

**Board Report**

File #: 2018-0050, **File Type:** Informational Report**Agenda Number:** 23.

**EXECUTIVE MANAGEMENT COMMITTEE
MARCH 15, 2018****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE State and Federal Legislative Report.

DISCUSSION

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

Chair Garcetti and members of the Executive Management Committee, I am pleased to provide an update on a number of federal matters of interest to our agency. This report was prepared on February 27, 2018 and will be updated, as appropriate, at the Executive Management Committee meeting on March 15, 2018. Status of relevant pending Federal legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202018%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202018%20Legislative%20Matrix.pdf), which is updated monthly.

Trump Infrastructure Plan

Later this week, the U.S. Senate's Environment and Public Works Committee will be holding a hearing entitled, "[The Administrations Framework for Rebuilding Infrastructure in America <https://www.epw.senate.gov/public/index.cfm/hearings?ID=993C02C3-83B9-473D-B4FC-17B301D39397>](https://www.epw.senate.gov/public/index.cfm/hearings?ID=993C02C3-83B9-473D-B4FC-17B301D39397)". This hearing kicks off a series of hearings that will be held on Capitol Hill to discuss the White House Infrastructure Plan. Our professional staff have closely reviewed the plan - and there are parts of the plan we like, some we don't like - and some items that need some adjustments in order to work for our agency. We will be working closely with all the appropriate House and Senate Committee leaders to ensure the final version of any future Infrastructure Plan works for our agency - by helping us powerfully leverage our Measure R and Measure M revenues.

One area of special concern to our agency is the proposal by the Trump Administration to eliminate all funding for future New Starts grants, TIGER grants and funding for Amtrak. We will - consistent with our Board-policy - vigorously oppose such irresponsible cuts that would adversely impact our

agency.

Federal Budget and Funding for Fiscal Year 2018

In a matter of days we expect to learn what the level of federal transportation funding will be for the next Federal Fiscal Year. As you may recall - earlier this month - the House, Senate and the White House agreed on a two year budget deal - that included \$20 billion in additional transportation funding over the next two years. We are hopeful that a number of key federal transportation programs - like New Starts, TIGER grants and INFRA grants will come out fully funded as a result of the budget deal. Once the budget numbers are made public - we will promptly inform the Board.

Federal Grants for Fiscal Year 2017/2018

As we noted to Board members last month, Metro has applied for a number of major grants this year - including an INFRA grant and a Bus and Bus Facilities grant. We will engage a broad array of stakeholders to ensure that our grant applications have the best opportunity of being approved by the USDOT. Most recently, our professional staff were on Capitol Hill and at the U.S. Department of Transportation (USDOT) discussing our INFRA grants with senior aides and officials. We are hopeful that Metro's INFRA grant applications will be favorably reviewed by the USDOT in the weeks ahead.

Local Hire Pilot Program

Despite the unfortunate fact that the Trump Administration unilaterally ended the Local Hire Pilot Program - we continue to seek a productive dialogue with USDOT and Members of Congress to urge that this innovative program be continued. Most recently, we have been engaged in a productive dialogue with Congresswoman Karen Bass and her aides to explore what legislative options exist to restore the Local Hire reforms permitted by the former Local Hire Pilot Program.

Conclusion

Chair Garcetti - I look forward to expanding on this report at the Executive Management Committee meeting with any new developments that occur over the next several weeks.

Executive Management Committee Remarks Prepared By Michael Turner Deputy Executive Officer, Government Relations

Chair Garcetti 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 2, 2018 and will be updated, as appropriate, at the Executive Management Committee meeting on March 15, 2018. Status of relevant pending State legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202018%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/3%20-%20March%202018%20Legislative%20Matrix.pdf), which is updated monthly.

California State Legislative Process Update

Over 2,000 bills were introduced during the first months of the 2018 Legislative Session. The Legislature's Spring Recess begins on March 22, 2018. The Legislature Reconvenes on April 2, 2018. The last day for policy committees to hear and report to Fiscal Committees for fiscal bills is April 27, 2018.

Senate Bill 1 Formula and Discretionary Funding Update

On Friday, March 2, 2018, the Senate Transportation and Housing Committee held a hearing on Senate Bill 1 investments at the Anaheim City Hall building in Orange County. The hearing offered insight into the recently released economic impact study, and panelists gave presentations highlighting current and future SB 1 investments throughout the State. Government Relations staff, presented testimony in support of Metro's plan to invest SB 1 funding in improving transportation throughout Los Angeles County.

Recent Cap and Trade Auction Success

The California Air Resources Board recently announced that the Cap and Trade auction held in February 2018 generated significant interest, resulting in most of the allowances being sold. These proceeds generate a portion of funding that is allocated to the Transit and Intercity Rail Capital Program and the Low Carbon Transit Operations Program. Initial funding estimates approximate that the February auction resulted in \$725 million in proceeds.

California Senate Bill 1 Support Update

The American Road and Transportation Builder Association released a study, "The Economic Impacts of Senate Bill 1 on California," which outlines key Senate Bill 1 transportation funding economic benefits. The report analyzes job creation, citing that over 68,000 jobs are estimated to be created each year throughout a number of sectors. Investments in transportation infrastructure, street and highway improvements also have direct and indirect economic benefits to users and the State. The report highlights that the major spending authorized under Senate Bill 1 will generate at least \$182 billion in economic activity for the state of California over the next ten years.

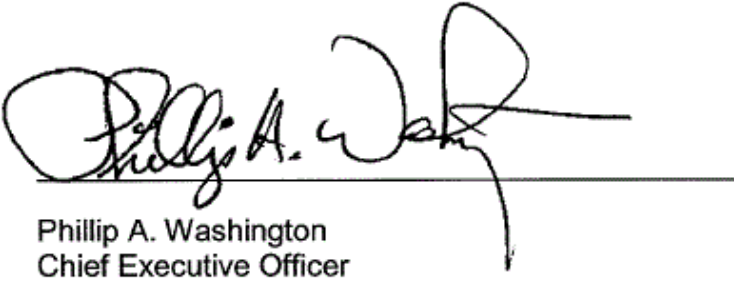
This report is timely and will be an important component in the advocacy efforts moving forward by the agencies and partners involved in the Fix Our Roads Coalition as they continue to advocate against the proposed repeal of Senate Bill 1. Pursuant to the 2018 Board Adopted State Legislative Program, staff will continue to advocate against any efforts to repeal the gas tax enacted under Senate Bill 1 and in support of Proposition 69, which is the ballot initiative for the State Constitutional amendment (ACA 5) that will protect the funding which is intended for transportation projects.

Conclusion

We will expand on this brief report at the Executive Management Committee meeting with any new developments that occur in the days ahead.

Prepared by: Michael Turner, DEO, Government Relations, (213) 922-2122
Raffi Hamparian, Senior Director, Government Relations, (213) 922-3769

Reviewed by: Pauletta Tonilas, Chief Communications Officer, (213) 922-3777



Phillip A. Washington
Chief Executive Officer