

America Fast Forward: CREATING JOBS THE RIGHT WAY



Local Hire Initiative Executive Summary



Metro®

January 2017

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Traditionally, federal procurement regulations do not permit agencies, like Metro, to require bidders to establish local hiring programs, or to take such programs and local hiring directly into account in the bid evaluation process. The historical rationale for this prohibition is that the federal gas tax (18.4 cents per gallon) is collected from around the nation and, therefore, all individuals and companies in the U.S. should have access to any given project.

Metro believes the current federal procurement regulation does not take into account the new reality of how transportation projects are financed, which today, is often through a majority of funds being derived from local dollars. For example, at present and into the future, over 80% of Metro's budget for operations and capital projects will be funded through tax dollars from L.A. County residents.



- > **September 2011** – the Metro Board of Directors adopted a Board Report that added reforming federal local hire rules to our agency's successful America Fast Forward initiative.
- > **January 2012** – Metro launched, with FTA approval, an innovative Construction Career policy to require targeted hiring for major capital projects.
- > **2012/2013** – Metro begins to brief members of the House, Senate and Obama Administration officials on our America Fast Forward Local Hire Reform effort.
- > **November 22, 2013** – Working in close cooperation with Metro, Congresswoman Karen Bass (D-CA) introduces H.R. 3620 (The Local Hire Act), which would permit establishing local hiring programs on projects using federal funding.
- > **2014** – Metro advances our Board-approved America Fast Forward Local Hire Reform effort by educating Members of Congress on the merits of reforming current federal local hire regulations.
- > **December 11, 2014** – Congress adopts a Consolidated Appropriations Bill for Fiscal Year 2015 (Public Law No: 113-235) that includes language from The Local Hire Act authored by Congresswoman Karen Bass (D-CA).
- > **February 9, 2015** – the Federal Transit Administration releases its Federal Fiscal Year 2015 apportionments in the Federal Register outlining how it intends to allow geographic hiring preferences in construction contracts that are advertised or awarded in Federal Fiscal Year 2015.
- > **March 3, 2015** – the U.S. Department of Transportation launches a Local Hire Pilot Program.
- > **December 18, 2015** – President Obama signed the Consolidated Appropriations Act of 2016 that included language offered by Congresswoman Karen Bass that allows and expands local hire regulations for the remainder of Federal Fiscal Year 2016.
- > **March 4, 2016** – Metro Chairman Mark Ridley-Thomas calls on U.S. Transportation Secretary Anthony Foxx to make permanent or extend the Obama Administration's Local Hire Pilot Program.
- > **March 6, 2016** – Responding favorably to Metro and other key stakeholders – like Congresswoman Karen Bass – the Obama Administration moves to extend their Local Hire Pilot Program for a period of one year – until March 6, 2017.
- > **January 18, 2017** – the Federal Register publishes a notice from U.S. Transportation Secretary Anthony Foxx announcing that the Local Hire Pilot Program will be extended for five years.



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