B.C.D. 02-30

APR 15 2002

EMPLOYER STATUS DETERMINATION
Conecuh Valley Railroad Co., Inc.

This is the determination of the Railroad Retirement Board concerning the status of Conecuh Valley Railroad Co., Inc. (CVRC) as an employer under the Railroad Retirement Act (45 U.S.C. § 231, et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) (RUIA). CVRC has not heretofore been ruled to be an employer under the RRA and RUIA.

According to Mr. H. Peter Claussen, Chairman and Chief Executive Officer of Gulf and Ohio Railways, a non-carrier holding company, which wholly owns CVRC, CVRC began operations as a common carrier on October 8, 2001 on a rail line it acquired from the Southern Alabama Railroad Co., Inc.. CVRC operates on approximately 15.04 miles of rail line between Troy, Alabama and Goshen, Alabama, interchanging with CSX, a covered employer, at Troy, Alabama. CVRC first compensated employees on October 15, 2001. Surface Transportation Board authority for the acquisition and operation of its carrier service is set forth in STB Finance Docket numbers 34105 and 34106, decided November 7, 2001.

Section 1(a)(1) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)), insofar as is relevant here, defines a covered employer as:

> (i) any carrier by railroad subject to the jurisdiction of the Surface Transportation Board under Part A of subtitle IV of Title 49 [45 U.S.C. § 231(a)(1)(i)].

Sections 1(a) and 1(b) of the Railroad Unemployment Insurance Act (45 U.S.C. §§ 351(a) and (b)) contain substantially the same definition as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

Conecuh Valley Railroad, Co., Inc.

Based on the information summarized above, it is determined that Conecuh Valley Railroad Co., Inc. became an employer covered under the Railroad Retirement Act and the Railroad Unemployment Insurance Act on October 8, 2001, the date it began operations.

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