

COMMITTEES: CHAIR: TRANSPORTATION BUDGET INSURANCE VETERANS AFFAIRS SUBCOMMITTEE NO.1 ON HEALTH AND HUMAN SERVICES

California Legislature

May 29, 2020

Mr. Tom Richards California High-Speed Rail Authority 770 L Street, Suite 620 Sacramento, CA 95814

SUBJECT: Draft 2020 Business Plan

Dear Vice Chair Richards:

Yesterday, the Assembly was able to hold its oversight hearing of the California High-Speed Rail Authority's (HSRA) Draft 2020 Business Plan. Upon review and based on the comments of my colleagues and inadequate responses from HSRA staff, I must respectfully notify you that I do not approve of the Draft Plan as proposed.

As discussed, for too many years HSRA has submitted plans that grew in costs and shrunk in scope. This latest Draft Plan seems to be more of the same – promising ridership that sounds wholly unrealistic while optimistically estimating costs based on incomplete information. In the end, when this project finally runs out of money and delivers much less benefit than promised, Californians will be the ones who suffer. They will suffer because HSRA made the rash choice to move forward with a plan that was too risky instead of considering all options available to the state. They will suffer because of the potential benefits lost from those alternatives, while the underutilized asset proposed in this option provides little benefit to anyone. Given the information presented in the Draft Plan, I cannot be supportive of this direction.

I implore you to pause, reconsider the proposal in this Draft Plan, and weigh the risks against the potential benefits before determining the best way forward. The information provided to this Committee and the public is not credible and appears to be prepared in such a way to minimize risks and tip the scale to the benefit of what HSRA desperately wants instead of what might be the best thing for the State of California.

Sincerely,

JIM FRAZIER Assemblymember, District 11

cc: California High Speed Rail Authority Board of Directors Brian P. Kelly, California High Speed Rail Authority Chief Executive Officer David S. Kim, CalSTA Secretary