



Board Report

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**EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 18, 2016**

SUBJECT: STATE AND FEDERAL REMARKS

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE State and Federal Remarks.

DISCUSSION

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

Chairman Ridley-Thomas and members of the Executive Management Committee, I am pleased to provide an update on a number of federal affairs impacting our agency. This report was prepared on February 5, 2016 and will be updated, as appropriate, at the Executive Management Committee meeting.

Federal Budget For Fiscal Year 2017

On February 9, 2016 the White House is slated to release President Obama's Budget for Federal Fiscal Year 2017. The Budget is expected to include robust funding for transportation, including a funding proposal to add a \$10 per barrel tax on oil. We also expect the Budget proposal to include funding recommendations for our New Starts projects and a number of new programs authorized by the FAST Act, including funding for a new federal freight program and the popular TIGER Grant program. Once the Budget is formally released, we will issue a summary to the entire Board of Directors.

Federal Appropriations For Fiscal Year 2017

Later this year, both the House and Senate appropriations committees will begin their work on their spending bills for Federal Fiscal Year 2017. We are going to be closely tracking these efforts, which will likely begin with hearings in both the House and Senate featuring testimony from U.S. Transportation Secretary Anthony Foxx. This Spring we can expect the transportation subcommittees

to mark-up their bills, followed by action by the full House and Senate Committees on Appropriations. It is the state desire of House and Senate leaders to conclude work on all appropriations measures, including the transportation spending bill, by the end of Federal Fiscal Year 2016 (September 30, 2016). We will be working with our federal advocacy team to ensure that our Board-approved priorities are reflected in the final spending bills adopted by Congress later this year.

FAST Act:

Late last year, the Congress adopted and President Obama signed into law America's new surface transportation authorization bill - Fixing America's Surface Transportation Act (FAST Act). The bill authorizes approximately \$305 billion for Highway, Transit and Railroad programs over 5 years (\$61 billion per year). Passage of the FAST Act by Congress ended a long running saga of repeated extensions to the current surface transportation authorization law - MAP-21. Many of the priorities outlined in our Board-approved Federal Legislative program were addressed in the FAST Act. I am pleased to share the following highlights of the bill with Board members.

The Transportation Infrastructure and Innovation Act (TIFIA)

This low-interest federal loan program is funded at \$275 million per year and would be funded at \$300 million by the end of the 5 year bill. The program allows for unused TIFIA funds to be put back into future TIFIA funding. The program allows for Transit Oriented Development as an eligible expense for TIFIA loans, which was a Board-approved priority in our Federal Legislative Program.

Freight Program

The bill includes two funded freight programs. The first freight program is a formula based freight program that is funded at \$6.5 billion over 5 years. The second freight program is a competitive grant program that local and state agencies can apply for. This is funded at between \$800 million-\$1 billion per year.

Congestion Mitigation and Air Quality (CMAQ) Program Funding for local Transportation Projects

The bill reverts back to current law and continues to allow local agencies to use CMAQ as they do now.

Capital Investment Grants (New Starts)

The bill continues to allow local governments to use other federal funding as the local match for New Starts Transit construction projects.

Fixed guideway New Starts goes to 60% maximum federal share from current 80%. The House bill reduced the share to 50%.

Positive Train Control Grants

The bill provides \$199 million for Positive Train Control grants that commuter railroads like Metrolink can apply for.

Bus Driver Safety Rulemaking

- The bill requires USDOT to have rulemaking on bus driver safety.

Park-and-Ride Relinquishment is Included in the bill

Allows State Departments of Transportation to relinquish ownership of unused Park-and-Ride properties.

HOV Degradation Standards

The bill includes a combination of the House and Senate provisions. It allows states or local transportation agencies to apply for a waiver from the current HOV degradation standard. It also includes Senate language that requires the state or local agency to have a plan to improve their HOV operations.

Local Bridge Funding

The bill includes language from the House bill that provides States with additional flexibility to spend National Highway Performance Program funds for bridges that are located on the Federal-Aid Highway system.

TIGER Grants:

The U.S. Department of Transportation is slated to announce funding availability for TIGER grants later this month. Thanks to strong support from our Board of Directors and members of the Los Angeles County Congressional Delegation, we have secured three major TIGER grants over the last two years. We expect to vigorously compete, yet again, for TIGER grants in 2016.

Local Hire:

We are continuing to work with the Obama Administration and Members of Congress, including Congresswomen Karen Bass and Grace Napolitano, to advance our Board-approved policy of reforming federal Local Hire rules. We are grateful to our Board of Directors for prioritizing this matter.

This concludes my remarks before the committee. I would welcome the opportunity to answer any questions from you Mr. Chairman or from members of this committee.

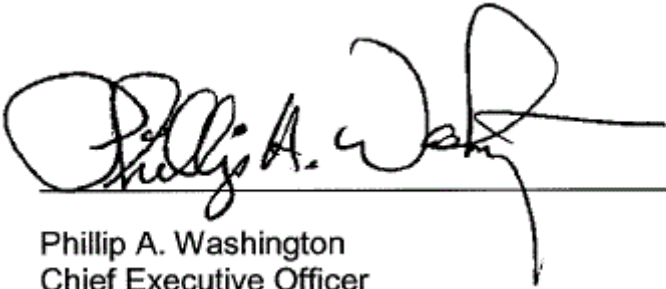
State Remarks will be transmitted via ORAL REPORT by State Advocacy Team at Executive Management Committee (separate Agenda Item).

ATTACHMENTS

Attachment A - February 2016 Legislative Matrix

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

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



Phillip A. Washington
Chief Executive Officer