

EMPLOYER STATUS DETERMINATION**Temple and Central Texas Railway, Inc. (TCTR)**

This is a determination of the Railroad Retirement Board concerning the status of Temple & Central Texas Railway, Inc. (TCTR) 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). The status of TCTR under the Acts has not previously been considered.

TCTR is a privately held corporation owned by Patriot Rail Corporation. Ms. Sandra Dahl, director of accounting, and Robert Shellig, Vice President – Law, (both hold these positions with Patriot Rail Corporation) supplied information regarding the formation and start of operations for TCTR. An email notification contained in the file represented that TCTR began operations on August 16, 2009. The first employees were compensated on or about that date.

In Surface Transportation Board (STB) Finance Docket No. 35255, decided July 9, 2009, TCTR filed a verified notice of exemption to operate approximately 7.7 route miles of unmarked railroad line owned by the city of Temple, Texas in Bell County, Texas between an interchange point with BNSF Railway and industries located on property of the City of Temple, Texas known as the Central Pointe Rail Park. TCTR will provide standard switching services for BNSF railway pursuant to a standard rail industry switching agreement. 100% of TCTR business will consist of this type of switching service.

According to documents provided, the exemptions filed with the STB became effective on August 1, 2009. TCTR began operations on August 16, 2009 and will handle freight with revenues that will not result in TCTR's becoming a Class I or Class II rail carrier. TCTR will lease two locomotives in order to perform its switching services.

Section 1(a)(1) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)), insofar as relevant here, defines a covered employer as:

- (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 of the RUIA (45 U.S.C. § 351) contains essentially the same definition, as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

The evidence of record establishes that TCTR is a rail carrier operating in interstate commerce. Accordingly, it is determined that Temple & Central Texas Railway, Inc., became an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act and its corresponding provision of the Railroad Unemployment Insurance Act effective August 16, 2009, the date on which TCTR began operations.

Original signed by:

FOR THE BOARD
Beatrice Ezerski
Secretary to the Board