



U.S Department of Transportation  
Office of Public Affairs  
1200 New Jersey Avenue, SE  
Washington, DC 20590  
[www.transportation.gov/briefingroom](http://www.transportation.gov/briefingroom)

## News

---

Wednesday, June 4, 2025

Contact: [pressoffice@dot.gov](mailto:pressoffice@dot.gov)

### **Trump's Transportation Secretary Sean P. Duffy Releases Report Exposing No Viable Path Forward for California's High-Speed Rail Boondoggle**

*Report identifies years of mismanagement, broken promises, and wasted federal taxpayer dollars*

**WASHINGTON, D.C.** - U.S. Transportation Secretary Sean P. Duffy today released the Federal Railroad Administration (FRA) Compliance Review Report finding that the California High-Speed Rail Authority (CHSRA)'s high speed rail project is in default of the terms of its federal grant awards. The detailed report, which is over 300 pages, contains 9 key findings including missed deadlines, budget shortfalls, and overrepresentation of projected ridership. The two grants total roughly \$4 billion in taxpayer money. As the letter notes, CHSRA has up to 37 days to respond, after which the grants could be terminated.

In a letter to CHSRA's CEO, Ian Choudri, the FRA noted its report identified a trail of project delays, mismanagement, waste, and skyrocketing costs. The project has received approximately \$6.9 billion in federal dollars in roughly fifteen years but has not laid a single high-speed track. Even with continued federal support, the project is far short of the funding needed to finish just a fraction of the track.

*"I promised the American people we would be good stewards of their hard-earned tax dollars. This report exposes a cold, hard truth: CHSRA has no viable path to complete this project on time or on budget. CHSRA is on notice — If they can't deliver on their end of the deal, it could soon be time for these funds to flow to other projects that can achieve President Trump's vision of building great, big, beautiful things again," said U.S. Transportation Secretary Sean P. Duffy. "Our country deserves high-speed rail that makes us proud – not boondoggle trains to nowhere."*

Please find a copy of the full letter and full report [HERE](#).

#### **ADDITIONAL INFORMATION:**

In February, Secretary Duffy [announced](#) that USDOT would be launching an investigation into the CHSRA's high-speed rail project and reviewing two grants awarded to the project: a \$929 million Cooperative Agreement from 2010 and a \$3.07 billion Cooperative Agreement from last year.

Under the Secretary's direction, FRA conducted a detailed review of CHSRA's compliance with federal

grant agreements related to over \$4 billion in funding. As part of its investigation, the FRA has contacted state oversight entities, visited construction sites, conducted a risk analysis, met with CHSRA officials, and reviewed several thousand documents.

FRA's report is 310 pages, inclusive of supporting attachments, and contains 9 key findings:

1. CHSRA has executed numerous change orders and will likely have many more change orders in the near future to account for contractor expenses as a result of project delays.
2. CHSRA has already missed its deadline for finalizing its rolling stock procurement.
3. CHSRA has at least a \$7 billion funding gap to complete the EOS, with no credible plan to secure additional funds.
4. CHSRA does not have a viable path to complete the EOS by 2033 per its commitment in the FY10 Agreement and the FSP Agreement.
5. CHSRA relies on volatile non-federal funding sources, which present significant project risk.
6. CHSRA lacks time and money to electrify the EOS by 2033.
7. CHSRA's budget contingency is inadequate to cover anticipated contractor delay claims.
8. CHSRA has overrepresented its ridership projections for the EOS substantially.
9. CHSRA lacks the capacity to deliver the EOS by 2033.

Find excerpts from the report below:

*Given CHSRA's past performance, including substantial change orders, numerous contractor delay claims, protracted third-party arrangements, failure to account adequately for project risk, and lack of a credible plan to close the \$7 billion funding gap, CHSRA is not likely to complete the Early Operating Segment (EOS) by 2033. In executing the FSP Agreement and reobligating the FY10 Agreement, FRA relied on CHSRA's representations, which were included as commitments in the funding agreements, that CHSRA would deliver the EOS by 2033.*

*To secure substantial Federal funding, CHSRA represented that it could connect major metropolitan cities in California, but can now only deliver a system that is reduced substantially and delayed significantly, which may connect two random endpoints.*

*As such, CHSRA's inability to deliver the EOS by 2033 renders the CHSR Project inconsistent with the goals of the HSIPR Program and constitutes a Project Material Change under the FSP Agreement.*

*These findings support a conclusion that CHSRA is in default under the FSP Agreement and the CHSR Project no longer effectuates the goals of the funding programs, which may give rise to an action under the funding agreements, which could include termination.*

...

*Similarly, in 2008, the CHSR System was represented as a two-phase visionary system connecting Los Angeles to San Francisco, CA, and later north to Sacramento, CA, and south to San Diego, CA. Since then, the project footprint has been dramatically reduced from an 800-mile segment to a 171-mile segment to the current vision—119-miles. Despite substantial Federal support and funding, CHSRA does not have the capacity to deliver the full CHSR System. This 2025 compliance review demonstrates that CHSRA has not learned from its mistakes and mismanagement and has therefore failed to create an organization capable of effectively and efficiently managing project delivery. Despite the substantial*

*scope reduction, the CHSR Project still continues to face numerous delays and cost overruns. At this rate, CHSRA will never complete the CHSR System. Further, CHSRA has not acted in good faith in making representations to FRA regarding its ability complete the EOS with a reasonable budget and schedule. This not only gives rise to the conditions creating default under the agreement, but also raises a reasonable question about whether continued Federal investment in the CHSR System is a prudent use of taxpayer dollars.*

###