



As local leaders across key growing transportation corridors in Texas, we write to encourage the Texas Legislature to leverage state funding to access federal capital for intercity passenger rail service to better connect Texas. A \$300 million investment would put Texas on par with investments made by the legislatures in neighboring states, boost the Texas economy and provide increased mobility between major Texas destinations.

The Federal government committed a historic \$66 billion to further Bipartisan Infrastructure Law investments. The Federal Railroad Administration (FRA) recently awarded the Texas Department of Transportation (TxDOT) and other key applicants \$3.5 million from the FRA's Corridor Identification and Development Program to study proposed rail corridors across the State. The FRA awards make these proposed projects eligible for additional federal funding under the Federal-State Partnership Program at an 80%-20% federal-state match. These funds can support engineering, environmental clearance, design, construction, and operations for these corridors. Projects are eligible for this historical investment only if state or local governments make a funding match.

Texas is at the epicenter of United States-Mexico-Canada Agreement trade routes and stands to profit from building additional capacity for passenger travel. Intercity passenger rail connections in Texas will facilitate travel for education, employment, sporting events, and arts events across the region and spur economic development; improve public safety; and reduce highway demand and ease congestion. The Austin-San Antonio corridor alone is one of the fastest-growing regions in the United States, with a population anticipated to increase to more than 8 million by 2050. Similarly, the Austin-San Antonio Regional Gross Domestic Product grew by 48.1%, or \$125.1 billion, in the past five years and is likely to continue at a similar rate. This tremendous growth and economic development provide opportunities, while also placing significant strain on existing infrastructure. Employers cite affordability, housing, and transportation as key challenges to securing the workforce they need. The addition of new passenger rail between our communities will help develop a robust workforce pipeline across the Austin-San Antonio megaregion, making Texas even more appealing to businesses.

Intercity passenger rail has the potential to create a state-of-the-art transportation system that is more modern, safe, and efficient than it has ever been. This is especially true in the Austin-San Antonio region, where the distance between the two cities is too close to fly but unreliable and inconvenient to drive. Our regional neighbors are already leveraging their state funding to secure a federal match for passenger rail projects in their respective regions and beyond. Kansas and Oklahoma are planning rail extensions that will connect to Fort Worth, directly benefiting Texas. In Louisiana, the legislature appropriated \$12.5 million for the Baton Rouge/New Orleans Rail project, \$10 million for new intercity passenger rail to connect Meridian, Mississippi to the Dallas-Fort Worth market in Texas, and an additional \$25 million to support these and other intercity passenger rail projects. By population estimates alone, an equivalent investment in Texas would mean appropriating approximately \$300 million for intercity passenger rail projects for Texans to secure their fair share of this federal funding opportunity.

This funding is an opportunity that will secure economic, safety, and transportation system benefits for families and businesses across Texas. Texas has long been a “donor” state, contributing far more federal tax dollars than we receive in return. If we don’t draw down Texas’ fair share, other states will benefit both in resources and progress on Texans’ dime.

We ask you to seize this opportunity and appropriate state funding via a specific line item for TxDOT to match any and all eligible federal grant programs supporting intercity passenger rail, beginning with the \$300 million Texans deserve alongside their neighboring states. Texas voters previously expressed their support for a larger state investment in rail by authorizing the Texas Rail Relocation and Improvement Fund in the Texas Constitution. It’s time to make this investment.

We are committed to working with you to make the most of such an investment, including support for strengthening systems for statewide coordination related to governance, funding, and infrastructure for rail. Together, we can ensure Texans can capitalize on these and other rail funding opportunities of historic proportions.