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SERVICE DATE – MAY 20, 2022

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36604

GEORGIA CENTRAL RAILWAY, L.P.—LEASE AND OPERATION EXEMPTION—
CITY OF VIDALIA, GA.

[REQUEST FOR WAIVER OF 49 C.F.R. § 1150.42(e)]

Digest:¹ This decision waives a 60-day advance notice requirement and allows Georgia Central Railway, L.P., to enter into a new lease agreement to operate approximately 2.6 miles of rail line owned by the City of Vidalia in Georgia on or after May 25, 2022.

Decided: May 20, 2022

On April 25, 2022, Georgia Central Railway, L.P. (GC), a Class III railroad, filed a verified notice of exemption pursuant to 49 C.F.R. § 1150.41 to lease from the City of Vidalia, Ga. (the City), and to operate approximately 2.6 miles of track beginning at milepost 152.2 and extending to milepost 149.6 (the Line). GC states that it and the City have entered into a lease agreement (New Lease) to replace the existing lease agreement (Current Lease) under which GC has operated on the Line since 1997. (Verified Notice 2.)

In its verified notice, GC certifies that its revenues currently exceed \$5 million. Accordingly, unless waived, 49 C.F.R. § 1150.42(e) would require GC, at least 60 days before the exemption becomes effective, to post a notice of its intent to undertake the proposed transaction setting forth certain information at the workplace of the employees on the affected line, serve a copy of the notice on the national offices of the labor unions with employees on the affected line, and certify to the Board that it has done so. However, the verified notice includes a request for waiver of those notice requirements.

GC asks that the Board waive the labor notice requirements of 49 C.F.R. § 1150.42(e) and allow the exemption to become effective on May 25, 2022. It explains that the transaction would not result in any changes for GC employees working on the Line and that the City has no railroad employees who would be affected by the transaction. (Verified Notice 6.) Therefore, GC argues compliance with the 60-day labor notice requirements would not further the purpose of the regulation and should be waived. No opposition to the waiver request has been filed.

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol’y Statement on Plain Language Digs. in Decisions, EP 696 (STB served Sept. 2, 2010).

Notice of GC's lease and operation exemption was served and published in the Federal Register on May 11, 2022 (87 Fed. Reg. 28,856). The published notice announced that the Board would establish the effective date of the exemption in a separate decision on the waiver request.

DISCUSSION AND CONCLUSIONS

The purpose of the notice requirements at 49 C.F.R. § 1150.42(e) is to ensure that rail labor unions and employees who would be affected by the transfer of a line are given sufficient notice of the transaction before consummation. The Board takes the notice requirements seriously, but it does not appear that the purpose behind the requirements would be thwarted if the requested waiver is granted in this case.

The record indicates that the transaction would not result in changes for any employees working on the Line. (Verified Notice 6.) GC already operates the Line and has been the sole operator providing local service over it since at least 1997. (Id.) Under the New Lease, which supersedes and replaces the Current Lease, GC would continue to be the sole operator on the Line. (Id.) Furthermore, the City does not conduct rail operations and therefore has no railroad employees who would be affected or who would need to make any career choices as a result of the transaction. (Id.)

Because no employees would be adversely affected by the requested waiver of the 60-day notice period, the Board will grant the waiver. Accordingly, GC's lease and operation exemption, unless stayed, will become effective on May 25, 2022, the effective date under the Board's rules absent the notice requirement. See, e.g., N.C. & Va. R.R., Chesapeake & Albemarle R.R. Div.—Lease Amendment & Operation Exemption Including Interchange Commitment—Norfolk S. Ry., FD 36252, slip op. at 2 n.3, 3 (STB served Dec. 14, 2018).

This action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c).

It is ordered:

1. GC's request for waiver is granted.
2. GC's exemption will be effective on May 25, 2022, unless stayed.
3. This decision is effective on its date of service.

By the Board, Board Members Fuchs, Hedlund, Oberman, Primus, and Schultz.