SUBJECT: CONSIDER GOALS AND ACTIVITIES CONTAINED IN THE 2015 LEGISLATIVE PROGRAM

ACTION: ADOPT THE 2015 FEDERAL AND STATE LEGISLATIVE PROGRAM

RECOMMENDATION

Adopt the proposed 2015 Federal and State Legislative Program.

ISSUE

The Board of Directors annually adopts a legislative program for the upcoming state legislative and federal congressional sessions, which provides guidance to staff on legislative issues and policy as a means of advancing and protecting Metro’s authority and the transportation interests of Los Angeles County.

POLICY IMPLICATIONS

The role of the legislative program is to clearly define Metro’s goals and objectives by securing necessary legislative authority, program funding and regulatory actions needed at the state and federal levels. To achieve these important goals, Government Relations staff will implement a legislative strategy of consensus building and coordination with transportation stakeholders throughout the 88 cities in Los Angeles County, the State of California and with Federal officials.

DISCUSSION

Each year, staff prepares a legislative program for adoption by the Board. The program is developed with input from Metro’s technical staff and representatives in Sacramento and Washington, D.C. This report contains the proposed 2015 Legislative Program. The program will serve as a blueprint and guide for pursuing the authority’s Board approved legislative proposals and strategies.

In 2014, the agency continued to aggressively pursue our Board approved legislative priorities in Washington, DC. Among the challenges with respect to advancing our agenda on Capitol Hill was the continued gridlock between the U.S. Senate and the U.S. House of
Representatives. This gridlock was most evident in July of 2014 when Congress was unable to pass a new, long-term surface transportation bill and funding mechanism, and instead resorted to a continuing resolution and unsustainable funding patch that will expire at the end of May, 2015.

Since 2010, at the direction of the Board of Directors, our agency began a campaign to advance legislative proposals that would address the acceleration of our transit and highway program, now known as America Fast Forward. In 2012, Congress enacted a surface transportation bill (MAP-21) that addressed, in part, the goal of our America Fast Forward initiative. Specifically, MAP-21 included language that provided for a ten-fold expansion of the Transportation Infrastructure Finance and Innovation Act (TIFIA) program.

During the course of the current 113th Congress our agency has sought, with substantial success and consistent with our Board approved Legislative Program, to expand the scale and scope of our efforts in Washington, DC. Our results have included, but are not limited to:

- Secured Full Funding Grant Agreements valued at over $1.8 billion for our New Starts projects.
- Secured over $1 billion in Transportation Infrastructure Finance and Innovation Act program loans for our New Starts projects.
- Worked with Congresswoman Bass to secure language in the Fiscal Year 2015 spending bill that reformed federal Local Hire rules with respect to transportation projects.
- Worked with key federal transportation stakeholders to ensure that Metro received the two largest TIGER Grants awarded in California.
- Worked cooperatively with the U.S. Department of Labor on the PEPRA/13c issue to release federal grants funds for Metro projects.
- Worked with members of the Los Angeles County Congressional Delegation to ensure that the CNG tax credit and transit subsidy were both included in tax extenders legislation.
- Gained significant legislative support for our America Fast Forward Transportation Bond initiative.

With respect to America Fast Forward, this initiative has and continues to be discussed and debated by nearly all senior transportation policymakers in Washington, DC. This includes lawmakers and policymakers at the White House, the U.S. Senate, House of Representatives and Executive Agencies, including the Office of Management and Budget and the U.S. Department of Transportation.

For the 114th Congress, Los Angeles County’s Congressional Delegation will be welcoming three new Members of Congress: Hon. Pete Knight (R-25), Hon. Ted Lieu (D-33) and Hon. Norma Torres (D-35). We are moving promptly to brief these new Members of Congress and their aides on Metro’s Legislative program priorities. The current surface transportation legislation, MAP-21, expired on September 30, 2014. A continuing resolution to authorize and
fund MAP-21 was passed and will expire during the 114th Congress, on May 31, 2015. Metro staff will continue to work with local, regional and national stakeholders to build on the successes of MAP-21 and address other areas including, but not limited to, funding freight movement across Los Angeles County and growing the Federal New Starts program. Addressing long term funding and a surface transportation bill are among the top issues that are expected to be addressed in the 114th Congress.

California’s transportation system is facing its own version of a fiscal cliff as transportation revenues in California began to drop precipitously by 50%. The state’s most recent and largest investment in transportation came through Proposition 1B which was approved by the voters in 2006. The state of California moved expeditiously to allocate the Proposition 1B funds and these actions have borne fruit with construction underway on a number of projects in Los Angeles County. However, Proposition 1B is nearing its end.

In late 2001, the California Transportation Commission (CTC) completed its Statewide Transportation System Needs Assessment. This report identified ten year total transportation needs of $536 billion and available funding of only $242 billion, leaving a deficit of $294 billion in transportation funding. Of the funds that are available, 65% come from local sources. The combined contribution of both State and Federal sources is less than half of the local agencies. The CTC and transportation stakeholders in Sacramento have continued efforts to develop potential funding options for transportation projects and these discussions have resulted in consensus on two issues: development of a policy and process to allow expansion of High Occupancy Toll lanes and the creation of task force by the California Transportation Commission to develop a pilot Mileage Based User Fee (MBUF) program.

Metro’s state advocacy team was instrumental last year in driving major policy discussions around transportation issues including:

- Sponsoring legislation on HOT lanes that will be the model for next year’s legislation.
- Advocating for continued investment in public transportation.
- Supporting the State High Speed Rail Project.
- Supporting Metro’s projects at the California Transportation Commission.
- Supporting the allocation of Cap and Trade funds to transit.
- Securing an extension of the public transit exemption from the State’s pension reform law.
- Securing stable funding for public transit in the State Budget.

Overall, the major focus of our state legislative program will continue to be the State Budget with the goal of protecting existing resources. Next year will also see the first round of applications for the Cap and Trade program. Two major policy issues will also be addressed in next year’s session: the extension of the authorization to utilize Public Private Partnerships (PPP) and the enactment of legislation authorizing HOT lanes in California. Staff has already begun working with stakeholders on the PPP statute. The work done by staff last year on our sponsored legislation will be the model for a statewide statute. The CTC will also begin its task force process to develop a pilot MBUF program. Staff will work closely with our commissioners and Caltrans to ensure that this process respects the needs of Los Angeles County.
DETERMINATION OF SAFETY IMPACT

Approval of this item will not have an impact on safety.

FINANCIAL IMPACT

A number of the proposed state and federal legislative initiatives may provide additional funding for countywide transportation programs and projects.

ALTERNATIVES CONSIDERED

The Board of Directors could determine that a legislative program is unnecessary for the agency. Failure to adopt a legislative program could result in Metro being ill prepared to address the policy and legislative challenges that will arise during the coming year.

NEXT STEPS

Government Relations staff will meet with our three new Members of Congress of the Los Angeles County delegation. We will also continue to sponsor briefings in Washington, D.C. and Los Angeles County for our entire Congressional Delegation and other key staffers on both the House and Senate Appropriations and Authorization committees. We will place an especially strong emphasis on briefings for professional staff members working for House and Senate committees with primary responsibility for authoring a new surface transportation bill to replace MAP-21 and advancing our plan to accelerate both our transit and highway program through our America Fast Forward initiative.

In Sacramento, Government Relations staff will initiate briefings for the Gubernatorial Administration, members of the Legislature as well as committee staff. We will also work with state legislators to author any legislative initiatives proposed by this program. At the federal level, Government Relations will keep in close contact with new and existing members of our Congressional delegation and key Authorizing and Appropriations staff to keep our projects at the forefront. Staff will continue to monitor and track legislative efforts sponsored by other transportation interests and inform the Board of that legislation.

We will continue to develop and strategically advance our agency’s Board approved State Legislative Program by maintaining support and close relationships with the Los Angeles County State Legislative Delegation, key leaders in the Senate and Assembly Transportation Committees, as well as key stakeholders, including the Governor, Caltrans, California Transportation Commission, and the newly formed California Transportation Department.

Government Relations will continue to ensure that our legislative priorities and efforts are coordinated with our regional transportation partners, including Metrolink, Southern California Associations of Governments (SCAG), Municipal Operators, and Southern California County transportation commissions.
In addition, Government Relations will pursue state and federal legislative initiatives that promote the efficient and rapid delivery of Measure R projects as well as leverage Measure R funds for additional state and federal transportation resources, and to form a coalition to protect state revenues.

The 2015 State Legislative Session is due to reconvene in January. The 2015 Federal Legislative Session with both the U.S. House of Representatives and U.S. Senate is scheduled to begin on January 5, 2015 which will mark the start 114th Congress.

ATTACHMENTS

A. 2015 Federal Legislative Program
B. 2015 State Legislative Program

Prepared by: Michael Turner, Director, State Affairs (213) 922-2122
Raffi Hamparian, Director, Federal Affairs (213) 922-3769
Patricia Soto, Director, Government Relations (213) 922-7273
Michael Davies, Assistant Director, Government Relations (202) 248-5426
Marisa Yeager, Manager, Federal Affairs (213) 922-2262
Crystal Martell, Assistant Administrative Analyst (213) 922-7493
Noelia Rodriguez  
Chief Communications Officer

Arthur F. Leahy  
Chief Executive Officer
ATTACHMENT A

2015 FEDERAL LEGISLATIVE PROGRAM for the 114th CONGRESS

GOAL #1: WORK TO PURSUE LEGISLATIVE INITIATIVES THAT PROMOTE THE AMERICA FAST FORWARD PROGRAM

Proposed Activities:

Seek the adoption into law of legislation and/or legislative provisions that will create an America Fast Forward Transportation Bond Program. The America Fast Forward Transportation Bonds would provide a significant interest rate subsidy for worthwhile transportation projects in Los Angeles County and across the nation. As part of the America Fast Forward initiative we will also seek to reform federal law with respect to local hire regulations. Our agency’s local hire initiative would, if enacted into federal law, permit transportation agencies to hire locally, provided their share exceeds 50% of a project’s total cost.

Specifically, we will work with the member and staff of the Senate Finance Committee and House Way and Means Committee to have the America Fast Forward Transportation Bond included in the next surface transportation bill.

GOAL #2: WORK TO ADVANCE SECTION 2 OF THE PURPLE LINE EXTENSION THROUGH THE FEDERAL NEW STARTS PROGRAM AND TIFIA LOAN PROCESS, WORK TO SECURE FUNDING THROUGH THE FEDERAL APPROPRIATIONS PROCESS FOR OUR EXISTING NEW STARTS PROJECTS – REGIONAL CONNECTOR AND SECTION 1 PURPLE LINE EXTENSION, AND ADVANCE OUR NON-NEW STARTS PROJECTS – GOLD LINE FOOTHILL EXTENSION AND CRENSHAW/LAX

Proposed Activities:

Work with our Congressional Delegation, transportation leaders in the House and Senate and the U.S. Department of Transportation to secure a Full Funding Grant Agreement and TIFIA loan for section 2 of the Purple Line Extension. Continue to work with Congress and the Administration to secure funding through the federal appropriations process for both the Regional Connector and the Purple Line Subway Extension - $100 million per year each in New Starts funding. Parallel to this effort, we will continue to support seeking non-New Starts funds for the Gold Line Foothill Extension and Crenshaw/LAX transit projects. In addition, we will work to ensure that the Federal Transit Administration, Federal Aviation Administration, among other federal agencies, work cooperatively with our agency on issues related to bringing a rail connection to LAX.
GOAL #3: PURSUE LEGISLATIVE PRIORITIES AS CONGRESS ACTS TO AUTHORIZE A NEW SURFACE TRANSPORTATION BILL FOLLOWING THE EXPIRATION OF MAP-21 ON MAY 31, 2015

Proposed Activities:

In order to increase the amount of programmatic and project funds derived by us through MAP-21, Government Relations will work to generate a set of principles that would be used as a guide for members of Los Angeles County’s Congressional Delegation and members of House and Senate authorizing committees as they begin consideration of a new surface transportation bill in early 2015.

We will continue to aggressively encourage authorizers in the House and Senate to adopt a bill that includes robust funding increases, particularly for the New Starts program, highway funding, the Congestion Mitigation and Air Quality Program, reform of the rail modernization program, high speed rail, creative public/private partnership initiatives (P3), and a new freight movement funding program that benefits our region. We will continue to regularly visit Capitol Hill to encourage members of the Los Angeles County Congressional Delegation who serve on transportation authorization committees to advance our specific project and programmatic priorities.

Specifically, for the freight program, we will work with Senator Boxer, incoming Chairman Inhofe and members of the Environment and Public Works (EPW) Committee, the Senate Banking Committee and the House Transportation & Infrastructure Committee to support the creation of a fully funded federal program for freight-related goods movement projects, including highway improvement projects.

We will continue to work with the surrounding counties; pursue federal funding for improved freight movement from the twin Ports of Los Angeles and Long Beach to Southern California and the rest of the nation. We will seek federal funding for projects of national and regional significance, inland ports and identified freight and highway corridors with an emphasis on congestion relief air quality improvement and safety.

We will continue to strengthen the consensus on reauthorization principles we have generated previously with stakeholders in Orange, Riverside, San Bernardino and Ventura Counties. We will continue to work cooperatively with local governments, local transit agencies, community leaders, business owners, organizations, trade associations like the American Public Transportation Association, transit rider groups, as well as with other transportation agencies throughout the United States to secure funding for transportation projects and operations in Los Angeles County in the next reauthorization bill. We will endeavor to secure the inclusion of a provision in the authorization bill that would allow public transit agencies to use a portion of their federal transit funding for day-to-day operating expenses.
GOAL #4: WORK WITH US DEPARTMENT OF TRANSPORTATION ON PUBLIC-PRIVATE PARTNERSHIP OPPORTUNITIES FOR METRO PROJECTS

Proposed Activities:

Work with the Obama Administration, specifically the U.S. Department of Transportation, and House and Senate Committees of jurisdiction for eligibility of Metro projects for any new or reformed public/private initiatives.

GOAL #5: CONTINUE TO WORK WITH METROLINK AND REGIONAL TRANSPORTATION AGENCIES TO SUPPORT THE APPLICATION OF FEDERAL FUNDS FOR POSITIVE TRAIN CONTROL (PTC) TO SIGNIFICANTLY IMPROVE THE SAFETY OF COMMUTER RAIL SERVICE IN LOS ANGELES COUNTY AND ADJOINING COUNTIES

Proposed Activities:

Work in close cooperation with U.S. Senators Feinstein and Boxer, members of the Los Angeles County Congressional Delegation, APTA and other key stakeholders to ensure that any legislation that amends the rail safety provisions included in H.R. 2095 (which was signed into law on October 16, 2008) specifically states that “any alternative PTC technology must meet the same safety standards as PTC and be interoperable with PTC.” This program was authorized from FY 2009-2013.

GOAL #6: ADDITIONAL PRIORITIES

Proposed Activities:

Aggressively advocate for the renewal of the alternative fuels excise tax credit;

Work to increase and extend the commuter tax benefit to $250 per month for transit users;

Work with the Southern California Regional Transit Training Consortium on its legislative funding efforts to support bus maintenance training for alternative fuel buses;

Work to support workforce development programs that provide opportunities for individuals to advance in their or learn a new career through better education and training;

Work to ensure that the upcoming transportation authorization bill, or any other relevant legislation, continues to clarify that ferryboat miles between mainland Los Angeles and Catalina Island should be counted and included for purposes of Los Angeles County's annual apportionment from the federal formula program;
Work to secure federal funds to advance Metro’s bicycle program, including but not limited to, bike stations near our transit stations; and

Work with the State of California to implement policies within MAP-21 and work to amend MAP-21 provisions that directs funding to transportation agencies not just the State for the STP, CMAQ and TEA programs.
2015 STATE LEGISLATIVE PROGRAM

GOAL #1: ENSURE THE STATE CONTINUES TO FULLY FUND THE MAJOR TRANSPORTATION PROGRAMS IN THE STATE

Proposed Activities:

Protect Metro's key fund sources.

Communicate the importance of stable transportation funding to improve mobility in Los Angeles County, foster economic development and create jobs.

Protect the transportation funding system established by the sales tax/gas swap legislation.

Protect Public Transportation Account revenues which have been funded by the sales tax on diesel fuel.

Secure proportionate share of federal funds allocated via state mechanisms, such as CMAQ and alternative transportation programs.

GOAL #2: SUPPORT LEGISLATIVE INITIATIVES AIMED AT INCREASING FUNDING FOR LOS ANGELES COUNTY TRANSPORTATION PROJECTS

Proposed Activities:

Work with statewide partners on any efforts to implement new transportation related fees or taxes and ensure these revenues are allocated in proportion to LA County's needs and at the discretion of local agencies.

Support legislation that would enhance opportunities for Value Capture or related concepts and mechanisms to fund transportation infrastructure or promote Transit-Oriented Developments.

GOAL #3: WORK TO ENSURE IMPLEMENTATION OF METRO'S BOARD ADOPTED LONG RANGE TRANSPORTATION PLAN

Proposed Activities:

Pursue strategies and funding opportunities to implement the Highway Program in the Long Range Transportation Plan (LRTP).

Work to secure additional funds through the State Transportation Improvement Program (STIP), State Highway Operation and Protection Program (SHOPP) and bond funds.
GOAL #4: MAXIMIZE FUNDING FROM THE CAP AND TRADE PROGRAMS FOR THE AGENCY’S PROJECTS AND PROGRAMS

Work with all state agencies charged with implementing the Cap and Trade Programs to support applications submitted by Metro.

Work through the California Transit Association to support broader efforts which delineate how public transportation investments reduce Greenhouse Gas (GHG) emissions.

Work with internal Metro departments to ensure that Metro’s applications for Cap and Trade funds reflect board priorities and are best positioned in the related state processes.

Support legislation that creates more certainty in the Cap and Trade Program.

Support legislation that extends the Cap and Trade Program.

GOAL #5: SUPPORT LEGISLATION WHICH CREATES NEW DELIVERY FUNDING AND FINANCING OPTIONS FOR METRO’S PROJECTS AND PROGRAMS

Support legislation to create statewide authorization for High Occupancy Toll (HOT) projects. Ensure local control in the implementation of these programs.

Support legislation to remove the 2017 sunset from the Public Private Partnership (PPP) Program and streamlines the process for pursuing PPP’s.

Work with the California Transportation Commission (CTC), California State Transportation Agency (CalSTA) and Caltrans as the CTC begins its task force process to develop a pilot program for Mileage Based User Fees (MBUF). Work to ensure that revenues from any permanent MBUF program are allocated in proportion to LA County’s needs and at the discretion of local agencies.

GOAL #6: SUPPORT EFFORTS TO IMPROVE SAFETY ON THE REGION’S COMMUTER RAIL SYSTEM

Proposed Activities:

Advocate for additional state funding to increase the safety of the commuter rail system in Los Angeles County and the entire Metrolink service area.

Support additional funding for enhanced commuter rail safety, especially for automatic train stop/positive train control systems, grade separations and double-tracking single track portions of Metrolink’s service area.

Support actions by the Public Utilities Commission (PUC) which would allow or approve implementation of automatic train control systems.
GOAL #7: MAXIMIZE OPPORTUNITIES FOR FUNDING LOS ANGELES COUNTY’S TRANSPORTATION PROJECTS AND PROGRAMS THROUGH IMPLEMENTATION OF PROPOSITIONS 1B

Proposed Activities:

Work to ensure full allocation of Proposition 1B funds and support Los Angeles County projects funded by Prop 1 B.

Support projects submitted through the CTC process.

GOAL #8: COORDINATE WITH OUR LOCAL AND STATE PARTNERS TO INCORPORATE THE REGION’S NEEDS IN EMERGING CLIMATE CHANGE AND SUSTAINABILITY PROGRAMS

Proposed Activities:

Monitor continued implementation of AB 32 and SB 375 (including sustainable community strategies and related initiatives/ documents).

Advocate the connection between transit operations funding, SB 375 and other state global warming policies, programs and initiatives.

Support initiatives that promote GHG emissions reduction strategies such as vehicle miles travelled reduction, active transportation, and operational efficiency best practices.

Support continued efforts to encourage smart growth and other connectivity and livability principles and their interaction with transit and highway investments while preserving authority of local agencies.

Support legislative efforts to include (programs affecting environmentally sensitive stakeholders and clean air programs) in our region, particularly with regards to regional transit planning, construction, and procurement efforts.

Support new initiatives that encourage the use of advanced, environmentally friendly and cost-effective strategies in the construction and retrofit of transit facilities including infrastructure related to renewable energy, low impact development, sustainable construction practices, and similar technologies.

GOAL #9: ACTIVELY WORK WITH STATE, REGIONAL AND LOCAL TRANSPORTATION INTERESTS TO SECURE, PROTECT AND ENHANCE TRANSPORTATION FUNDING AND PROGRAMS STATEWIDE

Proposed Activities:

Work with Governor Brown’s Administration to preserve and increase flexibility in the use of transportation funds;
Identify and pursue opportunities for additional funding for Southern California transportation projects, including, but not limited to, mechanisms to reinvigorate the State’s infrastructure bank;

Support efforts to secure funding and/or obtain authority to generate additional funding for bus transit capital, operations, security needs, corridor projects, soundwalls, bike projects, Service Authority for Freeway Emergencies (SAFE), Freeway Service Patrol (FSP) and other important transportation projects and programs;

Work cooperatively with other transit agencies throughout the State, including the CTA, to secure and increase funds for transportation services, projects and programs;

Support efforts to secure new funding for regional rideshare services; and

Identify and pursue opportunities for funding and to enhance authority where necessary to improve security and safety for customers, employees and property.

**GOAL #10: SUPPORT LEGISLATIVE AND REGULATORY ACTIONS THAT ENHANCE AND PROTECT METRO’S ABILITY TO DELIVER TRANSPORTATION PROJECTS AND SERVICES IN LOS ANGELES COUNTY**

**Proposed Activities:**

Support efforts to clarify the oversight responsibilities of the PUC with respect to rail transit and improve the administration of PUC regulations.

Advocate for and support legislation that strengthens penalties for those who commit violent crimes against operators, assault on operators.

Oppose legislation that would seek to restructure the Metro Board of Directors;

Oppose legislation that would preempt collective bargaining, impose benefits in collective bargaining agreements or restrict the rights of local agencies in the collective bargaining process;

Preserve our authority in regional transportation funding decisions including those granted through SB 45;

Continue to advocate for California Environmental Quality Act (CEQA) reforms for transportation projects with continued collaboration of statewide stakeholders and organizations;

Monitor and work with implementation of pension reform so that Metro is able to maintain a stable work force and ensure adequate succession planning;

Continue to work with statewide interests regarding vehicle axle weight issues. Explore opportunities to update the Congestion Management Statute;
GOAL #11: SUPPORT EFFORTS TO IMPLEMENT HIGH SPEED RAIL (HSR) IN LOS ANGELES COUNTY

Proposed Activities:

Continue the following set of principles to guide our advocacy relating to High Speed Rail:

Metro supports the California High Speed Rail Project.

Metro is encouraged by the efforts to incorporate a blended corridor concept in its planning and to continue to evaluate and identify the need to connect the project to Los Angeles County.

We encourage the State to make specific commitments to funding the segment connecting to Los Angeles County and to maintain this segment as a high priority in future plans.

Metro supports the allocation of funding to elements of the blended corridor concept in Los Angeles County to support the ultimate completion of the High Speed Rail project.

Ensure timely implementation of Proposition 1A including allocation of connectivity funds as required by law.

GOAL #12: SECURE APPROVAL OF KEY METRO PROJECTS AT THE CALIFORNIA TRANSPORTATION COMMISSION

Proposed Activities:

Support Metro's efforts at the California Transportation Commission to ensure that Metro's transit and highway projects are approved and to ensure that the CTC adopts policies that reflect the role of local agencies and the transportation needs of Los Angeles County's residents.

GOAL #13: SPONSOR/SUPPORT THE FOLLOWING LEGISLATION TO IMPROVE OUR ABILITY TO DELIVER QUALITY SERVICE

Metro-Sponsored Legislation:

Legislation to authorize the Metro Board of Directors to place the sales tax measure on a future ballot.

Sponsor legislation to allow Metro alternatives and expedited procedures to dispose of bicycles in Metro's Lost & Found.

Seek legislation that would temporarily reduce or waive taxes and fees imposed on impacted businesses during transit related construction activities.
Seek legislation that would authorize public transit vehicles to use the HOV lanes and shoulders of the highway.

**Metro Supported Legislation:**

Legislation to authorize the imposition of a fine for failure to relinquish seating reserved for wheelchair bound passengers.

Legislation which would increase the cap on local sales taxes.

Legislation to improve the operation of transit courts.

Legislation that allows transit agencies to use the Construction Manager/General Contractor Procurement Methodology.