

EMPLOYER STATUS DETERMINATION
Penn Eastern Rail Lines, Inc.

This is the determination of the Railroad Retirement Board concerning the status of Penn Eastern Rail Lines, Inc. (PERL), as an employer under the Railroad Retirement Act (45 U.S.C. § 231 et seq.) and the Railroad Unemployment Insurance Act (45 U.S.C. §351 et seq.).

Information regarding PERL was provided by Scott F. Ziegler, Vice President - Finance, Controller and Secretary of PERL. According to Mr. Ziegler, PERL began doing business December 31, 1997, with 10 employees. PERL is a wholly owned subsidiary of Emons Railroad Group, Inc.¹ Mr. Robert Grossman is the President of PERL.

In Surface Transportation Board Finance Docket No. 33512, PERL filed a notice of exemption to acquire by purchase or lease a total of approximately 45 miles of track in Pennsylvania, which interchanges with Conrail at Emmaus, Pottstown, Topton, Mannheim, Grundy, and Bridgeport.

The evidence of record establishes that PERL is a rail carrier operating in interstate commerce. Accordingly, it is determined that PERL is an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act (45 U.S.C. § 231a(1)(i)) and the corresponding provision of the Railroad Unemployment Insurance Act as of December 31, 1997, the date as of which it commenced operations.

V. M. Speakman, Jr.

Jerome F. Kever

¹Emons Railroad Group has been held to be an employer under the Acts, with service creditable from January 1, 1990. See Legal Opinion L-90-57.