

EMPLOYER STATUS DETERMINATION
Cascade and Columbia River Railroad

This is the determination of the Railroad Retirement Board regarding the status of Cascade and Columbia River Railroad (CCRR) as an employer under the Railroad Retirement Act (45 U.S.C. §231 et seq.) (RRA) and Railroad Unemployment Insurance Act (45 U.S.C. §351 et seq.) (RUIA). CCRR has not previously been determined to be an employer under the RRA and the RUIA.

Information about CCRR was furnished by David Lutz, General Manager of CCRR. Although CCRR began as a non-carrier, upon its acquisition and operation of 131.2 miles of rail line from the Burlington Northern Railroad Company, it became a class III carrier. See Surface Transportation Board (STB) Finance Docket No. 33047. According to information provided by Mr. Lutz, CCRR began operations on September 5, 1996, and has ten employees who were compensated from August 28, 1996. Mr. Lutz stated that the line in question interchanges with the Burlington Northern Railroad. CCRR "will handle around 7500 loads annually, principally lumber products that originate on the line." CCRR is owned by Rail America, Inc., a noncarrier.

Section 1(a)(1) of the RRA defines the term "employer" to include:

- (i) any carrier by railroad subject to the jurisdiction of the Surface Transportation Board under Part A of subtitle IV of title 49, United States Code;

Section 1 of the RUIA (45 U.S.C. § 351) contains essentially the same definition.

The evidence establishes that CCRR is a class III carrier. Accordingly, it is determined that Cascade and Columbia River Railroad became a rail carrier employer under the Railroad Retirement and Railroad Unemployment Insurance Acts effective August 28, 1996, the date on which it first compensated employees.

Glen L. Bower

V. M. Speakman, Jr.

Jerome F. Kever