

JUN 30 2003

EMPLOYER STATUS DETERMINATION
Vermilion Valley Railroad Company, Inc.

This is the determination of the Railroad Retirement Board concerning the status of Vermilion Valley Railroad Company, Inc., 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 Vermilion Valley was provided by R. Powell Felix, President of Vermilion Valley. According to Mr. Felix, Vermilion Valley began doing business April 24, 2003. Vermilion Valley currently has two part-time employees.

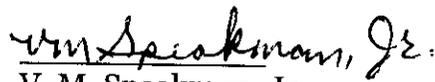
In Surface Transportation Board Finance Docket No. 34340, Vermilion Valley filed a notice of exemption to operate approximately 5.91 miles of rail line owned by FNG Logistics Company¹ from east of Danville, Illinois, across the Indiana - Illinois state line to Olin, Indiana. It interchanges with CSXT.

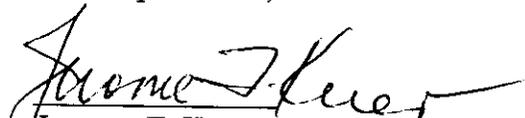
Section 1(a)(1) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)), insofar as relevant here, defines a covered employer as:

(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;

Sections 1(a) and 1(b) of the Railroad Unemployment Insurance Act (45 U.S.C. §§ 351(a) and (b)) contain substantially the same definition, as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

The evidence of record establishes that Vermilion Valley is a carrier operating in interstate commerce. Accordingly, it is determined that Vermilion Valley is an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)(i)) and the corresponding provision of the Railroad Unemployment Insurance Act as of April 24, 2003, the date as of which it commenced operations.


V. M. Speakman, Jr.


Jerome F. Kever

¹ The Board's Audit and Compliance Section has been requested to obtain information regarding FNG Logistics Company with a view to the Board's issuing a coverage ruling regarding that company.