



**ITEM ID:** 2023-167-0

**TRANSMITTAL DATE:** April 21, 2023

**MEETING DATE:** April 28, 2023

**TO:** Board of Directors

**FROM:** Paul Hubler, Chief Strategy Officer

**SUBJECT:** April 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**

#### *By-line meeting*

Metrolink conducted its first virtual By-Line community meeting for the San Bernardino Line on March 22. Invitees included city managers, public works and transportation staff, member agency MAAC and other participants from cities along the San Bernardino Line. All thirteen cities that the San Bernardino line traverses through were invited, including:

- Los Angeles
- El Monte
- Baldwin Park
- Pomona
- Claremont
- San Dimas
- La Verne
- Covina
- Rancho Cucamonga
- Fontana
- Rialto
- San Bernardino
- Redlands
- Montclair
- Upland

Representatives from eight of the 13 cities attended, along with representatives of Metro, SBCTA and the MAAC. The feedback from these cities was extremely positive of Metrolink service, and there were no specific suggestions for change to the Metrolink service or requests for improvement. The presentation highlighted Metrolink projects pending or soon forthcoming on the line, including SCORE projects, and other community related issues including Maintenance of Way, Quiet Zones, State of Good Repair and sustainability/air quality. The goal of the effort is to share information with cities along the route, hear their concerns and convey how concerns can be addressed. Metrolink will follow up by hosting virtual project roundtables which will provide information to local elected officials, business groups, community groups, and emergency responders about these issues and solicit their feedback. Following these efforts, we will consider holding a virtual town hall if there is sufficient community interest and need to address issues arising from these meetings.

#### *Low-Income Fare Discount Program*

The Metrolink Community Relations team initiated a concentrated outreach effort on behalf of the Low Carbon Transit Operations Program (LCTOP) grant program to ensure that all eligible communities were aware of the low-income fare program. As a result of this effort, discounted ticket sales under the program have increased. Information was distributed to cities that meet the Title VI criteria and all Los Angeles County Supervisors posted the information in their weekly newsletters.

Los Angeles County Department of Public Social Services (DPSS) posted information on all their social media (42,000 recipients) as did San Bernardino County (7,000 recipients). We are outreaching to the DPSS offices in Orange, Riverside, and Ventura counties and hope to distribute to their recipient lists by early April. Additionally, we are currently reaching out to colleges and universities in our region as students and staff may qualify for the program as well. To-date we have reached out to:

- California State University, Los Angeles
- California State University, Northridge
- Fullerton College
- Valley College

Community Relations staff will continue to apprise the Board of the relevant community issues arising from the by-line meetings and from the Low-Income Fare Discount Program outreach efforts.

## **State**

### *Budget Transportation Funding*

On March 15, the Assembly Budget Subcommittee #3 on the Climate Crisis, Resources, Energy, and Transportation convened to address the Governor's proposed reductions and delays to key transportation funding programs, including a \$2 billion reduction in Transit and Intercity Rail Capital Program (TIRCP) funds, a net \$200 million reduction in funds from the Active Transportation Program, and a \$350 million delay in funds for grade separation projects. Metrolink, through its participation with the California Transportation Association (CTA), is urging the Legislature not to enact these cuts and, particularly, urging full funding of prior year budget TIRCP commitments.

Metrolink is represented by staff on the CTA Transit Operations Funding Subcommittee, which is comprised of multi-modal operators with the expressed goal of identifying consensus principals and requests of the Legislature and the Governor to support transit operations. These discussions are ongoing and staff will keep the Board apprised as proposals are developed and agreed to by the statewide association and operators.

### *In-Use Locomotive Regulation Comment Letter*

On March 15, Metrolink submitted its comment letter to the final, proposed In-Use Locomotive Regulation to be considered for adoption by the California Air Resources Board (CARB) at its April meeting. Metrolink acknowledged the work of CARB to incorporate the perspectives and inputs of impacted parties to the regulation, including passenger rail agencies, and for including alternative pathways to achieving the objectives of the regulation to move the industry to eventual zero emissions. Among these are an Alternative Compliance Plan (ACP) provision similar to that offered by Metrolink to CARB following the release of the draft regulation. That draft provided only for a spending account provision requiring rail agencies to prospectively set aside operating funds each year until a commercially viable zero emissions technology is available, to expend at a future unknown date towards the acquisition of the technology. Because operating funds are so critically needed by Metrolink and other rail operators recovering from the pandemic, the ACP path allows the agency to move towards zero emissions operation without the prescriptive of set aside funds and sets forth a path and criteria to meet over time to achieve regulatory goals. Metrolink in its comment to the regulation notes the need for significant incentive funding. Metrolink is grateful to the CARB Board and staff for their efforts to work with passenger rail agencies in California.

### *LCTOP Omnibus Bill Proposal*

Metrolink is seeking to remedy a timing issue impeding the effective use of grant funds made available through the Low Carbon Transit Operations Program (LCTOP). LCTOP apportionments are released by the State Controller Office (SCO) typically in late February. Currently the deadline for transit agencies to submit LCTOPS application and allocation requests is in mid-March, providing only a few weeks for agencies to identify, develop, scope and propose a LCTOP grant application appropriate to the allocation of funds available. Metrolink has met with state legislative committee staff, SCO and Department of Finance (DOF) staff to highlight the need to remedy the issue whether by statutory amendment in this year's transportation omnibus budget bill or by administrative means. Metrolink is scheduling a meeting with appropriate CalSTA staff to further address and ascertain the best way to fix the issue. State agency staff and legislative staff acknowledge the impacts of the issue. Metrolink staff will continue to seek the most appropriate remedy.

## **Federal**

### *Administration FY 24 Budget*

On March 9, the Biden Administration released its proposed FY24 budget, which proposes to decrease overall USDOT funding by \$882 million from current year levels. The proposed budget would eliminate all Congressional earmarks, saving \$2.6 billion; eliminate all Infrastructure Investment and Jobs Act (IIJA) "plus-ups" for trust fund contract authority programs in aviation, highway and mass transit which would save another \$2.0 billion, and eliminate the 2024 annual appropriation for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants, saving \$800 million, though RAISE would still be provided the \$1.5 billion advance appropriation provided by the IIJA for 2024. This means that pending RAISE applications, including Metrolink's application of \$45 million for Tier 4 locomotives, would be funded if the Administration's budget were adopted as proposed.

The budget would add an additional \$1.2 billion for the MEGA Program in addition to the \$1.0 billion provided by the IIJA. The Mega Program (known statutorily as the National Infrastructure Project Assistance program) will support large, complex projects that are difficult to fund by other means and likely to generate national or regional economic, mobility, or safety benefits. It would also increase Federal Railroad Administration funding by \$1.4 billion over current levels and increase Federal Transit Administration funding by almost \$250 million.

It is worth noting that this is a proposed budget and will not pass as proposed. It is a virtual certainty that Congress will not completely eliminate earmarks. Many of the plus-ups such as the MEGA grant program as well as eliminations such as to RAISE will be subject to negotiation and compromise. Discretionary spending will be subject to increased Congressional scrutiny, including transportation, climate and environmental initiatives, as well as proposed increases to mass transit.

### *Rail Safety Bill*

On Feb. 3, a train carrying toxic chemicals derailed in eastern Ohio, igniting a fire that covered the town of East Palestine in smoke. The National Transportation Safety Board issued a Preliminary Report saying the likely cause of the derailment and hazmat spill was due to an overheated wheel bearing, and it made numerous recommendations to reduce the likelihood of recurrence of a similar kind of accident.

A bipartisan bill has been introduced in the Senate to address these recommendations. While most of the provisions apply specifically to freight rail, some are less clear and Metrolink will monitor to assess impacts to passenger rail, if any. Included among the bill's provisions:

- FRA to issue new rules for rail car & locomotive inspections (does not specify freight only, although implied).
- FRA to initiate audits of rail car inspections by freight railroads.
- FRA to issue new rules for wayside defect detectors for railroads carrying hazmat, including frequency of placement of hotbox detectors, temperatures triggering an alert, etc.
- Congressional mandate that no freight train may operate without at least a two-person crew of a locomotive and a conductor, with certain exceptions.
- Amends FRA CRISI grants to allow for research and development on wayside defect detectors to prevent derailments of hazmat trains.

Majority Leader Schumer has endorsed the bill and appears to want to act quickly to move the legislation. House leadership has taken a more deliberate approach. Freight railroads have generally urged caution against taking drastic, quick action in response to the tragedy, while the professional associations including the American Public Transportation Association and the Commuter Rail Coalition are closely monitoring the legislation.

It is very possible that a bipartisan rail safety bill will pass this year in response to the East Palestine accident. Metrolink will monitor closely to ensure that any provisions which may impact passenger rail are appropriate and beneficial to passenger rail operators and are consistent with Metrolink's board-adopted legislative platform.

#### *ACCESS DC*

At this writing, CEO Darren Kettle is scheduled to participate in the Los Angeles Area Chamber of Commerce ACCESS DC advocacy trip to Washington, DC in late March. Meetings were arranged with members of Congress as well as USDOT officials regarding Metrolink's applications for discretionary grant funds, 2028 Olympic Games transport needs and Congressionally-directed funding requests.

Staff will provide further updates to these legislative matters at the April Board meeting.

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#### **Attachment(s)**

[Appendix A - April 2023 Bill Matrix](#)