

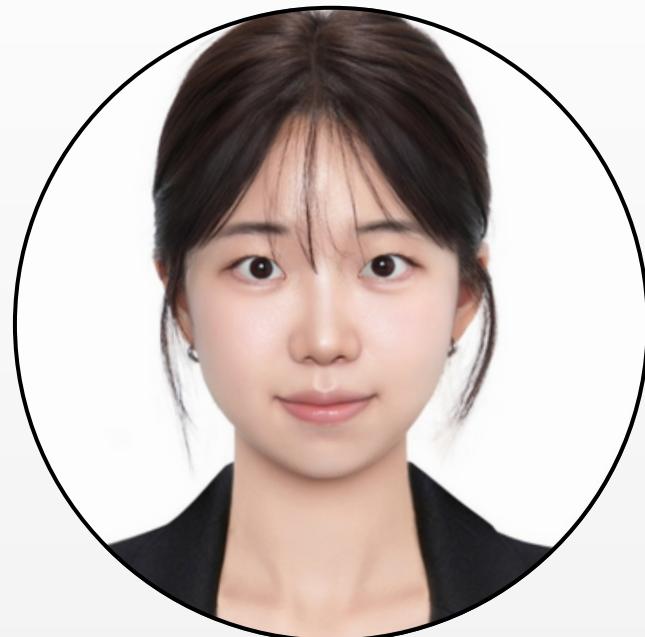
MOBILITY AS A RELIEF VALVE



How Fast Rail Can Rebalance
Regional Growth

Texas-Louisiana Case Study: 2019-2025

THE JOURNALISTS



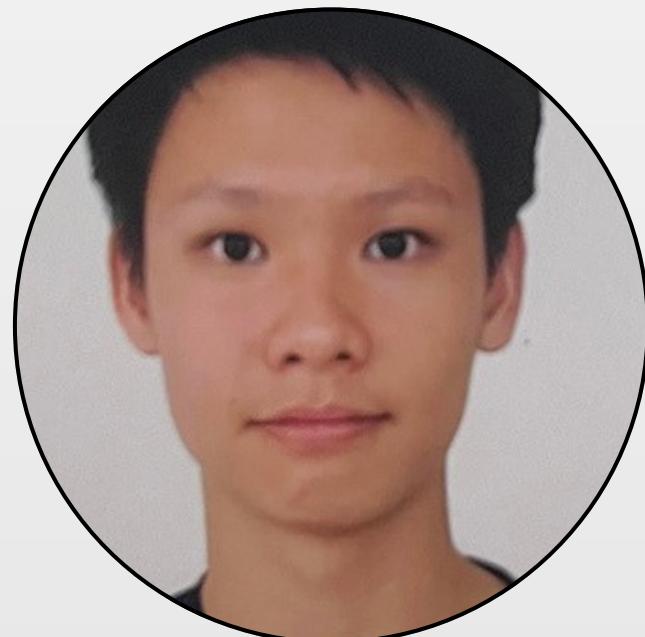
Jenny Shin



Angela Zhou



Tiffany Wong



Sean Lian



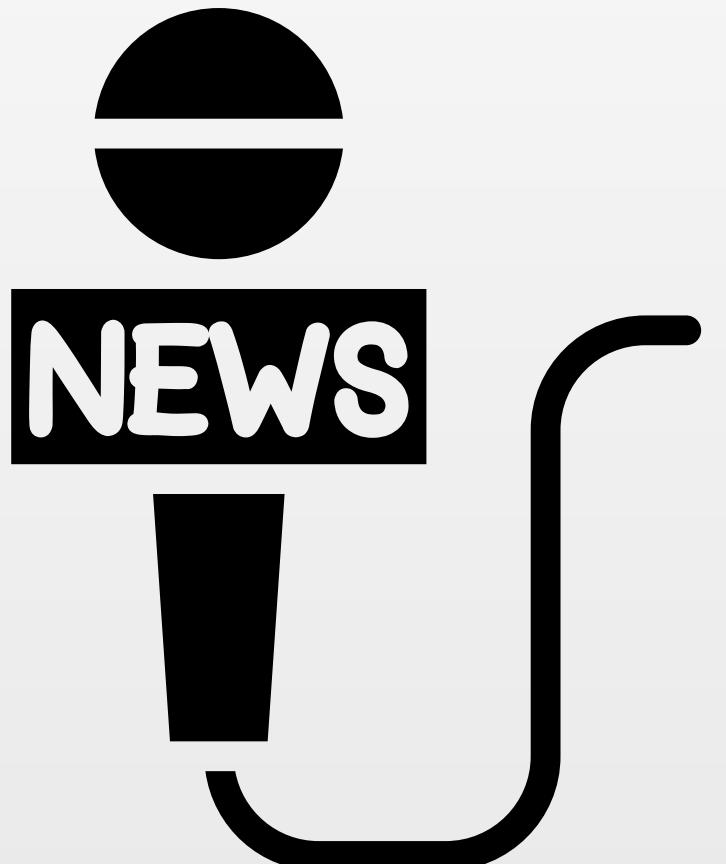
Ethan Peterson



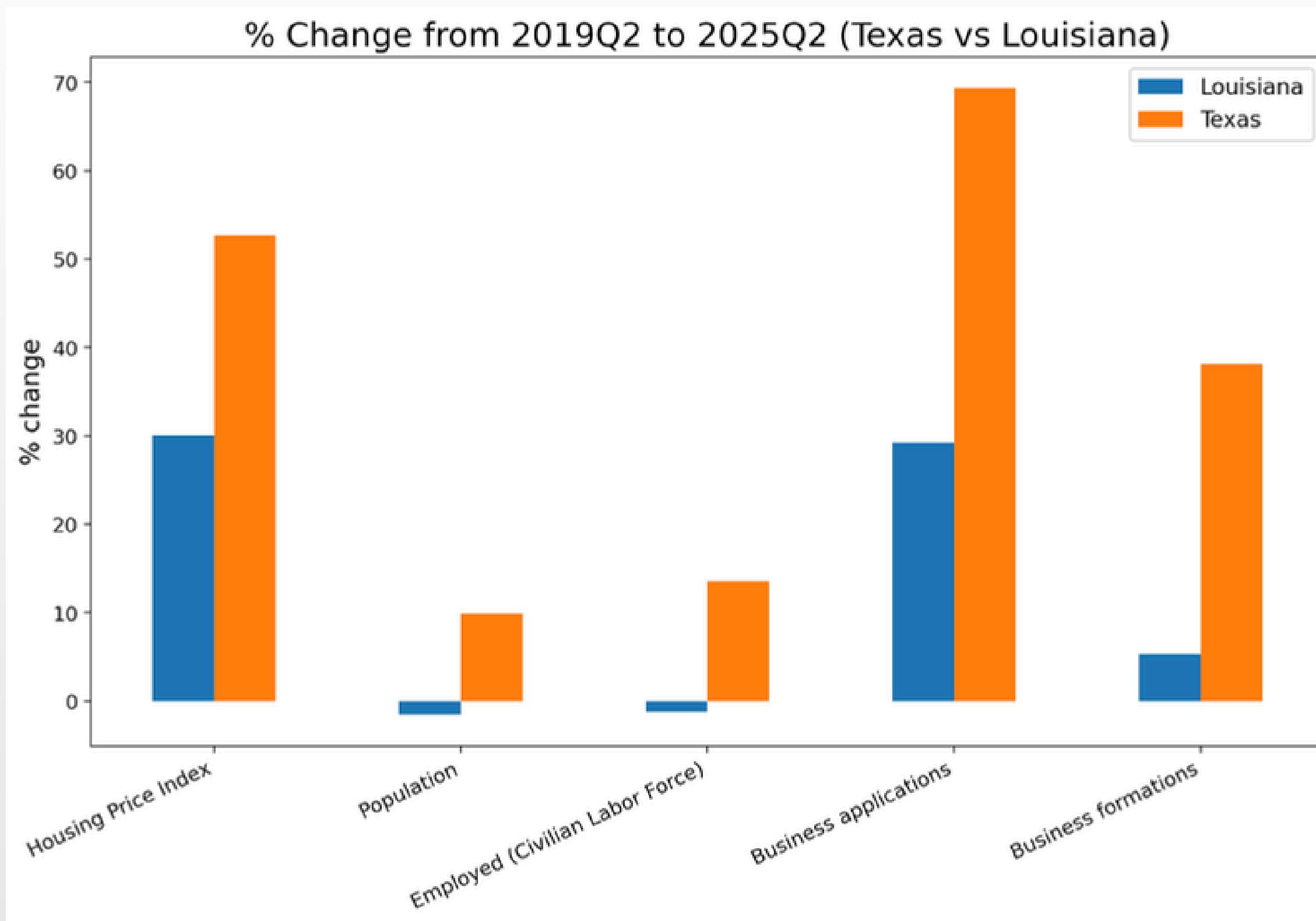
Neel Karani

Houston!

We have a PROBLEM



THE PROBLEM

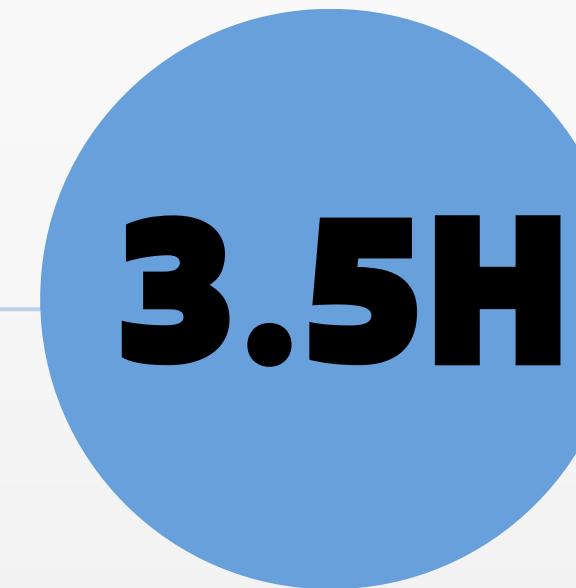


THE MARKET IS STUCK



Average Commute
(Houston-New Orleans)

Hours one way



Average Flight &
Security Time

Hours one way



Time Cost

Cuts cross-state travel
effectively

The system lacks reliable, fast, and frequent service designed for
commuters seeking cross-state economic opportunities

LOCAL // TRANSPORTATION

A proposed Houston-to-Dallas high-speed rail is opposed by Waller County Commissioners Court. Here's why.

By [Claire Goodman](#), Staff writer

April 11, 2025



Supreme Court of Texas

No. 20-0393

James Fredrick Miles,
Petitioner,

v.

Texas Central Railroad & Infrastructure, Inc. and
atics, Inc.,

U.S. Department of Transportation

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U.S. Transportation Secretary Sean P. Duffy Announces Agreement to Save Taxpayers Over \$60 Million by Ending Grant for Texas High-Speed Rail Project

Monday, April 14, 2025

'My department will continue to look for every opportunity to save federal dollars and prioritize efficiencies'

WASHINGTON, D.C. – U.S. Department of Transportation Secretary Sean P. Duffy today announced an agreement between the Federal Railroad Administration (FRA) and Amtrak to terminate the \$63.9 million grant awarded to Amtrak under the Corridor Identification and Development (CID) Program for the Amtrak Texas High-Speed Rail Corridor previously known as the Texas Central Railway project. This project was originally announced as a purely private venture, but as the cost estimates dramatically ballooned, the Texas Central Railway proposal became dependent on Amtrak and federal dollars for development work. The project capital cost is now believed to be over \$40 billion – making construction unrealistic and a risky venture for the taxpayer.

"I am pleased to announce that FRA and Amtrak are in agreement that underwriting this project is a waste of taxpayer funds and a distraction from Amtrak's core mission of improving its existing subpar services," said U.S. Transportation Secretary Sean P. Duffy. "The Texas Central Railway project was proposed as a private venture. If the private sector believes this project is feasible, they should carry the pre-construction work forward, rather than relying on Amtrak and the American taxpayer to bail them out. My department will continue to look for opportunities to

from the
th District of Texas

, 2022

inion of the Court, in which
Busby, and Justice Young

ing opinion, in which Justice

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opinion, in which Justice

he decision.

EMPLOYMENT, POPULATION IMBALANCE

- Texas is booming, but Louisiana is stagnant
- Texas housing costs are pricing out its own workforce
- Commuting times keeps labor within its own state

Texas vs. Louisiana

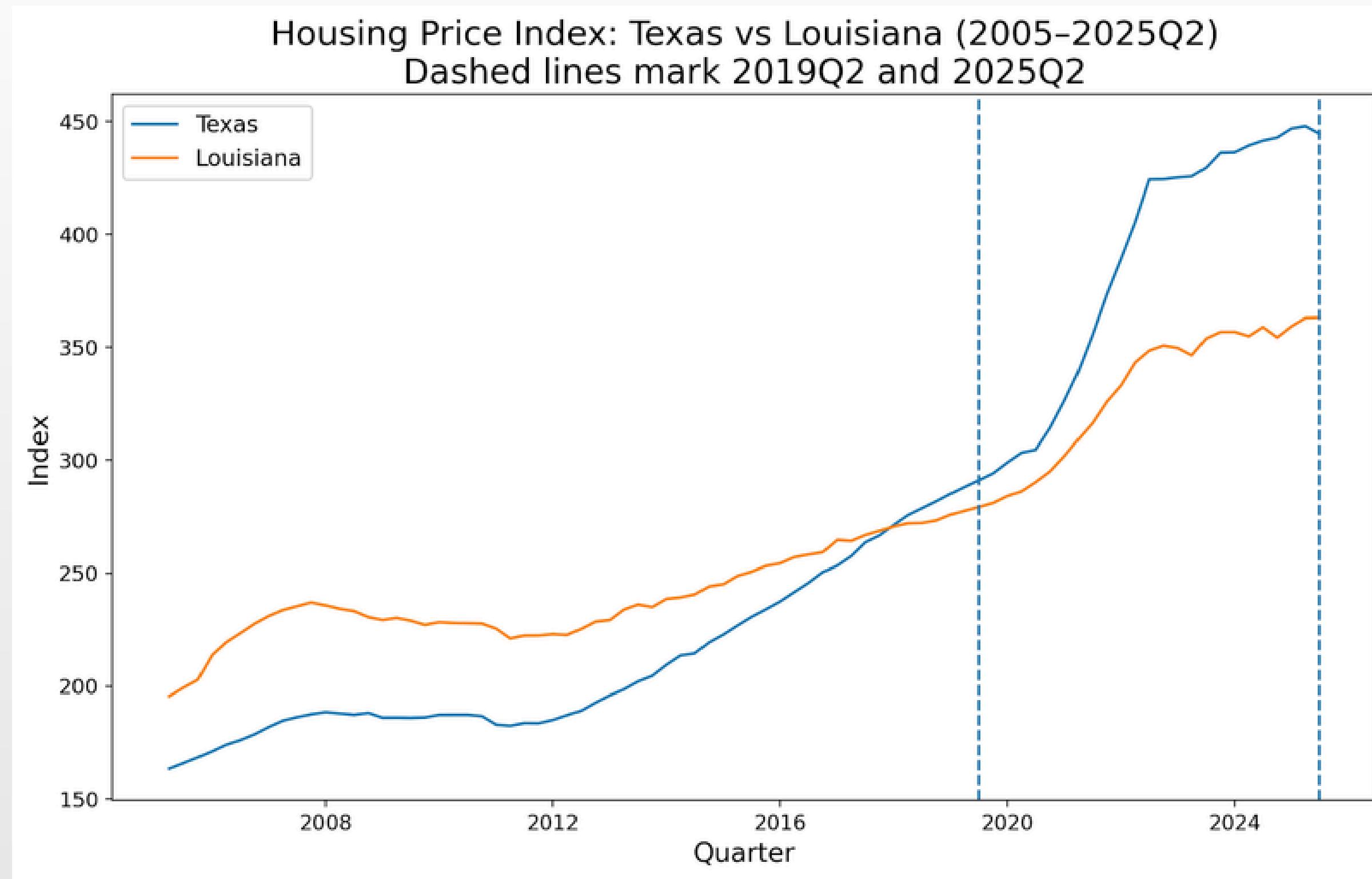
Employed Civilian Labor Force

44% vs 2.1% increase

Population

39% vs 0.36% increase

HOUSING PRICE INDEX FOR TX VS. LA

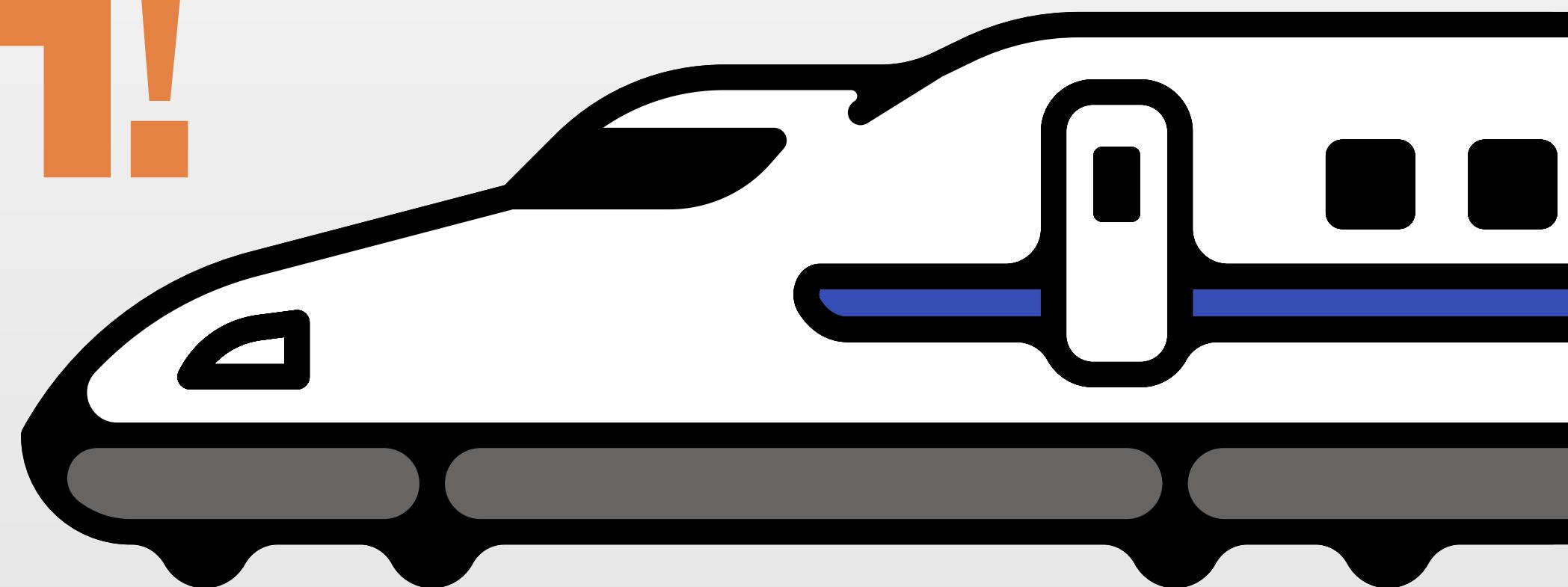


Louisiana
↑ +30%

Texas
↑ +53%

HIGH SPEED RAIL HOUSTON-LAFAYETTE

190 MPH!



HIGH-LEVEL HOUSING MARKET EFFECTS

Texas Benefits

- Slower price appreciation would ease housing pressure for millions of residents
- As housing demand shifts to Louisiana, Texas markets could stabilize without competing residents

Louisiana Revival

- Supporting interstate commute from LA to TX revitalizes housing
- Travel from states surrounding LA to TX becomes easier, drawing in more spending

WHY TEXAS? (AT A STATE LEVEL)

Texas Has Outgrown Car-only Mobility

- Texas leads the U.S in interest car travel
- ~79,000 miles driven per person per year
- Highway congestion is now a structural constraint, not a temporary issue

Clear Demand for High-Speed Rail

- Independent studies by Texas Central project strong in-state HSR demand

6+ million riders
annually by 2029



13+ million riders
annually by 2050



~35% of Houston-Dallas
trips captured by HSR

BENEFITS?



\$36 Billion economic impact over 25 years, driven by construction, permanent jobs, and operations.



\$2.5 billion in long-term state and local tax revenue from private investment, operations, and transit-oriented development.



~10,000 construction jobs/year until operation



>1,500 permanent rail jobs after construction

WHY LOUISIANA? (AT A STATE LEVEL)

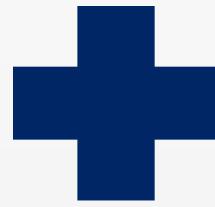
Recent Proof of Demand

Strong early ridership signals pent-up demand for rail in the Gulf South demonstrates willingness to shift to rail travel!

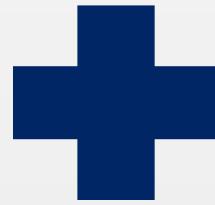
Recent Rail Expansion

- Southern Rail Commission coordinating rail expansion from Baton Rouge to New Orleans, with expected completion within 2-4 years
- Amtrak opened its Mardi Gras line LAST YEAR and experienced overwhelming success in usage and satisfaction

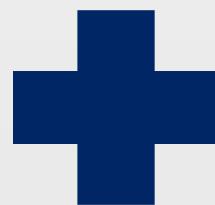
BENEFITS



46,000 passengers serviced in the first ~108 days of Amtrak's 2025, 145 mile Mardi Gras expansion

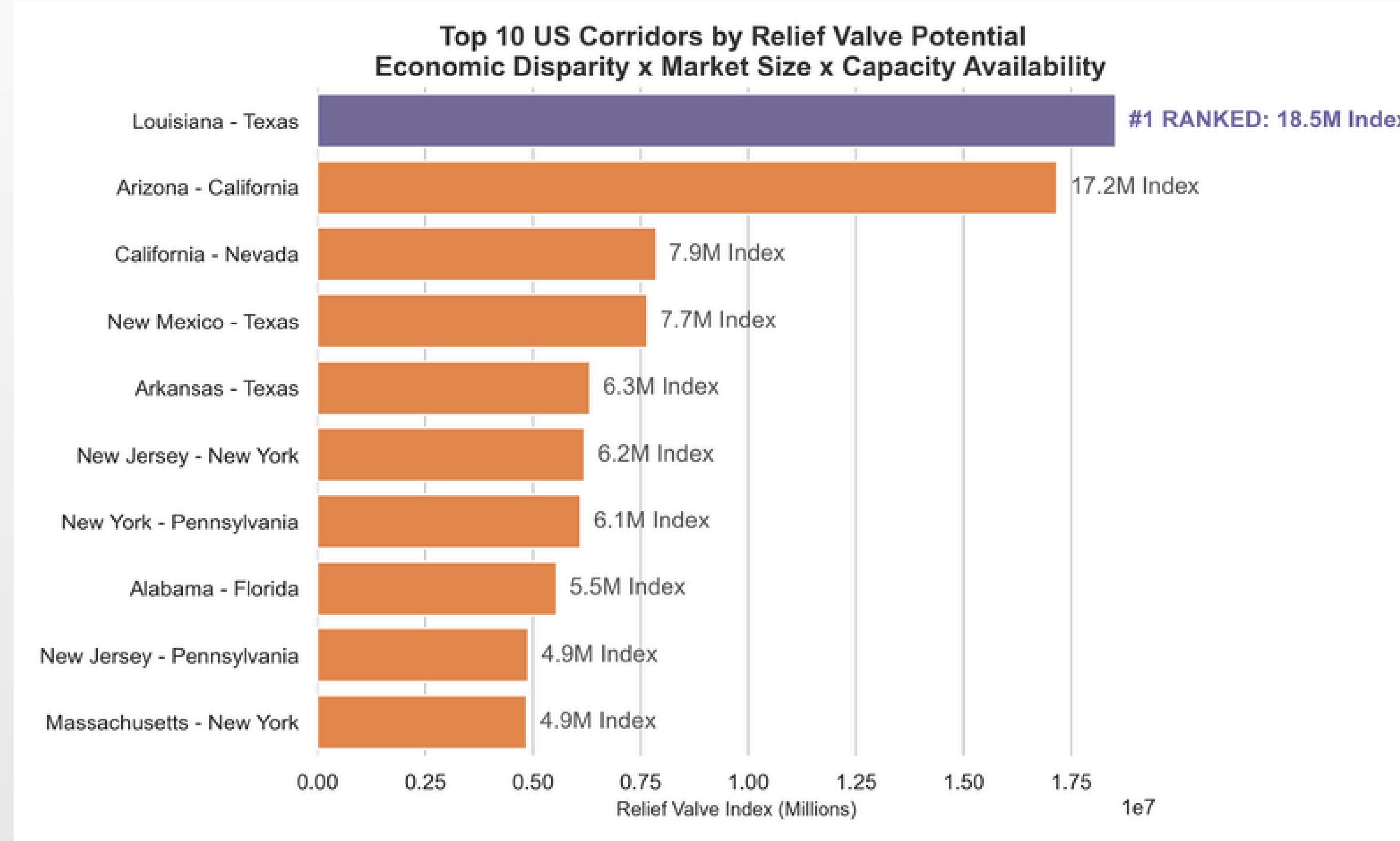


With a Houston-New Orleans route, HSR can piggyback off of this demand, capturing commuter spending and enabling relocation opportunity for Texas' bloating population



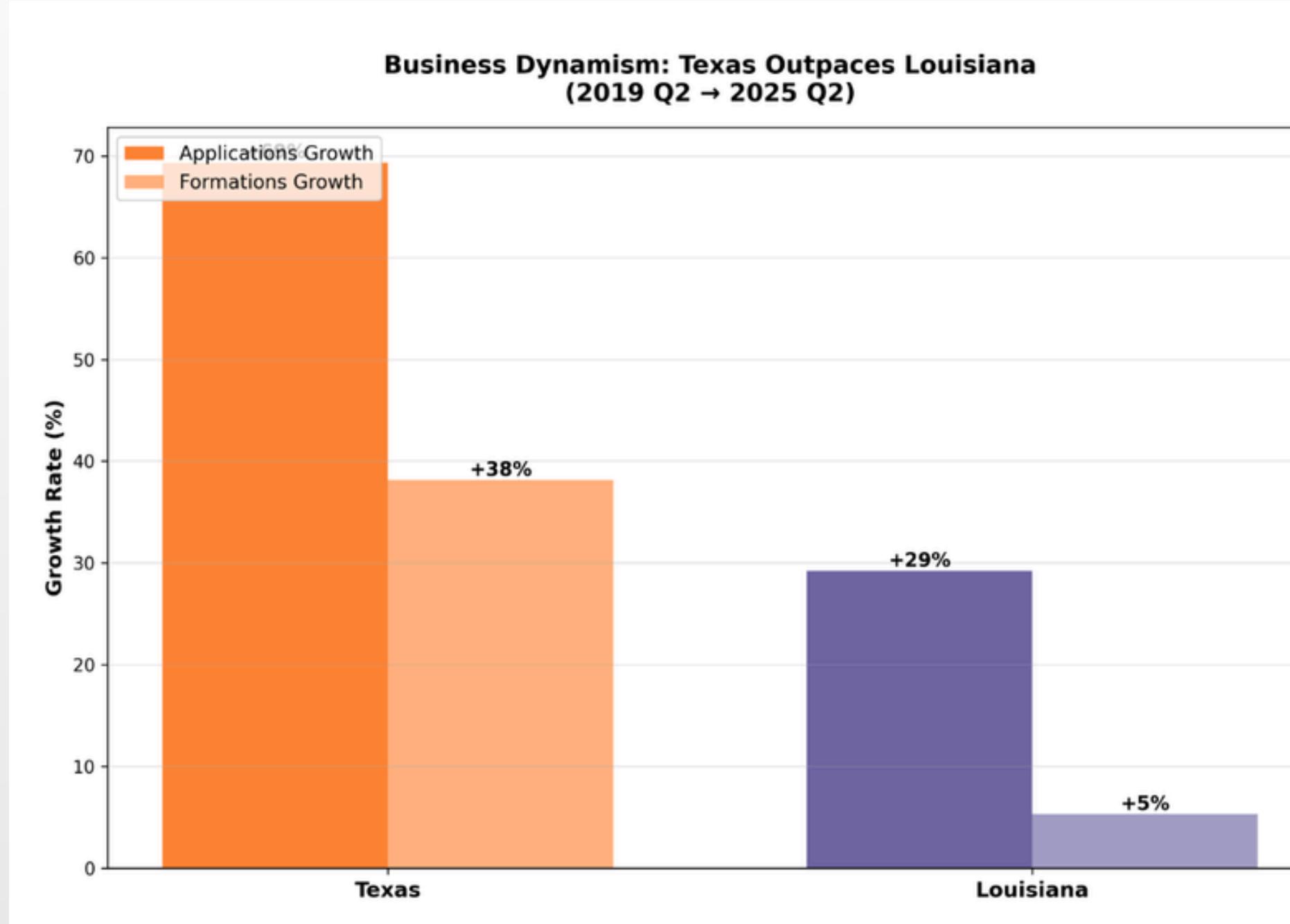
200,000 riders annually projected for Baton Rouge - New Orleans rail.

TX AND LA: THE BEST STATE PAIR



- Louisiana offers vacant housing and underutilized infrastructure ready to absorb inflows
- Texas faces housing shortages and congestion driven by rapid growth
- Other corridors (e.g. AZ-CA) provide limited relief

BUSINESS FORMATION DISPARITY



Texas sees greater application volume and formation success than Louisiana

REGRESSION ANALYSIS SIMULATION

Small Behavioral Shift, Measureable Impact

SCENARIO DEFINITION

We modelled the different levels of labor migration and using employment-to-housing price elasticity, we predicted impact.

BEHAVIORAL ASSUMPTION

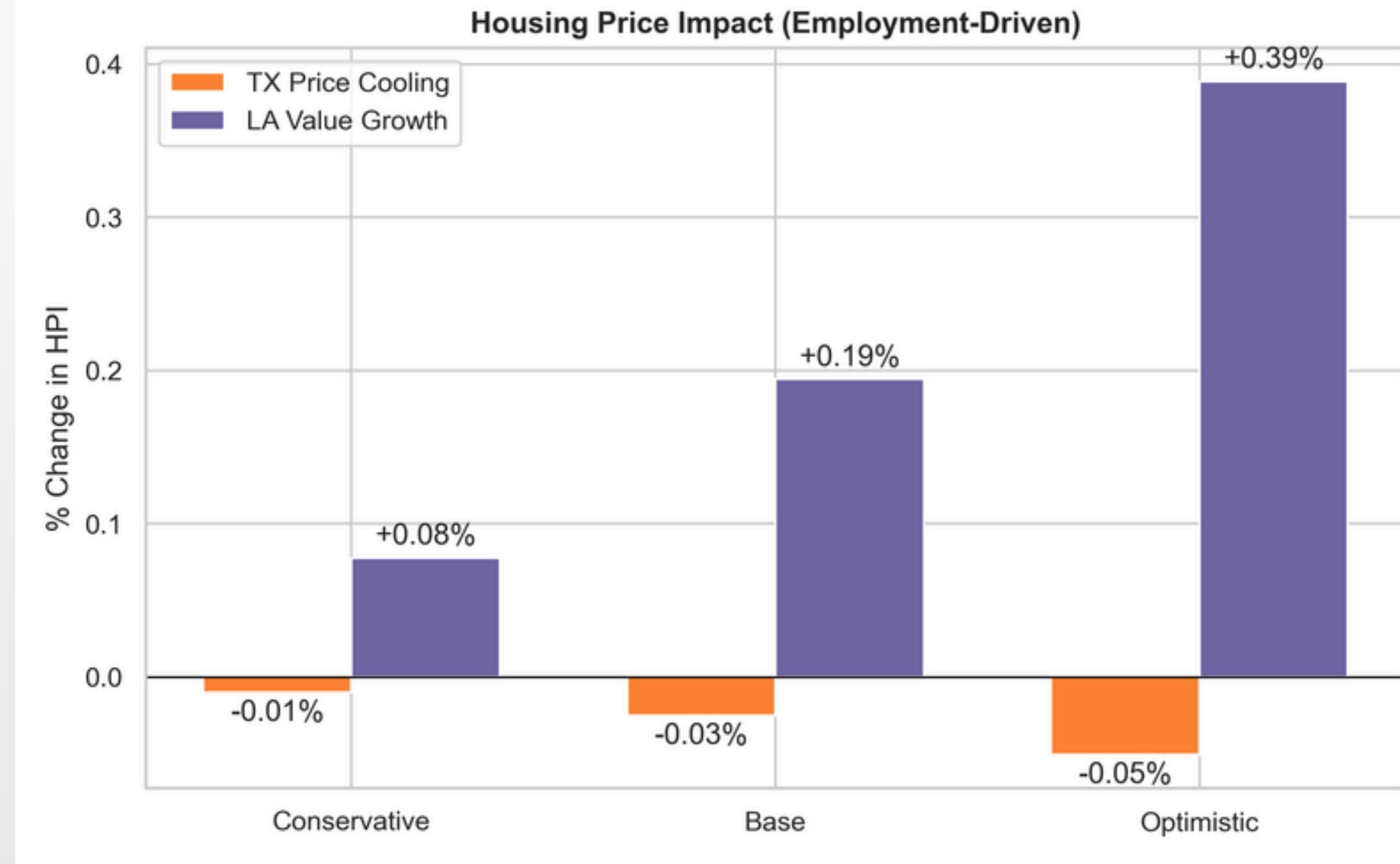
Small shift in residential choice, not mass migration. Reflects improved opportunity access

IMPACT CHANNELS

Reduced housing demand while expanding labour supply in Texas, increased income and population in Louisiana

This simulation isolates mobility effects from other economic drivers

SIMULARESULTS: THE HOUSING IMPACT



Conservative Case (10,000 Riders): only 3.5% of Texas's annual job growth

Base Case (25,000 Riders): 9% of one year's job growth

Optimistic Case (50,000 Riders): Capturing 18% of annual growth

ECONOMIC IMPACT FROM INTERSTATE TRAVELING

TEXAS WINS

- Housing prices relief (less local price pressure)
- Increase in Labour Force
- GDP gains (+1.9B to 9.5B)



LOUISIANA WINS

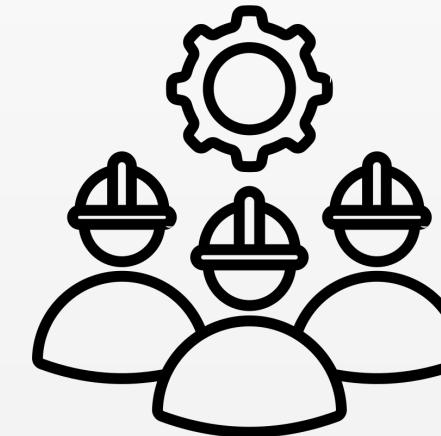
- Housing price increases
- Tax revenue increases (+23M to 116M)
- Fiscal gains and disposable income will boost local spending & GDP

CHANGES UNLOCKED



People

Population relocates to access better housing and job opportunities



Worker

Employment follows residential choices → labor supply expands in TX and LA



Economic Activity

Income, GDP, and tax base redistribute across state lines

Improved mobility would unlock underutilized areas in both states

REVIEW: ECONOMIC & SOCIAL BENEFITS

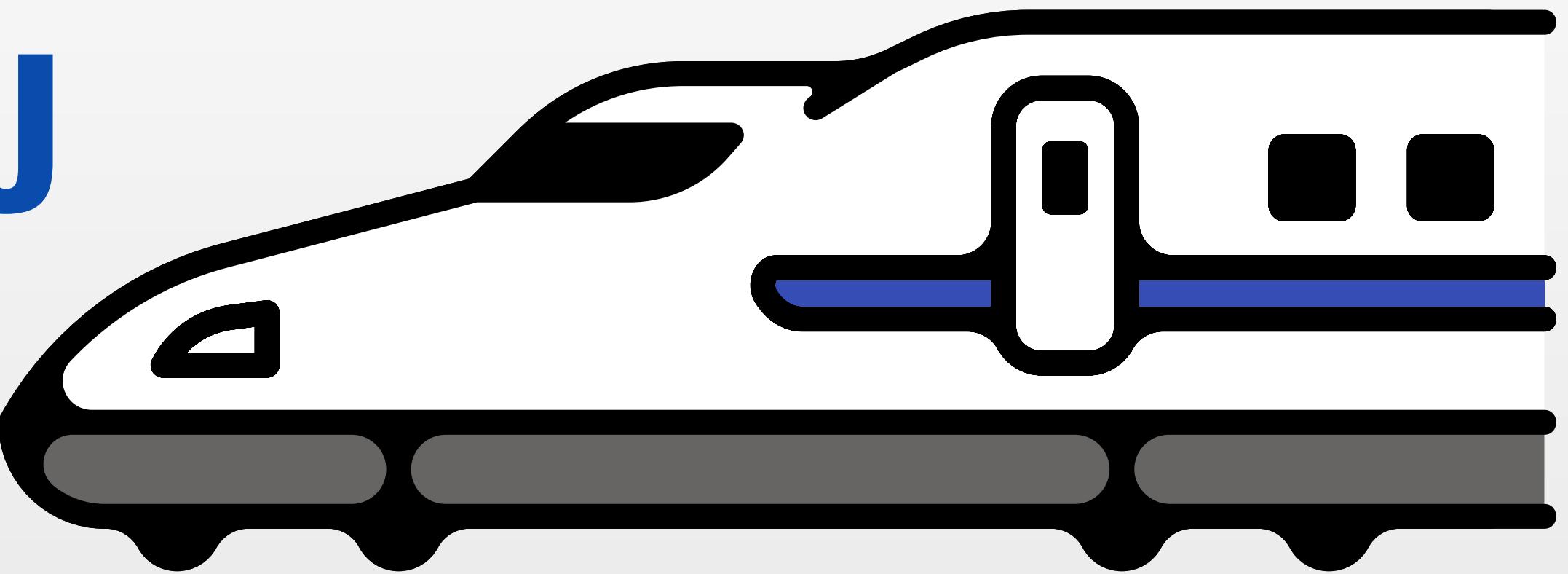
Improved mobility expands job opportunities

Population inflows alleviate Louisiana's brain drain

Both states benefit from a more balanced economy

Travel opportunity for Louisiana's border states encourages spending

THANK YOU



APPENDIX DATA

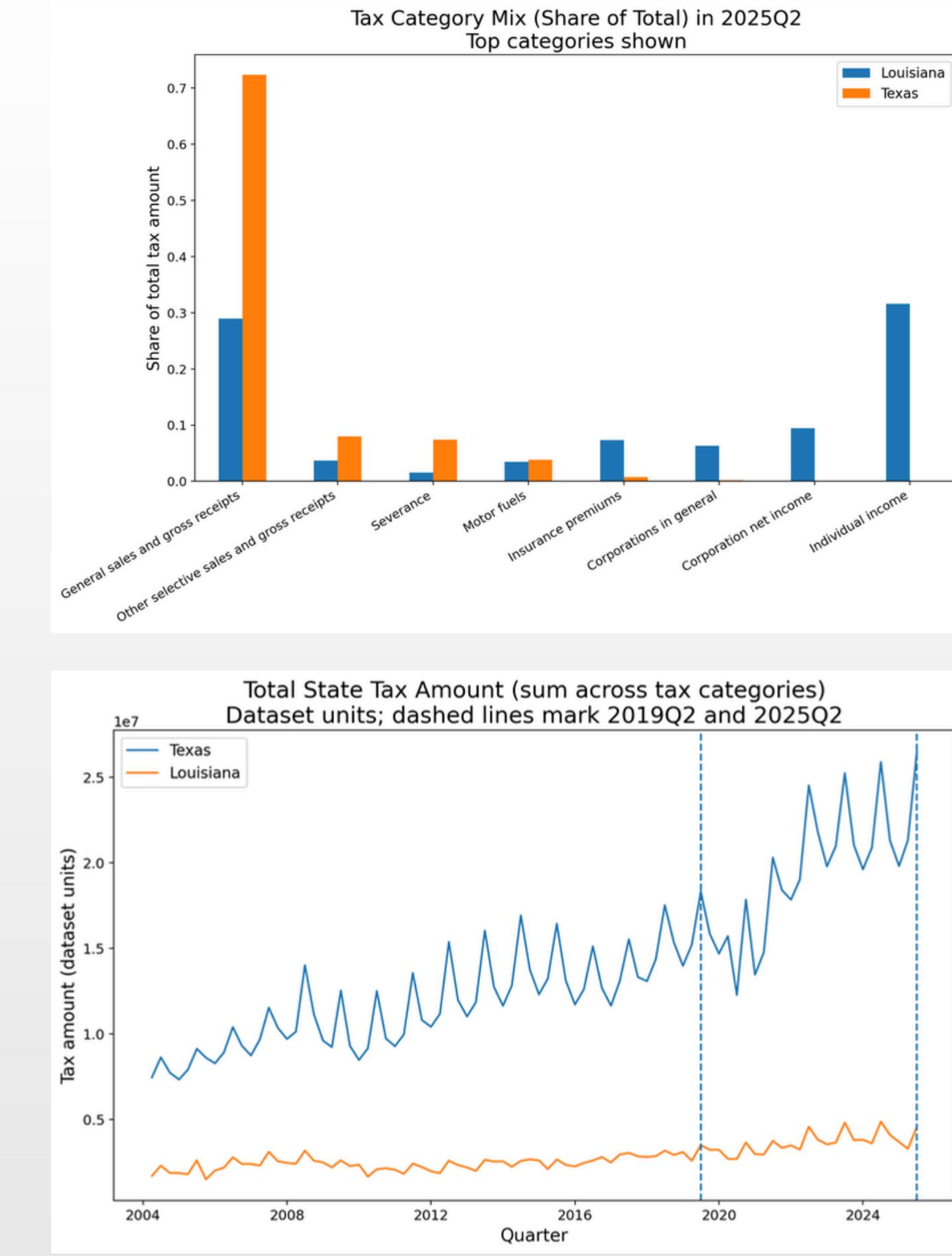
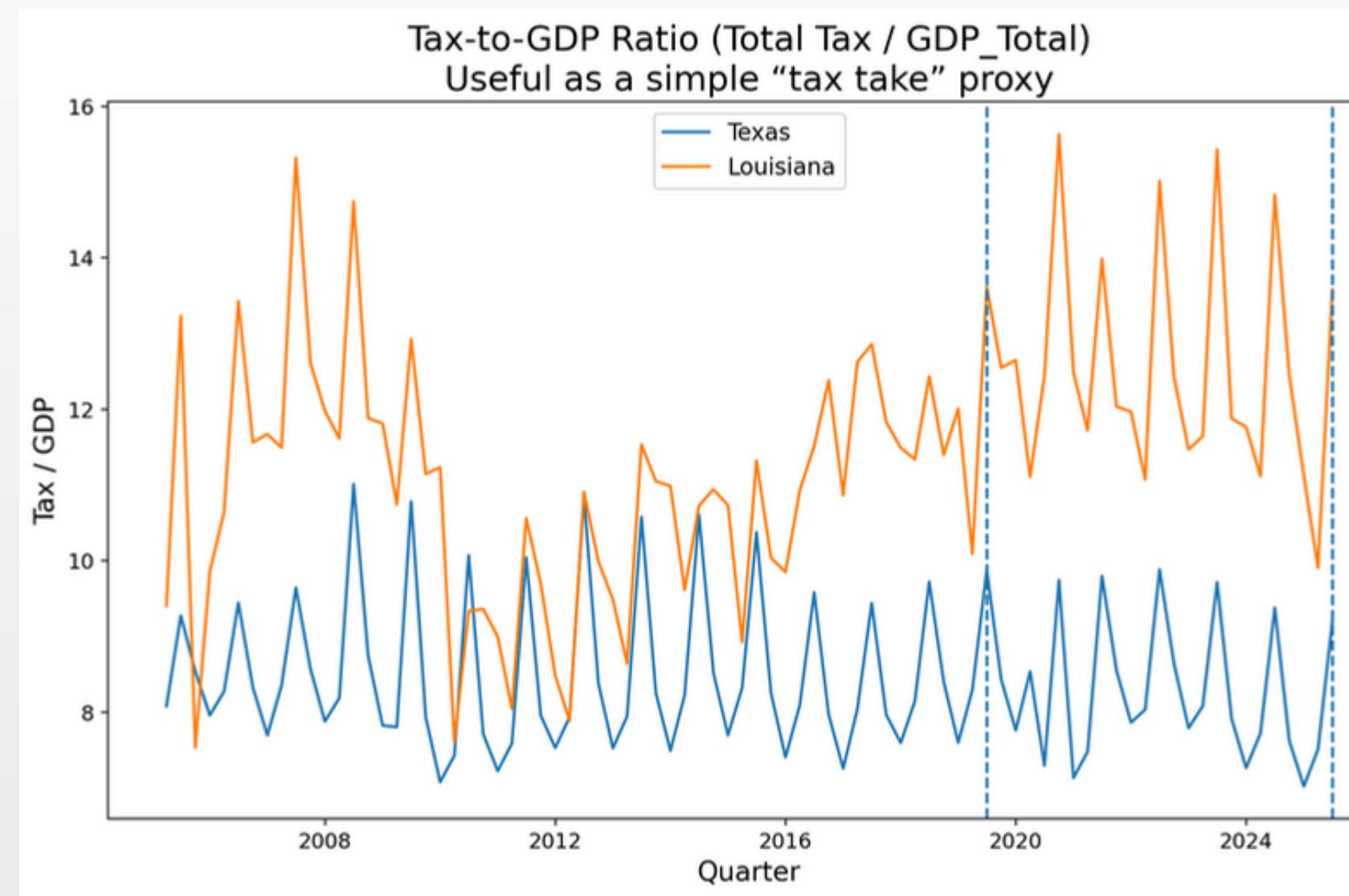
Texas_vs_Louisiana_Key_Changes_2019Q2__2025Q2_

State	Metric	2019Q2	2025Q2	Change	% Change
Texas	Housing Price Index	291.14	444.53	153.39	52.7%
Texas	Population	28.81M	31.66M	2.85M	9.9%
Texas	Employed (Civilian Labor Force)	13.36M	15.17M	1.81M	13.6%
Texas	Business applications	76,454	129,461	53,007	69.3%
Texas	Business formations	6,289	8,688	2,399	38.1%
Louisiana	Housing Price Index	279.28	363.16	83.88	30.0%
Louisiana	Population	4.66M	4.59M	-71,892	-1.5%
Louisiana	Employed (Civilian Labor Force)	2.00M	1.98M	-24,295	-1.2%
Louisiana	Business applications	13,276	17,154	3,878	29.2%
Louisiana	Business formations	699.00	736.00	37.00	5.3%

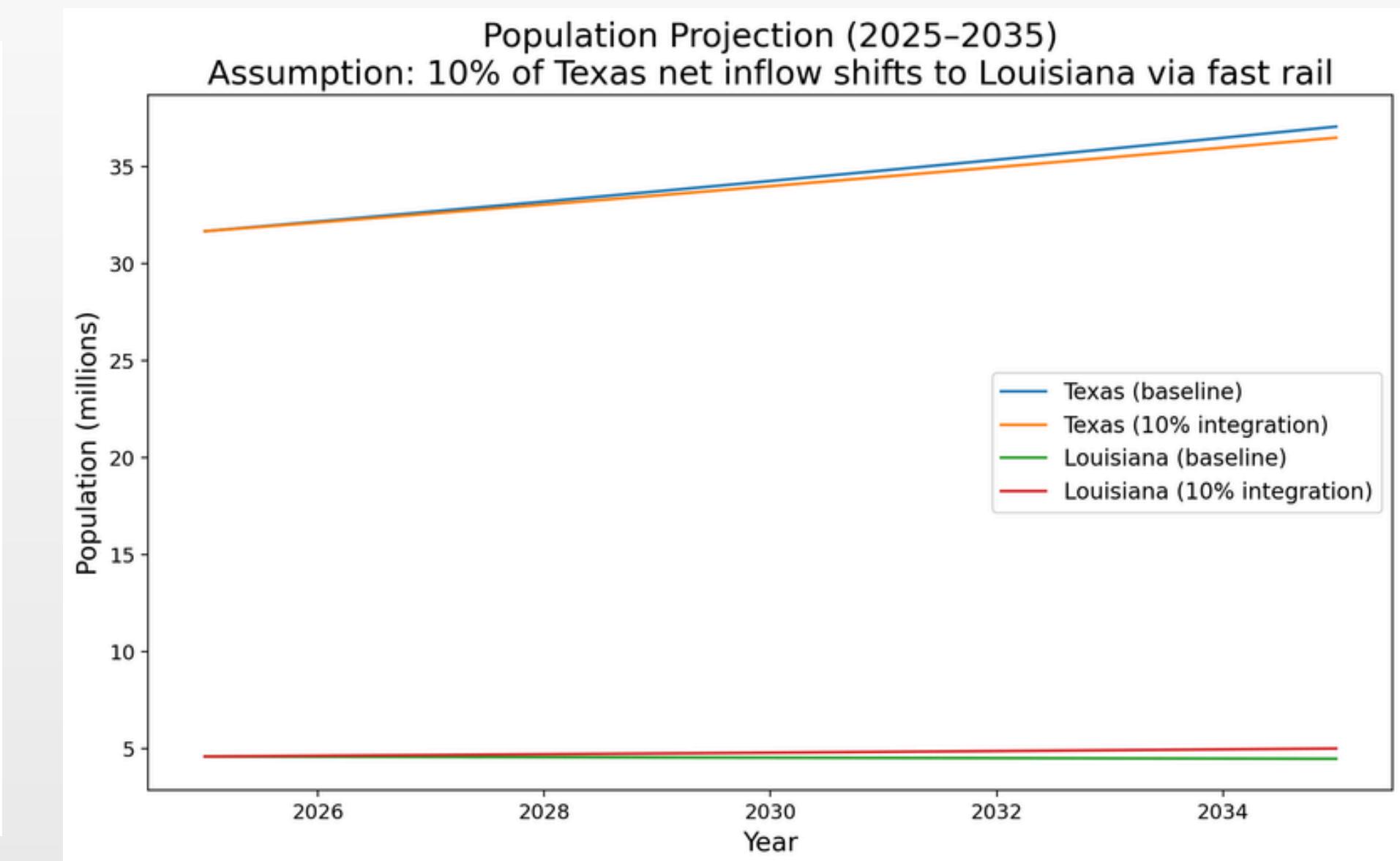
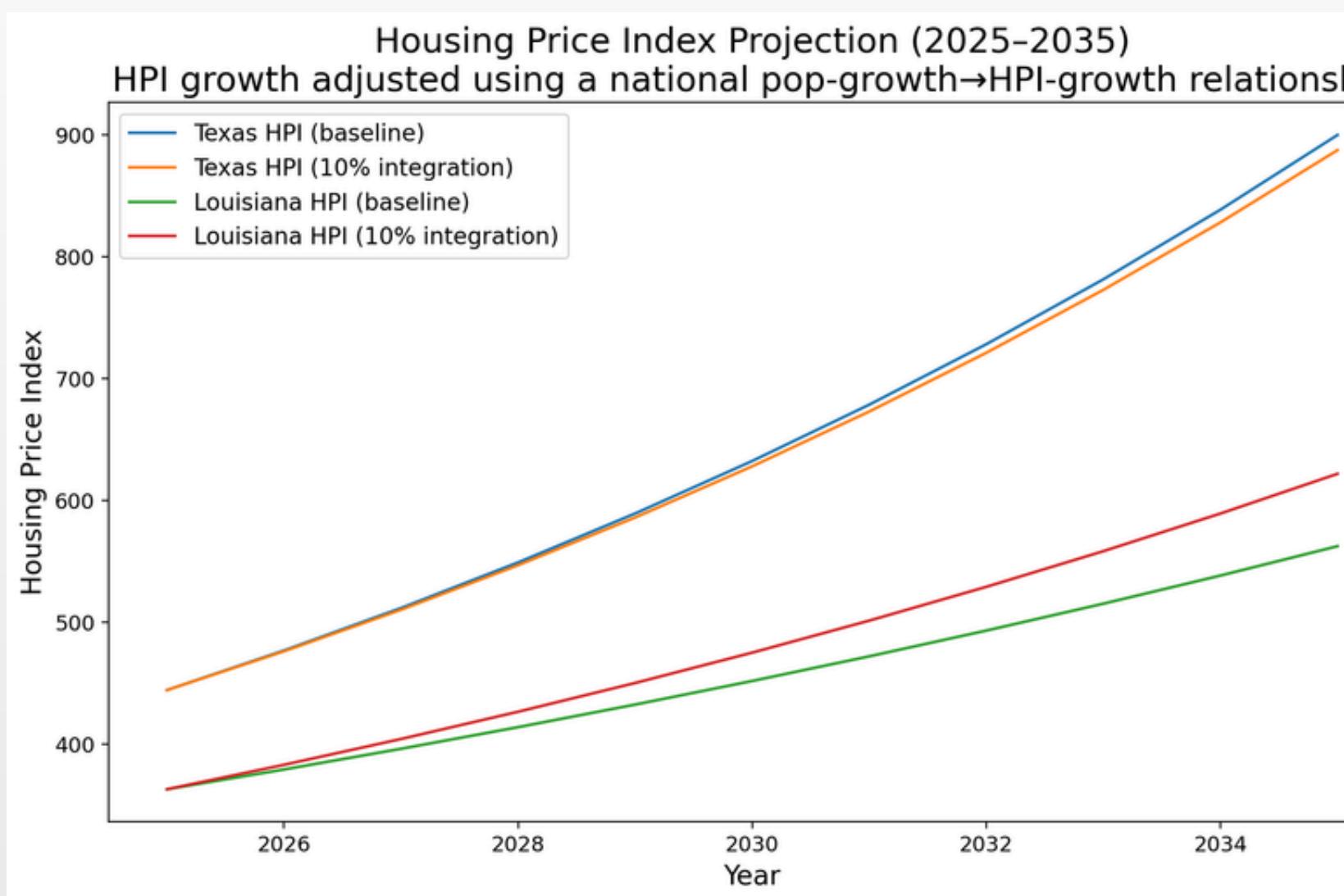
Derived Metrics_per_capita_per_worker

State	GDP per cap (\$) 2019Q2	GDP per cap (\$) 2025Q2	GDP per cap %	GDP per worker (\$) 2019Q2	GDP per worker (\$) 2025Q2	GDP per worker %	Personal Income per cap (\$) 2019Q2	Personal Income per cap (\$) 2025Q2	PI per cap %	Applications per 1k 2019Q2	Applications per 1k 2025Q2	Apps per 1k %
Texas	\$64,362.00	\$95,810.00	41.3%	\$138,604.00	\$169,782.00	38.7%	\$63,113.00	\$72,463.00	15.4%	2.45	4.05	54.1%
Louisiana	\$45,211.00	\$53,927.00	20.8%	\$128,604.00	\$170,737.00	32.4%	\$46,869.00	\$54,584.00	21.7%	2.85	3.75	31.2%

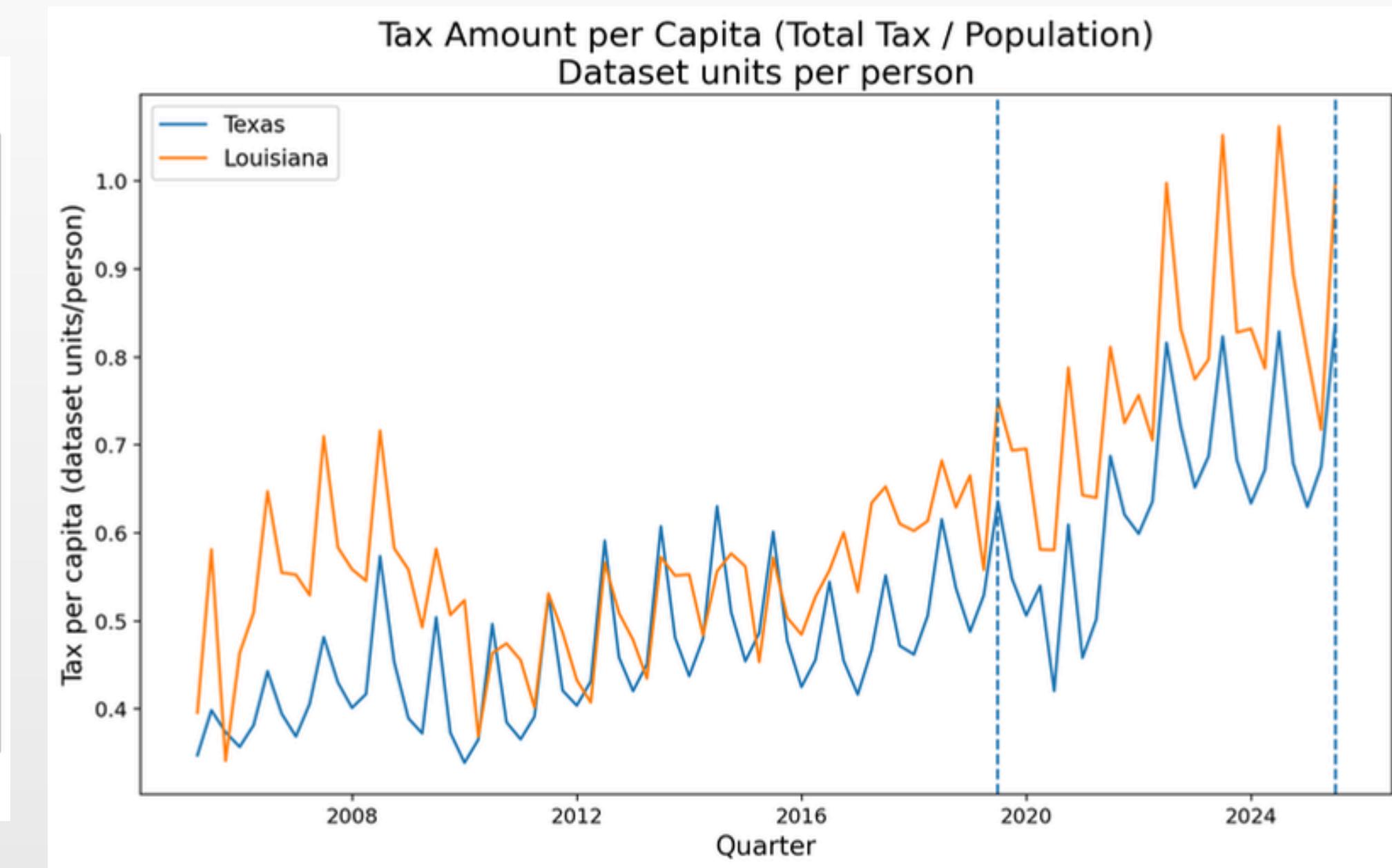
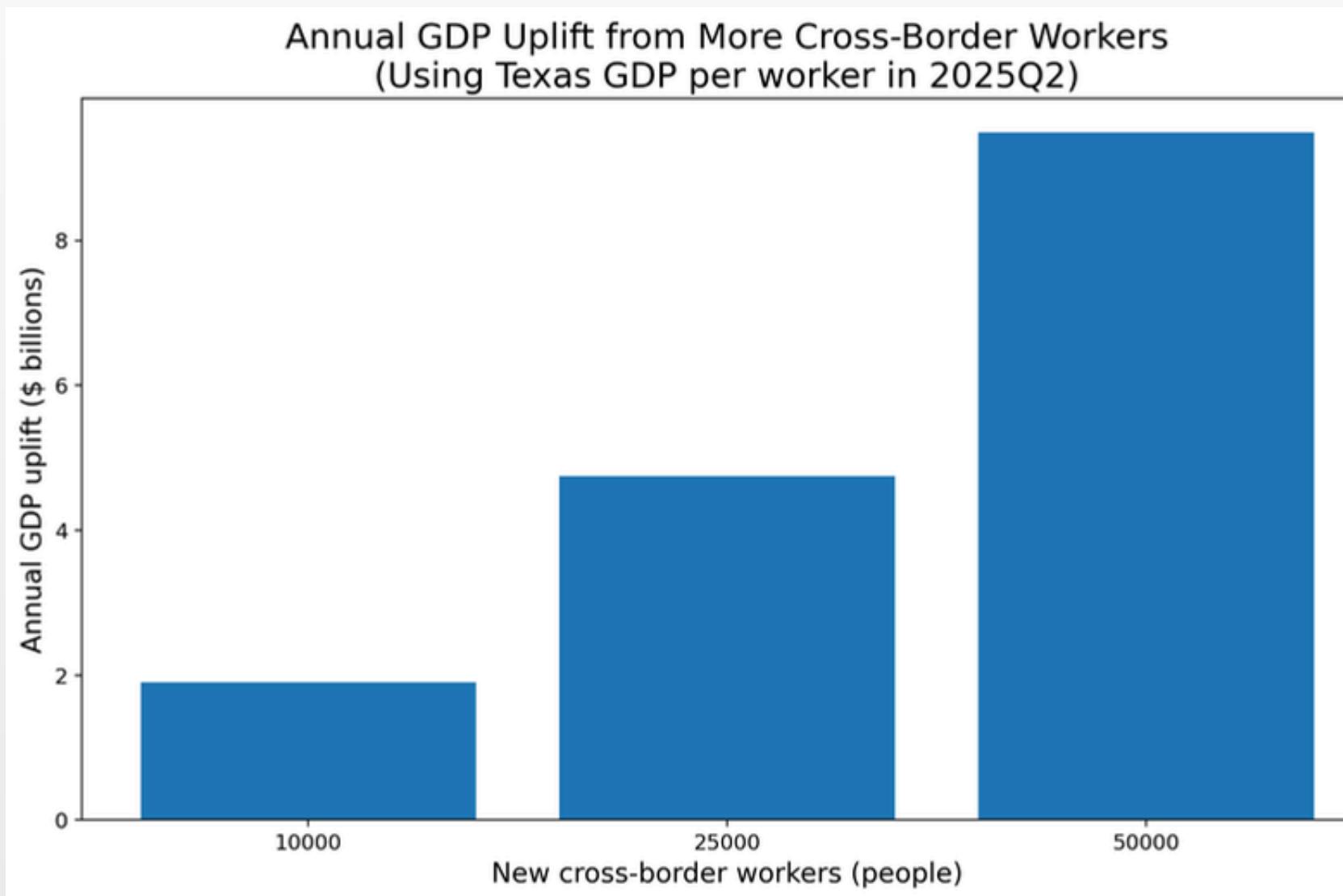
APPENDIX DATA (TAX)



SIMULATION RESULTS: THE HOUSING IMPACT



SIMULATION RESULTS: GDP & FISCAL IMPACT



Formulas

Formula:
$$(\text{Population difference} + \text{HPI difference}) * \text{Market Size} * \text{Capacity Multiplier}$$
 (1.5 if neighbouring state has negative population growth)

```
a = ranking_stats.loc[state_a]
b = ranking_stats.loc[state_b]

pop_diff = abs(a['Pop_Growth_Total'] - b['Pop_Growth_Total'])
hpi_diff = abs(a['HPI_Growth_Total'] - b['HPI_Growth_Total'])
combined_pop = a['Total_Pop'] + b['Total_Pop']

base_score = (pop_diff + hpi_diff) * combined_pop

# if one state is shrinking
min_growth = min(a['Pop_Growth_Total'], b['Pop_Growth_Total'])
if min_growth < -0.01: capacity_multiplier = 1.5
elif min_growth < 0: capacity_multiplier = 1.1
else: capacity_multiplier = 1.0
```

Simulation

```
reg_df = panel_df.dropna(subset=['hpi_growth', 'emp_growth'])
model_emp = smf.ols('hpi_growth ~ emp_growth + C(State)', data=reg_df).fit()
beta_emp = model_emp.params['emp_growth']

tx_data = panel_df[panel_df['State'] == 'Texas'].copy().sort_values('Date')
tx_annual_growth = tx_data['Total Employed Civilian Labor Force'].iloc[-1] - tx_data['Total Employed Civilian Labor Force'].iloc[-5]

scenarios = {
    'Conservative': 10000,
    'Base': 25000,
    'Optimistic': 50000
}

tx_latest = panel_df[panel_df['State'] == 'Texas'].iloc[-1]
la_latest = panel_df[panel_df['State'] == 'Louisiana'].iloc[-1]

sim_data = []
for name, workers in scenarios.items():
    pct_of_growth = (workers / tx_annual_growth) * 100
    label = f'{name}\n{pct_of_growth:.1f}% of Growth'

    la_pct = workers / la_latest['Total Employed Civilian Labor Force']
    tx_pct = -workers / tx_latest['Total Employed Civilian Labor Force']

    la_hpi = beta_emp * la_pct * 100
    tx_hpi = beta_emp * tx_pct * 100
    gdp = workers * tx_latest['gdp_per_worker'] / 1e9
    tax = gdp * 1e9 * la_latest['tax_to_gdp_ratio'] / 1e6

    sim_data.append({'Label': label, 'TX_HPI': tx_hpi, 'LA_HPI': la_hpi, 'GDP_Billions': gdp, 'Tax_Millions': tax})

sim_df = pd.DataFrame(sim_data).set_index('Label')
```

Conducted a panel regression of housing-price growth on employment growth

REFERENCES

State Driving Statistics

<https://www.fhwa.dot.gov/policyinformation/statistics/2024/pdf/>

Amtrak Mardi Gras Success

<https://media.amtrak.com/2025/12/100-day-data-shows-strong-demand-and-customer-satisfaction-for-amtrak-mardi-gras-service-trains/>

Texas Central HSR & Forecasting

<https://www.texascentral.com/facts/>

State Economics Dataset (2005-2025)

https://apps.bea.gov/itable/ReqID=70&step=1&_gl=1*4kx4p1*_ga*MjEzMDE5LjE3Njc3MTc2MTQ.*_ga_J4698JNNFT*czE3Njc5MDcxODEkbzQkZzEkdDE3Njc5MTAxODckajYwJGwwJGgw#eyJhcHBpZCI6NzAsInN0ZXBzIjpMSwyOSwyNSwzMSwyNiwyNywzMF0sImRhdGEiOltbIIRhYmxlSWQiLCI1MjYiXSxbIk1ham9yX0FyZWEiLCIwl0sWyJTdGF0ZSIslWylwl1dLFsiQXJIYSIsWyJYWCJdXSxbIINOYXRpc3RpYyIsWyItMSJdXSxbIIVuXRfb2ZfbWVhc3VyZSIslkxldmVscyJdLFsiWWVhcilsWyItMSJdXSxbIIIYXJCZWdpbilsli0xII0sWyJZZWFyX0VuZCIsl0xII1dfQ==