

**B.C.D. 13-26**

**September 4, 2013**

**EMPLOYER STATUS DETERMINATION  
Buckeye East Chicago Railroad, LLC**

This is the determination of the Railroad Retirement Board concerning the status of Buckeye East Chicago Railroad, LLC (BECR), 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 BECR was supplied by David C. Dillon, attorney for BECR. The Chief Executive Officer is Clark Smith and the owner is Buckeye Railroad Holdings, LLC which in turn is owned by Buckeye Partners, L.P. Operations began on December 16, 2012. BECR operates a bulk liquid transload facility which consists of 1.34 miles of track and on-site pipelines, loading docks, and bulk liquid tanks and spheres. The expected volume of freight traffic is approximately 4,400 carloads and truckloads annually and there will be no passenger transportation. BECR interchanges with Indiana Harbor Belt Railroad Company (BA no. 4217). BECR did not acquire its line of railroad from another railroad. BECR has no direct employees but has four contract workers who are employees of Landisville Railroad (BA No. 4393) and are licensed trackmobile operators/conductors.

In Surface Transportation Board Finance Docket No. 35698, BECR filed a notice of exemption to acquire from Buckeye Partners, L.P., a noncarrier, and to operate approximately 1.34 miles of track, existing railroad right-of-way, and bulk liquid transloading facilities in East Chicago, Indiana. The application indicates that the track does not have designated mileposts. BECR will interchange traffic with the Indiana Harbor Belt Railroad Company. BECR certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier.

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 similar definitions, as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

The evidence of record establishes that BECR is a carrier operating in interstate commerce subject to STB jurisdiction. Accordingly, it is determined that BECR 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 December 16, 2012 the date it began operations.

Original signed by:

FOR THE BOARD  
Martha P. Rico  
Secretary to the Board