



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

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**EXECUTIVE MANAGEMENT COMMITTEE  
MARCH 20, 2014**

**SUBJECT: STATE LEGISLATION**

**ACTION: ADOPT STAFF RECOMMENDED POSITIONS**

**RECOMMENDATION**

- A) AB 1720 (Bloom) – Bus Axle Weight SUPPORT**
- B) AB 2568 (Bloom) – Succession Planning SUPPORT**
- C) SB 1204 (Lara) – Clean Truck and Bus Program SUPPORT**
- D) SB 1298 (Hernandez) – ExpressLanes SUPPORT**

**ATTACHMENTS**

- A. AB 1720 (Bloom)
- B. AB 2568 (Bloom)
- C. SB 1204 (Lara)
- D. SB 1298 (Hernandez)

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Chief Executive Officer

**BILL:** AB 1720  
**AUTHOR:** ASSEMBLYMEMBER RICHARD BLOOM  
(D-SANTA MONICA)  
**SUBJECT:** TRANSIT BUS MAXIMUM AXLE WEIGHT  
**STATUS:** ASSEMBLY  
**POSITION:** SUPPORT

**RECOMMENDATION**

Staff recommends that the Board adopt a support position on AB 1720, which extends the existing exemption on transit bus axle weight until January 1, 2016.

**ISSUE**

Existing law prohibits a public transit agency from procuring a bus whose weight on any single axle exceeds 20,500 pounds. Existing law maintains a temporary exemption for transit buses until January 1, 2015.

This bill would:

- Extend this exemption until January 1, 2016.

**DISCUSSION**

California's weight limit for buses was established in 1975 which limited transit buses to 20,500 pounds. Since the 1970's, the weight of transit buses has increased substantially as a result of federal and state laws and regulations. For instance, wheelchair lifts and mobility devices required to meet the federal Americans with Disabilities Act (ADA) accessibility law, enacted in 1990, add thousands of pounds of weight to a bus. Compressed natural gas (CNG) tanks, required to meet clean air mandates by both federal and state agencies, also add thousands of pounds per bus.

Existing law provides a temporary exemption until 2015 to allow public transit agencies to procure buses whose weight is over 20,500 pounds. AB 1720 would extend this date until January 1, 2016. Failure to extend the bus axle weight exemption could lead to Metro's transit buses being cited for overweight vehicle operation.

Staff will continue to work with stakeholders to identify and develop an appropriate long-term solution.

### **DETERMINATION OF SAFETY IMPACT**

Staff has reviewed this proposal and has determined that the legislation will not have an impact on safety.

### **FINANCIAL IMPACT**

There would be no immediate financial impact to the agency if this legislation passes since it only extends the current exemption on each of our bus's bus axle weight.

### **ALTERNATIVES CONSIDERED**

Staff has considered adopting either an oppose or neutral position on the bill. However, an oppose position could lead to Metro's transit buses being cited for overweight vehicle operation; and, a neutral position would foreclose our ability to speak to an issue which could benefit our agency.

### **NEXT STEPS**

Should the Board adopt a support position on this bill, staff will work with the author to pursue passage of the legislation and continue to keep the Board informed as this issue is addressed throughout the legislative session.

**BILL:** AB 2568

**AUTHOR:** ASSEMBLYMEMBER RICHARD BLOOM  
(D-SANTA MONICA)

**SUBJECT:** POST EMPLOYMENT PROHIBITIONS: METRO CHIEF  
EXECUTIVE OFFICER

**STATUS:** ASSEMBLY

**ACTION:** SUPPORT

**RECOMMENDATION**

Staff recommends that the Board approve a support position for AB 2568 (Bloom). This bill would revise provisions in current law that prohibit a Metro employee from accepting employment with any Metro contractor if the employee was a decision maker on a procurement for the contractor, for a period of three years after leaving the authority. AB 2568 would reduce the post-employment restriction only for a future CEO that is hired on or after January 1, 2015 (from three years to one year). This bill does not apply to the current Metro CEO or any other Metro employees.

**ISSUE**

Existing law imposes a three year prohibition on an employee of Metro from accepting employment with any company that was awarded a contract as a result of the employee's action.

This bill would:

- Modify the duration of the post-employment prohibition on the Metro CEO hired on or after January 1, 2015 from three years to one year. This bill is not applicable to the current Metro CEO and does not apply to any other Metro employees.

**DISCUSSION**

Under state law Metro employees are prohibited from accepting employment with a company if they have been involved in a procurement for that company, for three years after they leave the agency.

Metro's CEO is the final point of appeal in the procurement process. He or she could ultimately be involved in all procurements, which creates a scenario where a CEO could be effectively banned from employment with firms in the transportation sector and related fields due to the breadth of Metro's investments.

As sponsor of this bill, Metro is proposing a revision from three years to one year to ensure that the agency is able to competitively recruit during the next CEO search and will draw a more diverse and qualified candidate pool to apply for the position.

This bill would establish a post employment prohibition for any CEO hired by LA Metro in the future (on or after January 1, 2015) that is consistent with other transportation agencies in the state. Other transportation agencies only require a one year post employment waiting period.

The bill would retain the three year restriction for all other Metro employees and would not apply to the current Chief Executive Officer.

### **DETERMINATION OF SAFETY IMPACT**

Staff has reviewed the legislation and has found that its implementation would have no impact on safety at the agency.

### **FINANCIAL IMPACT**

Staff has reviewed the proposal to reduce the postemployment prohibition on the Metro CEO from three years to one year and does not believe there are any direct financial impacts due to the provisions outlined.

### **ALTERNATIVES CONSIDERED**

Staff has considered adopting either an oppose or neutral position on the bill. However, an oppose position would be inconsistent with past Board positions and a neutral position would foreclose our ability to speak to an issue which could benefit our agency.

### **NEXT STEPS**

Should the Board decide to adopt a support position on this bill, staff will work with author to pursue passage of the legislation and continue to keep the Board informed as this issue is addressed throughout the legislative session.

**BILL:** SB 1204

**AUTHOR:** SENATOR RICARDO LARA  
(D-BELL GARDENS)

**SUBJECT:** CLEAN TRUCK AND BUS PROGRAM

**STATUS:** SENATE

**POSITION:** SUPPORT

**RECOMMENDATION**

Staff recommends that the Board adopt a support position on SB 1204, which would create the California Clean Truck and Bus Program. This program would be funded from cap and trade revenues to fund zero and near zero-emission truck and zero-emission bus technology and benefit disadvantaged communities.

**ISSUE**

Existing law requires all revenues, except for fines and penalties, collected by the State Air Resources Board (ARB) from cap and trade funds, to be deposited in the Greenhouse Gas Reduction Fund as determined by the State Legislature.

This bill would:

- Create the California Clean Truck and Bus Program, to be funded from cap and trade revenues, to fund zero-and near zero-emission truck and zero-emission bus technology and related projects with preference to be given to projects in disadvantaged communities. The program would be administered by the State ARB.

**DISCUSSION**

With the passage of AB 32, the State Legislature authorized the creation of the Cap and Trade program in an effort to reduce greenhouse gas emissions (GHG). The State's Cap and Trade program has been in development since the passage of AB 32 however, funding has not yet been available from this program. Last year, the Governor recommended and the Legislature ultimately approved a loan of \$500 million, all Cap and Trade funds from last year's budget, to the General Fund. This year, the Governor is proposing to allocate \$850 million in Cap and Trade Funds. The California High Speed Rail project is recommended to receive the bulk of the funds allocated for transportation purposes.

The state has also enacted SB 375 which requires regions to develop a Sustainable Communities Strategy that identifies how the region will reduce vehicle miles traveled.

Metro is a key partner in reaching the goals outlined in AB 32 and SB 375 through the implementation of Measure R transportation projects. Measure R, in fact, is the path forward for implementing a sustainable future for Los Angeles County. Measure R also provides benefits to the region as the greenhouse gas reductions of Measure R will benefit the entire region.

The State of California has further expressed interest in reducing emissions from the public transportation sector by implementing a requirement that transit agencies purchase zero emission buses (ZEB). ARB is currently considering a rule that would mandate that transit agencies include an as yet undetermined percentage of ZEB's in their fleets. At this time, ZEB's are still in a relatively experimental phase and their ability to provide cost-effective, and reliable service is unproven. Metro is working to develop this technology and has committed \$30M in local funds to this effort. Metro staff believes that a mandate to invest in an as yet unproved technology will take funds away from programs that are proven to reduce emissions in our region

SB 375, and the proposed ZEB rule under consideration at ARB are unfunded mandates to reduce GHGs. SB 1204 takes a more productive approach by providing funds to develop zero emission technologies rather than implementing an unfunded mandate. This approach will more effectively develop the technology needed to fulfill State outlined goals while ensuring Metro's transportation mandate remains uninhibited. The programs currently underway at Metro and other similar projects may be suitable for funding under this proposed legislation.

### **DETERMINATION OF SAFETY IMPACT**

Staff has reviewed the legislation and has found that its implementation would have no impact on safety at the agency.

### **FINANCIAL IMPACT**

Future revenues from SB 1204 are unknown until after appropriations are defined and funds are programmed.

### **ALTERNATIVES CONSIDERED**

Staff has considered adopting either an oppose or neutral position on the bill. However, an oppose position would be inconsistent with past Board positions and a neutral position would foreclose our ability to speak to an issue which could benefit our agency.

### **NEXT STEPS**

Should the Board decide to adopt a support position on this bill, staff will work with author to develop funding priorities and pursue passage of the legislation. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.

**BILL:** SB 1298  
**AUTHOR:** SENATOR ED HERNANDEZ  
(D-EL MONTE)  
**SUBJECT:** METRO EXPRESSLANES  
**STATUS:** SENATE  
**ACTION:** SUPPORT

**RECOMMENDATION**

Staff recommends that the Board approve a support position on SB 1298. Metro is sponsoring this bill to remove the demonstration requirements on the I-10 and I-110 ExpressLanes lanes. Also, the bill would allow the California Transportation Commission (CTC) to authorize additional High Occupancy Toll (HOT) lane programs.

**ISSUE**

Existing law authorized the CTC to approve two HOT Lane facilities in Northern California and two in Southern California to be operated and developed by a regional transportation agency. Metro is authorized to conduct a HOT lanes demonstration project until January 15, 2015 on Highway Routes 10 and 110. This authorization prohibits bonding against toll revenues.

This bill would:

- Remove the limitations on the number of HOT lanes that the CTC may approve.
- Remove the January 15, 2015 sunset date on Metro's ExpressLanes.
- Maintain requirements for agreements between Metro, The California Department of Transportation (Caltrans) and the California Highway Patrol.
- Remove the prohibition on bonding against toll revenue.

**DISCUSSION**

Metro was authorized under a grant from the U.S. DOT and by state legislation to operate the ExpressLanes program on I-10 and I-110. The federal grant requires the program to operate as a demonstration project until at least February 2014. The state legislation establishes that the authorization to operate the lanes ends in January of 2015.

Legislation must be secured in this year's legislative session to continue the program. The Board-adopted Legislative program for 2014 identifies sponsoring legislation this year to reauthorize the ExpressLanes program.

The key principles which would govern this legislation and the agency's advocacy efforts would include:

- Metro retains authority regarding the tolling policy in accordance with the principles adopted by the Board in October of last year.
- Funds generated in a given corridor would remain and continue to be invested in that corridor.
- Preserve equity programs across any expansion.
- Continue coordination with our regional partners to ensure seamless operation of the system across county lines.

During the demonstration period, Metro was prohibited from bonding against future revenues. Now that we are seeking to make these lanes permanent it is appropriate to authorize bonding in a manner similar to that of all such facilities in California.

Metro will work with author to secure bonding capacity.

#### **DETERMINATION OF SAFETY IMPACT**

Staff has reviewed the legislation and has found that its implementation would have no impact on safety at the agency.

#### **FINANCIAL IMPACT**

The existing Metro ExpressLanes have generated approximately \$17 million in net revenue to date. Future revenues from future lanes cannot be predicted until more specifically corridor based modeling is performed.

#### **ALTERNATIVES CONSIDERED**

Staff has considered adopting either an oppose or neutral position on the bill. However, an oppose position would be inconsistent with past Board positions and a neutral position would foreclose our ability to speak to an issue which could benefit our agency.

#### **NEXT STEPS**

Should the Board decide to adopt a support position on this bill, staff will work with author to pursue passage of the legislation and continue to keep the Board informed as this issue is addressed throughout the legislative session.