

**Board Report**

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**EXECUTIVE MANAGEMENT COMMITTEE  
MAY 21, 2020****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE State and Federal Legislative Report.

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

Chair Butts and members of the Executive Management Committee, I am pleased to provide an update on several federal matters of interest to our agency. This report was prepared on May 7, 2020 and will be updated, as appropriate, at the Executive Management Committee meeting on May 21, 2020. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix](http://libraryarchives.metro.net/DB_Attachments/200515%20-%20May%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf) <[http://libraryarchives.metro.net/DB\\_Attachments/200515%20-%20May%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf](http://libraryarchives.metro.net/DB_Attachments/200515%20-%20May%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf)>, which is updated monthly.

**COVID-19 Pandemic - Federal Response**

In March, our agency - at the direction of our Chief Executive Officer - worked closely with the U.S. House of Representatives and the U.S. Senate as they worked to adopt The Coronavirus Aid, Relief, and Economic Security (CARES) Act. Specifically, for transit agencies nationwide, the bill is providing \$25 billion through sections 5307, 5311, 5337, and 5340 of title 49, United States Code. Metro is working with relevant federal authorities, including but not limited to, the U.S. Department of Transportation and members of the Los Angeles County Congressional Delegation, to ensure our agency takes all reasonable and prudent steps to allocate these important federal resources to their highest and best use in the midst of the COVID-19 pandemic.

Currently, the House of Representatives is not in session, but Speaker Pelosi has said she is working to introduce new legislation in the House that will build on the CARES Act and specifically aim to support states and municipalities. As this debate continues in Washington, DC, Metro is working closely with the large transit agencies in the United States and the American Public Transportation Association (APTA) to provide further information on impacts to agencies beyond what the CARES

Act provided. Metro believes that there is a role for the Federal Government to provide additional resources aimed at replenishing lost revenue and rebuilding our economy through infrastructure investment.

Finally, we want to express our thanks to all our regional and national partners - including APTA - who are continuing to work hard to represent the needs and efforts of the transit industry during the COVID-19 pandemic.

### **Goods Movement**

Consistent with Metro's Board-approved Federal Legislative agenda for 2020, our agency recently participated in the Coalition of America's Gateways and Trade Corridors (CAGTC) annual meeting this month. Metro is a member of CAGTC and was represented at this meeting by Metro's Senior Manager for Federal Affairs, Michael Davies, who is based in Washington, DC. The CAGTC annual meeting, normally held in Washington, DC, is a welcome opportunity to hear from experts in the field of freight and goods movement and learn more about the state of the industry. This year's annual meeting was minimized due to COVID-19, but CAGTC was able to receive a detailed briefing from budget expert, Jeff Davis of the ENO Foundation. Beyond the formal presentation, the member organizations had a positive discussion on how to prepare for policy opportunities that focus on stimulating the economy through infrastructure related investments. At present, CAGTC is aiming to embed their goods movement focused policy recommendations into the surface transportation reauthorization bill that will replace the FAST Act.

Metro's Board-approved Rebuilding America initiative would bolster federal goods movement programs in a number of diverse ways. First, it would provide a long-term authorization bill that would more accurately reflect the time it takes to plan and construct goods movement projects. Second, Rebuilding America would dramatically increase federal funding for goods movement projects by raising the federal gas tax. Third, Rebuilding America seeks to add a powerful new tool to finance goods movement projects through the America Fast Forward Transportation Bond program. Fourth, Rebuilding America explicitly seeks to restore the U.S. Department of Transportation's robust Projects of National and Regional Significance grant program - that was authorized initially in SAFETEA-LU - and which would offer robust funding to major goods movement projects. Finally, to ensure that goods movement construction projects have a qualified workforce to construct these very projects - the Rebuilding America initiative aims to enhance the Federal Government's support for workforce development programs. Metro looks forward to continuing our work with CAGTC and other key stakeholders to ensure that the next surface transportation authorization bill considered by the House, Senate and the White House includes strong goods movement provisions - with respect to both policy and funding levels.

### **Federal Grants**

We continue to aggressively advocate for a series of federal grants being sought by our agency. These grants - which range from the BUILD, INFRA, Bus and Bus Facilities, Low or No Emissions grant programs - among others - offer a diverse array of opportunities to secure federal funding to leverage Metro's local funding.

### **Local Hire Pilot Program**

As we have noted for the last year, the Board adopted a support position for the Build Local, Hire

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Local Act - introduced by Congresswoman Karen Bass (D-CA) and U.S. Senator Kirsten Gillibrand that would permit local hiring practices on federally funded transportation projects. We remain committed to working with Congress to reform current local hire prohibitions set by the Federal Government.

### **Conclusion**

Chair Butts - I look forward to expanding on this report at the Executive Management Committee meeting in May with any new developments that may occur over the next several weeks.

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

Chair Butts and members of the Executive Management Committee, I am pleased to provide an update on several state matters of interest to our agency. This report was prepared on May 7, 2020 and will be updated, as appropriate, at the Executive Management Committee meeting on May 21, 2020. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB\\_Attachments/200515%20-%20May%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/200515%20-%20May%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

### **California State Legislative Process Update**

The California State Legislature concluded its recess on May 4, 2020. The Senate and Assembly have each published new revised legislative calendars and deadlines to accommodate a shortened legislative session. Policy and fiscal committees will proceed to meet as scheduled, hearing a limited number of bills. Committee hearings are being held in larger committee rooms or on the Assembly or Senate floor with members and the public adhering to strict social-distancing measures at the Capitol building.

### **Department of Finance - May Fiscal Update**

The California Department of Finance (DOF) issued a Fiscal Update in advance of the scheduled May Revision to the state's budget. The document outlines a new May Revision forecast - projecting that the state will see a \$54 billion deficit in the next year. Declines in new housing development and dramatic reductions to personal income tax revenues will have an immediate impact on California's fiscal condition. The DOF report also outlines how this recession compares to the prior Great Recession. Sales and use taxes are forecasted to drop by 27.2 percent with personal income taxes seeing a 25.5 percent reduction in the next fiscal year. These steep declines translate directly to General Fund revenue declines by over \$40 billion below January 2020 projections. The new revenue projections are a strong indicator that the state will rely on the federal government for continued stimulus and recovery funds to spur economic recovery as the state and local governments respond to COVID-19.

### **COVID-19 Industry Guidance for Public Transit and Intercity Passenger Rail**

On Thursday, May 7, 2020 - the California Department of Public health, CalSTA, and Cal-OSHA issued a COVID-19 Industry Guidance document for public transit and intercity passenger rail service providers. The document outlines guidance for public transit agencies and intercity rail operators for employees and patrons to implement in on-going operations and service. Through coordination with

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CalSTA, various elements of Metro's established best practices that have been implemented in response to COVID-19 were incorporated in the development of the guidance.

**COVID-19 Response and Outreach to Los Angeles State Senate and Assembly Delegation**

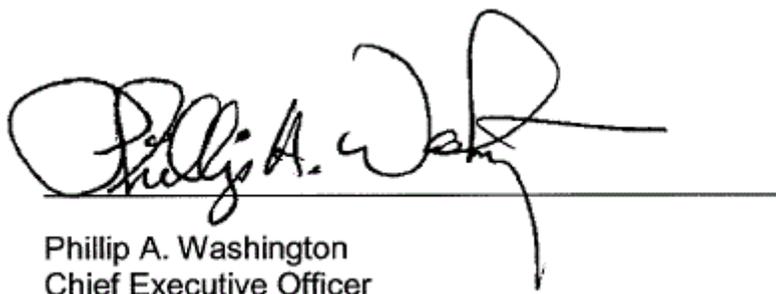
Staff will continue to provide on-going updates to the State Senate and Assembly legislative delegation regarding Metro's response to COVID-19 and recovery efforts. Staff is also working with a coalition of transit agencies through the California Transit Association to advocate for the state to prioritize stimulus efforts that support transportation infrastructure and public transit to spur economic recovery.

**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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