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April 6, 2020

The Honorable Ann D. Begeman  
U.S. Surface Transportation Board, Chairman  
395 E. Street SW  
Washington, D.C. 20423

Dear Chairman Begeman:

We, the undersigned members of the Texas Legislature, request the Surface Transportation Board (STB) 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.

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, the STB in 2016 already made a ruling in this matter that it did not have jurisdiction over this project because TCRR's proposed line was entirely within the state of Texas. To date, nothing has changed with the exception that TCRR now lacks the financial resources necessary to continue with this project. As such, it is clear they are not "shovel ready" and therefore a permit for construction and operation is futile.

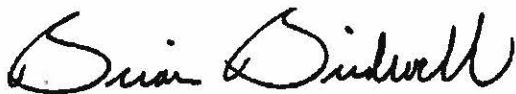
When taking into consideration TCRR's lack of financing to complete the planning phase of this project, their lack of financing to begin construction, their lack of financial feasibility to maintain and operate a rail system, their lack of eminent domain authority (Cause 16-0137CV, James Miles Vs Texas 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-977-85<sup>th</sup> 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-to continue with the TCRR petition proceedings at the STB is simply a waste of taxpayer dollars and resources that could be better 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,



Ben Leman  
State Representative  
House District 13



Brian Birdwell  
State Senator  
Senate District 22



Brandon Creighton  
State Senator  
Senate District 04



Joan Huffman  
State Senator  
Senate District 17



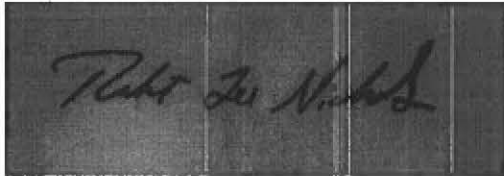
Trent Ashby  
State Representative  
House District 57



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



Charles Perry  
State Senator  
Senate District 28



Keith Bell  
State Representative  
House District 04



Charles Schwertner  
State Senator  
Senate District 05



Dustin Burrows  
State Representative  
House District 83



Briscoe Cain  
State Representative  
House District 128



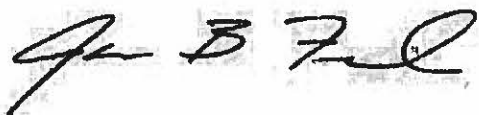
Kyle Kacal  
State Representative  
House District 12



John Cyrier  
State Representative  
House District 17



Mike Lang  
State Representative  
House District 60



James Frank  
State Representative  
House District 69



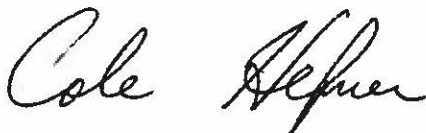
Will Metcalf  
State Representative  
House District 16



Cody Harris  
State Representative  
House District 08



Mayes Middleton  
State Representative  
House District 13



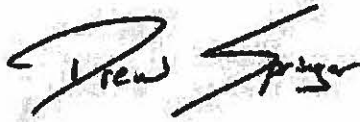
Cole Hefner  
State Representative  
House District 05



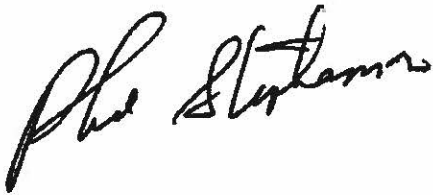
Tom Oliverson  
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House District 130



Reggie Smith  
State Representative  
House District 62



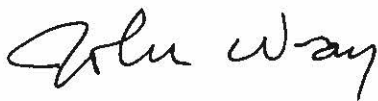
Drew Springer  
State Representative  
House District 68



Phil Stephenson  
State Representative  
House District 85



Steve Toth  
State Representative  
House District 15



John Wray  
State Representative  
House District 10