



Board Report

File #: 2020-0414, File Type: Federal Legislation / State Legislation (Position)

Agenda Number: 32.

REVISED
EXECUTIVE MANAGEMENT COMMITTEE
JUNE 18, 2020

SUBJECT: FEDERAL LEGISLATION

ACTION: ADOPT STAFF RECOMMENDED POSITIONS

RECOMMENDATION

ADOPT staff recommended positions:

- A. House Resolution 2 7095 (DeFazio) - Five-year federal surface transportation authorization legislation. **SUPPORT**

ATTACHMENTS

Attachment A - H.R. 2 7095 (DeFazio) Legislative Analysis

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**REVISED
ATTACHMENT A**

BILL: H.R. 2 7095

AUTHOR: CONGRESSMAN PETER DEFAZIO (D-OR)

SUBJECT: FEDERAL SURFACE TRANSPORTATION BILL

STATUS: REFERRED TO THE HOUSE COMMITTEE ON
TRANSPORTATION AND INFRASTRUCTURE

ACTION: SUPPORT

RECOMMENDATION

Staff recommends that the Board of Directors adopt a SUPPORT position on House Resolution 2 7095, the Investing in a New Vision for the Environment and Surface Transportation in America Act (INVEST in America Act).

ISSUE

House Resolution 2 7095, which was introduced on June 4, 2020 by Congressman Peter DeFazio (D-OR), would provide federal funding for surface transportation programs for a period of five years, among other changes to federal law. With respect to our agency, federal funding authorized through surface transportation bills provide on an annual basis – through both formula funds and grants – approximately \$1 billion to our agency. This funding is used to support a variety of highway, transit and related programs to enhance mobility across Los Angeles County.

DISCUSSION

Metro has a longstanding and nationally recognized track record of shaping our nation's surface transportation programs through advocating policies adopted in our Board-approved Federal Legislative Agenda and working with members of the Los Angeles County Congressional Delegation, among others, to advance our federal policy goals.

For example, an entire section of the Moving Ahead for Progress in the 21st Century Act (MAP-21) surface transportation bill, which was signed into law by President Obama on July 6, 2012, was named after a Metro Board-adopted priority – the America Fast Forward program (title II, Section 2001).

Like MAP-21, the INVEST in America Act includes policy provisions specifically detailed in our Board-adopted Federal Legislative Program – including the Rebuilding America initiative that has been aggressively championed on Capitol Hill by our Chief Executive Officer. The INVEST in America Act restores – as called for in our Rebuilding America initiative – the Projects of National and Regional Significance (PNRS) grant program for mega-projects (both highway and transit). The legislation also restores – as called for in our Rebuilding America initiative – the Local Hire Pilot Program that was enacted in the Obama Administration with our agencies support and in concert with the efforts of Congresswoman Karen Bass (D-CA).

Throughout the 864 pages of the INVEST in America Act are provisions of strong and unique interest to our agency. As an initial summary of this bill, please find here several key provisions in this bill that merit being highlighted. Notwithstanding these highlighted items, it should be noted that there are dozens of other important provisions in this bill that would impact our agency. These provisions will be analyzed by Metro staff in the coming days and weeks to fully understand their impact on our agency.

1. Projects of National and Regional Significance – Metro was the leading champion – through our Rebuilding America initiative – calling for this program to be reauthorized to provide federal grants for mega-projects. The PNRS program was initially authorized in 2005 through the surface transportation bill entitled SAFETEA-LU (Pub. L. 109–59) by the late Los Angeles County Congresswoman Juanita Millender-McDonald (D-CA) and was used to provide federal funding in Los Angeles County to both the Gerald Desmond Bridge and the Alameda Corridor East project. The INVEST in America act authorizes \$9 billion for the PNRS grant program over a five-year period, which will fund mega-projects – both goods movement and transit.
2. Local Hire Pilot Program – Consistent with our Board-approved Federal Legislative Program, Metro has been a champion of efforts to reform federal local hire rules. Congresswoman Karen Bass (D-CA), working closely with our agency, successfully included language in the Federal Fiscal Year 2015 transportation funding bill to permit local hiring for federally funded transportation projects. This language, which was followed by similar language in the Fiscal Years 2016 and 2017 transportation spending measures, served as a precursor for the Obama Administration’s Local Hire Pilot Program that was administered by the U.S. Department of Transportation (USDOT). In 2017, the Trump Administration ended the Local Hire Pilot Program. The INVEST in America act – Section 6008 - would restore the Local Hire Pilot Program.
3. Capital Investment Grant Program (New Starts) – Over the last decade, Metro has been among the most successful agencies in the nation securing New Starts funds, which is the federal government’s primary means to construct heavy and light rail projects, along with bus rapid transit projects. Metro has entered into Full Funding Grant Agreements worth in excess of \$4.5 billion over the last decade, most recently formalizing a \$1.3 billion multi-year agreement for the Westside Purple Line Extension (Segment 3). Consistent with our Board-approved Federal

Legislative Program, Metro has aggressively worked to enhance funding for the New Starts program to ensure that it has the capacity to meet the financial needs of our future rail projects that will be seeking federal funds. The INVEST in America Act would more than double federal funding for the New Starts program – from its current level of \$2.3 billion to over \$5 billion on an annual basis.

4. Workforce Development - As regularly reported by our Chief Executive Officer, a large number of Metro's workforce will be eligible to retire in the coming years. Given this fact, it is imperative that our agency encourage the federal government to support workforce programs for the next generation of transit workers. The INVEST in America Act establishes the National Transit Frontline Workforce Training Center – modeled after National Transit Institute's successful program. Grant funding would be provided to proven non-profits that have a track record of creating transit career ladder programs.
5. Buy America – The INVEST in America Act makes some modest, yet impactful reforms to the nation's procurement laws that close loopholes in order to increase the domestic manufacture of parts and materials for transit railcars and buses. Metro is advocating for the establishment of a Center for Transportation Excellence in Los Angeles County where rolling stock (both trains and buses) would be not only assembled – but manufactured. In this regard, the reforms made in the INVEST in America Act would serve to assist our efforts to establish a Center for Transportation Excellence in Los Angeles County.
6. Bus Programs – The INVEST in America Act would dramatically increase funding for both bus formula programs and bus grant programs – both of which can be used to enhance our agency's NextGen initiative. Specifically, the bill would increase annual spending on the Bus and Bus Facilities program from approximately \$460 million to \$1.3 billion. The bill would also increase bus funding by 150% and increase grants for zero emission buses by fivefold.
7. Supporting Transit Riders – The summary provided by Chairman DeFazio's staff notes that the INVEST in America Act “doubles the set-aside of the low-income factor in the urban formula and uses a measure of deep poverty by census tract to target the poorest urban neighborhoods. Further, the summary document notes that the bill “establishes a reduced fare pilot project to enable transit agencies to experiment with reduced fares for low-income riders.” Metro strongly supports federal efforts to make our system open and available to all Los Angeles County residents.

DETERMINATION OF SAFETY IMPACT

The enactment of the proposed legislation would have a favorable safety impact on our agency based on the increased flow of federal funding for highway, transit and mobility programs.

FINANCIAL IMPACT

This legislation would dramatically increase the level of formula and grant funding received by our agency from the U.S. Department of Transportation. Specifically, the bill – as drafted – would increase funding by over 50% over the funding provided in the FAST Act – the current surface transportation bill that expires on September 30, 2020.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Staff recommendation supports strategic plan goal # 4.2: Metro will help drive mobility agendas, discussions and policies at the state, regional and national levels.

ALTERNATIVES CONSIDERED

Staff has considered not adopting a position on this bill. Not adopting a position on this bill would be counter to the advocacy efforts as outlined in the Board-approved Federal Legislative Program for calendar year 2020.

NEXT STEPS

Should the Board adopt a SUPPORT position on this measure, staff will communicate the Board's position to the author and work with Congress to ensure its adoption into law. Staff will continue to keep the Board informed as this issue is addressed throughout the 116th Congress.