

Ryan also operates charter services in the Phoenix, Las Vegas, and Los Angeles markets utilizing 52 motor coaches and 4 minibuses. Silverado states that Michelangelo is also the owner and managing member of White Tie International LLC, a non-regulated motor carrier that provides intrastate sedan and limousine charters and tours in the Sedona, Ariz. area.

Silverado seeks Board authority for its acquisition and control of Michelangelo and Ryan through a stock purchase agreement. Specifically, Silverado states that it would acquire full control of Michelangelo's operations, equipment, and operating authority, as well as the operations, equipment, and operating authority of Ryan, and that these operations would be merged under the Silverado brand and management. Silverado states that Bronson would receive cash and a 14.45% ownership of stock.⁴ Silverado explains that it plans to restructure approximately \$38 million in current debt of Silverado and Michelangelo.

Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction that it finds consistent with the public interest, taking into consideration at least: (1) The effect of the proposed transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees. Silverado submitted information, as required by 49 CFR 1182.2, including information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b), and a statement that the aggregate gross operating revenues of Silverado and Michelangelo exceeded \$2 million for the preceding 12-month period, *see* 49 U.S.C. 14303(g).⁵

Silverado addresses the adequacy of transportation to the public by stating that the proposed transaction would not result in significant changes to the nature or scope of services that are currently conducted by Silverado, Michelangelo, or Ryan. Silverado states that the transaction would allow for the continuation of operations while

approval of its acquisition of control Ryan. The Board generally does not grant retroactive authority. *See supra* n.2. The Board will tentatively approve and authorize Michelangelo's acquisition of control of Ryan as part of the overall transaction at issue here, but only as of the date of service of this decision, not retroactively.

⁴ Silverado's application included a chart with stockholders' names, shares, and percentage of ownership before and after the proposed transaction.

⁵ Applicants with gross operating revenues exceeding \$2 million are required to meet the requirements of 49 CFR 1182.

eliminating duplicate administrative and managerial functions. Silverado anticipates improved public service through the debt restructure that will allow Silverado to access lower interest costs so that it can more readily replace aging vehicles and purchase newer vehicles on more favorable terms. With respect to fixed charges, Silverado asserts the debt restructure will reduce fixed charges by improving its financial position and reducing future interest costs associated with vehicle and other financing. Regarding the effect of the transaction on employees, Silverado states that the proposed transaction will consolidate some headquarter and administrative functions, but expects that its improved financial returns will strengthen its ability to retain employees and expand future employment opportunities.

Silverado further claims that competition will not be materially adversely impacted by the proposed transaction. Citing agency precedent finding low entry barriers in the interstate bus industry, Silverado states that the areas of Los Angeles and Las Vegas, where its services overlap with Michelangelo and Ryan, have robust carrier competition. Specifically, Silverado asserts that competing bus carriers in the Los Angeles area that operate charter and/or tour services include Tourcoach, Gold Coast Tours, Pacific Coachways, and Transportation Charter Services, among other carriers. Similarly, Silverado states that Las Vegas also has a large number of carriers providing charter and/or tour services. Specifically, according to Silverado, competing bus carriers in the Las Vegas area include Arrow Stage Lines, Lewis Brothers, Grand Canyon Coaches, Alan Waxler Group Charter services, and other operators. The operations of Michelangelo and Ryan also overlap in these markets as well as in Phoenix.

The Board finds that the acquisition described in the application (including Silverado's acquisition of the five subsidiaries, Michelangelo's acquisition of Ryan, and Silverado's acquisition of Michelangelo and Ryan), is consistent with the public interest and should be tentatively approved and authorized. If any opposing comments are timely filed, these findings will be deemed vacated, and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. *See* 49 CFR 1182.6(c). If no opposing comments are filed by the expiration of the comment period, this notice will take effect automatically and will be the final Board action.

This action is categorically excluded from environmental review under 49 CFR 1105.6(c).

Board decisions and notices are available on our Web site at WWW.STB.DOT.GOV.

It is ordered:

1. The proposed transaction is approved and authorized as described above, subject to the filing of opposing comments.

2. If opposing comments are timely filed, the findings made in this notice will be deemed vacated.

3. This notice will be effective September 7, 2016, unless opposing comments are filed by September 6, 2016.

4. A copy of this notice will be served on: (1) The U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue SE., Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue NW., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 1200 New Jersey Avenue SE., Washington, DC 20590.

Decided: July 18, 2016.

By the Board, Chairman Elliott, Vice Chairman Miller, and Commissioner Begeman.

Tia Delano,

Clearance Clerk.

[FR Doc. 2016-17228 Filed 7-20-16; 8:45 am]

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SURFACE TRANSPORTATION BOARD

60-Day Notice of Intent To Seek Extension of Approval: Class I Railroad Annual Report

AGENCY: Surface Transportation Board.

ACTION: Notice and request for comments.

SUMMARY: As required by the Paperwork Reduction Act of 1995, (PRA), the Surface Transportation Board (STB or Board) gives notice of its intent to seek approval from the Office of Management and Budget (OMB) for an extension of the collection of Class I Railroad Annual Reports, described below.

DATES: Comments on this information collection should be submitted by September 19, 2016.

ADDRESSES: Direct all comments to Chris Oehrle, Surface Transportation Board, 395 E Street SW., Washington, DC 20423-0001, or to PRA@stb.dot.gov. When submitting comments, please refer to "Paperwork Reduction Act Comments, Class I Railroad Annual Report." For further information

regarding this collection, contact Pedro Ramirez at (202) 245-0333 or at pedro.ramirez@stb.dot.gov. [Assistance for the hearing impaired is available through the Federal Information Relay Service (FIRS) at 1-800-877-8339.]

SUPPLEMENTARY INFORMATION: Comments are requested concerning: (1) The accuracy of the Board's burden estimates; (2) ways to enhance the quality, utility, and clarity of the information collected; (3) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology, when appropriate; and (4) whether the collection of information is necessary for the proper performance of the functions of the Board, including whether the collection has practical utility. Submitted comments will be summarized and included in the Board's request for OMB approval.

Description of Collection

Title: Class I Railroad Annual Report.
OMB Control Number: 2140-0009.
Form Number: R1.

Type of Review: Extension without change.

Respondents: Class I railroads.

Number of Respondents: Seven.

Estimated Time per Response: No more than 800 hours. This estimate includes time spent reviewing instructions; searching existing data sources; gathering and maintaining the data needed; completing and reviewing the collection of information; and converting the data from the carrier's individual accounting system to the Board's Uniform System of Accounts, which ensures that the information will be presented in a consistent format across all reporting railroads. See 49 U.S.C. 11141-43, 11161-64; 49 CFR 1200-1201.

Frequency of Response: Annual.

Total Annual Hour Burden: No more than 5,600 hours annually.

Total Annual "Non-Hour Burden"

Cost: No "non-hour cost" burdens associated with this collection have been identified. The information is submitted electronically.

Needs and Uses: Annual reports are required to be filed by Class I railroads under 49 U.S.C. 11145. The reports show operating expenses and operating statistics of the carriers. Operating expenses include costs for right-of-way and structures, equipment, train and yard operations, and general and administrative expenses. Operating statistics include such items as car-miles, revenue-ton-miles, and gross ton-miles. The reports are used by the

Board, other Federal agencies, and industry groups to monitor and assess railroad industry growth, financial stability, traffic, and operations, and to identify industry changes that may affect national transportation policy. Information from this report is also entered into the Board's Uniform Rail Costing System (URCS), which is a cost measurement methodology. URCS, which was developed by the Board pursuant to 49 U.S.C. 11161, is used as a tool in rail rate proceedings (in accordance with 49 U.S.C. 10707(d)) to calculate the variable costs associated with providing a particular service. The Board also uses this information to more effectively carry out other regulatory responsibilities, including: acting on railroad requests for authority to engage in Board-regulated financial transactions such as mergers, acquisitions of control, and consolidations, see 49 U.S.C. 11323-24; analyzing the information that the Board obtains through the annual railroad industry waybill sample, see 49 CFR 1244; measuring off-branch costs in railroad abandonment proceedings, in accordance with 49 CFR 1152.32(n); developing the "rail cost adjustment factors," in accordance with 49 U.S.C. 10708; and conducting investigations and rulemakings.

Under the PRA, a federal agency that conducts or sponsors a collection of information must display a currently valid OMB control number. A collection of information, which is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c), includes agency requirements that persons submit reports, keep records, or provide information to the agency, third parties, or the public. Under 44 U.S.C. 3506(c)(2)(A), federal agencies are required to provide, prior to an agency's submitting a collection to OMB for approval, a 60-day notice and comment period through publication in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information.

Information from certain schedules contained in these reports is compiled and published on the Board's Web site, <http://www.stb.dot.gov>. Information in these reports is not available from any other source.

Dated: July 18, 2016.

Brendetta S. Jones,

Clearance Clerk.

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SURFACE TRANSPORTATION BOARD

[Docket No. AB 1011 (Sub-No. 3X)]

Northern Lines Railway Company, LLC—Discontinuance of Service Exemption—in Stearns and Benton Counties, Minn.

On July 1, 2016, Northern Lines Railway, LLC (NLR) filed with the Surface Transportation Board (Board) a petition under 49 U.S.C. 10502 for exemption from the provisions of 49 U.S.C. 10903 to discontinue rail service over approximately three miles of rail line (the Subject Segments) in East St. Cloud, Stearns and Benton Counties, Minn.

NLR is not the owner of the Subject Segments. The Subject Segments are owned by BNSF Railway Company (BNSF).¹ The Subject Segments connect to BNSF main lines between milepost 73 and milepost 75 and include: (a) All tracks accessed by Main 1 from Tracks 9967 and 9966; (b) Track 0132 along with Track 0146 and Track 0146's connecting industries within the wye complex at main line milepost 74; and (c) Track 0162, also known as Transfer 2.

NLR states that BNSF has advised NLR that some of the Subject Segments, based on information on BNSF's possession, do contain federally granted rights-of-way. Any documentation in NLR's possession will be made available promptly to those requesting it.

The interest of railroad employees will be granted by the conditions set forth in *Oregon Short Line Railroad—Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho*, 360 I.C.C. 91 (1979).

By issuance of this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. 10502(b). A final decision will be issued by October 19, 2016.

Because this is a discontinuance proceeding and not an abandonment proceeding, trail use/rail banking and public use conditions are not appropriate. Because there will be environmental review during abandonment, this discontinuance does not require an environmental review.

Any offer of financial assistance (OFA) under 49 CFR 1152.27(b)(2) to subsidize continued rail service will be due no later than October 31, 2016, or

¹ NLR was granted authority to lease and operate the Subject Segments in *Northern Lines Ry., LLC—Lease and Operation Exemption—Burlington Northern and Santa Fe Ry.*, FD 34627 (STB served Jan. 6, 2005) (as modified by the decision in the same docket served June 3, 2005).