

EMPLOYER STATUS DETERMINATION

Nebraska, Kansas & Colorado Railnet, Inc.

This is the determination of the Railroad Retirement Board regarding the status of the Nebraska, Kansas & Colorado Railnet, Inc., (NKCR) 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). NKCR has not previously been determined to be an employer under the RRA and the RUIA.

Information about NKCR was furnished by Mr. William E. Glavin, Executive Vice President of NKCR. According to information provided by Mr. Glavin, NKCR began operations on December 17, 1996, and currently has three employees, the first of whom was compensated from October 21, 1996. Mr. Glavin stated that NKCR operates a short line railroad over approximately 437.6 miles. NKCR interchanges with the Kyle Railroad and the Burlington Northern. NKCR estimates that it will handle approximately 28,000 car loads per year. The acquisition of the rail line was approved by the Surface Transportation Board on December 24, 1996. See STB Finance Docket 33314.

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.

The evidence establishes that NKCR is carrier by railroad subject to the jurisdiction of the Surface Transportation Board. Accordingly, it is determined that the Nebraska, Kansas & Colorado Railnet, Inc. became a rail carrier employer under the Railroad Retirement and Railroad Unemployment Insurance Acts effective October 21, 1996, the date on which it first compensated employees.

Glen L. Bower

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