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FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36853]

Star America Fund II GP, LLC (on Behalf of Star America Infrastructure Fund II, LP and Star America Infrastructure Fund II (Parallel), LP) and Star America Rail Holdco, LLC—Control Exemption—Belpre Industrial Parkersburg Railroad, LLC; Bucyrus Industrial Railroad, LLC; Cornhusker Railroad, LLC

Star America Fund II GP, LLC (on behalf of Star America Infrastructure Fund II, LP, and Star America Infrastructure Fund II (Parallel), LP) and Star America Rail Holdco, LLC (Star America Rail Holdco), all noncarriers (collectively, Applicants), have filed a verified notice of exemption under 49 CFR 1180.2(d)(2) to acquire control of Belpre Industrial Parkersburg Railroad, LLC (BIP), Bucyrus Industrial Railroad, LLC (BIR), and Cornhusker Railroad, LLC (CNRR), all Class III railroads.

According to the verified notice, Star America Rail Holdco¹ currently holds a non-controlling interest in Cathcart Rail Holdco, LLC (Cathcart Rail Holdco), a noncarrier, which owns Cathcart Rail, LLC, a noncarrier, which owns Cathcart Rail Services, LLC (Cathcart Rail Services), a noncarrier, which controls BIP, BIR, and

¹ Star America Fund II GP, LLC (on behalf of Star America Infrastructure Fund II, LP, and Star America Infrastructure Fund II (Parallel), LP), controls Star America Rail Holdco.

CNRR. The verified notice states that, pursuant to an agreement,² Star America Rail Holdco has agreed to acquire a controlling interest in Cathcart Rail Holdco (and thus indirectly in BIP, BIR, and CNRR), via the purchase of additional shares in Cathcart Rail Holdco from Cathcart, Inc.³

Applicants state that: (1) the railroads would not connect with each other or any railroads in their corporate family; (2) the acquisition is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family, and (3) the transaction does not involve a Class I rail carrier. Therefore, the proposed transaction is 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 June 1, 2025, 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.

² Public and confidential versions of the agreement were filed with the verified notice. The confidential version was submitted under seal concurrently with a motion for protective order, which will be addressed in a separate decision.

³ Applicants state that “[t]he presence of intermediate noncarrier holding companies (Cathcart Rail Holdco, Cathcart Rail, LLC, and Cathcart Rail Services, LLC) in the ‘chain of control’ does not implicate the Board’s authority or require authorization.” (Verified Notice 3 n.2 (citing Hainesport Transp. Grp., LLC—Corp. Fam. Transaction Exemption, FD 36184, slip op. at 1 (STB served May 24, 2018).))

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 by May 23, 2025.

All pleadings, referring to Docket No. FD 36853, must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Applicants' representative, Amy Bohannon, Tikehau Capital, 9 West 57th Street, 45th Floor, New York, NY 10019.

According to Applicants, 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: May 13, 2025.

By the Board, Valerie O. Quinn, Acting Director, Office of Proceedings.