

EMPLOYER STATUS DETERMINATION

Pickens Railway Acquisition Company
d/b/a Pickens Railway Company

This is the determination of the Railroad Retirement Board regarding the status of Pickens Railway Acquisition Company d/b/a Pickens Railway Company (PRC) 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). PRC has not previously been determined to be an employer under the RRA and the RUIA.

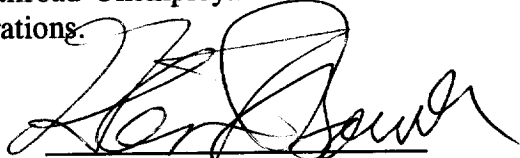
Information about PRC was furnished by Chipley H. Johnson, Chief Executive Officer of PRC. PRC began as a non-carrier, and acquired 8.5 miles of railroad line and other assets of The Pickens Railroad Company, a covered employer under the Acts (BA No. 3555)¹. PRC also leases 6.3 miles of track and has trackage rights over an additional 6.2 miles of track. See Surface Transportation Board (STB) Finance Docket No. 32897. According to information provided by Mr. Johnson, PRC began operations on May 23, 1996, and has three employees who were first compensated on June 1, 1996. Mr. Johnson stated that the line in question interchanges with the Norfolk Southern at Easley, South Carolina as well as at Anderson, South Carolina. It also interchanges with CSXT at Belton, South Carolina. PRC is described as a shortline railroad. Mr. Johnson provided the volume of traffic figures for 1995, which showed 555 total carloads. PRC is owned by Chattahoochee Locomotive Company, Inc., a noncarrier.

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

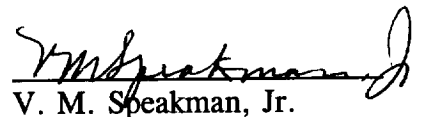
- (i) any carrier by railroad subject to the jurisdiction of the Surface Transportation Board under Part A of subtitle IV of title 49, United States Code; . . .

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

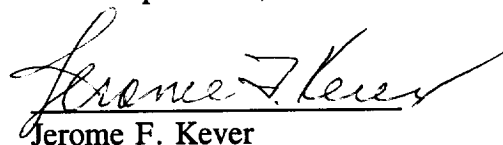
The evidence establishes that PRC is a class III carrier. Accordingly, it is determined that Pickens Railway Acquisition Company d/b/a Pickens Railway Company became a rail carrier employer under the Railroad Retirement and Railroad Unemployment Insurance Acts effective May 23, 1996, the date on which it began operations.



Glen L. Bower



V. M. Speakman, Jr.



Jerome F. Kever

¹ Information in the file indicates that Pickens Railroad Company is being investigated for possible termination.