

**Board Report**

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**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 20, 2024****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE June 2024 State and Federal Legislative Report.

DISCUSSION

**Executive Management Committee
Remarks Prepared by Raffi Haig Hamparian
Government Relations, Deputy Executive Officer: Federal Affairs**

Chair Bass and members of the Executive Management Committee, I am pleased to provide an update on several key federal matters of interest to our agency. This report was prepared on June 4, 2024, and will be updated, as appropriate, at the Executive Management Committee meeting on June 20, 2024. The status of relevant pending legislation is monitored monthly on the [Metro Government Relations Legislative Matrix](https://libraryarchives.metro.net/DB_Attachments/240614%20-%20June%20%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf).
<https://libraryarchives.metro.net/DB_Attachments/240614%20-%20June%20%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf>

Los Angeles County Congressional Delegation

As is our standard practice, our Government Relations team remains in close contact with professional staffers working for members of the Los Angeles County Congressional Delegation to ensure the free and accurate flow of information on Metro related projects and initiatives. The communication includes staff members operating out of Capitol Hill offices in Washington, DC, and congressional aides working out of the respective district offices maintained by members of the Los Angeles County Congressional Delegation.

Over the past several months, we have interacted with various congressional offices, providing timely and accurate information on Metro projects in their districts. A good deal of this interaction was related to the Congressionally-Directed Spending process. On June 20, 2024, I look forward to providing a timely and content rich update on our work related to securing CDS for the LA Metro Regional Bus Stop Enhancement Program. Likewise, we look forward to providing the Board with an

update concerning our work supporting the Los Angeles Community College District's effort to secure CDS resources for our successful Go-Pass Program.

We have also been engaging a variety of congressional offices on the status of the federal grants our agency is pursuing across LA County for Zero-Emission Buses and the LinkUS Project, among other projects and Metro initiatives. Later in my report, I will detail the specific federal grants our agency is currently pursuing.

Transit Operator Safety

As we have consistently reported to the Board, Metro maintains open lines of communication with the Los Angeles County Congressional Delegation on federal initiatives to enhance transit operator safety. The Urban Institute (based on data from the National Transit Database) has issued a report that transit operator assaults tripled from 2008 to 2022. Given this fact, we will keep the Board apprised of our work on this important matter, including specific actions we can take in partnership with members of the Los Angeles County Congressional District. Of note is that the current surface transportation authorization bill will expire in September of 2026, which allows our agency to authorize federal programs to enhance transit operator safety further.

U.S. Department of Transportation/2028 Olympic and Paralympic Games

Metro is pleased that we are working with a broad array of partners to secure strong financial support for our agency's efforts related to the 2028 Olympic and Paralympic Games.

At present, we are working to explore opportunities for the Fiscal Year 2025 Transportation, Housing and Urban Development bill being developed on Capitol Hill to include funding for mobility related projects and initiatives tied to the upcoming 2028 Olympic and Paralympic Games. We are also working with the Biden Administration to discuss how funding for mobility-related projects and initiatives tied to the 2028 Olympic and Paralympic Games might be embedded in the Fiscal Year 2026 White House Budget that will be released in early 2025.

EPA/Clean Air Act

Metro is in close contact with the Los Angeles County Congressional Delegation on matters related to the U.S. Environmental Protection Agency's (EPA) disapproval of the Contingency Measure Plan (CMP), which was crafted by the California Air Resources Board (CARB) in December 2019 as part of the State Implementation Plan.

We are mindful that a number of key federal stakeholders are working diligently to resolve this matter (EPA disapproval of the CMP) to ensure that federal transportation funding continues to flow to southern California. At present, the EPA is expected to make a final determination by July 2024. Our agency will continue to consult with CARB and the South Coast Air Quality Management District to resolve this matter favorably, consistent with the Clean Air Act.

Federal Transportation Grants

As noted in our report last month, Metro is working in partnership with the Los Angeles County Department of Public Works, the Orange County Transportation Authority, Metrolink, and the City of Anaheim regarding the Environmental Protection Agency's (EPA) Climate Pollution Reduction Grant (CPRG) Program. This funding is available through the Inflation Reduction Act. We look forward to the EPA favorably reviewing our CPRG application in the coming months.

Metro is also advancing a major funding request through the Federal Transit Administration's Buses and Bus Facilities and Low or No Emissions Grant Program. We look forward to aggressively pursuing a request for Zero Emission Buses and accompanying equipment needed to operate these new vehicles. Our grant request also includes a strong workforce development component.

In addition to the CPRG and Zero Emission Bus grant applications, Metro is also advocating for funding through the U.S. Department of Transportation's Mega Grant program for our LinkUS Project.

As we always do with our federal grant requests, we are working closely with members of the LA County Congressional Delegation and other key stakeholders to solicit their support for our pending and future grant applications.

CIG/Justice40

Metro continues closely tracking the FTA's work to update its Capital Investment Grant (CIG) Program. We intend to provide input to the FTA to encourage them to embed the goals of the Justice40 initiative into the CIG Program's guidance. Our actions concerning the CIG Program and Justice40 are outlined in our Board-approved 2024 Federal Legislative Program.

Conclusion:

Chair Bass and committee members, I look forward to discussing this report at the Executive Management Committee meeting on June 20, 2024, and any new developments that may occur over the next several weeks.

**Executive Management Committee
Remarks Prepared by Madeleine Moore
Government Relations, Deputy Executive Officer: State Affairs**

Chair Bass and members of the Board, I am pleased to provide an update on several state matters of interest to our agency. This report was prepared on May 24, 2024, and will be updated, as appropriate, at the Executive Management Committee on June 20, 2024. The status of relevant pending legislation is monitored monthly on the [Metro Government Relations Legislative Matrix](https://libraryarchives.metro.net/DB_Attachments/240614%20-%20June%20%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf). [<https://libraryarchives.metro.net/DB_Attachments/240614%20-%20June%20%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](https://libraryarchives.metro.net/DB_Attachments/240614%20-%20June%20%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf)

Budget Update

On May 10, Governor Gavin Newsom released the May Revision to his budget proposal for the upcoming fiscal year, as the State faces increasing budget deficits. In January, the Governor's projected budget deficit number was \$38 billion. This number has grown by an additional \$7 billion, and after considering the recent \$17 billion reduction through early budget action by the Legislature, the new projected deficit is \$27.6 billion.

The May Revision, sometimes colloquially called the May Revise, includes budgetary impacts on many areas of State government. Overall, the Revision includes the following in budget solutions: \$4.2 billion in reserves, \$3 billion in efficiencies, \$15.2 billion in reductions, \$14.9 billion in pauses and shifts, and \$7.5 billion in revenues and borrowing. The impacts on transportation primarily come from fund shifts for the Transit and Intercity Rail Capital Program and the Active Transportation Program cuts. The May Revision maintains the formula TIRCP (\$4 billion) and the Zero Emission Transit Capital Program (\$1.1 billion) funding levels. The Revision shifts \$555.1 million from the General Fund to the Greenhouse Gas Reduction Fund above what was proposed in the Governor's Budget, for a total of \$1.3 billion in proposed fund transit shifts. These fund shifts are not expected to have any programmatic impact.

Reductions to transportation are more limited. The May Revision reduces \$148 million not used for awarded projects from the competitive Transit and Intercity Rail Capital Program. The Revision also includes an additional \$400 million in Active Transportation Program reductions, for \$600 million over the next few fiscal years.

The legislature has until June 15th to pass a FY 24-25 State budget. We look forward to working with the Legislature and Administration in the next weeks to urge that they continue their support for the \$5.1 billion state investment approved for public transit operations and capital in the Budget Act of 2023 to ensure we can meet our collective climate, equity, and economic goals.

Legislative Update

Metro's sponsored legislation continues to move swiftly through the legislative process. On May 20, the state Assembly voted 57-10 to pass AB 3123 by Assemblymember Reggie Jones-Sawyer (D - Los Angeles). AB 3123 is Metro's sponsored bill that would ensure that ethics laws that govern elected officials statewide apply equally to LA Metro's Board of Directors by repealing a statute that currently only applies to those Board Members. AB 3123 also contains provisions that clarify Metro's definition of lobbying and strengthen the role of the Ethics Office. The bill has now been moved to the Senate for assignment to policy committees.

Other Metro-supported bills also continue to advance in the Senate and Assembly. AB 761 by Assemblymember Laura Friedman (D - Glendale) would extend the period of available EIFD tax increment from 45 years to 75 years for districts intended to fund zero-emission LA Metro transit projects with federal financing through the Transportation Infrastructure Finance and Innovation Act (TIFIA) loans. This bill is scheduled for its next hearing in the Senate Local Government Committee on May 29, where Metro will again indicate support. AB 817 by Assemblymember Blanca Pacheco (D - Downey) would allow a subsidiary body of a local agency, like Metro's citizen advisory groups, to

use teleconferencing for its meetings without posting agendas at each teleconference location, identifying each teleconference location in the notice and agenda, making each teleconference location accessible to the public, and requiring at least a quorum of the subsidiary body to participate from within the local agency's jurisdiction. This bill is scheduled for a hearing in the Senate Local Government Committee in early June. Staff will have a full report on the outcome of these hearings at the time of this Executive Management Committee.

2028 Olympics and Paralympics Coordination

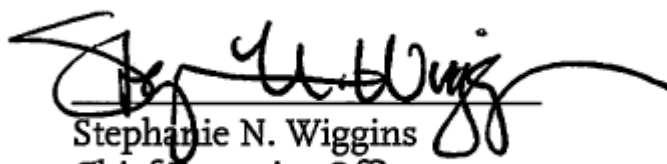
Pursuant to the April 2024 Board motion, Building a Cohesive Approach to Los Angeles's Legislative Advocacy for the 2028 Mobility Concept Plan, staff have been in communication with members of the Games Mobility Executives, as well as all local partners, including the County of Los Angeles, to develop and implement a cohesive state and federal legislative advocacy plan to advance Metro's 2028 Mobility Concept Plan. This includes planning convenings of local stakeholders and developing an advocacy framework to ensure strong stakeholder coordination. This framework will include recommendations on improving coordination with the entire LA County legislative delegation and other key Games delivery partners. A full report will be presented at the following 2028 Olympic and Paralympic Games Committee meeting.

State Equity Analysis

Government Relations will continue to work with the Office of Civil Rights, Racial Equity, and Inclusion in reviewing legislation introduced in Sacramento to address any equity issues in proposed bills and the budget process.

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