



Board Report

File #: 2025-0536, File Type: Informational Report

Agenda Number: 29.

EXECUTIVE MANAGEMENT COMMITTEE JULY 17, 2025

SUBJECT: FEDERAL AND STATE REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE July 2025 Federal and State Legislative Report.

DISCUSSION

Executive Management Committee Remarks Prepared by Raffi Haig Hamparian Government Relations, Executive Officer: Federal Affairs

Chair Dutra and members of the Executive Management Committee, I am pleased to provide an update on several key federal matters of interest to our agency. This report was prepared on July 1, 2025, and will be updated, as appropriate, at the Executive Management Committee meeting on July 17, 2025. The status of relevant pending legislation is monitored on the [Metro Government Relations Legislative Matrix <https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202025%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202025%20-%20LA%20Metro%20Legislative%20Matrix.pdf), which is updated monthly.

U.S. Department of Transportation -2028 Olympic and Paralympic Games

Metro, with the strong support of our Board, continues to advance our request for \$3.2 billion in federal funding for mobility projects related to the 2028 Olympic and Paralympic Games. The President's FY26 Federal Budget Request did not include any transportation funding for the 2028 Games. Metro's initial request for this funding was submitted in a letter from our Board to the President-elect on November 21, 2024. More recently, our previous Chair, Director Hahn, sent a follow-up letter to U.S. Department of Transportation Secretary Sean Duffy, reiterating the critical importance of this funding. Chair Hahn received a response from Secretary Duffy dated June 4, 2025, regarding our request. Metro staff continue working with the White House, U.S. Department of Transportation, and other federal stakeholders to ensure this request remains under active consideration

Los Angeles County Congressional Delegation

Metro was pleased to see support for several of our projects in the FY 2026 Community Project Funding (CPF) process. The Los Angeles Metro Regional Bus Stop Enhancement Program received

recommendations from Representatives Brownley (CA-26), Gomez (CA-34), Friedman (CA-30), and Rivas (CA-29). In addition, Representative Gomez also recommended funding for the LA River Path project (between Riverside Drive and Atlantic Boulevard). We continue to track CPF outcomes and will provide an update once final selections are publicly released by the House Appropriations Committee in July.

America's Next Surface Transportation Authorization Bill

The current authorization-*the Bipartisan Infrastructure Law* (P.L. 117-58)-is set to expire on September 30, 2026. Congressional committees with jurisdiction over this legislation are expected to begin drafting components of the bill later this year, with the goal of finalizing it in 2026. Metro has successfully secured key legislative recommendations in past federal transportation bills. Notably, our "America Fast Forward" initiative, which reformed the TIFIA low-interest loan program, was included in MAP-21. More recently, working closely with then-Congresswoman Karen Bass, Metro led the effort to include Local Hire provisions in the Bipartisan Infrastructure Law signed by former President Biden in November 2021.

Transit Operator Safety

In alignment with Metro's Board-approved 2025 Federal Legislative Program, staff continues prioritizing transit operator safety and maintaining active communication with the Los Angeles County Congressional Delegation on this issue. The upcoming reauthorization of federal surface transportation programs provides an important opportunity to advocate for enhanced protection and safety measures for transit operators across the country.

Federal Transportation Grants

Metro remains committed to aggressively pursuing competitive federal grants to support a range of transit projects and programs. Consistent with our ongoing efforts, we are working closely with the Los Angeles County Congressional Delegation and strategic partners-including the LA/Orange County Building and Construction Trades Council and the Los Angeles Area Chamber of Commerce-to build support for both current and future applications.

Conclusion

Chair Dutra 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, 2025.

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

Chair Dutra and members of the Board, I am pleased to provide an update on several state matters

of interest to our agency. This report was prepared on July 2, 2025, and will be updated, as appropriate, at the Executive Management Committee on July 17, 2025. The status of relevant pending legislation is monitored monthly on the [Metro Government Relations Legislative Matrix <https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202025%20-%20LA%20Metro%20Legislative%20Matrix.pdf>](https://libraryarchives.metro.net/DB_Attachments/7%20-%20July%202025%20-%20LA%20Metro%20Legislative%20Matrix.pdf).

Budget Update

On June 24, Governor Newsom and leaders in the legislature announced an agreement on the budget for FY 25-26. As related to transit, the final agreement was largely similar to the two-party agreement reported to the Board in early June. The agreement maintains funding for the SB 125 TIRCP and ZETCP programs, along with TIRCP Cycle 6. These were funded by both Greenhouse Gas Reduction Fund (GGRF) and General Fund dollars. The agreement also includes the previously announced \$750 million in loans to Bay Area transit agencies. Additionally, the annual commitment from the GGRF to CAL FIRE was increased from \$1 billion over two years, to \$1.25 billion this year, and \$500 million each in FY 26-27 and FY 27-28. Two Budget Bill Juniors and twenty Budget Trailer bills went into print, and were subsequently passed.

On June 27, the Governor also signed the Budget Bill Juniors and a number of trailer bills, including the transportation trailer bill, that were passed by the Senate and Assembly earlier that day. The enactment of these bills were contingent on the signing of AB 130 and SB 131. With these collective signatures, the formal budget process for this fiscal year has concluded, though additional measures may be heard until the end of the legislative year. Metro staff do anticipate additional measures related to budgetary matters to continue through the end of session, including ones related to the Cap-and-Trade program.

On June 30, Governor Newsom signed AB 130 (Committee on Budget) and SB 131 (Committee on Budget and Fiscal Review), two budget trailer bills that primarily concern housing, infrastructure, and CEQA reforms. The bills would streamline CEQA review of infill housing and infrastructure projects, including those related to the California High-Speed Rail project. Under SB 131, construction or modification of High-Speed Rail stations and maintenance facilities located within a one-mile radius of the Project's right of way would be exempt from CEQA.

Cap-and-Trade/Cap-and-Invest

The Governor has announced his desire to extend California's Cap-and-Trade program, renaming it the Cap-and-Invest program. The Governor is asking the Legislature to extend the program to 2045 in order to provide greater market certainty and align with California's existing 2045 carbon-neutrality goal. There continue to be ongoing discussions around Cap-and-Trade renewal in the Legislature. In the budget agreement, the Legislature committed two years of GGRF funding for the Department of Forestry and Fire Protection but did not include the annual \$1 billion guarantee of High-Speed Rail through 2045 that Governor Newsom requested in his budget. It is Metro's understanding that Cap-and-Trade renewal discussions will continue with the legislature in the coming weeks. Metro staff will continue to advocate for the equitable reauthorization of Cap-and-Trade program, with a focus on ensuring that investments are made in Los Angeles County. That includes providing greater certainty for long-term transit projects, by allowing multiyear grant opportunities. We will also advocate for cap-and-trade funding to support transit operations. In addition to stabilizing regional and commuter rail systems.

Leadership Change

In mid-June, the Senate announced that a leadership change will be taking place early next year. Senate President pro Tempore Mike McGuire (D-North Coast) announced that the Senate Democratic Caucus convened and determined that Senator Monique Limón (D-Santa Barbara) will be the Pro Tem Designee. We look forward to working with Senator Limón on transforming public transportation in Southern California.

Legislative Update

The following is an update on the status of Metro's sponsored and monitored legislation.

Sponsored/Supported Legislation

In late May, amendments to Metro-sponsored AB 1237 (McKinnor) were put into print. AB 1237 would previously have allowed LA Metro and VTA to impose a charge of up to \$5 on the purchaser of a ticket to the FIFA World Cup to support transit operations. The bill was amended to require a ticket seller or a person who resells a ticket to a sporting, musical, theatre, or any other entertainment event located at a venue with a capacity of more than 1,000 persons to also, at the time that a ticket is purchased, give the consumer the option to purchase an all-day ticket from a transit provider that offers service to the venue during the time of the event. In March, Metro's Board of Directors adopted a support-work with author/sponsor position on this legislation. Though the bill has been expanded statewide and changed substantially, the key idea behind the legislation remains the same and therefore Metro is maintaining a support position on the legislation. The bill is currently in the Senate, having just been referred to the Committee on Business, Professions, and Economic Development, and the Transportation Committee.

Metro is a co-sponsor of SB 71 (Wiener), along with the California Transit Association, the Bay Area Council, and SPUR. SB 71 builds upon previous legislation (SB 288, SB 922) by the Senator that expedites bike, pedestrian, light rail, and bus rapid transit projects by exempting these projects from the California Environmental Quality Act (CEQA). SB 71 removes the SB 922 sunset date and clarifies that transit infrastructure maintenance projects, bus shelters and lighting, and shuttle and ferry service and terminal projects also eligible for the exemption. The bill passed the Senate Floor unanimously on June 3rd and has been referred to the Assembly Committee on Natural Resources. The bill will be heard on July 7, and staff will have a full update on the outcome of that hearing at the July Executive Management Committee.

Metro-supported AB 394 by Assemblymember Lori Wilson (D - Suisun City) unanimously passed the Assembly Floor and been referred to Senate Public Safety Committee, with a hearing scheduled for July 15. This bill would strengthen penalties for assaults against all transit employees that currently exist for bus and rail operators only. The bill would also broaden enforcement against trespassing on transit systems, and empower courts to issue prohibition orders restricting access to individuals convicted of violent offenses against transit workers. Metro has continued to utilize all tools at our disposal to ensure greater safety for all, and AB 394 would be another critical tool in our toolbox.

LA County Legislative Delegation Coordination

Government Relations staff continue to prioritize new member engagement and updating state Senate and Assembly offices on projects and programs relevant to their districts. CEO Wiggins has been meeting with new members in order to introduce them formally to Metro and gauge their legislative priorities for potential partnerships between the State and our agency.

EQUITY PLATFORM

Government Relations will continue to work with the Office of Civil Rights, Racial Equity, and Inclusion in 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. Specifically, dedicated investments in bus stop improvements can provide safer, more accessible, and more comfortable waiting areas, ensuring that all riders - particularly seniors, people with disabilities, and low-income communities - can reliably connect to jobs, schools, healthcare, and essential services. Similarly, federal support for the LA River Path will expand access to active transportation options, linking neighborhoods to green spaces, employment centers, schools, and recreational sites, while promoting healthier, more sustainable travel choices for all residents.

VEHICLE MILES TRAVELED OUTCOME

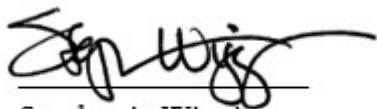
VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets 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.

Prepared by: Michael Turner, Senior Executive Officer, Government Relations, (213) 922-2122
Raffi Hamparian, Executive Officer, Government Relations, (213) 922-3769
Madeleine Moore, Deputy Executive Officer, Government Relations, (213) 922-4604

Reviewed by: Nicole Englund, Chief of Staff, (213) 922-7950

A handwritten signature in black ink, appearing to read 'Step Wiggins', written over a horizontal line.

Stephanie Wiggins
Chief Executive Officer



Government Relations Federal and State Affairs Update

Executive Management Committee
July 17, 2025

Federal Affairs Update

- **U.S. Department of Transportation – 2026 FIFA World Cup/2028 Olympic and Paralympic Games**
- **Los Angeles County Congressional Delegation**
- **America's Next Surface Transportation Authorization Bill**
- **Transit Operator Safety**
- **Federal Transportation Grants**

State Affairs Update

- **Fiscal Year 2025-26 Budget Update**
- **Cap-and-Trade/Cap-and-Invest**
- **Legislative Update:**
 - **SB 71 (Wiener)**
 - **AB 394 (Wilson)**