

Board Report

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

Agenda Number: 45.

EXECUTIVE MANAGEMENT COMMITTEEJUNE 16, 2022

SUBJECT: STATE AND FEDERAL REPORT

File #: 2022-0381, File Type: Informational Report

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE June 2022 State and Federal Legislative Report.

DISCUSSION

Executive Management Committee Remarks Prepared by Raffi Haig Hamparian Government Relations Senior Director, Federal Affairs

Chair Solis and members of the Executive Management Committee, I am pleased to provide an update on a number of key federal matters of interest to our agency. This report was prepared on June 1, 2022, and will be updated, as appropriate, at the Executive Management Committee meeting on June 16, 2022. Status of relevant pending legislation is monitored on the Metro Government Relations Legislative Matrix Metro Government Relations Legislative Matrix http://libraryarchives.metro.net/DB Attachments/220602%20-%20LA%20Metro %20Legislative %20Matrix.pdf, updated monthly.

Federal Earmarks:

Consistent with the rules and guidelines laid out by both the House and Senate Appropriations Committees - Metro has concluded our work with members of the Los Angeles County Congressional Delegation related to earmark requests for the Federal Fiscal Year 2023 spending bill. Now, members of the House and Senate have posted their earmark requests - which include several key Metrorelated projects, including but not limited to the West Santa Ana Branch Corridor Transit Project, the Vermont Transit Corridor, our SEED School and a number of other key projects and programs. We look forward to tracking the earmark process for the balance of the Federal Fiscal Year.

FTA Allocation of Federal Fiscal Year 2021 Funds:

I am pleased to share that the Federal Transit Administration (FTA) allocated \$100 million for the East San Fernando Valley Transit Corridor Project late last month. This is welcome news and a credit to our agency's innovative and bold efforts as it relates to the FTA's Expedited Project Delivery Pilot

Program. At the same time, we received an allocation of over \$290 million for our Westside Purple Line Section Project (sections 1, 2 and 3). We look forward to continuing our strong and enduring partnership with the FTA on all of our federal funded projects.

Infrastructure Investment and Jobs Act

Thanks to the hard work of many Metro professional staff members - led by our Planning Department - Metro is submitting a number of grant requests with the U.S. Department of Transportation. Last month, our agency submitted a \$400 million federal grant request for the WSAB Transit Corridor Project and a \$45 million federal grant request for the I-105 ExpressLanes Project. In addition, last month we also submitted a \$104 million federal grant request for electric buses and electric charging infrastructure operating out of Metro Divisions 9 and 18.

We are grateful for the strong support members of the Los Angeles County Congressional Delegation have provided for our federal grant requests and strong support from our Metro Board members and key labor, business, and community groups across our county. As is our standard practice, we will keep the Board closely informed as the Biden Administration moves forward on BIL-related funding opportunities.

Congressional Competitiveness and Innovation Bills:

Metro continues to work with a wide array of federal stakeholders to ensure that the conference committee considering the pending competitiveness and innovation bills in Congress can support our Center for Transportation Excellence initiative. We are grateful to members of the Los Angeles County Congressional Delegation - including Congresswoman Grace Napolitano (D-CA) and U.S. Senator Alex Padilla (D-CA) among others - for backing our work to ensure that this measure - if signed into law by the President - can serve to support our Center for Transportation Excellence initiative to manufacture rolling stock (bus and rail) in Los Angeles County. Earlier this year, a group of Los Angeles delegation members led by Congresswoman Napolitano sent a letter to Congressional leadership expressing support for provisions in the bill that could provide significant federal funding opportunities for Metro to pursue to move the Center for Transportation Excellence forward.

Justice40 Initiative:

As I emphasized last month, Metro continues to closely track the Federal Transit Administration's ongoing work in updating their guidelines for the Capital Investment Grant (CIG) program - with a keen eye on including the aims of the Administration's Justice40 initiative. Metro believes many of our mobility enhancing projects - especially the West Santa Ana Branch Transit Corridor Project - will significantly benefit from having the CIG program modified to reflect the goals of the Justice40 initiative. More broadly, we are eagerly anticipating the Office of Management and Budget's release

of guidance on the Justice40 initiative. Once that occurs - we will promptly inform the Board of how this guidance will impact our ability to secure federal funds for our projects and programs.

Conclusion:

Chair Solis - I look forward to expanding on this report at the Executive Management Committee meeting slated for June 16, 2022, with any new developments over the next several weeks.

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

Chair Solis 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 May 27, 2022 and will be updated, as appropriate, at the Executive Management Committee meeting on June 16, 2022. The status of relevant pending legislation is monitored on the Metro Government Relations Legislative Matrix http://libraryarchives.metro.net/DB Attachments/220602%20-%20June% 202022%20-%20LA%20Metro%20Legislative%20Matrix.pdf, updated monthly.

State Budget Update

The deadline for the state legislature to pass a budget for the next fiscal year is approaching on June 15th. On May 13th, Governor Newsom issued his May Revision to the State Budget proposal. The proposal includes the same elements of his transportation proposal from January, including \$1.5 billion for transit projects and \$1.2 billion for Southern California mobility projects. The proposal continues funding recommendations for active transportation, grade separation, and freight projects amongst other categories. It also continues his plan to allocate over \$700 million in funding to support zero-fare programs as part of an inflation relief program. Assemblymember Holden is also moving AB 1919, which could create an ongoing grant program to support reduced fares.

The Senate issued a budget proposal that would allocate \$20 billion over four years but years three and four would be subject to appropriation in those years. The Assembly is continuing to discuss its budget proposal, which could be issued shortly. Budget subcommittees in both the Assembly and Senate wrapped their hearings the third week of May.

The Senate proposal includes the following elements:

- \$13.8 billion over four years for transit infrastructure, including \$ 2 billion for grade separation projects. This funding would be split between northern and southern California.
- \$2.9 billion over four years for climate investments, including \$2 billion for active transportation.
- \$2.1 billion over four years for freight and workforce investments

- \$1.25 billion over four years for congestion mitigation and bridge repair and replacement.

On May 25th, CEO Stephanie Wiggins was joined in Sacramento by Director James T. Butts, Gateway Cities Council of Governments Director Nancy Pfeffer, as well as representatives from Directors Solis and Dutra, to advocate for the Board-endorsed Golden Opportunity Package. The delegation held meetings in the Governor's office and in the office of the Senate Pro Tempore. Feedback from these meetings was very positive regarding Metro's proposal for investment in transportation infrastructure in the face of a historic surplus totaling nearly \$100 billion.

The group was also able to meet and speak with Speaker Rendon, as well as Assembly Members Holden, Rubio, Carrillo, Bryan, Nazarian, and Bloom. Additionally, the group was also able to spend time with Senators Kamlager, Allen, Durazo, and Gonzalez, as well as Senator Cortese from the Bay Area. Metro remains hopeful that the momentum is building for a robust transportation budget and that the legislature can reach an agreement by the June 15th budget deadline.

Sponsored Bills Update

On May 12th, AB 2039 by Assemblymember Luz Rivas (D - Arleta) passed a major milestone in the legislative process as the Assembly voted 57-0 to advance the bill to the Senate. AB 2039 would allow Metro to utilize job order contracting as a project delivery method, similar to an authority that exists at other public agencies. Job order contracting allows for a more efficient procurement process and will enable Metro to rapidly and efficiently address smaller construction projects at Metro properties.

On May 24th, AB 2271 by Assemblymember Mike Gipson (D- Carson) passed the State Assembly on a vote of 65-0. AB 2271, as directed by the Board, would allow Metro to exercise local business preferences in competitive low-bid contracting. This program would complement already existing preference programs such as the Disadvantaged Business Enterprise (DBE), Small Business Enterprise/Disabled Veterans Business Enterprise (SBE/DVBE) programs, the Medium-Size Business Enterprise (MSZ) and Small Business Prime (Set-Aside) programs. As we begin to recover from the pandemic, Metro believes that AB 2271 would strengthen the local economy and maximize contracting opportunities that increase the capacity and growth of local small and historically underutilized businesses within the communities where our transportation projects are built.

Metro is a co-sponsor of two additional bills. The first is SB 922 by Senator Scott Wiener (D- San Francisco). SB 922 would extend and improve upon Senator Wiener's previous legislation (SB 288 from 2020, which will sunset on January 1st of next year) to expedite active transportation, light rail, and bus rapid transit projects by exempting these environmentally sustainable projects from CEQA, helping accelerate climate-friendly projects in the state. Specifically, this bill will help Metro accelerate work related to our Bus Rapid Transit (BRT) projects and charging facilities for zero emission bus conversion. Metro provided lead witness testimony at the hearing in support of the measure. The bill passed the Senate on May 16th and is awaiting a committee assignment in the Assembly.

Finally, Metro is also a co-sponsor of SB 1161 by Senator Dave Min (D- Irvine). The bill would require

certain transit districts in the state to develop and implement initiatives to combat street harassment of those traveling on public transit and consider the safety concerns and needs of these persons by gender when planning, designing, and operating their systems. This bill passed the Senate on May 25th and is awaiting a committee assignment in the Assembly.

Project Briefings and Statewide Coordination

Metro Government Relations staff continues to host virtual legislative roundtable briefings to update state and federal offices on the status of key Metro projects and programs and the agency response to the pandemic. These briefings are both an opportunity to brief staff from elected offices and hear comments and concerns directly from their constituents. The legislative roundtables and district-specific briefings will continue on a regular basis virtually to ensure that the members of the LA delegation have access to Metro's most up-to-date project and program information.

State Equity Analysis

Both of Metro's primary sponsored bills help advance Metro's work to address equity by expanding business opportunities to local small businesses in Los Angeles County. Government Relations will continue to work with the Office of Equity and Race in reviewing legislation introduced in Sacramento to address any equity issues in proposed bills.

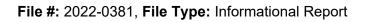
Conclusion

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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Chief Executive Officer



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