

UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA
CIRCUIT

Riffin v. Surface Transportation Board

364 F. App'x 650 (D.C. Cir. 2010) · Decided January 22, 2010

SUMMARY

The D.C. Circuit denied Riffin's petition for review of the Surface Transportation Board's refusal to compel a railroad to issue a deed to him personally after the railroad had conveyed the property to an LLC he controlled. The court held that the Board's role ended after approving the transaction and determining the offeror's financial responsibility, and that it lacked authority to resolve the alleged contractual dispute between the railroad and the acquiring offeror.

CASE DETAILS

COURT	United States Court of Appeals for the District of Columbia Circuit
WRITING FOR THE COURT	Garland; Ginsburg; Henderson
JURISDICTION	Federal
DECIDED	January 22, 2010
DISPOSITION	writ_denied
PROCEDURAL POSTURE	Petition for review of the Surface Transportation Board's denial of Riffin's motion to compel an abandoning railroad to issue him a deed personally.
PRECEDENTIAL VALUE	Nonprecedential unpublished disposition
PARTIES	James Riffin v. Surface Transportation Board

TOPICS

judicial review of agency action administrative law appellate procedure breach of contract contracts

PRACTICE AREAS

administrative law railroad regulation contract disputes appellate procedure

QUESTIONS PRESENTED

1. Whether the Surface Transportation Board had authority to compel the abandoning railroad to issue a new deed or otherwise resolve an alleged contract dispute after the parties had agreed to the terms of the

transaction.

2. Whether the Board properly denied Riffin's motion to compel issuance of a deed to him personally.

HOLDINGS

1. When the railroad and the offeror have agreed upon the terms of a transaction in an abandonment proceeding, the Surface Transportation Board's role is limited to determining the offeror's financial responsibility; the Board does not resolve later contractual performance disputes or compel issuance of a new deed.
2. The petition for review was denied because Riffin identified no relevant authority establishing that the Surface Transportation Board could compel the railroad to issue a new deed or resolve a contract dispute between the railroad and the acquiring offeror.

KEY QUOTATIONS

“if an offeror and an offeree railroad have agreed upon the terms of a transaction in an abandonment proceeding, as they did here, then the Board’s role is only to determine the financial responsibility of the offeror.” (650-651)

“Therefore, the Board’s involvement in this transaction ended before the railroad issued the deed to WMS, LLC, regardless whether the railroad later fulfilled its contractual obligation to the offeror.” (651)

FACTUAL BACKGROUND

A railroad abandoning a stretch of track entered into a purchase and sale agreement with an acquiring offeror. Although the agreement identified WMS, Inc., a West Virginia corporation, the railroad issued the deed to WMS, LLC, a Maryland limited liability company controlled by Riffin. Riffin asked the Surface Transportation Board to compel the railroad to issue a deed to him personally, but the Board denied the motion.

PROCEDURAL HISTORY

Riffin sought review of an order denying his motion to compel the railroad to issue a new deed to him. The railroad had already issued the deed to WMS, LLC, a Maryland limited liability company controlled by Riffin. The D.C. Circuit considered the petition on the parties' briefs and appendix and denied review.

DISPOSITION

writ_denied

OPINION

PER CURIAM.

JUDGMENT PER CURIAM. This petition for review of an order of the Surface Transportation Board was considered on the briefs and the appendix filed by the parties. See Fed. R.App. P. 34(a)(2); D.C.Cir. Rule 34(j). It is ORDERED AND ADJUDGED that the petition for review be denied.

Riffin challenges the Board's denial of his motion to compel a railroad abandoning a certain stretch of track to issue a deed to him personally although the railroad had already issued the deed to WMS, LLC, a Maryland limited liability corporation he controlled.

Any differences between the deed and what is called for by the purchase and sale agreement, which indicated the railroad was to be transferred to WMS, Inc., a West Virginia limited liability corporation, are irrelevant to our analysis because the STB has only a limited role in facilitating the transaction.

As the Board explained in the order under review, if an offeror and an offeree railroad have agreed upon the terms of a transaction in an abandonment proceeding, as they did here, then the Board's role is only to determine the financial responsibility of the offeror. See 49 U.S.C. § 10904(d)(2)(A) (abandonment proceeding postponed until "the carrier and a financially responsible person have reached agreement on a transaction for subsidy or sale of the line"); 49 C.F.R. § 1152.27(f)(2) ("[i]f the carrier and a person offering to purchase a line enter into a purchase agreement which will result in continued rail service, the Board will approve the transaction and dismiss the application for abandonment"); cf. 49 U.S.C. § 10904(f)(1)(B) (permitting the STB to set terms for the transaction if the parties cannot agree); 49 C.F.R. § 1152.27(h)(6) (same).

That the Board did. Therefore, the Board's involvement in this transaction ended before the railroad issued the deed to WMS, LLC. regardless whether the railroad later fulfilled its contractual obligation to the offeror. Riffin cites no relevant authority for the proposition that the STB may compel an abandoning railroad to issue a new deed or otherwise resolve a contract dispute between the railroad and the acquiring offeror.

Pursuant to D.C. Circuit Rule 36, this disposition will not be published. The Clerk is directed to withhold issuance of the mandate herein until seven days after resolution of any timely petition for rehearing or petition for rehearing en banc. See Fed. R.App. P. 41(b); D.C.Cir. Rule 41.