

Dear Friend,

Many remember the Big Dig in Boston. Bankrolled by taxpayer dollars, finished years behind schedule and billions over budget, it was the most expensive public works project in American history at the time and referred to by many as a 'black hole' of government waste. But even with such an example to learn from, California is still barreling ahead on a high-speed rail (HSR) project that could rival the Big Dig in cost overruns and delays.

HSR has proven a drain on government coffers. Every HSR line in the world requires some sort of government subsidy, and a 2008 Amtrak study found that six of Europe's passenger rail systems require a combined annual subsidy of \$42 billion. That's in addition to the initial investment. Unfortunately, many are turning a blind eye to these facts.

The California High-Speed Rail Authority (CHSRA) has touted California's project as the nation's first true HSR. But if their plan is the model, we're in trouble. Aside from ever-changing ridership projections, sub-par business plans and incomprehensive Environmental Impact Reports (EIR), the numbers don't add up. The Authority puts the cost of building Phase One from Los Angeles to San Francisco at \$43 billion, but independent studies say it could be anywhere from \$65 to \$80 billion, and some report the entire project could top \$116 billion.

Even taking the rosier estimates, the money isn't there. Our nation is \$14.3 trillion in debt and running a \$1.5 trillion deficit, and our state isn't doing much better. California has faced deficits in the tens of billions of dollars for years, and there is no end in sight. The \$9 billion in bonds voters approved in 2008 for HSR will add a roughly \$1 billion annual burden to the state over the next two decades, according to the Legislative Analyst's Office. That means \$1 billion less for higher education, parks, firefighting and other services. Furthermore, operating costs could top \$1.5 billion annually – meaning if the already questionable ridership estimates don't materialize, California would be on the hook for an annual subsidy.

This potential 'train to nowhere' would have profound impacts on many members of our communities. The Authority's most recent EIR shows people, homes and churches would be displaced, and the line would run right through Bakersfield High School. There is simply too much uncertainty about this project as a whole to allow our communities to be disrupted without asking some serious questions.

That's why I introduced legislation freezing federal funding for this project until more evidence can be gathered to determine its feasibility. My legislation freezes all funds that have not been obligated, or obligated and not spent, until September 30, 2012 and commissions a Government Accountability Office study on costs, ridership and other areas to ensure we are well aware of what we're getting ourselves into. Absent reliable numbers and estimates on what HSR will really cost taxpayers, it's foolish to keep throwing money hoping for a good result.

HSR sounds good in theory, but the facts tell a different story. Government should be focusing on smart and responsible uses of taxpayer dollars, not on building new and massive annual obligations into already-strained budgets.

I want to hear from you on this issue, and I encourage you to share your comments and thoughts either by calling my office or [sending me an email](#) .

Sincerely,

Congressman Kevin McCarthy