B.C.D. 03-17

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EMPLOYER STATUS DETERMINATION
Squaw Creek Southern Railroad, Inc.

This is the determination of the Railroad Retirement Board concerning the status of the Squaw Creek Southern Railroad, Inc. (SCS) 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). SCS has not heretofore been ruled to be an employer under the RRA and RUIA.

Squaw Creek Southern Railroad, Inc. is a wholly owned subsidiary of Respondek Railroad Corporation, an employer under the RRA and RUIA whose B.A. No. is 2882. On July 11, 2002, SCS filed a verified notice of exemption before the Surface Transportation Board (STB) for its operation, under a non-exclusive trackage rights use agreement with Norfolk Southern Railway Company (NS) of 21.3 miles of trackage in Warwick County, Indiana, interchanging with NS at Boonville, Indiana. SCS operations began on August 17, 2002. SCS operations are completely run by covered employees of its parent company, Respondek Railroad Corporation. Authority for SCS operations is set forth in STB Finance Docket No. 34230, decided August 1, 2002.

Section 1(a)(1) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)), insofar as 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).

Based on the information summarized above, it is determined that Squaw Creek Southern Railroad, Inc. became an employer covered under the Railroad

Squaw Creek Southern Railroad, Inc.

Retirement Act and the Railroad Unemployment Insurance Act on August 17, 2002, the date it began operations.

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