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TEXAS CENTRAL RAILWAY SEEKING STIMULUS FUNDS

Texas Central Execs Explore Federal Dollars While Feds Limit Taxpayer Input

Jewett, Texas – New revelations regarding funding for the embattled Dallas Houston HSR have come to light over the last several days when a letter from Drayton McLane, Texas Central Railway’s President and main investor, revealed that the project has “hit a snag” and is now estimated to cost \$30B, which is a 300% cost increase since the project was first announced and a 150% increase from the project cost currently shown on the Federal Railroad Administration project dashboard. However, Texas Central is apparently not worried about this enormous cost increase because they “hope to receive [monies] from President Trump’s infrastructure stimulus through the Department of Transportation,” despite, for nearly a decade, touting the project to the public, elected officials, and the [media](#) as a “privately funded project” to create a more favorable public perception.

First to highlight the letter describing Texas Central’s changes in funding plans was a [Dallas Business Journal’s article](#) by Evan Hoopfer, who has closely followed the Dallas Houston HSR, reporting that in response to McLane’s letter, Carlos Aguilar, CEO of Texas Central, admitted, “We don’t know whether [private equity is] going to be there or not. It depends on the markets themselves to determine if and how much of the money can come from private equity. And that’s why it could require some stimulus money, but we don’t know yet.”

John Fund, a nationally-known and well-respected journalist who has often spoken out on the reality of this proposed HSR’s failed future, weighed in on the admission that the project will seek federal funding in an article entitled, “[This Is Exactly the Wrong Time for Another High-Speed Train Boondoggle.](#)” Fund explained that “government loans are often forgiven or forgotten, with taxpayers left holding the bag.”

Kyle Workman, Chairman and President of Texans Against HSR, said, “Texas Central has already used the pandemic to explain away laying off the majority of their staff, and now we find out they are using it to make up for their lack of private investment.” Workman added, “We’ve heard that Mr. McLane has been busy asking for every public funding opportunity available in DC. Stimulus funds, RRIF loans that are rarely paid back, and then, ironically timed, a former Texas Central employee now US Representative from Massachusetts recently authored [a bill for \\$205B in funding for HSR](#), specifically including Texas Central’s project. The depths to which Texas Central will go to get public funds for their ‘private project’ reveals what we have known all along... this project cannot be privately funded.”

The timing of Texas Central’s shift to rely on public funding is underscored by the exclusion of public hearings on matters of safety and environmental impacts for this HSR project. Texas State Representative Ben Leman shared in his recent [opinion editorial](#) that he and other state legislators, as well as Texas’ own Department of Transportation, requested postponement of public hearings until a time that the public could fully participate in person. Instead, the Federal Railroad Administration moved forward with telephonic hearings that were poorly promoted and suffered connection issues. Rep. Leman said, “I hope you will join me in rising up in defense of democracy and protecting our taxpayer dollars. I ask you to call upon [Transportation] Secretary Elaine Chao and ask why the USDOT is supporting Texas Central’s \$30B proposed project, when Texas Central is seeking billions in taxpayer dollars, without adequate involvement from the very taxpayers potentially footing the bill.”

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