

EMPLOYER DETERMINATION
Floydada and Plainview Railroad Company
Seagraves, Whiteface & Lubbock Railroad Company

This is the determination of the Railroad Retirement Board concerning the continued status of Floydada and Plainview Railroad Company (FPRC), B.A. No. 3874, and Seagraves, Whiteface & Lubbock Railroad Company (SWLR), B.A. No. 3872, as employers 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).

In Interstate Commerce Commission (ICC) Docket No. 32796, decided December 19, 1995, West Texas and Lubbock Railroad Company (WTLR), B.A. No. 2871, filed a notice of exemption to acquire from SWLR and operate approximately 113 miles of SWLR's rail line. WTLR also obtained ancillary overhead trackage rights held by SWLR over certain lines and yard tracks of the Atchison, Topeka and Santa Fe Railway Company, B.A. No 1702. In ICC Docket No. 32795, also decided December 19, 1995, Plainview Terminal Company (PTC), B.A. No. 4863, filed a notice of exemption to acquire the operating rights of FPRC. PTC will provide local switching service on approximately 4.6 miles of rail line owned by the Atchison, Topeka and Santa Fe Railway Company.

Information regarding FPRC and SWLR was provided by Mr. Bruce H. Borland, Chairman of Temco Corporation (American Railway Corporation). According to Mr. Borland, FPRC and SWLR sold all assets to West Texas and Lubbock Railroad. He stated that SWLR terminated all of its employees and last compensated its employees on December 31, 1995. SWLR submitted to the Railroad Retirement Board (RRB), its annual report of compensation for calendar year 1995. The annual report indicates that it is the final report. Mr. Borland stated that there has never been a payroll for FPRC. According to the RRB's records, the last annual report submitted by FPRC was for calendar year 1993, which was posted as a zero employee compensation report.

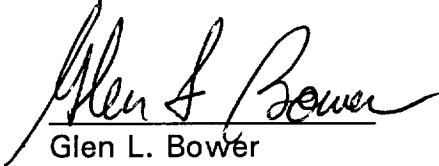
Section 202.11 (20 CFR § 202.11) of the Board's regulations states:

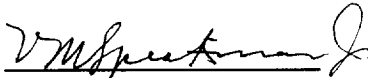
The employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status.

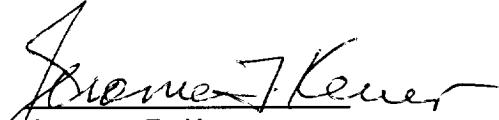
According to ICC Docket Numbers 32795 and 32796, FPRC and SWLR's rail line were acquired by railroad corporations covered under the RRA and the RUIA. Mr. Borland stated that both FPRC and SWLR sold all of their assets to West Texas and Lubbock Railroad. He further stated that SWLR last compensated its employees December 31, 1995, and FPRC did not have any employees. Since FPRC and SWLR no longer possess the characteristics of operating railroad companies, FPRC and SWLR are no longer covered employers under the Acts.

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The Board therefore finds that effective with the close of business December 31, 1995, the Floydada and Plainview Railroad Company and Seagraves, Whiteface & Lubbock Railroad Company ceased being covered employers under the RRA and the RUIA.


Glen L. Bower


V. M. Speakman, Jr.


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