Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

Board Report

File #: 2023-0129, **File Type:** Federal Legislation / State Legislation (Position) **Agenda Number:** 15.

EXECUTIVE MANAGEMENT COMMITTEE
MARCH 16, 2023

SUBJECT: STATE LEGISLATION

ACTION: ADOPT STAFF RECOMMENDED POSITIONS

RECOMMENDATION

ADOPT staff recommended positions:

A. **AB 463 (Hart)** Electricity: prioritization of service: public transit vehicles. - **WORK WITH AUTHOR**

B. **AB 761 (Friedman)** Transit Transformation Task Force. - **SUPPORT**

ATTACHMENTS

Attachment A - AB 463 (Hart) Legislative Analysis
Attachment B - AB 761 (Friedman) Legislative Analysis

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ATTACHMENT A

BILL: **ASSEMBLY BILL 463**
AS INTRODUCED FEBRUARY 6, 2023

AUTHOR: **ASSEMBLYMEMBER GREGG HART (D – SANTA BARBARA)**

SUBJECT: **ELECTRICITY: PRIORITIZATION OF SERVICE: PUBLIC TRANSIT VEHICLES.**

STATUS: **REFERRED TO UTILITIES AND ENERGY COMMITTEE**

ACTION: **WORK WITH AUTHOR**

RECOMMENDATION

Staff recommends that the Board of Directors adopt a WORK WITH AUTHOR position on Assembly Bill 463 by Assemblymember Hart, as introduced.

ISSUE

This bill was introduced on February 6, 2023, to amend provisions related to electricity in the Public Utilities Code.

Specifically, the bill would:

- Require the Public Utilities Commission to, when establishing priorities among the types and categories of customers who receive service during electricity shortages, to also consider the economic, social equity, and mobility impacts of a temporary discontinuance in electrical service to the customers that rely on electrical service to operate public transit vehicles.
- Require, when electrical companies submit wildfire mitigation plans to the Wildfire Safety Division for approval, that these companies include protocols related to deenergizing portions of the electrical distribution system that mitigate public safety impacts on public transit vehicle charging infrastructure.

DISCUSSION

Existing law requires the Public Utilities Commission to establish priorities among the categories of customers who receive electrical or gas service so that in times of temporary shortages, service can be reduced in accordance with those established priorities. Currently, considerations for these priorities include a determination of the customers and uses of electricity and gas that provide the most important public benefits and serve the greatest public utility, the determination of imminent danger to public health, the determination of the potential effects of extreme heat on health and safety, as well as

a determination of the economic, social, and other effects of a temporary discontinuation of service for these customers.

AB 463 seeks to add to this list of considerations the determination of economic, social equity, and mobility impacts that a temporary discontinuation of service would have to customers who rely on public transit vehicles.

Transit agencies are under a mandate by the California Air Resources Board that all bus fleets must be zero-emission by 2040. It is crucial that the power supply that the state has mandated that transit agencies may need to use not be impacted by shortages, which could lead to a lifeline service being cut off for disadvantaged communities around the state. This bill would help us achieve reliability in our transit service as we transition to an all zero-emission bus fleet.

AB 463 would only apply to investor-owned utilities (IOU) in California. The PUC has regulatory authority over investor-owned utilities in California, but not over municipal-owned utilities (MOU) such as the Los Angeles Department of Water and Power (DWP), Pasadena Water and Power, and Burbank Water and Power. IOUs currently provide approximately 30-40% of the power utilized by Metro. The balance of that power is provided by DWP. AB 463, while beneficial, would only provide a higher priority for transit in the areas covered by IOUs. In order for Metro to ensure that its service can remain operational during shortages, it is important that the agency ensure this priority is provided by the relevant MOUs in our area as well. That conversation may involve legislation, or it may involve other structures to guarantee that priority. Historically, MOUs have opposed state legislation that governs their operations.

Staff recommends that the Board adopt a WORK WITH AUTHOR position on AB 463 (Hart). This position will allow us to work with Assemblymember Hart on the establishment of the priority for transit with IOUs but also allow us to explore how the State can help us address the issue with MOUs as well.

DETERMINATION OF SAFETY IMPACT

The impact to safety is still being determined.

FINANCIAL IMPACT

The estimated financial impact of this action is still being evaluated.

EQUITY PLATFORM

Transit is a lifeline service to many communities in Los Angeles County. During times of electrical shortages, workers who rely on transit service to get to work and residents who need to reach their appointments deserve to feel more secure in the idea that they will be able to continue relying on transit. This will become even more acutely important as we transition more of our fleet to zero-emission technology. For example, the G Line (Orange) runs through Equity Focus Communities in the San Fernando Valley, and its recent transition to all-electric buses makes it even more crucial for us to be able to maintain electrical service to the area.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Staff recommendation supports strategic plan goal #3: Enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

Staff has considered adopting either a support or oppose position on the bill. A support or oppose position would be inconsistent with Metro's Board approved 2023 State Legislative Program Goal #7: Coordinate with our local and state partners to incorporate the region's needs in emerging climate change and sustainability programs, as we are seeking to include all Board priorities on this issue into the legislation.

NEXT STEPS

Should the Board decide to adopt a WORK WITH AUTHOR position on the legislation; staff will communicate the Board's position to the author and work to ensure inclusion of the Board's priorities in the final version of the bill. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.

ATTACHMENT B

BILL: **ASSEMBLY BILL 761**
AS INTRODUCED FEBRUARY 13, 2023

AUTHOR: **ASSEMBLYMEMBER LAURA FRIEDMAN (D – GLENDALE)**

SUBJECT: **TRANSIT TRANSFORMATION TASK FORCE**

STATUS: **PENDING REFERRAL**

ACTION: **SUPPORT**

RECOMMENDATION

Staff recommends that the Board of Directors adopt a SUPPORT position on Assembly Bill 761 by Assemblymember Friedman, as introduced.

ISSUE

This bill was introduced on February 13, 2023 to add and repeal provisions related to transportation in the Government Code.

Specifically, the bill would:

- Require the Secretary of Transportation to, by July 1, 2024, establish and convene the Transit Transformation Task Force. The task force would include stakeholders from around the state, including from local transit operators. The bill would require the task force to engage all parties to develop policies to grow transit ridership and improve the transit experience for all users of those services, and to submit to the Legislature by January 1, 2025, a report on the task force's findings. The provisions of the bill would be repealed on January 1, 2028.

DISCUSSION

Existing law establishes that the Secretary of Transportation is required to report to the Governor on legislative, budgetary, and administrative programs related to transportation matters of public interest. This bill would require the Secretary to oversee the formation of the Transit Transformation Task Force for the purpose of creating a report that details policies that would grow transit ridership and improve the transit experience for all users.

The report would be required to, among other things, include details on transit services and rider demographics, existing operations and capital funding sources, the cost to operation transit systems projected for the next ten years, costs and operational impacts related to federal, state and local mandates, including the California Air Resources Board's Innovative Clean Transit regulations, workforce policies impacting service, and state and local policies that impact service efficiency and transit ridership.

The bill includes provisions related to the categories of recommendations that the report must include. Among these are recommendations related to how to improve mobility and increase ridership, such as service and fare coordination between transit agencies or increasing frequency and reliability through sharing of real-time transit information. Other categories of recommendations include changes to land use policies, strategies to ensure a safe and clean rider experience, strategies related to workforce recruitment and retention, replacing farebox recovery ratios and efficiency criteria with other performance metrics, and new options for state revenue sources to fund transit operations and capital projects. This list of recommendations provides a look into the holistic approach the task force would be approaching the issue of transit transformation from, one that ensures that we examine both direct and indirect strategies to grow ridership and improve the rider experience.

Metro staff have been working with our partners in the state legislature, as well as the California Transit Association, to address the "transit fiscal cliff" that agencies around the state are facing in the near future. This bill creates an opportunity to continue our partnership with the legislature to address the transit fiscal cliff and to develop permanent dedicated support so that transit can remain a lifeline service and a key strategy to reducing greenhouse emissions and vehicle miles traveled.

For these reasons, staff recommends that the Board adopt a SUPPORT position on AB 761 (Friedman).

DETERMINATION OF SAFETY IMPACT

The impact to safety is still being determined.

FINANCIAL IMPACT

The estimated financial impact of this action is still being evaluated.

EQUITY PLATFORM

This bill supports Metro's commitment to equity by focusing on both increasing ridership, which expands economic and social opportunity for disadvantaged communities, and by improving the transit experience for all riders. Additionally, air quality impacts from a decrease in vehicle miles traveled have a disproportionate benefit to residents in Equity Focus Communities, who often bear the brunt of air pollution in heavily-traveled corridors.

Staff also believe that the diversity of stakeholders cited in the bill's provisions will allow for a robust report of strategies to improve transit and recover ridership. These stakeholders include not only representatives from transit operators, but would also include local governments, MPOs, labor organizations, transportation advocates, and academics, among others.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Staff recommendation supports strategic plan goal #1: Provide high-quality mobility options that enable people to spend less time traveling; and goal #2: Deliver outstanding trip experiences for all users of the transportation system.

ALTERNATIVES CONSIDERED

Staff has considered adopting either a work with author or oppose position on the bill. A work with author or oppose position would be inconsistent with Metro's Board approved 2023 State Legislative Program Goal #4: Support Legislation, regulatory action, and funding initiatives that support transit riders and enhance the customer experience.

NEXT STEPS

Should the Board decide to adopt a SUPPORT position on the legislation; staff will communicate the Board's position to the author and work to ensure inclusion of the Board's priorities in the final version of the bill. Staff will continue to keep the Board informed as this issue is addressed throughout the legislative session.