

**Board Report**

File #: 2019-0041, **File Type:** Informational Report

Agenda Number:

**EXECUTIVE MANAGEMENT COMMITTEE
MARCH 21, 2019**

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, I am pleased to provide an update on a number of federal matters of interest to our agency. This report was prepared on March 1, 2019 and will be updated, as appropriate, at the Executive Management Committee meeting on March 21, 2019. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix](#), which is updated monthly.

2019 Federal Legislative Program Goals

I am pleased to share that we have conveyed our Board approved Federal Legislative Program to all members of the Los Angeles County Congressional Delegation.

Expedited Project Delivery

I am also pleased to share that we are exploring with Congress and the USDOT the prospects for our agency to participate in the FTA's Expedited Project Delivery Program. As we have previously shared, Metro shared a Letter of Interest for three of our transit projects to be considered for this new federal program.

Reauthorization/Trump Infrastructure Plan

As Congress kicks off the 116th Congress next month - it is an open question as to whether the Trump Administration - or Congress - will move forward with an ambitious infrastructure plan. As our CEO shared earlier this month before the Board - we do have a confluence of events occurring that may encourage both political parties to advance a meaningful infrastructure plan.

To ensure that we are not only prepared for a potential federal infrastructure plan - but ahead of the curve - our CEO has crafted a Rebuilding America initiative that seeks to build on several bi-partisan initiatives to pump new dollars into our nation's infrastructure system.

Please find at your desk a fact sheet that details the main principles underpinning the Rebuilding America initiative. We look forward to working to advance these ideas at the White House and the U.S. Capitol - in close cooperation with our Board members.

Federal Budget for Fiscal Year 2020

We anticipate the Trump Administration to release their Fiscal Year 2020 Budget this month. We will share the details of this budget with the Board without delay - specifically how its adoption would impact our agency.

INFRA Grants for Fiscal Year 2019

As we noted to Board members last month, Metro submitted two INFRA grant applications for the 57/60 Confluence Chokepoint project and the 105 ExpressLanes project.

We have - as we always do - engaged a broad array of stakeholders to ensure that our grant applications have the best opportunity of being approved by the USDOT.

Local Hire Pilot Program

Consistent with our suggested federal legislative program - we will continue to seek a productive dialogue with USDOT to urge them to restore the Local Hire Pilot Program in a manner consistent with their policy priorities.

Conclusion

Chair Kuehl - 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 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 March 7, 2019 and will be updated, as appropriate, at the Executive Management Committee meeting on March 21, 2019. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix](#), which is updated monthly.

California State Legislative Process Update

The California State Legislature is in the first year of the two-year legislative session. As of the bill introduction deadline of February 22, 2019 - over 2,600 bills have been introduced. The next major deadline is May 31, 2019 for each house of the Legislature to advance fully developed legislative proposals through its respective house. Many bills in their current form are "spot bills" that will be amended to include more substantial provisions before assignment to policy committees.

Staff will bring any relevant legislation that is advanced, to the Board for consideration of an appropriate position. Staff is also, daily reviewing all bills that are introduced in the 2019-2020 Legislative Session for impacts to the agency. Our process includes reviewing all introduced bills, identifying potential impacts to the agency, working with agency staff to review proposals and then bringing bills to the Board for consideration of a position if not otherwise outlined in our Board-approved State Legislative Program Goals. We will keep the Board apprised on key legislative actions in Sacramento as they develop.

State Legislative Proposals Update

The Governor has aggressive goals with respect to housing, homelessness, education and transportation. A number of proposals are under development and consideration in the State Legislature. Housing bills are at a pinnacle of discussion throughout the state - with all eyes on the legislature to provide a long-term solution to the housing shortage that the state is experiencing. One important aspect to consider is the state's objective in local decisionmaking with respect to land use, development and housing.

Legislation regarding the Sustainable Communities Strategy is also under development with SB 375 targets at the core. Senator Ben Allen has introduced legislation that would require that the Sustainable Communities Plan for the region be tied to housing production and planning efforts.

Other issues that continue to be points of discussion are the state's handling of Opportunity Zones, the Wayfair Decision implementation, SB 1 implementation and homelessness.

2019 State Legislative Program Goals

Staff has worked to communicate the Board's priorities as outlined in the 2019 State Legislative Program Goals. Staff has provided a number of updates, including to the district and Capitol office staff for the members of the State Senate and Assembly delegation. Metro staff was also invited to meet with members of the LA Caucus in Sacramento, where members were invited to hear updates and engage in discussion on Metro's strategic goals for the upcoming legislative session.

Special emphasis has been placed on establishing positive relationships with the newest members of our LA County delegation to advance Metro's priorities in the upcoming legislative session.

California Transportation Commission Update

The Regular Meeting of the CTC will be held at Metro Headquarters in the Board Room on March 13-14, 2019. The CTC will be considering a number of items, including receiving a quarterly update, provided by Caltrans, on SB 1 funded projects and programs in fulfillment of their oversight responsibilities. The CTC is mandated to review, on a quarterly basis the report including updates on:

- Solutions for Congested Corridors Program
- Trade Corridor Enhancement Program
- Local Partnership Program - Competitive Program
- State Highway Operation and Protection Program
- Active Transportation Program

This comprehensive update provides information on the programmed funding as well as project status updates for the projects funded from the respective SB 1 programs.

Staff is currently monitoring the CTC member vacancy issue and has communicated that Metro is a key partner in moving the state forward through transportation innovation, successful greenhouse gas reduction efforts and congestion reduction initiatives. The Commission currently has nine voting board members and only one is a resident of Los Angeles. Given the portion of the population residing in Los Angeles County, the importance of Los Angeles County in the state's transportation funding priorities should not be overlooked.

The CTC is hosting a number of upcoming workshops on specified programs:

- Tuesday, March 12, 2019 at 9:00 am (Metro Headquarters Building) - Workshop on Competitive Program Guidelines for the Trade Corridor Enhancement Program, Solutions for Congested Corridors, and Local Partnership Program
- Thursday, March 28, 2019 at 1:00 pm (Sacramento) - Workshop for Updates to the State Highway Operation and Protection Program (SHOPP) Guidelines

High Speed Rail Update

The Governor formally announced that he was restructuring the High Speed Rail Project to focus on completing the Central Valley segment. The California High Speed Rail Authority issued two letters to the Federal Railroad Administration in response to the Federal administration's threats to rescind \$3.5 billion in grants for the project. The FRA issued a notice of intent to terminate grants for the funding that includes moneys that have been spent on construction to-date. The notice outlined that the FRA believed that the state would not meet its 2022 deadline for the Central Valley segment of the HSR project.

Metro has long supported the completion of the High Speed Rail project, including important components of the book-end connectivity projects that are under development in Southern California. Link US is a critical connectivity and capacity enhancement project that was awarded over \$400 million in SB 1 funding. Staff has reached out to CalSTA to confirm that the funding from SB 1 is not at risk.

Pursuant to the motion approved by the Board at its February meeting, staff has been working with the Administration, CalSTA and the High Speed Rail Authority to ensure a path forward to secure the funding for LinkUS. It is anticipated that the long term future of the High Speed Rail project will continue to be deliberated in the balance of this year's legislative session. Pursuant to the Board motion, staff will continue to urge that the state maintain its investment in the Los Angeles region. It is important to continue coordination with our partner agencies in Southern California on a unified message that investments in our region are of paramount importance, despite the uncertainty of the project's fate.

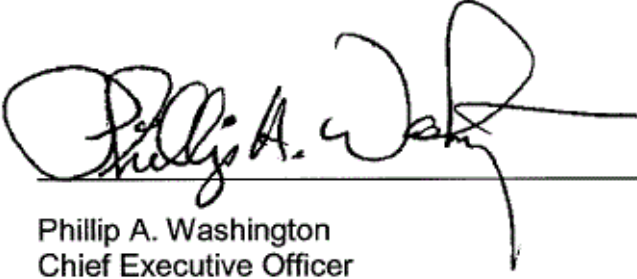
Conclusion

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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