B.C.D. 03-18 FEB 14 2003

EMPLOYER STATUS DETERMINATION
Minnesota Prairie Line, Inc.

This is the determination of the Railroad Retirement Board concerning the status of Minnesota Prairie Line, Inc. (MPL) 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). Minnesota Prairie Line, Inc. has not heretofore been ruled to be an employer under the RRA and RUIA.

According to Mr. Mark J. Wegner, Senior Vice President and General Manager of Minnesota Prairie Line, Inc., MPL is a wholly owned subsidiary of Twin Cities and Western Railroad Company (TCW)(B.A. No. 3664). MPL was formed in order to separate the risks of the lease transaction between MPL and the Minnesota Valley Regional Rail Authority, whereby TCW will perform the actual rail operations as the agent of MPL. See Surface Transportation Board (STB) Finance Docket No. 34068, decided May 30, 2002. MPL operates on approximately 94 miles of trackage between Hanley Falls and Norwood-Young America, Minnesota, interchanging with TCW and the Burlington Northern and Santa Fe Railway Company (B.A. No. 1621). Authority for the aforesaid railroad operation is set forth in STB Finance Docket No. 34234, decided on October 16, 2002. Actual operations began on October 11, 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 Minnesota Prairie Line, Inc. became an employer covered under the Railroad Retirement Act and the Railroad Unemployment Insurance Act on October 11, 2002, the date it began operations.

Cherryl T. Thomas

V. M. Speakman, Jr.

Jerome F. Kever