B.C.D. 04-2

JAN 26 2004

EMPLOYER STATUS DETERMINATION
R.J. Corman Railroad Company/Central Kentucky Lines, LLC

This is the determination of the Railroad Retirement Board concerning the status of R.J. Corman Railroad Company/Central Kentucky Lines, LLC (RJCC), 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 RJCC was provided by Ronald A. Lane, outside counsel for RJCC. According to Mr. Lane, RJCC began doing business in March 2003. Ronald Boles is the President of RJCC. From March through September 30, 2003, RJCC's operations were conducted intermittently by three individuals employed by R.J. Corman Railroad Company/Memphis Lines, an employer under the Acts (B.A. No. 2598). RJCC currently has 17 employees.

RJCC began operations with a 14.9 mile railroad line formerly owned by Lexington & Ohio Railroad Company, Inc., a covered employer under the Acts (B.A. No. 5567). The purchase of this line by R. J. Corman Equipment Company, LLC, a covered employer under the Acts (B.A. No. 9014), and the lease to RJCC were authorized in Surface Transportation Board Finance Docket Nos. 34325, 34326, and 34327. An acquisition on October 1, 2003, by R. J. Corman Equipment Company from CSX Transportation of a 100-mile railroad line and a lease to RJCC were authorized in Surface Transportation Board Finance Docket Nos. 34386 and 34387. The lines interchange with Norfolk Southern Corporation and CSX Transportation, Inc.

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 RJCC is a carrier operating in interstate commerce. Accordingly, it is determined that RJCC 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 March 1, 2003, the first date of the month in which it commenced operations.

Original signed by:

Michael S. Schwartz

V. M. Speakman, Jr.

Jerome F. Kever