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Transportation Solutions for the 21st Century

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ENTERED
Office of Chief Counsel
June 29, 2026
Part of
Public Record

June 29, 2026

Via E-Filing

Chief of Case Administration
Office of Chief Counsel
Surface Transportation Board
395 E. Street, S.W.
Washington, DC 20006

Re: State of Ohio – Acquisition and Operation Exemption –in Ashtabula and Trumbull Counties, Ohio, FD 36942

Dear Chief of Case Administration:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of a Verified Notice of Exemption under 49 C.F.R. §1150.31(a)(1) filed on behalf of the State of Ohio. If there are any questions concerning this e-filing, please get in touch with me by telephone at (202) 663-7831 or by e-mail at czorbaugh@mullinslawgroup.net. Pursuant to 49 C.F.R. § 1002.2(f)(11)(ii), the \$2,500.00 filing fee has been paid via Pay.gov. If I am unavailable, you may contact John V. Edwards, by telephone at (202) 663-7853 or by e-mail at jedwards@mullinslawgroup.net.

Sincerely,

/s/ Crystal M. Zorbaugh

Crystal M. Zorbaugh
Special Counsel for the State of Ohio

cc: Matthew Dietrich,
Ohio Rail Development Commission

FILED
June 29, 2026
SURFACE TRANSPORTATION BOARD

FEE RECEIVED
June 29, 2026
SURFACE TRANSPORTATION BOARD

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36942

**STATE OF OHIO
– ACQUISITION AND OPERATION EXEMPTION –
IN ASHTABULA AND TRUMBULL COUNTIES, OHIO**

VERIFIED NOTICE OF EXEMPTION

**Allie Butchello, Esq.
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**D. ANDREW WILSON
ATTORNEY GENERAL OF OHIO**

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Special Counsel for the State of Ohio

Dated: June 29, 2026

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36942

**STATE OF OHIO
– ACQUISITION AND OPERATION EXEMPTION –
IN ASHTABULA AND TRUMBULL COUNTIES, OHIO**

VERIFIED NOTICE OF EXEMPTION

Pursuant to 49 C.F.R. §1150.31(a)(1), *et. seq.*, the State of Ohio, a non-carrier, hereby files this Verified Notice of Exemption (“Notice”) for after-the-fact authority to acquire ownership of and operating rights over USRA Line No. 714 rail line (the “Line”), which extends from North Warren, Ohio at MP 81.1 to Ashtabula, Ohio at MP 124.3 for a total of 43.2 miles of rail line between Ashtabula and Trumbull Counties, Ohio.¹ The Line is currently preserved and maintained by ORDC for and on behalf of the State of Ohio. The State of Ohio is a non-carrier and does not intend to operate the property.²

¹ As explained herein, the rail line that is the subject this Notice was also the subject of the Finance Docket 36822 declaratory order proceeding. Ohio Rail Development Commission – Petition for Declaratory Order, FD 36822 (STB served March 30, 2026) (“Declaratory Order Decision”). In that proceeding, the Board determined that the Line had not been abandoned, but that the Line is not currently railbanked under the Trails Act. The Board directed ORDC to seek after-the-fact authority for acquisition of the Line or explain why it believes such authority is not required. *Id.* at 9. The State of Ohio is filing this request for after-the-fact authority for acquisition of the Line due to the fact that subsequent investigation has determined that, although effectuated through ORDC’s predecessor, the Ohio Rail Transportation Authority (“ORTA”) the acquisition of the Line has been registered in the name of the State of Ohio rather than ORTA’s or ORDC. The State of Ohio not only will progress the instant notice of exemption, but also the subsequent request for abandonment and inclusion in the Trails Act railbanking program.

² As discussed further herein, the State of Ohio is a non-carrier. It does not intend to operate the property itself. Should there be a reasonable request for service over the Line, it is the intention of the State of Ohio to contract with a jurisdictional rail carrier to perform that service, but no such reasonable request for service has been forthcoming for several decades. Once it has after-the-fact authority for acquisition of the Line, the State of Ohio intends to promptly file for abandonment authority and thereafter to place the

The subject line was formerly a part of the Pennsylvania Railroad Company prior to merging into Penn Central in 1968.³ Shortly thereafter, in 1970, Penn Central, along with six other railroads, would file for bankruptcy. In response to these bankruptcies, Congress enacted the Regional Rail Reorganization Act of 1973 (“3R Act”), Pub. L. No. 93-236, 87 Stat. 985 (codified at 45 U.S.C. §§ 701-719),⁴ under which certain bankrupt railroads would be merged into what was then a new entity: Consolidated Rail Corporation (“Conrail”). The United States Railway Association (“USRA”) was created by the 3R Act to examine bankrupt railroads' properties and identify those lines that would be included in the FSP.⁵ The subject line, USRA Line No. 714, was identified and designated to be open for subsidy pursuant to section 304 of the 3R Act, with portions of the line being identified to preserve the corridor as a potential avenue to address steel transportation challenges at that time.

ORTA had identified Line No. 714 as a priority for acquisition, and, after a period of negotiations and other actions, ORTA acquired the Line to retain the corridor for future rail service. Ownership of the Line was registered in the name of the State of Ohio. ORTA never intended for it or for the State of Ohio to operate the out-of-service Line, but rather intended to contract operations to an ICC-licensed rail common carrier, if and when rail services were determined to be necessary. Neither ORTA nor the State of Ohio obtained authority from the Interstate Commerce Commission (“ICC”) to acquire and operate the Line. ORTA explored the

Line into the Trails Act. A notice of exemption pursuant to 49 CFR § 2250.31(a)(1) is therefore appropriate.

³ See Railroads - 1975, Hearings before the Subcommittee on Surface Transportation of the Senate Commerce Committee, 94th Congress (1976), Ohio 714, pages 366-367. The P.Y. & A. Secondary Track is referred to in the Final System Plan (“FSP”) and herein as “USRA Line No. 714”). See Exhibit A.

⁴ Regional Rail Reorganization Act of 1973 (“3R Act”), Pub. L. No. 93-236, 87 Stat. 985 (codified at 45 U.S.C. §§ 701-719).

⁵ The FSP was submitted to Congress on July 26, 1975, and was approved in § 601(e) of the Railroad Revitalization and Regulatory Reform Act of 1976, Pub. L. No. 94-210, 90 Stat 31 (1976).

interim use of the Line by leasing the corridor for trails. Penn Central never consummated abandonment authority, prior to the transaction, and ORTA did not do so afterward because Ohio's interest was always to preserve the corridor for future rail service.⁶ The Surface Transportation Board, in its March 30, 2026, decision, determined that ORTA acquired a jurisdictional line of railroad that had not been abandoned.⁷

In 1994, ORDC thereafter succeeded to many of the regulatory obligations of ORTA as a matter of governmental succession, and thus succeeded to responsibility for the governance over the Line. ORDC did not, at that time, file with the STB for authority to acquire what was and is a jurisdictional line of rail.

Due to controversy involving a private party asserting adverse possession, ORDC filed a petition for declaratory order seeking a determination that the Line was never abandoned and thus remained subject to the Board's jurisdiction, that the Line had been railbanked, and that the asserted adverse possession interest was preempted by federal law. In the March 30, 2026, Declaratory Order Decision, the Board did agree that the Line had never been abandoned, and that the asserted adverse possession interest was preempted by federal law. The Board, however, determined that the Line had not been railbanked. None of these conclusions relied on the specific Ohio state governmental entity that succeeded to actual title ownership of the Line.

The STB ordered that ORDC seek after-the-fact acquisition authority of the Line or, in the alternative, to file an explanation as to why acquisition authority is not needed. ORDC

⁶ ORTA did not acquire the Line for the State of Ohio with the intention that the State of Ohio would thereby become a common carrier subject to the jurisdiction of the ICC, or subsequently, the Board. The intention was to effect what is now characterized as a "State of Maine" situation in which (1) a public entity – in this case the State of Ohio – acquires the physical assets of a rail line while (2) the common carrier obligation that is associated with those assets remain or are transferred to a rail common carrier. In this case, however, the history of the Line precluded that second element of that paradigm. It is the intention of the State of Ohio to assign the active common carrier obligation to a rail carrier subject to the jurisdiction of the Board should a reasonable request for service over the Line be presented.

⁷ Declaratory Order Decision, slip op. at 6.

subsequently began its Ohio state approval processes and discovered that the Line had been titled as being owned by the State of Ohio, rather than ORTA or ORDC. As such, it is now the State of Ohio that now files this Notice to acquire after-the-fact acquisition authority for USRA Line No. 714.

REQUIRED INFORMATION

In support of this Notice, the State of Ohio submits the following information as required by 49 C.F.R. § 1150.31, et. seq.:

(a) **Full name and Address of Applicant: 49 C.F.R. § 1150.33(a)**

The State of Ohio
Department of Administrative Services
4200 Surface Road
Columbus, Ohio 43228

(b) **Applicant's Representative: 49 C.F.R. §1150.33(b)**

Crystal M. Zorbaugh
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2001 L Street, NW, Suite 720
Washington, DC 20036
Tel: (202) 663-7831
Fax: (202) 464-9123

(c) **Statement Concerning Agreement: 49 C.F.R. §1150.33(c)**

ORDC's predecessor, the Ohio Rail Transportation Authority ("ORTA"), entered negotiations with Penn Central for ORTA to purchase the Line in 1980, with ORTA making an initial payment to purchase the Line in 1981. The parties agreed on a final purchase price in 1983, and ORTA took actual possession of the Line that same year. Title to the Line, however, was entered as being held by the State of Ohio, not in ORTA. In 1994, ORDC acquired responsibility for management of the affairs related to the Line from ORTA as a matter of governmental succession.

(d) **Operator of the Property: 49 C.F.R. § 1150.33(d)**

The last known operator of USRA Line No. 714 prior to ORTA taking possession of the Line was Penn Central Transportation Company. Following the FSP, the Line was operated under subsidy for at least a year. ORTA took possession of the Line in October of 1981. ORTA never intended for it or the State of Ohio to operate the Line, but rather intended to contract operations to an ICC-licensed rail common carrier if and when rail services were determined to be necessary. In the interim, ORTA decided to explore interim use by leasing the corridor for trails. The Line is a current but out-of-service line of jurisdictional railroad.

(e) **Summary of the Transaction: 49 C.F.R. § 1150.33(e)**

The State of Ohio, a non-carrier, is filing this Notice of Exemption for after-the-fact authority to acquire and operate USRA Line No. 714. ORDC's predecessor, ORTA, entered an agreement with Penn Central to acquire USRA Line 714, which was finalized when ORTA took possession of the Line in 1983, with title to the Line being made in the name of the State of Ohio. ORDC succeeded to responsibility for the Line as a result of its succeeding ORTA's obligations and jurisdiction in the state of Ohio. Title to the Line remains in the name of the State of Ohio. As such, no actual transfer of the Line is occurring. The State of Ohio is filing to rectify the failure of ORTA to seek, on behalf of the State of Ohio, acquisition authority from the ICC at the time it took possession of the Line, and ORDC's subsequent failure to seek acquisition authority from the STB at the time ORDC took responsibility of the Line from ORTA.

(1) USRA Line No. 714 extends from North Warren, Ohio, at MP 81.1 to Ashtabula, Ohio, at MP 124.3 for a total of 43.2 miles of rail line between Ashtabula and Trumbull Counties, Ohio.

(2) Route miles being acquired: The Line acquired by the State of Ohio totals approximately 43.2 miles.

(f) **Map: 49 C.F.R. § 1150.33(f)**

A map of the Line acquired is attached as Exhibit A.

(g) **Certification of Revenues: 49 C.F.R. § 1150.33(g)**

The State of Ohio is a non-carrier, and does not intend to become a carrier through its acquisition of the Line, as the Line is currently out of service, no reasonable requests for service have been rendered for decades, and even if there were a reasonable request for service, the State of Ohio would seek to permit an STB-authorized carrier to perform any required service. Because there are no current or anticipated rail operations over the Line, the State of Ohio hereby certifies that its projected annual revenues resulting from rail operations as a consequence of the transaction will not exceed those that would qualify it as a Class III carrier. See certification attached as Exhibit B.

(h) **Interchange Commitments: 49 C.F.R. §1150.33(h)**

The proposed transaction does not involve any interchange commitments.

ENVIRONMENTAL AND HISTORIC IMPACTS

Under 49 C.F.R. § 1105.6(c)(2), the proposed transaction is exempt from environmental reporting requirements because the proposed transaction will not result in significant changes in carrier operations, *i.e.*, changes that exceed the thresholds established in 49 C.F.R. §§ 1105.7(e)(4) or (5).

Also, under 49 C.F.R. § 1105.8(b)(1), the proposed transaction is exempt from historic preservation reporting requirements. Further Board approval would be required for the State of Ohio to abandon service or to effectively place the line under the Trails Act. There are no plans to dispose of or alter properties subject to Board jurisdiction that is fifty years old or older.

CAPTION SUMMARY

A caption summary in the appropriate form (49 C.F.R. § 1150.34) is attached as Exhibit C to this Notice.

Respectfully submitted,

/s/ Crystal M. Zorbaugh

Crystal M. Zorbaugh
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Special Counsel for the State of Ohio

Dated: June 29, 2026

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

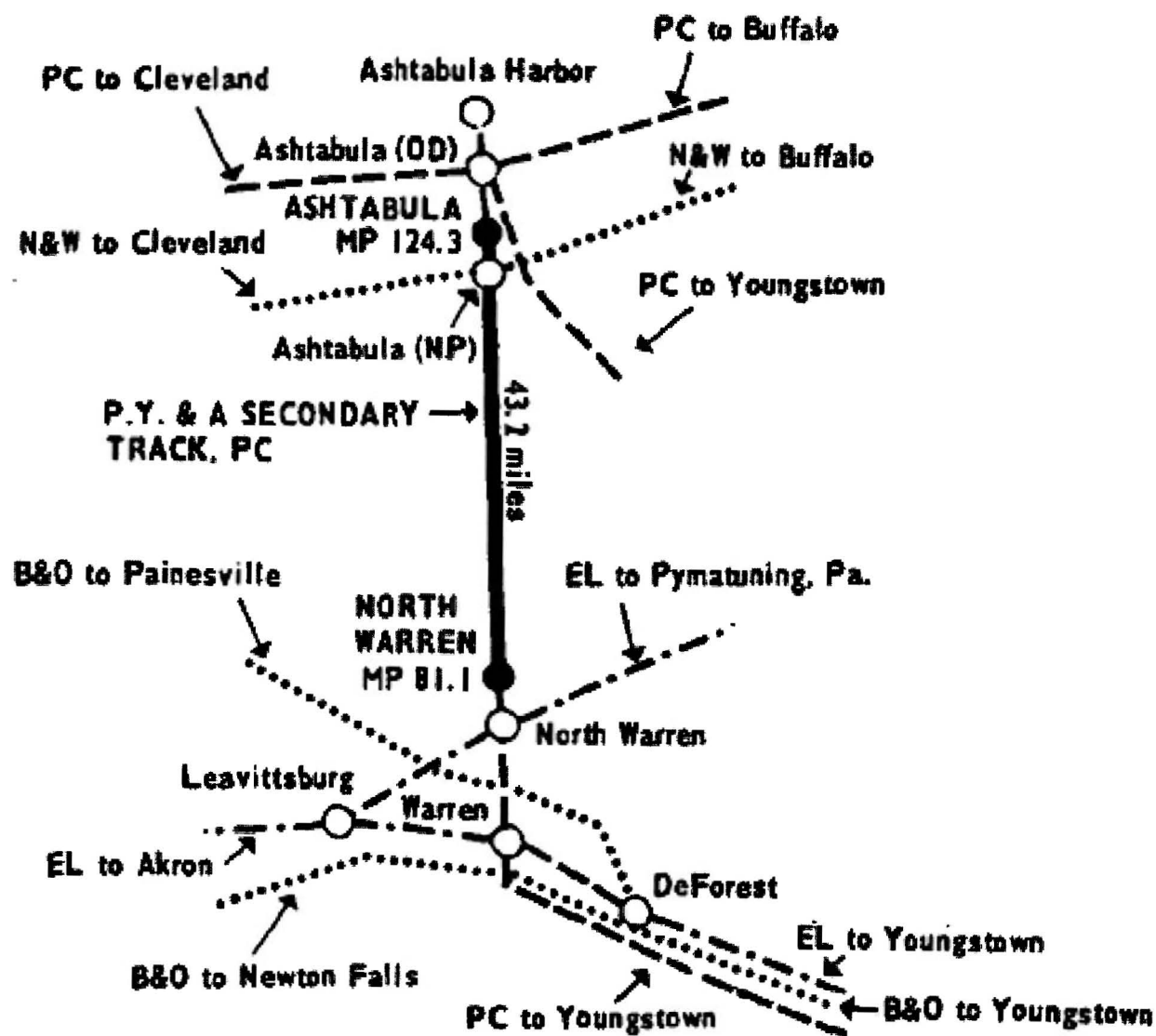
FD 36942

**THE STATE OF OHIO
– ACQUISITION AND OPERATION EXEMPTION–
IN ASHTABULA AND TRUMBULL COUNTIES, OHIO**

VERIFIED NOTICE OF EXEMPTION

EXHIBIT A

MAP



**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36942

**THE STATE OF OHIO
– ACQUISITION AND OPERATION EXEMPTION–
IN ASHTABULA AND TRUMBULL COUNTIES, OHIO**

VERIFIED NOTICE OF EXEMPTION

EXHIBIT B

**THE STATE OF OHIO
CERTIFICATION OF REVENUES 49 C.F.R. § 1150.33(g)**

CERTIFICATION OF REVENUES

State of Ohio)
) SS:
County of Franklin)

I, Matthew Dietrich, Executive Director, Ohio Rail Development Commission, hereby certifies that the projected annual rail revenues from operation of the Line will not, as a consequence of the transaction, result in the State of Ohio becoming a Class II or Class I rail carrier so as to require processing the foregoing notice of exemption under 49 C.F.R. § 1150.45. The State of Ohio is a non-carrier, and does not intend to become a carrier through its acquisition of the Line, as the Line is currently out of service, no reasonable requests for service have been rendered for decades, and even if there was a reasonable request for service the State of Ohio would seek to permit a STB authorized carrier to perform any required service. Nevertheless, the State of Ohio hereby certifies that its projected annual revenues resulting from rail operations as a consequence of the transaction will not exceed those that would qualify it as a Class III carrier.

Executed this 29th day of June 2026

STATE OF OHIO
COUNTY OF FRANKLIN

Sworn to (or affirmed) and subscribed before me
this 29th day of June, 2026, by Matthew Dietrich

Eric C. Kawalec ERIC C. KAWALEC
Notary Public's Signature Notary Name
Personally Known ☒ OR
Type of Identification Produced _____

Matthew Dietrich
Matthew Dietrich, Executive Director
Ohio Rail Development Commission



Eric C. Kawalec, Attorney At Law
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date
Sec. 147.03 O.R.C.

I, the notary public whose signature appears
above, certify that I am not an attorney
representing either party to this agreement.

Eric C. Kawalec
Notary Public Signature

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36942

**THE STATE OF OHIO
– ACQUISITION AND OPERATION EXEMPTION –
IN ASHTABULA AND TRUMBULL COUNTIES, OHIO**

VERIFIED NOTICE OF EXEMPTION

EXHIBIT C

CAPTION SUMMARY

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36942

**THE STATE OF OHIO
– ACQUISITION AND OPERATION EXEMPTION–
IN ASHTABULA AND TRUMBULL COUNTIES, OHIO**

VERIFIED NOTICE OF EXEMPTION

The State of Ohio, a non-carrier, has filed a verified notice of exemption for after-the-fact authority to acquire and operate approximately 43.2 miles of mainline currently in its possession that extends from North Warren, Ohio at MP 81.1 to Ashtabula, Ohio at MP 124.3 between Ashtabula and Trumbull Counties, Ohio.

In 1981, the Ohio Rail Transportation Authority (“ORTA”) acquired the Line and it was registered as being owned by the State of Ohio. ORTA, however, failed to obtain Interstate Commerce Commission authority to acquire the Line on behalf of the State of Ohio. The Ohio Rail Development Commission (“ORDC”) thereafter assumed responsibility for management of the Line in 1994 due to the fact that it succeeded ORTA, but ORDC also failed to obtain Surface Transportation Board (“STB”) authority for the State of Ohio’s acquisition. The State of Ohio is filing this Notice to correct those errors and to receive after-the-fact authority to acquire the Line. Comments must be filed with the Board and served on the State of Ohio’s representative: Crystal M. Zorbaugh, Mullins Law Group PLLC, 2001 L Street, NW, Suite 720, Washington, DC 20036, (202) 663-7850. This notice is filed pursuant to 49 C.F.R. § 1150.31(a)(1), et. seq. If the

notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

Decided: _____

By the Board

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

FD 36942

**THE STATE OF OHIO
– ACQUISITION AND OPERATION EXEMPTION–
IN ASHTABULA AND TRUMBULL COUNTIES, OHIO**

VERIFIED NOTICE OF EXEMPTION

VERIFICATION

Pursuant to 28 U.S.C. 1746, I, Matthew Dietrich, Executive Director, Ohio Rail Development Commission declare under the penalty of perjury under the laws of the United States that I am authorized to make this verification on behalf of the State of Ohio and the foregoing verified notice of exemption is true and correct to the best of my knowledge and belief.

Executed this 29th day of June 2026



Matthew Dietrich, Executive Director
Ohio Rail Development Commission