

By the Board, Allison C. Davis, Director,
Office of Proceedings.

Regena Smith-Bernard,
Clearance Clerk.

[FR Doc. 2020-14170 Filed 6-30-20; 8:45 am]

BILLING CODE 4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36413]

MB Rail IB, LLC—Acquisition and Continuance in Control Exemption—Chesapeake & Indiana Railroad, Vermilion Valley Railroad, Camp Chase Rail, LLC, and Youngstown & Southeastern Railroad, LLC

MB Rail IB, LLC (MB Rail), a noncarrier holding company, has filed a verified notice of exemption under 49 CFR 1180.2(d)(2) to control four Class III railroads: Chesapeake & Indiana Railroad (CIR), Vermilion Valley Railroad (VVR), Camp Chase Rail, LLC (Camp Chase Rail), and Youngstown & Southeastern Railroad, LLC (YSR) (collectively, the Controlled Railroads).¹

The verified notice states that MB Rail has established Camp Chase Rail and YSR as new noncarriers for the purpose of acquiring and operating the railroad assets currently owned by Camp Chase Railway Company, LLC (CCRY), and Youngstown & Southeastern Railroad Company (Y&S), respectively. The verified notice further states that Indiana Boxcar Corporation (IBC) currently owns and controls CIR, VVR, CCRY, and Y&S. According to MB Rail, it has entered into an agreement with IBC under which MB Rail will acquire from IBC all of the equity in CIR and VVR, and MB Rail's two newly formed non-carrier subsidiaries, Camp Chase Rail and YSR, will purchase and operate the rail lines and other assets of CCRY and Y&S, respectively.² Thus, MB Rail seeks to acquire control of CIR and VVR, and to continue in control of Camp Chase Rail and YSR when they become rail carriers upon acquiring the rail lines of CCRY and Y&S. MB Rail states that the proposed transaction will not impose any new interchange commitments.

This notice of exemption is related to two concurrently filed verified notices of exemption under which MB Rail's new subsidiaries, Camp Chase Rail and YSR, seek authority to purchase and

operate the rail lines owned and operated by CCRY and Y&S, respectively. *See Camp Chase Rail—Acquis. & Operation Exemption—Camp Chase Ry., Docket No. FD 36414, and Youngstown & Se. R.R., LLC—Acquis. & Operation Exemption—Youngstown & Se. R.R. Co., Docket No. FD 36415.*

The verified notice states that: (1) The lines of the Controlled Railroads do not connect with each other; (2) the proposed transaction is not part of a series of anticipated transactions that would connect the Controlled Railroads; and (3) the proposed transaction does not involve a Class I rail carrier. The proposed transaction is therefore exempt from the prior approval requirements of 49 U.S.C. 11323. *See* 49 CFR 1180.2(d)(2).

The earliest this transaction may be consummated is July 15, 2020, the effective date of the exemption (30 days after the verified notice was filed).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. However, 49 U.S.C. 11326(c) does not provide for labor protection for transactions under 49 U.S.C. 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than July 8, 2020 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36413, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street SW, Washington, DC 20423-0001. In addition, a copy of each pleading must be served on MB Rail's representative, Charles H. Montange, Law Offices of Charles H. Montange, 426 NW 162nd Street, Seattle, WA 98177.

According to the verified notice, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: June 25, 2020.

By the Board, Allison C. Davis, Director,
Office of Proceedings.

Regena Smith-Bernard,
Clearance Clerk.

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SURFACE TRANSPORTATION BOARD

[Docket No. FD 36415]

Youngstown & Southeastern Railroad, LLC—Acquisition and Operation Exemption—Youngstown & Southeastern Railroad Company

Youngstown & Southeastern Railroad, LLC (YSR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire from Youngstown & Southeastern Railroad Company (Y&S) and operate approximately 35.7 miles of rail line between milepost 0.0 in Youngstown, Ohio, and milepost 35.7 in Darlington, Pa. (the Line), together with Y&S's rights over three miles of contiguous track segments, including incidental trackage rights, running from east of milepost 0.0 and connecting the Line to interchanges with Norfolk Southern Railway Company (NSR) and CSX Transportation, Inc. (CSXT).¹

YSR states that it is a newly established subsidiary of MB Rail IB, LLC (MB Rail), formed to acquire and operate the Line. The acquisition is part of a larger transaction between MB Rail and Indiana Boxcar Corporation (IBC) under which MB Rail will acquire all of the equity in two railroads currently owned by IBC; MB Rail's subsidiary YSR will acquire the Line and other assets of a third IBC railroad, Y&S; and another MB Rail subsidiary, Camp Chase Rail, LLC (Camp Chase Rail) will acquire a rail line and other assets of a fourth IBC railroad, Camp Chase Railway Company, LLC (CCRY).

This transaction is related to two concurrently filed verified notices of exemption: *MB Rail IB, LLC—Acquisition & Continuance in Control Exemption—Chesapeake & Indiana Railroad, Vermilion Valley Railroad, Camp Chase Rail, & Youngstown & Southeastern Railroad*, Docket No. FD 36413, in which MB Rail seeks, among other things, to continue in control of YSR upon YSR's becoming a Class III

¹ According to the verified notice, Y&S acquired the Line and rights over the contiguous track segments from Mule Sidetracks, LLC (MSLLC). *See Youngstown & Se. R.R.—Acquis. & Operation Exemption—Mule Sidetracks, LLC*, FD 36342 (STB served Aug. 30, 2019). YSR states that the rights are found in various agreements, described in the verified notice, under which MSLLC had succeeded to the interests of the Line's previous owner, Columbiana County Port Authority.

¹ On June 15, 2020, MB Rail also filed a motion for a protective order under 49 CFR 1104.14(b), which was granted on June 16, 2020.

² According to the verified notice, CIR's line is located in Indiana; VVR's line is located in Illinois and Indiana; Camp Chase Rail will operate over a line located in Ohio; and YSR will operate over a line located in Ohio and Pennsylvania.