



Metro

Board Report

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

File #: 2018-0434, **File Type:** Informational Report

Agenda Number: 48.

EXECUTIVE MANAGEMENT COMMITTEE JULY 19, 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 Kuehl 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 July 3, 2018 and will be updated, as appropriate, at the Executive Management Committee meeting on July 19, 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

The U.S. Department of Transportation has a number of Notices of Funding Opportunity (NOFO) for competitive grant funding. Among the active NOFOs is the TIGER Grant program which is funded at a record \$1.5 billion this year and the Bus and Bus Facilities Grant Program funded at \$336 million. With regards to the next round of INFRA Grants, the USDOT expects that NOFO to be released later this year.

Federal Fiscal Year 2019 Appropriations:

Staff is 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 of the DOT to advance New Starts 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 Board-approved priorities.

Trade/Tariffs

As we noted to Board members last month, the Trump Administration had announced the implementation of tariffs on imports from China that could potentially impact some of the bus and rail cars that Metro has purchased. Staff remains in close contact with our rolling stock contractors to monitor any potential impacts to our procurements.

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 Kuehl 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 July 3, 2018 and will be updated, as appropriate, at the Executive Management Committee meeting on July 19, 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 will commence the Summer Recess on July 21, 2018 for one month. Staff has worked to move Metro's sponsored legislation through the legislative process and will continue to provide regular updates to the Board.

California State FY 18-19 Budget Approved

Governor Jerry Brown signed the Fiscal Year 2018-19 State Budget and a number of trailer bills that allocated funding to transportation programs. The budget highlights include:

- An increase in projected funding for the State Transit Assistance program;
- Cap-and-Trade allocations of \$1.4 billion will provide transit funding through the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP); and
- Additional funding for the Low Carbon Transit Operations and Transit and Intercity Rail Capital Programs.

In addition to the increased spending on transportation, education, homelessness and housing, the budget includes an increase to the State's "rainy day" fund reserves.

California State Legislative Updates

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 was double-referred to the Senate Committees on Transportation & Housing and Environmental Quality. The bill was approved at the Senate Transportation and Housing Committee on June 12, 2018 and the Senate Environmental Quality Committee on June 20, 2018. The bill is now set to be heard in the Senate Third Reading File. The bill was amended on June 25, 2018 to clarify the Board's authority to adopt and revise the commuter benefits ordinance and to clarify reporting requirements.

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 was approved in the Senate Governance and Finance Committee and subsequently in the Senate Transportation and Housing Committee. 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.

Senate Bill 1 Repeal Update

The Secretary of State has assigned numbers to initiatives that are eligible to be placed on the ballot in November. The effort to repeal provisions of SB 1, the Road Repair and Accountability Act of 2017, has been assigned the number "Proposition 6." Staff will continue to keep the Board apprised on our agency's efforts to educate the public on SB 1 investments in Los Angeles County and Southern California. SB 1 provides new revenues that will be invested in transportation projects throughout the State. Pursuant to the Board-adopted 2018 State Legislative Program Goals, Metro will continue to oppose any efforts to repeal SB 1.

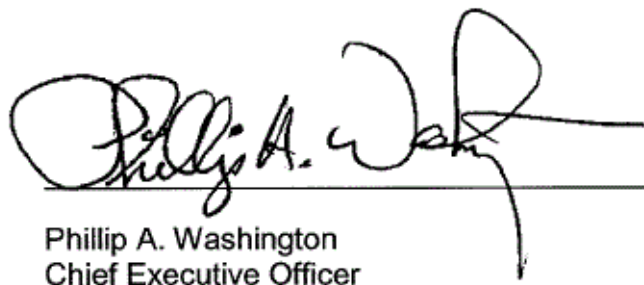
Conclusion

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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