

**EMPLOYER STATUS DETERMINATION**  
**Pigeon River Railroad Company**

This is the determination of the Railroad Retirement Board concerning the continued status of Pigeon River Railroad Company (PRRC), B.A. No. 3271, 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).

Mr. Gale Shultz, President of Pigeon River Railroad Company, advised the Board that PRRC ceased operation on December 31, 1992, and that PRRC's employees last performed compensated service on December 18, 1992. Mr. Shultz advised the Board that PRRC has not been dissolved, but has become a non-operating holding corporation which merely owns railroad tracks. PRRC has leased its operations to the Northeastern Railroad Company, B.A. No. 2354, under a long term lease agreement with that company. All affairs, including the filing of reports of railroad compensation with the Board, are being handled by Indiana Northeastern Railroad Company.

In Board Order 89-74, the Board held that a lessor employer, which has sold all its railroad assets so that the lessor no longer had the equipment necessary to resume railroad operations, was no longer an employer under the Acts. See Appeal of Board of Trustees of the Galveston Wharves, B.O. 89-74, April 24, 1989.

In this case, PRRC has leased its track and locomotive to Indiana Northeastern Railroad Company. PRRC has no employees and is not now operating a railroad nor does it have the capability to do so.

The evidence adduced establishes that PRRC last conducted railroad operations in 1992. Accordingly, the Board finds that effective with the close of business December 31, 1992, Pigeon River Railroad Company ceased to be an employer under the RRA and the RUIA.

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Glen L. Bower

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V.M. Speakman, Jr.

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