



April 6, 2020

Elaine L. Chao
U.S. Department of Transportation, Secretary
1200 New Jersey Ave., SE
Washington, D.C. 20590

Dear Secretary Chao:

We, the undersigned members of the Texas Legislature, request the U.S. Department of Transportation (USDOT) terminate further actions associated with Texas Central's 240-mile route high-speed rail project connecting Dallas and Houston. It has become clear Texas Central Railroad (TCRR) simply does not have the financial resources required or expertise employed to continue with this project. To proceed otherwise would be an inexcusable waste of taxpayer dollars and jeopardizes the integrity of the rules making process at the Federal Railroad Administration (FRA).

Just this past weekend, Carlos Aguilar, CEO of TCRR, acknowledged the lack of financial stability of their organization after laying off 28 employees by stating to the Dallas Morning News and many other media outlets the following (**bold added for emphasis**):

*"...we have been forced to make hard decisions in an effort to make **the best use of our current funding...**"*

*"...prepared to move **this project forward when** we have our permits and **the financial markets have stabilized.**"*

"...our ability to begin construction will be contingent upon financial entities in the United States, Europe and Japan – all of which are dealing with urgent priorities generated by COVID-19...."

*"This is one of those moments where we have to acknowledge how small our world really is," said Carlos Aguilar, CEO of Texas Central High-Speed Rail. "Our engineering partner is in Italy, our operations partner is in Spain and our technology provider is in Japan. **Our financial partners are in those countries, as well as here in the United***

States. Understanding the impact of COVID-19, and the challenges those countries and the US are facing, is a new fact of life.”

The cost to construct the proposed project is estimated to be over \$20 billion. Given the project is still in the planning phase and TCRR does not anticipate earning revenue until construction is completed, the statements above reveal TCRR clearly does not and will not have the funding to conduct the planning or construction phases of this project in the foreseeable future.

Additionally, TCRR clearly no longer has the expertise on staff to adequately respond to comments being made during the comment period regarding the proposed rules and safety standards for this project. This, in turn, means TCRR ultimately does not have the ability to carry out the responsibilities and duties as proposed recently under FRA’s rule of particular applicability to establish safety standards for the TCRR high speed rail system. Thus, we respectfully call upon yourself, the Surface Transportation Board (STB) and the FRA to immediately suspend the rule making process currently being conducted by the FRA on this project as well as deny the petition currently being considered by the STB.

When taking into consideration TCRR’s lack of financing to complete the planning phase of this project, their lack of financing to begin construction, their lack of financial feasibility to maintain and operate a rail system, their lack of eminent domain authority (see Cause 16-0137CV, James Miles Vs Texas Central Railroad & Infrastructure, Inc.), their lack of necessary federal and state permits, the lack of desire from the State of Texas to spend any state taxpayer monies on the project (SB-977-85th Legislative Session), the overwhelming community opposition to this project and the global economic crisis due to COVID-19 that, by TCRR’s own public admission, has destabilized their potential financing to the point they do not have the funding needed to move this project forward, it is clearly time to bring all activity being conducted by the federal government regarding this project to a close. It is simply a waste of taxpayer dollars and resources to continue further in dealings with TCRR that could otherwise be utilized combating the COVID-19 pandemic.

Thank you for your time and service. We look forward to your response. If you have any questions, please feel free to contact Wesley Starnes at Wesley.Starnes@house.texas.gov, 512.463.0600 or PO BOX 2910, Austin TX 78768.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ben Leman', with a long horizontal line extending to the right.

Ben Leman
State Representative
House District 13



Brian Birdwell
State Senator
Senate District 22



Charles Perry
State Senator
Senate District 28



Brandon Creighton
State Senator
Senate District 04



Charles Schwertner
State Senator
Senate District 05



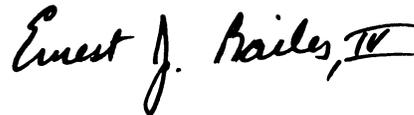
Joan Huffman
State Senator
Senate District 17



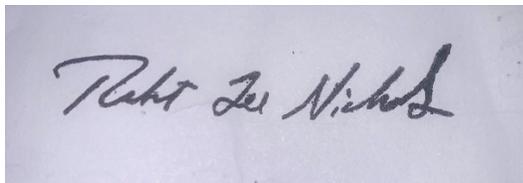
Trent Ashby
State Representative
House District 57



Lois Kolkhorst
State Senator
Senate District 18



Ernest Bailes
State Representative
House District 18



Robert Nichols
State Senator
Senate District 03



Cecil Bell
State Representative
House District 03



Keith Bell
State Representative
House District 04



Cody Harris
State Representative
House District 08



Dustin Burrows
State Representative
House District 83



Cole Hefner
State Representative
House District 05



Briscoe Cain
State Representative
House District 128



Kyle Kacal
State Representative
House District 12



John Cyrier
State Representative
House District 17



Mike Lang
State Representative
House District 60



James Frank
State Representative
House District 69



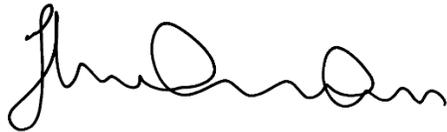
Will Metcalf
State Representative
House District 16



Mayes Middleton
State Representative
House District 13



Steve Toth
State Representative
House District 15



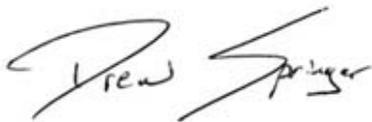
Tom Oliverson
State Representative
House District 130



John Wray
State Representative
House District 10



Reggie Smith
State Representative
House District 62



Drew Springer
State Representative
House District 68



Phil Stephenson
State Representative
House District 85