



### Trump administration

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## Trump rescinds \$4bn in US funding for California high-speed rail project

White House says no viable path forward for planned 800-mile system aiming to connect San Francisco to LA

Reuters

Thu 17 Jul 2025 20:34 BST

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Donald Trump said on Wednesday the transportation department was rescinding \$4bn in US government funding for California's high-speed rail project.

The department said there was no viable path forward for California's high-speed rail development and it was considering potentially clawing back additional funding related to the project.

The Federal Railroad Administration issued a 315-page report last month citing missed deadlines, budget shortfalls and questionable ridership projections.

One key issue cited is that California had not identified \$7bn in additional funding needed to build an initial 171-mile segment between Merced and Bakersfield, California.

The California high-speed rail system is a planned two-phase 800-mile (1,300km) system with speeds of up to 220mph that aims to connect San Francisco to Los Angeles/Anaheim, and in the second phase, extend north to Sacramento and south to San Diego.

The California High-Speed Rail Authority has said previously it strongly disagrees with the administration’s conclusions “which are misguided and do not reflect the substantial progress made to deliver high-speed rail in California”.

It noted that the budget proposal of the California governor, **Gavin Newsom**, before the legislature extends at least \$1bn a year in funding for the next 20 years “providing the necessary resources to complete the project’s initial operating segment”.

The authority noted in May there was active civil construction along 119 miles in the state’s Central valley.

The US transportation secretary, Sean Duffy, said: “Newsom and California’s high-speed rail boondoggle are the definition of government incompetence and possibly corruption.”

Newsom responded on social media: “Won’t be taking advice from the guy who can’t keep planes in the sky.”

Voters approved \$10bn for the project in 2008, but the costs have risen sharply. The transportation department under former president Joe Biden awarded the project about \$4bn.

The entire San Francisco-to-Los Angeles project was initially supposed to be completed by 2020 for \$33bn, but has now jumped from \$89bn to \$128bn.

On Thursday, Duffy told reporters he was confident the administration would defeat any lawsuit challenging the department’s decision to rescind the funding.

“I wish it could have gone to California. We were supportive of the California project, but when we’re 16 years in and \$15bn without a track laid; and it’s going to cost over \$130bn and no funding pathway for it, no timeline to complete it. We have to pull the plug,” he said.

In 2021, Biden restored a \$929m grant for California’s high-speed rail that Trump had revoked in 2019 after the Republican president called the project a “disaster”.

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