

**Board Report**

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**EXECUTIVE MANAGEMENT COMMITTEE
MARCH 21, 2024****SUBJECT: STATE AND FEDERAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE March 2024 State and Federal Legislative Report.

DISCUSSION**Executive Management Committee
Remarks Prepared by Raffi Haig Hamparian
Government Relations, Deputy Executive Officer**

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 February 23, 2024, and will be updated, as appropriate, at the Executive Management Committee meeting on March 21, 2024. The status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix](https://libraryarchives.metro.net/DB_Attachments/240315%20-%20March%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf) [\(<https://libraryarchives.metro.net/DB_Attachments/240315%20-%20March%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](https://libraryarchives.metro.net/DB_Attachments/240315%20-%20March%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf)), updated monthly.

Federal Government - Funding Bill Status

Metro continues to closely 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 have a negative impact on 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, the USDOT will have to enact steps that will reduce the flow of federal dollars to our agency. As of the writing of this federal update language on the final transportation spending measure was being finalized by House appropriators.

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.

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.

Los Angeles County Congressional Delegation

Our Government Relations team remains in close contact with professional staffers working for members of the Los Angeles County Congressional Delegation to ensure the free and accurate flow of information on Metro-related projects and initiatives. The communication includes staff members operating out of Capitol Hill offices in Washington, DC, and congressional aides working out of the respective district offices maintained by members of the Los Angeles County Congressional Delegation.

Transit Operator Safety

Metro continues exploring ways to work with the Los Angeles County Congressional Delegation to enhance transit operator safety. The Urban Institute (based on data from the National Transit Database) has issued a report that transit operator assaults tripled from 2008 to 2022. Given this sobering fact, we will continue to keep the Board apprised of our work on this important matter, including specific actions we can take in partnership with members of the Los Angeles County Congressional District.

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

Every week the agency, in cooperation with LA28, is working to ensure that we further strengthen our working partnership with the USDOT related to federal support for the upcoming 2028 Olympic and Paralympic Games.

Federal Transportation Grants

Metro was pleased when the U.S. Department of Transportation recently issued a Notice of Funding Opportunity (NOFO) that included \$1.5 billion in bus grants through both the Bus and Bus Facilities and Low-No Emissions Grant Programs. Our Planning department's staff is reviewing this NOFO to ensure we can put forward the best grant application to compete for these federal funds.

At the same time, the USDOT continues to move forward with other grant opportunities made possible by the Bipartisan Infrastructure Law. Likewise, we remain engaged with the Environmental Protection Agency, which is making grant opportunities available through the Inflation Reduction Act.

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

Chair Bass and committee members, I look forward to expanding on this report at the Executive

Management Committee meeting slated for March 21, 2024, with any new developments that may occur over the next several weeks.

**Executive Management Committee
Remarks Prepared by Madeleine Moore
Government Relations, Deputy Executive Officer**

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 February 23, 2024, and will be updated, as appropriate, at the Executive Management Committee meeting on March 21, 2024. The status of relevant pending legislation is monitored monthly on the [Metro Government Relations Legislative Matrix](https://libraryarchives.metro.net/DB_Attachments/240315%20-%20March%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf).
<https://libraryarchives.metro.net/DB_Attachments/240315%20-%20March%202024%20-%20LA%20Metro%20Legislative%20Matrix.pdf>

Budget Update

On February 20, the Legislative Analyst's Office (LAO) released an update to their FY 24-25 revenue projections. Previously, the LAO projected a \$58 billion deficit after the release of the governor's proposed budget in January. In this new update, the LAO analyzed recent revenue collection data and now forecasts that actual revenues will be \$24 billion less than the Governor's budget across fiscal years 2022-23 and 2024-25. This reduction translates to an estimated budget deficit of \$73 billion, a \$15 billion increase from last month.

In the report, the LAO lays out potential options to address this additional challenge. Revenue increases and reductions in spending are the most basic tools, but cost shifts and tapping into reserves are also options. Cost reductions could be realized as both ongoing and one-time spending cuts. The report cites the fact that some recent surplus money has already been proposed for reduction but that the state has nearly \$16 billion in recent one-time spending that could be reduced or cut. This includes over \$1.8 billion in transportation funds. Specifically, the report cites \$739 million of TIRCP in 2024-25 and \$1 billion of TIRCP in 2025-26 as potential remaining one-time and temporary spending available for this purpose. Metro remains committed to advocating for maintaining the transportation funding levels agreed to by the Legislature and Governor in the past two budget cycles.

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 stay engaged with the process until and after then, with regular communication and visits to Sacramento to advocate for maintaining the proposed spending levels.

Legislative Update

February 16 was the deadline for introducing bills for this legislative session. In total, 2,124 bills were introduced by the deadline for consideration during the second year of the 2023-24 legislative session. Of these, 1,505 are Assembly bills, and 619 are Senate bills. This number of bills is typically slightly lower than during odd-numbered years. Of that total, there are 481 spot bills and 193 intent

bills, about 32% of the total bill introductions that lack substantive language upon introduction. Government Relations may bring specific bills to the Board for consideration as these bills are amended and move through the legislative process.

Senate Leadership and Committee Changes

On February 8, Senate President pro Tempore Mike McGuire (D - North Coast) announced changes to leadership and committee chairs in the Senate. The following is a summary of the major changes relevant to Metro's work that were announced:

- Senator Lena Gonzalez (D - Long Beach) has been named the new Senate Majority Leader.
 - Senator Dave Cortese (D - San Jose) has become the new Chair of the Senate Transportation Committee.
 - Senator Scott Wiener (D - San Francisco) has become the new Senate Budget and Fiscal Review Committee Chair.
 - Senator Aisha Wahab (D - Hayward) has become the new Chair of the Senate Budget Subcommittee #5 on Corrections, Public Safety, Judiciary, Labor, and Transportation.
- Metro thanks the outgoing committee chairs for their partnership and congratulates all the new committee chairs. The Rules Committee ratified the new positions on February 14, and Metro sent congratulatory letters to the new Chairs.

Mobility 21 Delegation Trip to Sacramento

Metro CEO Stephanie Wiggins and staff participated in the annual Mobility 21 trip to Sacramento in mid-February. The Mobility 21 coalition includes a diverse group of transportation, business, and community leaders from Southern California. In the meetings with leadership, the administration, and Southern California legislators, the coalition emphasized the need to fund transportation projects that benefit all Californians, as well as the need to think regionally while planning transportation options for the 2028 Olympic and Paralympic Games.

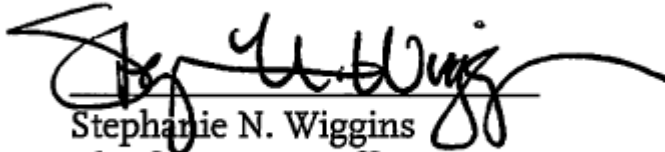
Participating in coalition trips such as Mobility 21 is one way Metro can engage with the broader transportation community in Southern California and around the state. The Government Relations department continues to prioritize robust engagement with our local legislative representation in Sacramento through briefings, tours, and in-person visits to the Capitol.

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.

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