



Board Report

File #: 2018-0338, File Type: Informational Report

Agenda Number: 14.

EXECUTIVE MANAGEMENT COMMITTEE JUNE 21, 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, this is an update on a number of federal matters of interest to our agency. This report was prepared on June 6, 2018 and will be updated, as appropriate, at the Executive Management Committee meeting on June 21, 2018. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix](#), which is updated monthly.

Federal Grants for Fiscal Year 2018

As we noted in our report to the Board of Directors last month, Metro has applied for a number of federal grants this year - including a number of major INFRA grants. On Friday, June 8th, USDOT Secretary Elaine Chao will host an event at USDOT to announce the INFRA Grant Awards. We are pleased that Metro received one of two awards in the State of California totaling \$47 million for the I-5 Golden State Chokepoint Relief Program. This is welcomed news and we look forward to partnering with the Federal Government to deliver this important project. Additionally, thank you to all of the stakeholders that supported Metro in our pursuit of these Federal funds.

New Starts Update

We are encouraged by the support that the New Starts program is receiving from Congress as both chambers advance their Transportation-HUD Appropriations bills for Fiscal Year 2019. The House has approved their bill out of Committee and is awaiting consideration on the House floor. The bill provides similar formula funding as this current year and again provides a strong Capital Investment Grant Program (New Starts) funding level of \$2.6 billion. With regards to the BUILD (formerly

TIGER) grant program, the House bill provides \$750 million, down from \$1.5 billion in FY18. The Senate has also advanced their bill out of Committee with similar funding levels as the House bill. The Capital Investment Grant Program level is slightly lower than the House at \$2.55 billion. The Senate provides \$1 billion for the BUILD grant program. Additionally, Congress continues to include language in the bill report that directs the Secretary for USDOT to advance projects through the rating and review pipeline consistent with statutory law. We will continue to work closely with our Congressional delegation to advance Metro's priorities.

Update on U.S. Trade/Tariff Policies

As we noted to Board members last month, the Trump Administration had announced the implementation of tariffs on Chinese imports that could potential impact some of Metro's bus and rail car procurements.

As an update, the Administration at one point called off the tariffs in an announcement that a framework for trade discussions had been agreed upon. This announcement was quickly followed with another announcement that provided an update on the status of the tariffs and set a date of June 15th to finalize the list of covered imports. These actions do not commit the President to a timeframe for imposing these tariffs, but prepares the United States to impose the tariffs if the bilateral trade discussions fail. We will continue to monitor this issue closely and keep the Board informed of any decisions or impacts to Metro.

Conclusion

I look forward to expanding on this report at the Executive Management Committee meeting with any new developments that occur and would welcome answering any questions that you may have.

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

Chair Garcetti and members of the Executive Management Committee, this is an update on a number of the state matters of interest to our agency. This report was prepared on June 6, 2018 and will be updated, as appropriate, at the Executive Management Committee meeting on June 21, 2018. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix](#), which is updated monthly.

California State Legislative Process Update

The Senate and Assembly met the deadline for bills to be passed through the house of origin in the Legislature earlier this month. The Senate and Assembly worked to move bills through their respective houses before the deadline and concluded yesterday afternoon. The Budget Conference Committee concluded its work this week with consideration by both houses to take place shortly thereafter. In a previous legislative alert staff highlighted three budget issues which staff are working to advance.

The following provides an update on key measures and their status in the legislative process:

AB 1205 (Jones-Sawyer), Metro's sponsored legislation, would clarify provisions related to Metro's Small Business set-aside program and authorize Metro to implement a Medium Business Set-Aside Program. This legislation passed the Senate Transportation and Housing Committee and is now set to be heard in the Senate Third Reading File. A number of amendments are being considered to further clarify the provisions and the program structure. Staff is working closely with the author's office and Committee staff to ensure that the Board's priorities are included in the final version of the bill.

AB 2548 (Friedman), Metro's sponsored legislation, would authorize Metro to enact a county-wide Commuter Benefits Ordinance. This legislation passed the Assembly and is now double-referred to the Senate Committees on Transportation & Housing and Environmental Quality. The bill is set for consideration at the Senate Transportation and Housing Committee on June 12, 2018 and the Senate Environmental Quality Committee on June 20, 2018. Staff will be present at the Committees to testify in support of the legislation and will keep the Board apprised as the bill moves through the legislative process.

AB 1594 (Bloom), Metro's sponsored legislation, would clarify provisions in the PUC and Government Code related to Metro's Design-Build statute and would add the definition of passenger rapid transit, subways and heavy rail as authorized public-private partnership projects under this section. The bill will be scheduled to be heard in the Senate Governance and Finance Committee in the coming weeks. Staff is working with the author to ensure that Metro's Board priorities for streamlining project delivery methods are included in the final version of the legislation.

Governor Brown Signs Triple Position Bike Rack Legislation

Governor Jerry Brown signed legislation AB 3124, by Assembly Member Bloom, which authorizes the placement of three-position bike racks on 60-foot buses. This bill was sponsored by the California Transit Association and expands the authorization to install 3 position bike racks on 40 foot long buses which was sponsored by Metro. Staff worked with CTA and Assembly Member Bloom in advancing this legislation and see this legislation as a valuable tool for further enhancing the ability of our patrons to use bicycles as a first mile-last mile mobility solution.

Senate Bill 1 Transportation Funding Update

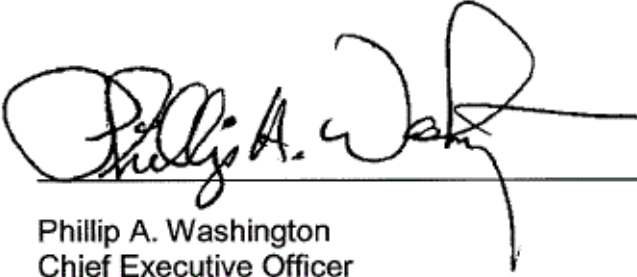
Proposition 69 passed in the California State June Primary election. This proposition as approved by California voters will protect recently enacted transportation funding and accountability measures authorized by SB 1 (Beall/Frazier). Metro's Board of Directors supported this constitutional amendment, and Proposition 69 pursuant to the 2018 Board-approved State Legislative Program. Staff will keep the Board apprised as the SB 1 repeal efforts continue to progress.

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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