

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36363]

CSX Transportation, Inc.—Corporate Family Merger Exemption—The Home Avenue Rail-Road Company

CSX Transportation, Inc. (CSXT), a Class I carrier, and The Home Avenue Rail-Road Company (HARR) (collectively, the Parties) have filed a verified notice of exemption for an intra-corporate family transaction under 49 C.F.R. § 1180.2(d)(3). CSXT directly controls and operates HARR. HARR owns approximately 2.9 miles of railroad and 3.99 miles of yard switching track in the State of Ohio. Under the proposed transaction, HARR will be merged into CSXT with CSXT as the surviving corporate entity.¹

The Parties state that the purpose of the transaction is to simplify the corporate structure and reduce overhead costs. According to the Parties, the transaction will reduce corporate overhead and duplication by eliminating one corporation, while retaining the same assets to serve customers, and will allow CSXT to obtain various savings.

Unless stayed, the exemption will be effective on December 15, 2019 (30 days after the verified notice was filed). The Parties state that they intend to consummate the proposed transaction on or after that date.

¹ An executed copy of the agreement and plan of merger was filed on November 15, 2019, to replace the draft agreement attached to the verified notice of exemption.

The Parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(3).

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. As a condition to the use of this exemption, any employees adversely affected by this transaction will be protected by the conditions set forth in New York Dock Railway—Control—Brooklyn Eastern District Terminal, 360 I.C.C. 60 (1979).

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 for stay must be filed no later than December 6, 2019 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36363, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Louis E. Gitomer, Esq., Law Offices of Louis E. Gitomer, LLC, 600 Baltimore Avenue, Suite 301, Towson, MD 21204.

According to the Parties, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c).

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

Decided: November 25, 2019.

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