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SERVICE DATE - MAY 13, 1999

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FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33717]

North American RailNet, Inc.--Continuance in Control Exemption--Georgia & Florida RailNet, Inc.

North American RailNet, Inc. (NARN), has filed a notice of exemption to continue in control of Georgia & Florida RailNet, Inc. (GFRN), upon GFRN's becoming a Class III railroad.

The transaction was scheduled to be consummated on or shortly after April 30, 1999.

This transaction is related to STB Finance Docket No. 33716, Georgia & Florida RailNet, Inc.--Acquisition and Operation Exemption--Lines of the Gulf & Ohio Railways Inc., wherein GFRN is seeking an exemption to acquire and operate certain rail lines currently operated by and owned by, or under the control of, Gulf & Ohio Railways, Inc.

NARN controls four existing Class III railroads: Nebraska, Kansas & Colorado RailNet, Inc., operating in Nebraska, Kansas, and Colorado; Illinois RailNet, Inc., operating in Illinois; Camas Prairie RailNet, Inc., operating in Washington and Idaho; and Mississippi & Tennessee RailNet, Inc., operating in Mississippi and Tennessee.

NARN states that: (i) the rail lines operated by GFRN do not connect with any railroad in the corporate family; (ii) the transaction is not part of a series of anticipated transactions that would connect GFRN's lines with any railroad in the corporate family; and

(iii) 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. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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. 33717, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Robert A. Wimbish, Esq., Rea, Cross, & Auchincloss, 1707 L Street, N.W., Suite 570, Washington, DC 20036.

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

Decided: May 5, 1999.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary