

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2000
metro.net**EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 21, 2013****SUBJECT: CONSIDER GOALS AND ACTIVITIES CONTAINED IN THE
2014 LEGISLATIVE PROGRAM****ACTION: ADOPT THE 2014 FEDERAL AND STATE LEGISLATIVE PROGRAM****RECOMMENDATION**

Adopt the proposed 2014 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 prepare 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 2014 Legislative Program. The program will serve as a blueprint and guide for pursuing the authority's Board approved legislative proposals and strategies.

In 2013, the agency continued to 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 during the federal government

shutdown earlier this year, a shutdown which impacted the federal review of our New Starts applications for the Regional Connector and Purple Line Extension project, among other federally funded projects and programs at our agency.

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 measured and substantial success and consistent with our Board approved Legislative Program, to expand the scale and scope of our efforts in Washington, DC. These efforts have included, but are not limited to: gaining legislative support for the America Fast Forward Transportation Bond initiative, building a national coalition to support our America Fast Forward program, working to conclude two Full Funding Grant Agreements valued at over \$2 billion for our New Starts projects, securing over \$1 billion in Transportation Infrastructure Finance and Innovation Act program loans for our New Starts projects, working cooperatively with the U.S. Department of Labor on the PEPRA/13c issue to release federal grants funds for Metro projects, and building unity among the Los Angeles County Congressional Delegation on transportation issues, among other initiatives.

Our America Fast Forward 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 remainder of the 113th Congress, we will be working to expand on our successes by addressing the broad array of federal highway and transit programs and projects that impact our agency. Among the key issues we will be tracking in the months ahead are the fate of CNG Tax Credits and Transit Subsidies, legislative efforts for both creating America Fast Forward Transportation Bonds and reforming federal laws related to hiring locally for transportation projects funded primarily with local funds.

The current surface transportation legislation, MAP-21, expires on September 30, 2014. 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. We expect congressional hearings on efforts to craft a new surface transportation bill will consume an enormous amount of political energy on Capitol Hill during 2014. In addition, efforts by the U.S. Congress and the Executive Branch to ensure the solvency of the highway trust fund will likely dominate the policy dialogue on the next surface transportation bill. A

separate board report addressing different funding options to ensure the solvency of the trust fund will be provided to this board this month.

California's transportation system is facing its own version of a fiscal cliff as transportation revenues in California will drop precipitously in 2013. The state's 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 2013 and without any new infusion of revenue California's investment in its transportation system will be reduced from approximately \$6 billion to \$3 billion.

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 are looking at developing potential funding options for transportation projects and these discussions are expected to continue into next year's legislative session.

The key transportation issues this coming year will be the implementation of California State High Speed Rail Project, MAP-21 implementation and discussion regarding long term funding. It is anticipated that discussions will continue regarding the allocation of cap and trade revenues as well. The California High Speed Rail project is expected to begin construction in the near future and Metro will also continue to advance the blended corridor projects in our County. The overall funding of the project will continue to be a major issue in Sacramento and we will work closely with the High Speed Rail Authority and our state legislative delegation as this project advances. The passage of MAP-21 also required the state to take certain actions to implement the funding programs in the measure. Metro worked to secure the key funding from MAP-21 through legislation enacted into laws this year and through allocations by the California Transportation Commission. Also, we will continue to work with our regional and statewide partners on efforts to coordinate regional and statewide consensus on a future federal reauthorization bill.

Overall, the major focus of our state legislative program will continue to be the State Budget with the goal of protecting existing resources and possibly creating new sources of funding for a sustainable transportation system.

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 continue to sponsor briefings in Washington, D.C. and Los Angeles County for our 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 through 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 2014 State Legislative Session is due to reconvene in January. The 2014 Federal Legislative Session with both the U.S. House of Representatives and U.S. Senate scheduled to return in January 2014 for the remainder of the 113th Congress.

ATTACHMENTS

- A. 2014 Federal Legislative Program
- B. 2014 State Legislative Program

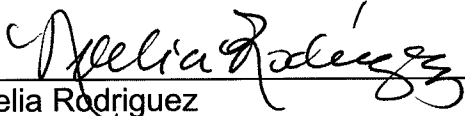
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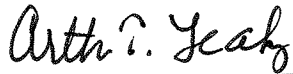
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2014 FEDERAL LEGISLATIVE PROGRAM for the 113th CONGRESS

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. Specifically, 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.

GOAL #2: WORK TO ADVANCE THE REGIONAL CONNECTOR AND THE WESTSIDE EXTENSION – THROUGH THE FEDERAL NEW STARTS PROGRAM AND TIFIA LOAN PROCESS 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 Full Funding Grant Agreements and TIFIA loans for both the Regional Connector and the Westside Subway Extension. 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: WORK TO CREATE A NEW AND FULLY FUNDED FEDERAL FREIGHT PROGRAM AS CONGRESS ACTS TO AUTHORIZE A NEW SURFACE TRANSPORTATION BILL FOLLOWING THE EXPIRATION OF MAP-21 ON SEPTEMBER 30, 2014

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 California's Congressional Delegation and members of House and Senate authorizing committees as they begin consideration of a new surface transportation bill in early 2014.

First and foremost, we will work as an agency and in coordination with local, regional and national stakeholders to establish a new and fully funded federal freight program. We will endeavor to ensure that this freight program benefits the many goods movement projects in Los Angeles County. We will also work to ensure that any prospective federal freight program apportions funding commensurate with the amount of goods being moved in any given region. Given that the twin Ports of Los Angeles and Long Beach handle over 40% of the seaborne cargo entering into the United States on an annual basis and that our county's roadways, among them Interstate 710, are heavily impacted by the movement of goods, it is our position that any new federal freight program must take these specific factors into account when formulas are developed to distributed federal freight funds. If Congress were to reverse its current policy on earmarks, we believe Congress should earmarks significant freight movement funds for Los Angeles County, as was done in the surface transportation bill prior to MAP-21 (SAFETEA-LU).

To advance our goal of creating a fully funded federal freight program, we will work with Senator Boxer and members of the Environment and Public Works (EPW) Committee and members of the House Transportation & Infrastructure Committee, especially members of the committee from Los Angeles County.

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, the Congestion Mitigation and Air Quality Program, reform of the rail modernization program, high speed rail and creative public/private initiatives 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.

We will continue to strengthen the consensus on reauthorization principles we have generated previously with Mobility 21 stakeholders in Orange, Riverside, San Bernardino and Ventura Counties. We will continue to work cooperatively with local governments, local transit agencies, the Southern California Association of Governments, 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: 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 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.

GOAL #5: ADDITIONAL PRIORITIES

Proposed Activities:

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

Work to extend the commuter tax benefit to remain at \$230 per month for transit users;

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

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 are counted for purposes of Los Angeles County’s annual apportionment from the Section 5307 Urbanized Area Formula Program (UAFP);

Work to support legislation that would allow public transit agencies to use a portion of their federal transit funding for day-to-day operating expenses;

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.

2014 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; and,

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: PURSUE 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; and,

GOAL #3: WORK TO ENSURE IMPLEMENTATION OF METRO'S BOARD ADOPTED LRTP

Proposed Activities:

Pursue strategies and funding opportunities to implement the Highway Program in the LRTP;

Work to secure additional funds through the STIP, SHOPP and bond funds; and

Pursue Public Private Partnerships and Design Build opportunities for the highway portion of the LRTP.

GOAL #4: 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 #5: MAXIMIZE OPPORTUNITIES FOR FUNDING LOS ANGELES COUNTY'S TRANSPORTATION PROJECTS AND PROGRAMS THROUGH IMPLEMENTATION OF PROPOSITIONS 1B

Proposed Activities:

Work with Caltrans and the CTC to ensure that Proposition 1B funds flow to Metro projects and support full allocation of these propositions in future budget actions;

Work with the Los Angeles County Delegation to ensure that bond implementation legislation allocates a fair share of funding to Los Angeles County;

Support projects submitted through the CTC process;

GOAL #6: 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 greenhouse gas 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.

Ensure CAP & Trade funds are allocated to transportation, that Los Angeles County receives a proportionate share;

Advocate and secure commitment for cap and trade revenues to be allocated by the County Transportation Commissions when allocated to our region.

GOAL #7: 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 #8: 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;

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.

GOAL #9: 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 #10: SECURE APPROVAL OF KEY METRO PROJECTS AT THE CALIFORNIA TRANSPORTATION COMMISSION

Proposed Activities:

Support efforts to establish local control in the LOSSAN Corridor.

GOAL #11: SPONSOR THE FOLLOWING LEGISLATION TO IMPROVE OUR ABILITY TO DELIVER QUALITY SERVICE

Increase penalties for assault on operators;

Pursue legislation to extend Metro's ExpressLanes Program;

Explore opportunities to update the Congestion Management Statute;

Authorize the use of triple bike racks without a route review committee;

Conform Metro's post-employment requirements to those of other major transit agencies in the state;

Update Metro's Small Business Enterprise Program; and

Explore opportunities to minimize frivolous lawsuits related to the Americans with Disabilities Act.