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MEMBER OF CONGRESS
8TH DISTRICT OF TEXAS

DEPUTY WHIP

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

CHAIRMAN
COMMITTEE ON
WAYS AND MEANS
JOINT COMMITTEE ON TAXATION

May 29, 2018

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Ann D. Begeman
Chairman, Surface Transportation Board
United States Department of Transportation
395 E St., SW
Washington, D.C., 20472

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Chairwoman Begeman,

I write today to voice my strong opposition to Texas Central Railroad's (TCR) Petition to Reopen. In 2016, the Surface Transportation Board (STB) correctly ruled that it did not have jurisdiction over the project because the proposed line was entirely within the state of Texas, without connection elsewhere. Despite TCR's new attempt to obtain federal jurisdiction, I encourage STB to reaffirm their previous ruling.

TCR recently reached a preliminary ticketing agreement with Amtrak to allow riders to transfer lines in Dallas to continue their journey on other rail lines, and argues that the agreement warrants federal jurisdiction for their project. However, TCR's proposed high-speed rail line doesn't connect with any of Amtrak's lines. TCR's high-speed rail project is a closed system between Houston and Dallas and would require offloading passengers from the high-speed rail line and shuttling them to an Amtrak station. This is a matter for the state of Texas, and STB should refuse jurisdiction, again.

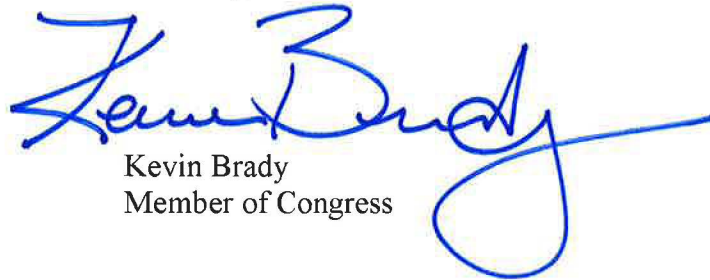
Furthermore, STB should not grant an exemption from the prior approval requirements of 49 U.S.C. § 10901. TCR has said the project will be entirely funded by the private sector, but still plans to pursue federal government-backed loan guarantees. Also, TCR's cost estimate has already increased by \$5-8 billion from the first time it applied for an exemption in 2016; and independent examinations of the route have determined that TCR has overestimated ridership and underestimated costs.

This 240-mile-long project will displace thousands of rural Texans and permanently alter their way of life. These citizens, many of whom are constituents of mine in the Eighth Congressional District of Texas, have repeatedly spoken out against the project and the lack of transparency from TCR. As you consider granting an exemption to TCR, I encourage STB to perform a more in-depth examination of TCR's solvency and business model.

In addition to the economic questions surrounding TCR's funding projections, U.S. Code § 10502 prohibits "interurban electric railways" that aren't operated as part of the general system of railroads from being exempted. TCR's high-speed rail project uses Japanese track technology that cannot connect to any Amtrak lines, requiring passengers to be shuttled between railways. To grant federal jurisdiction, or an exemption, for this project opens the door for any inner-city metro system to classify itself as a federal railroad as long as it can provide a shuttle to the nearest Amtrak station.

I appreciate the time and attention the Surface Transportation Board has spent on this matter. If you have any questions please feel free to contact my Legislative Counsel, Austin Bray, at (202) 225-4901 or by email at Austin.Bray@mail.house.gov. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin Brady", with a long horizontal flourish extending to the right.

Kevin Brady
Member of Congress