

APPENDIX H: Railbanking

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The following was taken in its entirety from Rails-To-Trails Conservancy Fact Sheet*

In 1983, concerned by the rapid contraction of America's rail network, the U.S. Congress amended the National Trails System Act to create the railbanking program. Railbanking is a method by which lines proposed for abandonment can be preserved through interim conversion to trail use.

If the title to an about-to-be-abandoned rail corridor is in question and there is any interest in trail use, the line should be preserved through railbanking. Some railroad right-of-way contains easements that revert back to adjacent landowners when abandonment is consummated. However, if a line is railbanked, the corridor is treated as if it had not been abandoned. As a result, the integrity of the corridor is maintained, and any reversions that could break it up into small pieces are prevented.

Railbanking can be requested by either a public agency or a qualified private organization. The railbanking request must be sent to the Surface Transportation Board (STB) in Washington D.C., and must at the very minimum include a "Statement of Willingness to Assume Financial Responsibility". Since the abandoning railroad company must agree to negotiate a railbanking agreement, a copy of the request must be served on the railroad at the same time it is sent to the STB.

A Public Use Condition (PUC) request is a separate request that is complementary to a request for railbanking. If a PUC request is made to the STB, the STB will place a restriction on the abandonment that prevents the railroad company from selling off or otherwise disposing of any property or trail-related structures, such as bridges, culverts, for a period of 180 days after the abandonment is authorized. This public use condition gives the prospective trail manager some breathing room for preparing an offer to the railroad. The public use condition is also a good backup device should the railroad not agree to railbanking since the STB will issue public use conditions regardless of whether the railroad agrees.

There are several other important points regarding railbanking:

1. A railbanking request is not a contract and does not commit the interested party to acquire any property or to accept any liability. It invites negotiation with the railroad company under the umbrella of railbanking. A party filing a "Statement of Willingness to Assume Financial Responsibility" is not accepting any financial responsibility. It is merely expressing an interest in possibly doing so.
2. The tracks and ties on a railbanked line can be removed. However, bridges and trestles must remain in place, and no permanent structures can be built on the right-of-way.
3. Under railbanking, there will likely still be an actual sale of the property, and the railroad will likely still want compensation. Railbanking is not generally a method of obtaining a free trail.

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4. A railbanked line is subject to possible future restoration of rail service. Any railroad can apply to the STB to resume rail service on a railbanked corridor. However, if the STB restores rail service, the trail agency is entitled to fair market value of the corridor. The terms and conditions of a transfer back to rail service would be determined by the STB.

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