

Texas Central: Flaws, Unsupported Data and Biased Views Undermine Reason Foundation Report

Foundation review of high-speed project is riddled with errors. Here's a deeper look:

- **The source data is specifically flawed for this study's premise and says so.** TxDOT's 2013 *Statewide Ridership Analysis Report*, the basis for the Reason report, states on page iii that it "...was not intended to provide a detailed ridership analysis of any individual corridor, since many assumptions were applied to all of the corridors statewide and would need to be modified to more accurately reflect the characteristics of any particular corridor."
- **The Reason Foundation author did not use data provided by Texas Central. He was also offered full access to the reports and he chose not to use or reference them.** As recently as last month, the author confirmed that he "...would be interested in getting more information about the numbers. As you may know, Reason supports private high speed rail lines." Subsequent calls and emails went unacknowledged.

As a project being driven by free market principles, every decision is driven by data. This project has spent millions of dollars using the best technology in the industry to produce data that exceeds what TxDOT provides on ridership and revenue. All of this has undergone intense scrutiny by the project's various investors. These analyses included **original research by the project using publicly available Bluetooth data**, among other inputs. No other group – government or otherwise – have completed such a thorough, sophisticated analysis of the Texas travel market. These **studies include survey of thousands of real Texans**, which show a strong, pent up demand for more travel alternatives between North Texas and Houston. The **Reason report ignores all of this data and offers no new information for consideration.**

The conclusions of this report contrast sharply with [previous articles](#) from the Reason Foundation, which called out "**opponents who in Reason's own words, 'mistakenly claim that taxpayers will be stuck subsidizing the rail line.'**" This same report acknowledged that even with the project's consideration of federal loan programs, "**there is little or no risk to taxpayers, federal or state.**" The author contradicts [his own views from May 2015](#), where he affirms positive attributes of the North Texas to Houston travel market and declares that the public should give "privately funded Texas high-speed rail line a chance." He notes that "For distances longer than 400 miles, planes have major cost advantages," but claims in his new report that the market is "well-served" by aviation and buses, presumably leaving no room for a service to compete on cost, convenience or experience.

The only thing that has changed in the time from the previous report to now, is there is more accurate and detailed data available supporting the financial viability of the project. The author ignores all of this and somehow came to a different conclusion.

Conclusion

For months preceding the publication of this report, **the author ignored our calls and emails seeking to provide data and background information** that would have informed his ongoing research.

We again reiterate our offer to the Reason Foundation to take a fresh, open-minded, objective and data-driven view of the project. Any opinion they offer at that point would be a welcome and *informed* addition to the important public policy conversation going on in Texas about what role high-speed train service can play in accommodating the needs of a growing state.

In the meantime, Texas Central stands by its statement:

"The recently published Reason Foundation report is deeply flawed and rife with uninformed biases about how Texans travel. The report offers no original research on the Texas market, and instead relies largely on an outdated state government report that explicitly warns against using it to analyze any single corridor.

The report's author did not respond to our offer to review the very "verifiable, objective data" that his review claims we have not yet provided. That our many calls, emails and voicemails on this matter were left unacknowledged and unreturned signals a willful disinterest by the author to produce a truly comprehensive analysis.

We disagree with the paper's findings, its assumptions and regret its inexplicable departure from the Reason Foundation's usual adherence to respectable, defensible academic standards."