

EMPLOYER STATUS DETERMINATION
Carolina Rail Services Company
Carolina Rail Service, Inc.

This is the determination of the Railroad Retirement Board concerning the status of Carolina Rail Services Company (CRSC) (BA No. 4569) 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), as well as the status of Carolina Rail Service, Inc. (CRSI) as an employer under the Acts.

Information regarding these two companies was provided in a letter dated February 17, 1995, from Mr. Sam A. Holcomb, President of CRSI. According to Mr. Holcomb, as well as the documentation in file, CRSC¹, a partnership comprised of Southern Terminal Holdings, Inc. (the parent company of Carolina Rail Services, Inc.) and Canal Wood Corporation, ceased to exist as of June 30, 1994, when the partnership was dissolved based on Canal Wood's purchase of the interest Southern Terminal. At that time, the employees and assets of CRSC went to CRSI, a new corporation created by Canal. As of July 1, 1995, employees were paid by CRSI. CRSI, described by Mr. Holcomb as a successor employer to CRSC, is an Interstate Commerce Commission (ICC) certified class III railroad, which provides rail car switching service for a class I railroad (Norfolk Southern); leases locomotive power and rights and switches from the North Carolina Ports railway Commission; provides 24-hour, seven days per week rail car switching service to ship loading/unloading operators; and "does not participate in any business not connected with the railroad industry."

Based upon the information summarized above, it is determined that Carolina Rail Services Company ceased to be a rail carrier employer under the RRA and RUIA effective June 30, 1994, the date the partnership was dissolved. See §§ 202.11 and 202.12(b) of the Board's regulations. It is also determined that Carolina Rail Service, Inc. became a rail carrier employer under the Acts effective July 1, 1994.

Glen L. Bower

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¹ CSRC has been found to be an employer covered by the Acts. B.A. No. 4569.

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