

**EMPLOYER STATUS DETERMINATION
Tacoma Eastern Railway Company**

This is the determination of the Railroad Retirement Board concerning the status of Tacoma Eastern Railway Company (TERC), 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).

Information regarding TERC was provided by Mr. Gary W. Emmons, superintendent of TERC, and Mr. Edward M. Bernsten, president of TERC. According to Mr. Emmons and Mr. Bernsten, TERC began operations on February 1, 1995. Mr. Bernsten stated that employees from Lewis & Clark Railroad Company (B.A. No. 3660) operated TERC from February 1, 1995 until July 1, 1995, when TERC first compensated its own employees.

In Interstate Commerce Commission (ICC) Finance Docket 32591, TERC filed a notice of exemption to lease and operate 123.8 miles of rail line. The 123.8 miles of rail line include: (1) milepost 2192.01 at Tacoma Junction to milepost 2193.9 at Tacoma; (2) milepost 0.0 at Tacoma to milepost 64.5 at Morton; (3) milepost 0.0 at Maytown to milepost 18.2 at Chehalis; and (5) milepost 0.0 at Park Junction to milepost 3.5 at National. TERC interchanges with the Union Pacific Railroad and the Burlington Northern Railroad, which are covered employers under the RRA and RUIA.

The evidence of record establishes that TERC is a carrier operating in interstate commerce. Accordingly, it is determined that Tacoma Eastern Railway Company is an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act (45 U.S.C. §231(a)(1)(i)) and the corresponding provision of the Railroad Unemployment Insurance Act effective February 1, 1995, the date on which it first commenced operations and compensated employees.

Glen L. Bower

V. M. Speakman, Jr.

Jerome F. Kever