



Metro

Board Report

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

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EXECUTIVE MANAGEMENT COMMITTEE FEBRUARY 15, 2024

SUBJECT: STATE AND FEDERAL REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE February 2024 State and Federal Legislative Report.

DISCUSSION

Remarks Prepared by Raffi Haig Hamparian Government Relations, Deputy Executive Officer: Federal Affairs

Chair Bass and members of the Executive Management Committee, I am pleased to provide an update on several key federal matters of interest to our agency. This report was prepared on January 26, 2024, and will be updated, as appropriate, at the Executive Management Committee meeting on February 15, 2024. The status of relevant pending legislation is monitored monthly on the [Metro Government Relations Legislative Matrix](https://libraryarchives.metro.net/DB_Attachments/240209%20-%20February%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf).
<https://libraryarchives.metro.net/DB_Attachments/240209%20-%20February%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf>

Federal Government - Funding Bill Status

As was reported to the Board last month, Metro continues to track the status of federal spending bills - because any shutdown of the Federal Government would have an adverse impact on the U.S. Department of Transportation (USDOT) and especially the Federal Transit Administration (FTA) - which is - in part - dependent on Congressional passage of annual appropriations bills. This, in turn, would negatively impact the free flow of federal transportation dollars to our agency.

At present, the funding extension provided by Congress late last year for the federal transportation spending bill is slated to expire on March 1, 2024. Should Congress and the President be unable to reach an accord on this spending bill - along with others - the USDOT will have to enact steps that will reduce the flow of federal dollars to our agency. However, should Congress be able to agree on a funding bill for transportation projects and programs that honors the spending levels agreed to in the Bipartisan Infrastructure Law - Metro can expect to

receive the following funding for a number of our transit capital projects - including \$478 million for the Westside Purple Line Extension Section 3, \$165 million for the Westside Purple Line Extension Section 2 Project and \$166 million for the East San Fernando Valley Transit Corridor Project.

Again - as reported last month - in addition to this funding for our transit projects in the FTA's Capital Investment Grant Program (CIG) - our agency would also receive funding from several federal formula programs - that deliver more than \$600 million to our agency on an annual basis - should Congress adopt a fully funded transportation spending measure.

Consistent with our standard practice, we will continue encouraging Los Angeles County Congressional Delegation members to support appropriations legislation that will keep federal transportation dollars flowing to our agency.

Los Angeles County Congressional Delegation

Our Government Relations team continues to stay in close touch with members of the Los Angeles County Congressional Delegation (and other federal officials) to ensure that our agency is providing timely and accurate information on Metro's projects and programs in their respective districts - and, more broadly - our efforts to enhance mobility and equity for the 10 million people who live in Los Angeles County. Throughout 2024, we will be having regular briefings with federal staffers working in the Capitol Hill and District offices for members of the Los Angeles County Delegation.

Transit Operator Safety

Metro looks forward to responding to the FTA's Safety Directive notice published in the Federal Register late last year regarding transit operator safety matters. The deadline for submitting comments to the FTA in response to their Federal Register notice is February 20, 2024 - a deadline our agency will meet. We look forward to working with the FTA and Los Angeles County Congressional Delegation members to explore ways to enhance transit operator safety. Many federal officials are aware of the serious nature of attacks on transit operators - highlighted by an Urban Institute report (based on data from the National Transit Database) that transit operator assaults tripled from 2008 - 2022. We will keep the Board apprised of our work on this important matter.

Capital Investment Grant Program-Justice40

Consistent with our Board-approved Federal Legislative Program - Metro has continued to work with the USDOT - and the FTA in particular - to ensure that future updates to the CIG program include the Justice40 Initiative. As I have noted, our CEO authored a letter thanking U.S. Secretary of Transportation Pete Buttigieg and FTA Administrator Nuria Fernandez for their continued work updating CIG guidelines - with an eye on Justice40.

As we shared with the Board last month, Metro's government relations team is in the process of engaging with the FTA on how our projects - like the newly renamed Southeast Gateway Line - can serve as a template for the FTA as they update the Capital Investment Grant program's guidance document.

U.S. Department of Transportation/2028 Olympic and Paralympic Games

Last month, Metro was pleased to host a delegation of USDOT officials to discuss our growing partnership related to the upcoming 2028 Olympic and Paralympic Games. The USDOT delegation was led by Christopher Coes, the USDOT's Assistant Secretary for Transportation Policy. We welcomed the opportunity to showcase the work we are doing - in concert with a variety of valued partners - to ensure that the mobility for the 2028 Olympic and Paralympic is world class and that the Games leave a mobility-enhancing legacy for all Los Angeles County residents - especially those living in disadvantaged communities.

Federal Transportation Grants

Metro seeks \$139 million through the Reconnecting Communities and Neighborhood Grant Program for Metro's Removing Barriers by Creating Legacy - A Multimodal Approach for Los Angeles County. This Project will enhance and expand affordable, equitable, and safe multi-modal connections through investments into bikeshare, bus only lanes, first/last mile improvements, and mobility hubs throughout LA County.

Metro is also seeking Reconnecting Communities grants for two other 710-related grant applications - one for the Humphries Avenue Crossing Project and the other for Long Beach to East LA: Reconnecting the I-710 Divide Project.

As we always do with our federal grant requests - we will work closely with members of the LA County Congressional Delegation - to solicit their support for our pending and future grant applications.

Conclusion:

Staff will expand on this report at the Executive Management Committee meeting with any new developments over the next several weeks.

State Remarks Prepared by Madeleine Moore Deputy Executive Officer, Government Relations

Chair Bass 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 January 30, 2024, and will be updated, as appropriate, at the Executive Management Committee meeting on February 15, 2024. The status of relevant pending legislation is monitored monthly on the [Metro Government Relations Legislative Matrix](https://libraryarchives.metro.net/DB_Attachments/240209%20-%20February%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf).
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Budget Update

Last month, Governor Gavin Newsom released his budget proposal for the upcoming fiscal year as

the State faces a projected \$37.9 billion budget deficit. The Governor's proposal includes maintaining \$13.6 billion of the \$13.8 billion in transportation spending from the 2022 Budget Act. The reduction is primarily the result of a proposed \$200 million cut to the Active Transportation Program. The Governor has proposed a delay of \$1 billion of formula TIRCP funds to fiscal year 2025-26 while keeping \$1 billion for this program in 2024-25. Additionally, the budget proposal includes delays in funding for competitive TIRCP cycles to align with expenditure schedules and shifting certain transportation funds from the general fund to the Greenhouse Gas Reduction Fund. There are no programmatic impacts to either of these two proposals. There is also no proposed change to the \$1.1 billion for the Zero Emission Transit Capital Program.

Metro remains committed to advocating for the remaining TIRCP and ZETCP funds from last year's budget agreement to be allocated this year. The legislature held its first informational budget hearings for the year in January. These hearings featured the first chaired by Assemblymember Jesse Gabriel (D - Encino) on the Assembly side. Committees will continue to meet throughout the winter and spring. However, the next major milestone in the budget process will occur in May with the release of the Governor's May Revision, which considers actual revenues. Metro will remain engaged with the process until then, with regular communication and visits to Sacramento to advocate for maintaining the proposed spending levels.

Legislative Update - Sponsored and Supported Bills

As outlined in the Board-approved 2024 state legislative program, Metro is pursuing sponsored ethics-related legislation this session to align Metro with other agencies for proper benchmarking and permit more efficient business practices.

Metro-supported two-year bills continue to move through the legislative process. Last month, the Assembly Local Government Committee, chaired by Asm. Juan Carrillo (D - Palmdale) heard and subsequently passed AB 817 by Asm. Blanca Pacheco (D - Downey) on a vote of 8-0. AB 817, formally supported by Metro, would allow non-decision-making subsidiary bodies, such as Metro's citizen advisory groups, to utilize teleconferencing as a meeting venue. During the committee, the author accepted amendments that would add a sunset of January 1, 2026, to the bill to align its schedule with SB 544, a bill from last year with similar provisions. On January 25, the bill passed the Assembly and is now awaiting referral to the Senate Rules Committee.

Metro also continues to support AB 761, a two-year bill by Asm. Laura Friedman (D - Glendale) that seeks to extend the available Enhanced Infrastructure Financing District (EIFD) tax increment period from 45 years to 75 years for districts intended to fund zero-emission LA Metro transit projects with federal financing through Transportation Infrastructure Finance and Innovation Act (TIFIA) loans. This bill is awaiting committee referral in the Senate.

At the time of this writing, legislators are slowly introducing new bills for the second year of the 2023-24 legislative session. At the time of the February board committee, staff will have a clearer understanding of how many bills have been introduced and which may impact Metro's programs and projects. The bill introduction deadline is February 16.

LA County Legislative Delegation Engagement

On January 30, Metro staff held a subregional briefing for offices in the Gateway Cities region, where elected officials' staff heard updates on several projects in their districts, including an update on the newly-renamed Southeast Gateway Line. The Government Relations department continues to prioritize robust engagement with our local legislative representation in Sacramento through briefings, tours, and in-person visits to the Capitol.

State Equity Analysis

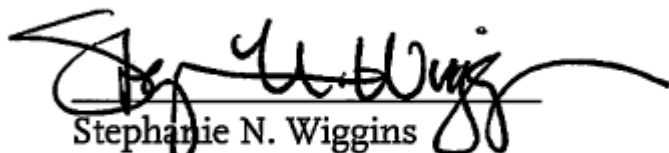
Government Relations will continue to work with the Office of Civil Rights, Racial Equity, and Inclusion in reviewing legislation introduced in Sacramento to address any equity issues in proposed bills and the budget process.

Conclusion

Staff will expand on this report at the Executive Management Committee meeting with any new developments over the next several weeks.

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