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SERVICE DATE – APRIL 11, 2019

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. AB 1269X

IOWA TRACTION RAILWAY COMPANY—ABANDONMENT EXEMPTION—IN CERRO
GORDO COUNTY, IOWA

Decided: April 10, 2019

On February 25, 2019, Iowa Traction Railway Company (Iowa Railway) filed a verified notice of exemption under 49 C.F.R. pt. 1152 subpart F—Exempt Abandonments to abandon a three-mile rail line between milepost 155.5, located approximately 100 yards south of Elm Drive, and milepost 152.5, located approximately 600 yards north of County Highway B-20, in Mason City, Cerro Gordo County, Iowa (the Line). The verified notice indicates that, once the Line is abandoned, Iowa Railway will reuse the track and materials elsewhere in its rail system and sell the land in the railroad right-of-way to the City of Mason City for railbanking and interim trail use. (Verified Notice 3.)

In 2012, Iowa Railway was authorized to operate over the Line, replacing the prior operator (Iowa Traction Railroad Company), through a change in operators exemption under 49 C.F.R. § 1150.31(a)(3). Iowa Traction Ry.—Change in Operators Exemption—Rail Line of Backtrack, Inc., FD 35677 (STB served Oct. 5, 2012). In that 2012 proceeding, Iowa Railway stated that the Line was owned by Backtrack, Inc. (Backtrack). Iowa Railway's verified notice here states that Backtrack, a non-carrier, sold the Line to Iowa Railway and that Iowa Railway is now both the owner and operator of the Line. (Verified Notice 3.)

Although Iowa Railway represents that it owns the Line, it is unclear whether it obtained the Board's approval to acquire the Line from Backtrack. Absent evidence that the Board approved that acquisition, Iowa Railway's verified notice to abandon cannot proceed at this time. See Iowa Nw. R.R.—Aban. Exemption—in Osceola & Dickinson Ctys., Iowa, AB 1067 (Sub-No. 1X), slip op. at 2-3 (STB served Apr. 10, 2006). Accordingly, Iowa Railway will be directed to supplement its verified notice to further explain how it acquired the Line and whether it obtained the Board's authority to do so.

It is ordered:

1. The exemption that is the subject of this proceeding will not become effective until further order of the Board.
2. Iowa Railway is directed to file the supplemental information described above no later than April 25, 2019.
3. The decision is effective on its service date.

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