



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 JULY 16, 2026

SUBJECT: FEDERAL AND STATE REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE July 2026 Federal and State Legislative Report.

DISCUSSION

**Executive Management Committee
Remarks Prepared by Raffi Haig Hamparian
Government Relations, 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 the agency. This report was prepared on July 2, 2026, and will be updated, as appropriate, at the Executive Management Committee meeting on July 16, 2026. The status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202026%20-%20Legislative%20Matrix.pdf>](https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202026%20-%20Legislative%20Matrix.pdf), which is updated monthly.

Federal Transit Administration: Vermont Bus Rapid Transit Project

In May, the Federal Transit Administration (FTA) allocated Capital Investment Grant Program funds, including federal funding for our Vermont Bus Rapid Transit Project. The Fiscal Year 2026 transportation spending bill, enacted on February 3, 2026, included \$149.9 million under the Capital Investment Grants Small Starts program for the Vermont Bus Rapid Transit Project. When this project is constructed and operational, it will have the highest ridership of any Bus Rapid Transit service in the United States. This project is also a key transit component of Metro's mobility plans for the upcoming 2028 Olympic and Paralympic Games. Metro projects that the Vermont Bus Rapid Transit Project will serve over 66,200 daily riders along one of LA County's busiest transportation corridors. According to the Los Angeles Economic Development Corporation's report on Measure M, the Vermont BRT Project will create over 4,800 jobs and generate over \$95 million in tax revenue.

Surface Transportation Authorization Legislation

In late May, the House Committee on Transportation and Infrastructure approved the bipartisan “BUILD America 250 Act”, to reauthorize the nation’s surface transportation programs for the next five years. The bill (HR 8870) would authorize roughly \$580 billion for highway and rail programs through fiscal 2031 and would supplement Highway Trust Fund cash with a new annual registration fee for owners of electric vehicles and plug-in hybrids. The measure also authorizes \$87.6 billion in guaranteed Federal Transit Administration (FTA) contract authority over five years. The final vote in committee was 62-2.

The authorization of a new surface transportation bill is identified as a key priority in Metro’s 2026 Board-approved Federal Legislative Program. The bill, when finally adopted, will provide the statutory framework for federal requirements and funding for Metro’s capital projects, planning, and operations.

Consistent with the Board-approved USA Build Initiative, our agency’s advocacy secured key language in the text of BUILD America 250 Act:

- An increase in the federal funding share under the Expedited Project Delivery (EPD) program from 25% to 40%;
- Delaying determination of federal share for New Starts projects until later in the development process;
- Reductions in oversight requirements for experienced grantees;
- Makes certain transit projects independently eligible for the MEGA grant program;
- Expands eligible uses of federal transit funding for safety, security, and crime prevention activities;
- Measures to streamline the TIFIA process.

The bill would next move to consideration by the full House of Representatives, though that step has not yet been scheduled by Speaker Mike Johnson. The U.S. Senate has not yet produced its own draft version of surface transportation reauthorization legislation.

Metro staff will continue to engage with Congress and local, regional, and national stakeholders to protect and expand our Board-approved policy and funding priorities as the surface transportation reauthorization moves through the legislative process.

U.S. House Committee on Appropriations Approves Fiscal Year 27 Transportation Funding Bill

Last month, the House Committee on Appropriations advanced their Transportation, Housing, and Urban Development (THUD) spending bill for Fiscal Year 2027. Among many provisions in the bill is a funding recommendation in the amount of \$875 million “for transportation assistance, including assistance with transit planning, capital projects, relocation of vehicles, and operating assistance, for surface, commuter, and public transportation systems necessary to support the mobility needs of the international quadrennial Olympic and Paralympic events.” Metro’s Board-approved 2026 Federal Legislative Program prioritizes seeking federal funds to support the world class mobility plan our agency has set forth, with our local, regional, and national partners, for the Games. The bill includes a number of other provisions of interest to the agency. Specifically, the bill includes \$737 million for the Federal Transit Administration’s Capital Investment Grant (CIG) Program, well below the authorized level for this program. It is expected that funds that have been previously appropriated for

the CIG Program will be used to fund projects with New Starts agreements.

This spending measure is now ready for consideration by the full House of Representatives. While the House is working to move this legislation, it is unclear when the Senate will act. Some observers do not expect the final legislation to be enacted until early 2027 at the earliest. Metro staff will continue to engage with partners in Congress as this legislation advances through the legislative process.

USDOT Secretary Sean Duffy Visits Metro to Discuss 2026 FIFA World Cup Transit Mobility Plans

Last month, Metro was pleased to host U.S. Department of Transportation Secretary Sean Duffy at the Emergency Security and Operations Center (ESOC) to see the security and operations plans as the 2026 FIFA World Cup Games are set to be held at Los Angeles Stadium (SoFi Stadium). Secretary Duffy was greeted by our then-Board Chair Dutra, our then-2nd Vice Chair Barger, CEO Wiggins, and key staff. During his visit, Secretary Duffy was provided a tour of the ESOC by Chief Scott. In a shared dialogue held after the tour of the ESOC, a range of matters were discussed with Secretary Duffy related to Metro's security and operational plans for the eight World Cup matches that will be held in Inglewood. Secretary Duffy was briefed on the fact that Metro and our regional transit partners will run direct, nonstop shuttle service to every World Cup match, taking fans from designated pick-up locations straight to the stadium, with no transfers or expensive stadium parking required. During the meeting with Secretary Duffy, staff expressed our appreciation for the \$9.6 million provided by Congress and allocated to us by the Federal Transit Administration to support the World Cup transit services.

Conclusion

Chair Bass and members of the Committee, I look forward to providing further updates and expanding on this report during the Executive Management Committee meeting scheduled for July 16, 2026.

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

Chair Bass and members of the Executive Management Committee, I am pleased to provide an update on several key state matters of interest to the agency. This report was prepared on July 2, 2026, and will be updated, as appropriate, at the Executive Management Committee meeting on July 16, 2026. The status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202026%20-%20Legislative%20Matrix.pdf>](https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202026%20-%20Legislative%20Matrix.pdf), which is updated monthly.

CARB Regulations

On May 29, after a two-day meeting of the California Air Resources Board (CARB), the Board adopted the staff recommended "*Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms*" first released on April 14, 2026. The regulations would allow for additional emissions allowances in the oil refinery and utility

industries. The final vote was 10-3. Metro staff provided public comment at the meeting, reflecting both of Metro's letters on this issue, including the Metro Board's letter, and urged CARB to vote no on the proposed regulations. Staff stressed that the regulations would eliminate funding for key transit programs in the state, threaten our ability to reduce greenhouse gas emissions, and harm some of the most economically vulnerable populations. Public comment overall was heavily skewed towards opposition of the regulations, with a coalition of transit agencies, affordable housing and labor, other coalitions representing the environmental justice and agricultural communities, and transit riders making opposition comments at a rate of 3-to-1 (roughly 150 opponents to 50 supporters). At the hearing, some Board members raised concerns that mirrored Metro's, but ultimately the Board voted to move forward with adopting the regulations.

Following the vote, Metro followed up with key members of the State legislature about protecting transit funding that would be lost as a result of the reduction in GGRF. As of the time of this writing, the Legislature has not acted on the loss of funding.

Budget Update

In late June, Governor Gavin Newsom, Senate President pro Tempore Monique Limón, and Assembly Speaker Robert Rivas announced a three-party agreement on the State's budget for fiscal year 2026-27. This followed the Legislature's passage of a budget bill on June 15 and meets the deadline to have the budget signed before the start of the new fiscal year begins. The budget deal includes an additional \$5 billion in ongoing revenues raised through extending a tax on healthcare insurers, capping corporate tax credits, and imposing a new sales tax on software. The Governor formally signed the budget on June 29.

The budget deal did not address the funding issues associated with the Greenhouse Gas Reduction Fund that have arisen following a California Air Resources Board regulation vote that will significantly reduce funding for areas such as transit and affordable housing. This budget additionally does not include any funding related to Metro's \$379 million transportation infrastructure ask for the 2028 Olympic and Paralympic Games, though it does contain provisions related to the Games Route Network (GRN) that will be conducted in collaboration with Caltrans.

Additional budget trailer bills are expected in August, where Metro will continue to advocate for inclusion of our priorities.

Legislative Update

Following the passage of the FY 26-27 state budget, the legislature will be in summer recess from July 3 to August 3. Metro is the sponsor or co-sponsor of two bills this year, SB 1361 (Durazo) and AB 1837 (M. Gonzalez).

On July 1, Senator Durazo's SB 1361 passed the Assembly Local Government Committee on a vote of 8-1-1. SB 1361 limits cities' abilities to take certain actions against transit projects on the basis of opposition to increased density requirements in 2025's SB 79 (Wiener). These actions include requesting that the transit agency reduce service to that stop so that SB 79 does not apply, condition approval of a project on the basis of the impacts of increased height or density required by SB 79, or withhold support of an application for funding of a transit project on the basis of the additional height or density required by SB 79. Metro staff provided lead witness testimony on the bill with a representative from the State Building and Construction Trades as second lead witness. The bill now moves to consideration in the full Assembly.

On June 29, AB 1837 by Assemblymember Mark Gonzalez (D - Los Angeles) passed its final policy committee vote. The members of the Senate Privacy, Digital Technologies, and Consumer Protection Committee voted 7-2 to advance the bill to the full Senate. This bill would extend the sunset for transit agencies to use front-facing cameras on buses to capture parking violations in bus-only lanes. Transit agencies would be authorized to use this technology until January 1, 2034, extending the current authorization due to expire in January. Metro is a proud co-sponsor of this legislation and thanks the author again for his work on supporting transit in Los Angeles County and around the state. The bill now awaits its final vote in the Senate.

Conclusion

Chair Bass and members of the Committee, I look forward to providing further updates and expanding on this report during the Executive Management Committee meeting scheduled for July 17, 2026.

EQUITY PLATFORM

Government Relations will continue reviewing legislation introduced in Sacramento and Washington, DC, to address any equity issues in proposed bills and the budget process. Securing levels of federal transportation funding allows our agency to advance projects that improve equitable access and mobility for the ten million individuals who live, work, and travel throughout Los Angeles County.

Of particular concern with regards to equity this past cycle was the California Air Resources Board regulations vote in late May. The Board's vote for regulations that will reduce the available funding in the Transit and Intercity Rail Program and the Low Carbon Transit Operations Program will have profound impacts on transit agencies. Reducing funding to projects and operations would harm some of the most economically vulnerable populations, those who rely on transit for all of their transportation needs. Additionally, as transit is a key component of the State's goal to reduce greenhouse gas emissions and improve air quality for vulnerable populations, it is critical that the State keep funding these activities. Though the outcome of the vote was not what Metro supported, the agency will continue budget advocacy to increase funding for these important programs.

VEHICLE MILES TRAVELED OUTCOME

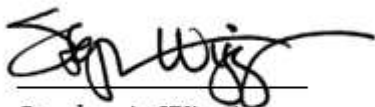
VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

This item supports Metro's systemwide strategy to reduce VMT through administrative and legislative advocacy activities that will benefit and further encourage transit ridership, ridesharing, and active transportation. Increased state and federal funding received benefits Metro's projects and programs to reduce VMT. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

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Stephanie Wiggins
Chief Executive Officer



Government Relations Federal and State Affairs Update

Executive Management Committee
July 16, 2026

- **Federal Transit Administration: Vermont Bus Rapid Transit Project**
- **Surface Transportation Authorization Bill**
- **U.S. House Committee on Appropriations Approves Fiscal Year 27 Transportation Funding Bill**
- **USDOT Secretary Sean Duffy Visits Metro**

State Affairs Update

- **Budget Update**
- **Olympic and Paralympic Games Advocacy Update**
- **Legislative Update:**
 - **SB 1361 (Durazo)**
 - **AB 1837 (M. González)**
 - **Other Legislation**