116TH CONGRESS 1ST SESSION

H. R. 1515

To direct the Secretary of Transportation to require that any discretionary grant funds provided by the Department of Transportation for high-speed rail development in California be reimbursed to the Federal Government and to authorize additional funds for nationally significant freight and highway projects.

IN THE HOUSE OF REPRESENTATIVES

March 5, 2019

Mr. LaMalfa introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To direct the Secretary of Transportation to require that any discretionary grant funds provided by the Department of Transportation for high-speed rail development in California be reimbursed to the Federal Government and to authorize additional funds for nationally significant freight and highway projects.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "High-Speed Refund
- 5 Act".

1 SEC. 2. FINDINGS.

2	Congress	finde	tha	f_{Ω}	wing.
<u>_</u>	Congress	mus	une	10110	wing:

- 3 (1) When presented to voters in 2008, Califor-4 nia's high-speed rail system was projected to cost 5 \$33.6 billion for a line from San Francisco to Ana-6 heim, increasing \$40 billion to add lines to Sac-7 ramento and San Diego.
 - (2) The expanded project's cost swelled to more than \$100 billion, with the San Francisco to Anaheim line costing more than \$77 billion, and now the State of California's high-speed rail plan no longer includes any stops in Sacramento, San Francisco, Los Angeles, Anaheim, or San Diego.
 - (3) When presented to voters in 2008, California claimed the Federal Government would pay between a quarter and a third of the cost of the rail system.
 - (4) The Federal Government had no such grant program at the time, and the \$4 billion invested in the project represents less than 5 percent of the updated cost projections.
 - (5) At the current level of project employment it would take nearly 400 years to accomplish the 1,000,000 job-years promised by the California High-Speed Rail Authority.

- 1 (6) No significant private companies have invested in the California high-speed rail project.
 - (7) The grant creation and award process for the California high-speed rail project did not incorporate the best practices of Government funding.
 - (8) The grant agreement between the Federal Government and California did not require a feasible funding package to be prepared before awarding funds, which similar mass transit programs require.
 - (9) The grant agreement between the Federal Government and California did not require a minimum operable segment before awarding funds, which similar mass transit programs require.
 - (10) The grant agreement between the Federal Government and California did not require new high-speed trains to run on the new high-speed rail system.
 - (11) The Department of Transportation inappropriately allowed the State of California to spend Federal money without a required State funding match.
 - (12) The California High-Speed Rail Authority repeatedly failed to meet deadlines and underestimated costs.

- 1 (13) On March 5, 2019, the Federal Rail Ad2 ministration, having recognized the failure of Cali3 fornia to build even a small fraction of the originally
 4 approved high-speed rail system, deobligated nearly
 5 \$1 billion in Federal funding.
 - (14) No passenger rail system in the world has ever been fully self-sufficient.
- 9 projects that would improve the quality of life for every day Americans and could easily have been designed, approved, built, and have benefitted local economies in the time it took for California's high-speed rail proposal to fail.

14 SEC. 3. SENSE OF CONGRESS.

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- It is the Sense of Congress that any future high-16 speed rail grant programs that are awarded funds by the 17 Federal Government should have similar or higher re-
- 18 quirements than existing mass transit programs.

19 SEC. 4. TREATMENT OF FUNDS PROVIDED FOR HIGH-

- 20 SPEED RAIL DEVELOPMENT IN CALIFORNIA.
- 21 (a) Reimbursement of Funds.—The Secretary of
- 22 Transportation shall take such action as is necessary to
- 23 require that any discretionary grant funds provided to the
- 24 State of California by the Department of Transportation

- 1 for high-speed rail corridor development be reimbursed to
- 2 the general fund of the Treasury.
- 3 (b) Authorization of Appropriations for Na-
- 4 TIONALLY SIGNIFICANT FREIGHT AND HIGHWAY
- 5 Projects.—Section 1101(a)(5)(E) of the FAST Act (23)
- 6 U.S.C. 101 note) is amended by striking "\$1,000,000,000
- 7 for fiscal year 2020" and inserting "\$4,500,000,000 for
- 8 fiscal year 2020".

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