

**Board Report**

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**EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2020****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE October 2020 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 several federal matters of interest to our agency. This report was prepared on September 18, 2020 and will be updated, as appropriate, at the Executive Management Committee meeting on October 15, 2020. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/201002_10%20-%20October%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/201002_10%20-%20October%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

Federal Emergency Funding Package

Since Congressional and White House agreement on the CARES Act in March, negotiations on additional federal assistance related to COVID-19 remain at a standstill - though recently have shown signs of progress. Several compromise plans have been floated by congressional stakeholders recently - including a proposal issued earlier this week by the Congressional Problem Solvers Caucus, but a path forward remains uncertain. Metro will continue to advocate for direct funding to transportation agencies in any COVID-19 package advanced by Congress.

Surface Transportation Reauthorization

On June 4, 2020, Chair Peter DeFazio (D-OR) of the House Transportation and Infrastructure Committee introduced H.R. 7095 (Now H.R.2) - Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act. The five-year reauthorization bill would replace the FAST Act, which is set to expire in a matter of days - on September 30, 2020. The INVEST in

America Act contains many of Metro's Board-approved federal priorities, such as a new freight funding program that is aimed at mega-projects. This new program brings back to life the Projects of National and Regional Significance grant program that was originally authorized under SAFETEA-LU. The bill streamlines the Federal Transit Administration's (FTA) Capital Investment Grant Program by speeding approval of projects that seek less than 60% federal funding. Also included in the proposed bill are changes to incentivize more domestic manufacturing of railcars and buses. Lastly, the bill invests in frontline transportation workforce training and brings back the Local Hire Pilot Program that Metro worked with the Obama Administration and Congresswoman Karen Bass to create. The Metro Board approved a SUPPORT position for the bill during the June Board Meeting and a letter from our CEO indicating the agency's support was sent to Chairman Peter DeFazio (D-OR) and the Los Angeles County Congressional Delegation.

The INVEST in America Act was incorporated into a larger infrastructure package - The Moving Forward Act - which passed through the House of Representatives and is awaiting action by the U.S. Senate. While the Senate Committee on Environment and Public Works has approved their highway portion of a five-year reauthorization bill, the other committees of jurisdiction have taken no action to complete their portions including transit and rail titles.

Given the limited number of working days in both the Senate and House before the expiration of the current surface transportation bill - The FAST Act, Congressional leaders from the House and Senate have signaled that a one-year extension to the FAST Act will be the likely direction forward prior to September 30, 2020.

Federal Fiscal Year 2021 Spending Bills

On July 14, 2020, the House Committee on Appropriations approved the FY21 Transportation - HUD Appropriations Bill which increases net discretionary funding for the U.S. Department of Transportation by 2.2%. The bill then also has another \$25 billion in emergency relief funding that includes line items such as \$5 billion for FTA's Capital Investment Grant program to assist new projects as well as under-construction projects with FFGA's that are being negatively impacted by the COVID-19 pandemic. The full House approved the THUD bill at the end of July before leaving Washington for August Recess.

However, the Senate has not started their FY21 Appropriations process due to the fact that agreements between Senate leadership could not be reached on a range of matters - including the top line funding figures. At present, the White House and Congress have general agreement to approve a short-term Continuing Resolution to fund all government agencies at FY20 funding levels through mid-December.

Conclusion

Chair Garcetti - I look forward to expanding on this report at the Executive Management Committee meeting 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 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 October 1, 2020 and will be updated, as appropriate, at the Executive Management Committee meeting on October 22, 2020. Status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <http://libraryarchives.metro.net/DB_Attachments/201002_10%20-%20October%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](http://libraryarchives.metro.net/DB_Attachments/201002_10%20-%20October%202020%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

California State Legislative Process Update

The California State Legislature concluded its shortened legislative session on August 31, 2020. The Governor had a bill signing deadline of September 30th to act on legislation that was passed by the Legislature in this session. The Legislature passed 428 bills (137 Senate bills and 291 Assembly bills) this year for the Governor to consider for signature. The Governor signed a total of 372 bills into law, vetoing 56 - which is a 13 percent veto rate. In contrast to last year, Governor Newsom signed over 1,000 bills into law and vetoed 16.5 percent of those bills. While the legislature is in recess until December, Metro's Government Relations Staff is working to prepare the agency's next legislative program for Board consideration and is working to brief members of the Los Angeles County legislative delegation on activities at the agency.

California State Legislative Updates on CEQA Bills

Two key CEQA streamlining proposals were approved by the Legislature this year. Senate Bill 757 (Allen/Atkins), a Metro-sponsored measure, and Senate Bill 288 (Wiener) were approved and moved to the Governor for signature.

Senate Bill 757 (Allen/Atkins), a Metro-sponsored measure which would have granted the AB 900 (2011) shortened CEQA litigation period to key environmental leadership transit projects, was vetoed by Governor Newsom yesterday evening. SB 757 contained a provision that tied its implementation to the passage of Senate Bill 995 (Atkins), a bill that would have extended the sunset provision for the AB 900 process. Because SB 995 did not meet the legislative deadline for passage, even if SB 757 had been signed, it would not have taken effect.

Staff would like to thank the Board for their continued leadership and support throughout this year's legislative session. Pursuant to the Board-approved goals to seek ways to streamline CEQA to accelerate key transit projects, staff will work with the members of the legislature and leadership on legislation in the next session that will accomplish the objectives of SB 757.

Governor Gavin Newsom signed SB 288 (Wiener) into law, just before the September 30th signing deadline on September 28, 2020. SB 288 (Wiener) includes provisions to expand statutory CEQA

exemptions for key active transportation, bus rapid transit and other capital projects and will become law on January 1st, 2021. Senator Wiener released a statement following the bill signing, which emphasized the bill's potential for reducing carbon emissions by accelerating sustainable transportation projects. The bill was signed as a part of a package of 15 bills aimed at increasing housing production and tackling the state's affordability crisis. Metro staff thanks the Board for their leadership and direction in pursuing and supporting CEQA streamlining to advance Metro's projects and programs.

California Economic Update

The California Department of Finance issued its economic update in September 2020 showing that California state budget projections are being exceeded overall. The sales tax revenues are 34.9 percent above initial budget projections - showing an additional \$1.176 billion in the first two months of the fiscal year. The total cash collections statewide in the March - August period were only down by 5 percent as compared to 2019. The Legislative Analyst's Office also issued an update that shows that we are \$4.8 billion over the forecast overall in the first two months of the fiscal year and are hopeful looking into the upcoming fiscal year's budget.

Governor Newsom Issues Executive Order Phasing Out Sales of New Gasoline-Powered Cars by 2035

As a part of the state's Climate Week, Governor Gavin Newsom signed a new executive order pushing forward the goal that 100% of in-state sales of new passenger cars be zero-emission by 2035. The order also mandates that medium- and heavy-duty truck operations will be zero-emission by 2045, where feasible. The California Air Resources Board is charged with developing new statewide regulations that will accomplish these goals.

The order also tasks a trio of state agencies with identifying actions and investment strategies by July 2021 to improve clean transportation, sustainable freight, and transit options, including building towards an integrated statewide rail and transit network, as well as supporting active transportation and micro-mobility options, and supporting light, medium, and heavy duty zero-emission vehicles and infrastructure as part of larger transportation projects. Metro continues to work with our partners in the state legislature and administration to identify new resources and strategies for meeting and accelerating our goal of transitioning to a fully zero-emission bus fleet by 2030.

LA County Delegation Engagement

Metro Government Relations staff held a sub-regional briefing for representatives of the San Fernando Valley in September, in order to update state, and federal offices on the status of key Metro projects and programs and the agency response to COVID-19. Staff briefed the offices on the Metro projects and programs that are currently underway in the San Fernando Valley. Historically, these briefings are held in-person, in order to have both an opportunity to brief staff from elected offices, as well as to hear comments and concerns directly from their constituents. Due to current measures in

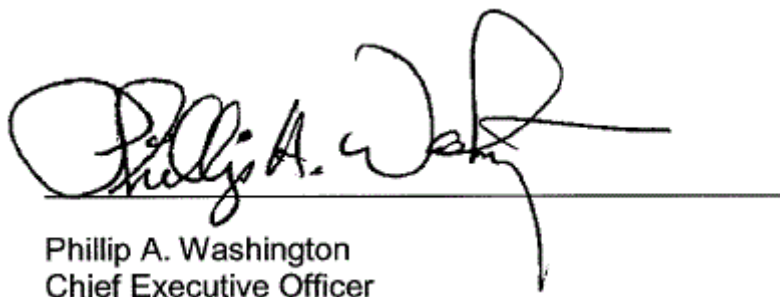
place statewide and nationwide - Government Relations staff has moved to a virtual model - hosting the updates via an online video meeting platform. These briefings, as well as district-specific briefings, will continue on a regular basis to ensure that the members of the LA delegation have access to Metro's most up-to-date project and program information on a regular basis.

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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