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SERVICE DATE - JUNE 27, 2003

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34357]

Eyal Shapira—Continuance in Control Exemption—New York and Eastern Railway LLC and Raritan Central Railway L.L.C.

Eyal Shapira (Shapira), an individual, has filed a verified notice of exemption to continue in control of New York and Eastern Railway LLC (NY&E), upon NY&E becoming a Class III rail carrier.

This transaction is related to the concurrently filed verified notice of exemption in STB Finance Docket No. 34358, New York and Eastern Railway LLC—Lease, Operation, and Future Purchase Exemption—New York Central Lines, LLC and CSX Transportation, Inc., wherein NY&E seeks to lease and operate (with an option to purchase) approximately 4.7 miles of rail line and associated property presently owned by New York Central Lines, LLC and operated by CSX Transportation, Inc, in the Town and City of Poughkeepsie, Dutchess County, NY.

Shapira owns a majority interest and controls one existing Class III rail carrier: Raritan Central Railway, L.L.C., that operates in the Townships of Edison and Woodbridge, in Middlesex County, NJ.

Shapira states that: (1) the railroads do not connect with each other or any railroad in their corporate family; (2) the continuance in control 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 carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

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. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here, because all of the carriers involved are Class III carriers.

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 transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34357, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on John D. Heffner, 1920 N Street, N.W., Suite 800, Washington, DC 20036.

Board decisions and notices are available on our website at “WWW.STB.DOT.GOV.”

Decided: June 23, 2003.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.

Vernon A. Williams

Secretary