B.C.D. 04-66

JAN 0 4 2005

EMPLOYER STATUS DETERMINATION
Idaho & Sedalia Transportation Company, LLC (ISTC)

This is a determination of the Railroad Retirement Board concerning the status of Idaho & Sedalia Transportation Company, LLC (ISTC) (preasssigned BA No. 3799) 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.).

In Surface Transportation Board (STB) Finance Docket No. 34553, decided October 7, 2004, ISTC filed a verified notice of exemption to lease from Idaho Northern & Pacific Railroad Company (INPR) BA No. (5733) and operate 5 miles of rail line between milepost 94.68, near Cascade, Idaho and milepost 99.68, at Cascade, Idaho.

Information regarding SLRG was furnished by Mr. Paul D. Bickley, Executive Vice President and Secretary for ISTC. In a letter dated November 10, 2004, Mr. Bickley stated that the Chief Executive Officer of ISTC is Mr. Robert L. Albritton. According to Mr. Bickley, ISTC is owned by its parent company, RCL Wiring, L.P. Mr. Bickley stated that ISTC would commence rail operations on December 1, 2004. Accordingly, the Board's Audit and Compliance Division pre-assigned ISTC BA Number 3799. According to information provided by Mr. Bickley, ISTC anticipated hiring approximately six to eight employees who would be initially compensated on or about December 16, 2004. Mr. Bickley stated that ISTC intends to employ an additional 35 employees by February 2005. One hundred percent of ISTC's business will be conducted with INPR. ISTC interchanges with INPR.

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.

Idaho & Sedalia Transportation Company, LLC (ISTC)

Section 1 of the RUIA contains essentially the same definition. (45 U.S.C. § 351), as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

The evidence of record establishes that ISTC is a carrier operating in interstate commerce. Accordingly, it is determined that the Idaho & Sedalia Transportation Company (ISTC) became 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 effective December 1, 2004, the date on which it commenced operations.

Michael S. Schwartz

V. M. Speakman, Jr.

Jerome F. Kever