



Metro

Los Angeles County  
Metropolitan Transportation  
Authority  
One Gateway Plaza  
3rd Floor Board Room  
Los Angeles, CA

## Board Report

File #: 2017-0583, File Type: Informational Report

Agenda Number: 2.

### EXECUTIVE MANAGEMENT COMMITTEE SEPTEMBER 21, 2017

**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 August 25, 2017 and will be updated, as appropriate, at the Executive Management Committee meeting on September 21, 2017. Status of relevant pending Federal legislation is monitored on the [Metro Government Relations Legislative Matrix](#), which is updated monthly.

#### **Trump Infrastructure Plan**

Our agency has continued our engagement with the Trump Administration with respect to an infrastructure plan to enhance our nation's roads, bridges and transit systems. Next week, the White House will be hosting local, state and federal leaders to discuss their proposed infrastructure plan. Our agency has put forward the I3 proposal which seeks to leverage federal investments, assure long-term performance of all new capital improvements and which would update procurement policies and project delivery approaches. We look forward to continuing our work with the White House, U.S. Department of Transportation and Capitol Hill on any future infrastructure package.

#### **Federal Budget for Fiscal Year 2018**

While we can expect the House and Senate to continue their work on the final appropriations bill next month - it would be reasonable to expect Congress to act on a Continuing Resolution - to ensure that the Federal Government does not face a shutdown at the end of Federal Fiscal Year 2017 (September 30, 2017). We are working very closely with leaders in both the House and Senate to ensure that any final transportation appropriations bill for Fiscal Year 2017 reflects our Board-

approved Federal Legislative priorities.

### **Federal Grants for Fiscal Year 2017/2018**

Metro is actively engaged in the process of applying for a number of major grants this year - including an INFRA grant, Low-No Emissions grant and a Bus and Bus Facilities grant. We will - as we always do - engage a broad arrange of stakeholders to ensure that our grant applications have the best opportunity of being approved by the U.S. Department of Transportation.

### **Local Hire Pilot Program**

It is our understanding that tomorrow - August 25, 2017 - the U.S. Department of Transportation is slated to withdraw the notice of proposed rulemaking issued by the Obama Administration that reformed federal Local Hire rules to permit grant recipients and subrecipients to impose geographic-based hiring preferences. On August 18, 2017 the USDOT issued a report on significant rulemaking that cited that the Local Hire reforms made under the previous Administration were slated for withdrawal. We are deeply concerned about any effort to repeal the Local Hire Pilot Program - and are grateful that Chair Garcetti - along with our CEO - co-authored a letter to USDOT Secretary Elaine Chao urging her to safeguard the program. We have also continued to work with members of the Los Angeles County Congressional Delegation to safeguard this effective pilot program. As more details emerge on this matter - we will keep the Board fully apprised on how this anticipated USDOT action will impact our agency.

### **Federal Aviation Administration Fuel Tax Rulemaking**

This issue was brought to the attention of the Board through a Board Box on February 16, 2016. To summarize, the FAA completed a rulemaking in 2014 that clarified that the term “local aviation fuel taxes” are not considered excise taxes on aviation fuel - as has been the case for the past 29 years - and instead are considered all sales taxes including voter approved sales taxes that are dedicated to specific projects and programs. Metro has been working with Congress, to find a legislative solution to ensure that taxes collected through Metro’s sales tax measures are not diverted for purposes not intended by the voters who approved the sales tax measures.

On June 27<sup>th</sup>, during a mark-up of the FAA Reauthorization Bill in the House Transportation and Infrastructure Committee, Congressman Alan Lowenthal (in conjunction with Congresswoman Grace Napolitano) offered an amendment that Metro supported. The Chair of the Committee, Congressman Bill Shuster, asked Congressman Lowenthal to withdraw the amendment in the hopes that he could work on a compromise during the next phase of legislative action on the FAA bill. Congressman Lowenthal agreed and Metro will continue to work with our Congressional Delegation and other stakeholders to develop a compromise solution.

### **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 August 25, 2017 and will be updated, as appropriate, at the Executive Management Committee meeting on September 21, 2017. Status of relevant pending State legislation is monitored on the [Metro Government Relations Legislative Matrix](http://libraryarchives.metro.net/DB_Attachments/170908_Legislative%20Matrix..pdf) [<http://libraryarchives.metro.net/DB\\_Attachments/170908\\_Legislative%20Matrix..pdf>](http://libraryarchives.metro.net/DB_Attachments/170908_Legislative%20Matrix..pdf), which is updated monthly.

### **Cap and Trade**

The Legislature is considering proposals for the State's Cap and Trade program Expenditure Plan; specifically outlining funding for the Greenhouse Gas Reduction Fund (GGRF). Pursuant to Board direction, staff will continue to advocate in support of increasing funding for the transit categories under Cap and Trade. The Board supports seeking additional funding for the Gold Line Foothill Extension to Claremont as an eligible applicant for TIRCP funding. Staff testified in support of funding for this project and the doubling of cap and trade funding for transit under the LCTOP and TIRCP categories.

### **State Legislative Updates**

AB 468 (Santiago) - The California State Assembly approved Metro's Sponsored legislation, Assembly Bill 468 (Santiago), which would authorize Metro to issue prohibition orders. The bill now moves on to the Governor's desk for signature. This important legislation will be a tool that Metro will use to combat assaults on operators and ensure safety on Metro's system. Metro's System Security and Safety team have implemented a number of measures to enhance patron and bus operator safety, including improved technology on buses and trains, public awareness and strategic approach to law enforcement and safety, system-wide. Staff will keep the Board apprised of AB 468 (Santiago) and the impending action by the Governor.

AB 17 (Holden) - This bill creates a pilot program - using \$20 million to fund a low-income student transit pass program. Specifically, the pilot program will allow school districts and colleges to apply for a transit pass grant (administered by Caltrans) and work with local transit agencies to offer additional discounted/free passes to low-income students. Metro's Board adopted a Support position on this measure. It is currently being held in the Appropriations Committee and must be approved by September 1<sup>st</sup> to move forward.

AB 1069 (Low) - This legislation aims to reduce the burden of regulation for taxicab companies and drivers. This bill allows taxis to be regulated by specified county transportation agencies in the 10 largest counties in the state, and establishes specific consumer protections and regulatory flexibilities. The bill has recently been amended; we are analyzing the new language for impacts. Metro's Board adopted an Oppose position to the legislation. The bill will be heard in the Senate Appropriations Committee on August 28<sup>th</sup>.

## **California State Legislative Process Update**


The summer Recess concluded on August 18, 2017. The Legislature reconvened August 21, 2017 to consider legislation and the session ends September 15, 2017. The deadline for bills to be approved in the Appropriations Committees in each house is September 1, 2017.

### **Conclusion**

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

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