



ITEM ID: 2023-148-0

TRANSMITTAL DATE: March 17, 2023

MEETING DATE: March 24, 2023

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: March Legislative Update

Issue

Staff provides a regular update on current legislative affairs.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Connecting and Leveraging Partnerships:** We will forge new and enhanced relationships with our public and private partners to integrate and coordinate connecting services, providing residents throughout Southern California with better, seamless, sustainable alternatives to driving. This commitment is met by sharing news, information and the Authority’s legislative priorities with elected officials.
- **Advancing Key Regional Goals:** We will grow the role of regional rail in addressing climate change, air quality, and other pressing issues by advancing toward zero emissions, making rail a compelling alternative to single-occupant automobiles and advancing equity-focused opportunities for all communities throughout Southern California. This commitment is met by encouraging federal, state and local support for Authority priorities.

Background

Staff continues to engage with local, state, and federal government and community relations stakeholders relating to Metrolink service and relevant policy items.

Discussion

Local

Metrolink Community Relations staff are working on several community outreach efforts, including:

Next Door Community Survey

On February 8, 2023, Metrolink posted a community survey available to users of the Next Door community web portal in our region. The post garnered approximately 60,000 views with 182 clicks to view the survey and 118 responses collected. The survey asked a variety of community-based questions intended to determine how Metrolink is viewed by community members who may or may not be Metrolink riders. Questions including familiarity with the Metrolink system, names of community groups, familiarity with programs and Metrolink usage were among the questions asked. The survey closed on February 28, 2023. The survey results included requests for more mid-day service, more Metrolink stations, better access to and from stations, more late-night trains and better access to work locations. Overall, respondents felt that Metrolink was a good neighbor and provided a safe transit option but needed to expand the service to provide better access to community members. Some concerns regarding fare prices and horn noise were mentioned. There did seem to be some continued confusion regarding Metro and Metrolink and what services were provided by each agency due to the similarity of agency names and as providers of rail transportation.

Low-Income Fare Discount Program Outreach

Metrolink received a grant to provide fare discounts to qualified, low-income community members. Electronic Benefits Transfer (EBT) cardholders may use the card at Metrolink ticket machines to purchase tickets at 50% off. The Community Relations team is working in conjunction with counties, cities and elected officials to ensure that likely qualifying participants learn about the program. Notices will also be distributed door-to-door at four public housing projects near Metrolink stations. The Low-Income Fare Discount Program will remain in effect until August 2023 or until grant funds are exhausted.

Online School Safety Program

Working with the Safety Department and using Operation Lifesaver videos and instructional material, the Community Relations team has created an on-line safety program distributed to more than 170 school district superintendents in the Metrolink region. The goal is to provide safety instruction to as many students in schools near railroads as possible. The program can be administered and led by teachers or may also be accessed directly by students. Metrolink Safety staff will also continue to provide in-person presentations requested by local schools.

By-Line Presentation

The Metrolink Community Relations Team has developed a presentation that will be shared

with cities along Metrolink service lines. As there are a number of issues that are common to each city along the line, the presentation is an opportunity to hear these issues and provide a forum for cities to work with Metrolink and neighboring cities to address common issues and to share local perspectives and concerns. The first meeting along the San Bernardino line is tentatively scheduled for March 22, 2023 and will discuss existing projects, planned projects, quiet zones, planning studies, and State of Good Repair and Maintenance of Way efforts.

State

The State Legislature is continuing its consideration of the 2023-24 California budget priorities. The Assembly Budget Committee held a budget oversight hearing on February 8 with an update from the Legislative Analyst's Office (LAO) on the Governor's budget. The LAO identified an \$18 billion deficit driven by lower revenue estimates than the adopted June 2022 budget. The Governor has proposed to address the budget shortfall through spending reductions, delays and triggers. Of these spending solutions, there is a \$2 billion trigger reduction to the Transit and Intercity Rail Capital Program (TIRCP) in the 2023-24 and 2024-25 fiscal years if budget conditions do not improve. The Senate Budget and Fiscal Review Committee held a February 6th hearing on the state's housing and homelessness programs. Of note, Senator Maria Elena Durazo (D-Los Angeles) cited the need for transit operators to access state funding identified for homeless services. Staff have joined transit advocates in encouraging the Legislature to maintain transit funding to at least the levels enacted in the 2022-23 state budget, which includes restoring reductions to TIRCP funding.

The Legislature and transit stakeholders, in collaboration with the California Transit Association (CTA), continue to discuss proposed new transit operations funding. These discussions are occurring in an environment with lower-than-expected state revenues. Staff are collaborating with Member Agencies and the CTA in advocating for immediate and ongoing funding while supporting consideration of possible long-term operations funding reforms.

The California Air Resources Board held a public workgroup meeting on February 8 to discuss incentive funding included in the Fiscal Year 2021-22 and 2022-23 Advanced Technology Demonstration and Pilot Projects Program. Staff continue to monitor Air Resources Board workshops and announcements to advocate for funding to be available to passenger rail operators. Additionally, the Board held its regular monthly meeting on February 23-24. The Board is expected to hold its second Board Hearing to vote on the proposed In-Use Locomotive Regulation in Spring 2023. The regulation is expected to include three different compliance pathways for passenger and freight locomotive operators. Staff continue to coordinate with the Member Agencies, CTA, and peer passenger rail operators to ensure shared emissions-reductions goals are achieved without unintended financial harm to agencies.

Federal

President Biden addressed Congress during the State of the Union on February 7. The President used the opportunity to highlight the Bipartisan Infrastructure Law (BIL) and bipartisan investments. These comments are notable given the divided Congress and need to address the debt limit. Additionally, the President noted his support for strengthening Buy America standards for federal infrastructure. Following the State of the Union address the Office of Management and Budget (OMB) is proposing to revise guidance to support

implementation of the Build America, Buy America Act provisions of the Infrastructure Investment and Jobs Act. Comments are due March 13 and the American Public Transportation Association (APTA) is coordinating a response on behalf of the industry. Staff will monitor the proposed rule and guidance for any impacts to the Authority.

The Congressional Budget Office (CBO) released an updated report on February 15 relating to the federal debt and statutory limit. Of note, the report reiterates that the \$31.4 trillion debt limit was reached on January 19. The current debt issuance suspension period is expected to be exhausted between July and September 2023 during the fourth quarter of the current federal fiscal year. If the debt limit is not raised or further suspended, the Treasury will not be authorized to issue new debt, leading to delayed payments for some government activities or a default on the government's debt obligations. Additionally, the CBO estimates that the Federal Reserve's target of reducing inflation to 2 percent will not be met until 2026 or 2027.

The Senate Appropriations Committee Chair Patty Murray (D-Wash.) and Ranking Member Susan Collins (R-Maine) released the full roster of Appropriations Subcommittee leadership. Of note, the Transportation, Housing and Urban Development (THUD) Subcommittee will be led by Chair Brian Schatz (D-Hawaii) and Ranking Member Cindy Hyde-Smith (R-Miss.).

House of Representatives Republicans released additional information on requests for Congressionally directed spending, or earmarks. New rules are expected to limit requests to those with a federal nexus. Staff are reviewing for opportunities to seek resources for regional rail projects with support from Congressional offices. The House of Representatives is expected to consider all 12 appropriations bills individually. Senate leaders have voiced their support for retaining earmarks without process changes.

Metrolink is submitting to USDOT a Rebuilding America's Infrastructure with Sustainability and Equity (RAISE) grant application seeking \$45 million to match the \$51.7 million in state Carl Moyer Program funds already awarded to Metrolink to procure eight additional Tier 4 locomotives to replace Tier 2 locomotives. Metrolink submitted two prior RAISE applications that were recommended but not awarded due to an over-subscribed grant program. Metrolink staff note that return of the state funds may be required unless matching funds are secured.

Rep. Julia Brownley (D-Oxnard) is leading a congressional delegation letter in support of the application. Support letters are also requested of both California US Senators. The grant application was submitted on February 28 and award announcements are expected in June. The new locomotives will increase from 40 to 48 the number of Tier 4 locomotives in Metrolink's fleet of 55 locomotives. Tier 4s are the cleanest commercially available locomotives on the market, and when powered by renewable (plant and animal based) fuel, make Metrolink one of the cleanest diesel-operated passenger railroads in the country.

Next Steps

Staff continues to engage with local, state, and federal government and community relations stakeholders relating to Metrolink service and relevant policy items.

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Attachment(s)

[Appendix A - March 2023 Bill Matrix.docx](#)