the Federal Transit Administration and the Office of the Secretary of Transportation with respect to their 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. Metro believes many of our mobility enhancing projects - especially the West Santa Ana Branch Transit Corridor Project - will significantly benefit from having the CIG program modified to reflect the goals of the Justice40 initiative. I very much look forward to keeping Board members apprised of our continuing efforts on this important matter.

Conclusion:

Chair Najarian - I look forward to expanding on this report at the Executive Management Committee meeting slated for October 20, 2022, with any new developments that may occur over the next several weeks.

Executive Management Committee State Remarks Prepared by Michael Turner Executive Officer, Government Relations

Chair Najarian and members of the Executive Management Committee, I am pleased to provide an update on several state matters of interest to our agency. This report was prepared on October 3rd, 2022, and will be updated, as appropriate, at the Executive Management Committee meeting on October 20th, 2022. The status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/221001-October2022-LA%20Metro%20Legislative%20Matrix_.pdf>](http://libraryarchives.metro.net/DB_Attachments/221001-October2022-LA%20Metro%20Legislative%20Matrix_.pdf), updated monthly.

State Budget Update

On October 1st, the California State Transportation Agency (CalSTA) released the draft guidelines for Cycle 6 of the Transit and Intercity Rail Capital Program (TIRCP). The draft guidelines are available for public and legislative comment until November 7, 2022. Final guidelines and a call for projects are expected on November 15th. Under the proposed guidelines, the allocations for this round of funding would be announced at the end of January. Available funding in Cycle 6 of the TIRCP includes \$3.63 billion in General Fund dollars, as well as \$350 million from the General Fund for High Priority Grade Crossing Improvement and Separation projects. Of this funding, \$1.83 billion is specifically set aside for projects in Southern California, with at least \$900 million allocated to projects that have previously received TIRCP grants. Staff are currently reviewing the draft guidelines in preparation for comments, the release of the final guidelines, and submission of grant applications for major capital projects.

Update on Sponsored Bills

The 2021-2022 legislative session ended on August 31st. Throughout the month of September, Governor Newsom made signing decisions on the bills that were passed in the last weeks of the legislative session.

On September 13th, Governor Newsom signed into law SB 1161 by Senator Dave Min (D - Irvine), an anti-harassment on transit bill co-sponsored by Metro and Stop AAPI Hate. SB 1161 will provide transit agencies around the state a crucial tool in the fight against street harassment by requiring the Mineta Transportation Institute at San Jose State University to develop a survey that agencies can use to collect data on harassment on their systems, which can then inform data-driven policies and programs to protect our riders.

On September 22nd, Governor Newsom signed AB 2271, a Metro-sponsored bill authored by Assemblymember Mike Gipson (D - Carson) that will allow Metro to exercise local small business enterprise (LSBE) preferences in competitive low-bid contracting. Specifically, local small businesses will now be eligible to receive a 5% reduction when bidding on contracts.

Implementation of a small business local preference initiative is in addition to Metro's already-implemented Disadvantaged Business Enterprise (DBE), Small Business Enterprise/Disabled Veterans Business Enterprise (SBE/DVBE) programs, Medium-Size Business Enterprise (MSZ), and Small Business Prime (Set-Aside) programs. By boosting contracting opportunities for local businesses in LA County, this effort will continue to promote a stronger, more inclusive marketplace, to best serve our communities and create more economic opportunities for those most in need. Metro currently has 2,238 SBE certified firms, of which 1,124 now have LSBE designations with headquarters in Los Angeles County, that can take advantage of the new preference program.

Finally, on September 30th, Governor Newsom signed SB 922 by Senator Scott Wiener (D - San Francisco), a bill co-sponsored by Metro that will modify the statutory exemptions to the California Environmental Quality Act for clean transportation projects originally established by the Senator's 2020 legislation, SB 288. Without this bill, these exemptions would have expired on January 1st. SB 922 will help Metro in several ways, primarily by speeding up the approval of our growing network of bus rapid transit and active transportation projects.

2022 Midterm Elections

The 2022 midterm elections will take place on November 8th. The state legislature will remain in recess until early December, where it will return with newly-elected representation in newly-drawn Senate and Assembly districts. Government Relations will conduct outreach to any new LA County members following the election, to offer a briefing on Metro's major projects and programs. These briefings are crucial to keeping elected officials aware of the unique aspects of transportation planning and infrastructure in the state's largest county.

State Equity Analysis

The Government Relations Department is currently in the process of updating the state and federal legislative program for the 2023 calendar year. This process involves consulting with the Board and internal departments in order to establish legislative and regulatory goals for the next year. Government Relations will meet with the Office of Equity and Race as part of this process, to ensure that the goals are consistent with our equity priorities.

Additionally, Metro sponsored two bills this year that directly impact equity. SB 1161 by Senator Min will provide a tool for transit agencies to address street harassment on public transit, an issue that disproportionately affects women, people of color, and the LGBTQ+ community. Comments, gestures, and slurs experienced by vulnerable communities can dissuade them from using public transit, to the detriment of both the rider and the transportation system as a whole.

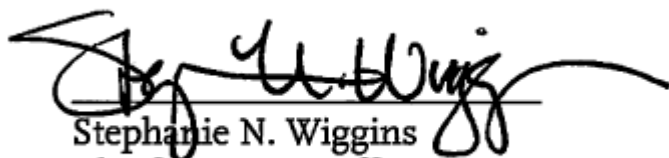
Finally, AB 2271 by Assemblymember Gipson will allow Metro to exercise local preferences in competitive low-bid contracting. Local small businesses contribute tax dollars to local governments, provide long-term benefits for a variety of populations, and employ approximately one-third of California's workers. By boosting contracting opportunities for local businesses in LA County, this effort will continue to promote a more inclusive marketplace, to best serve our communities and create more economic opportunities for those most in need.

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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