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Vegas-to-California $12 Billion Rail Line Kicks Off Construction.

- **Brightline West awarded $3 billion under infrastructure bill**
- **Fortress-backed rail refinancing some $4 billion for Florida**

Brightline West, a $12 billion high-speed rail project connecting Las Vegas to Southern California, broke ground Monday, the latest step in bringing high-speed rail to the US.

“People have been dreaming of high-speed rail in America for decades — and now, with billions of dollars of support made possible by President Biden’s historic infrastructure law, it’s finally happening,” Department of Transportation Secretary Pete Buttigieg said in a statement.

The Fortress Investment Group-backed rail operator is projected to run 218 miles (about 350 kilometers) along the median of Interstate 15. Trains will be capable of running at speeds of 200 miles per hour, making it the first true high-speed rail line in the US. Amtrak’s 457-mile Acela service on the East Coast tops out at 150 miles per hour and is variously labeled high-speed or “higher-speed.”

The project has been in the works for years as Brightline — the operator of the first new US private passenger railroad in more than a century — seeks to expand its footprint outside of Florida.

Currently, the rail company is seeking to refinance roughly $4 billion in debt for its Florida line. Brightline plans to sell $2 billion of municipal bonds with some of the lowest investment grade ratings as well as about $1.25 billion of subordinate taxable debt.

Last year, Brightline West was awarded $3 billion in funding under President Joe Biden’s Bipartisan Infrastructure Bill. The rest of the project will be privately funded and has also received a total allocation of $3.5 billion in private activity bonds from the US Department of Transportation.

“This is a historic project and a proud moment where we break ground on America’s first high-speed rail system and lay the foundation for a new industry,” said Wes Edens, Brightline founder. “Today is long overdue, but the blueprint we’ve created with Brightline will allow us to repeat this model in other city pairs around the country.”

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By Skylar Woodhouse

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