

B.C.D. 13-40

November 15, 2013

**EMPLOYER STATUS DETERMINATION
Midwest Railroad Company (MRC)**

This is a determination of the Railroad Retirement Board concerning the status of the Midwest Railroad Company (MRC) as an employer under the Railroad Retirement Act (45 U.S.C. § 231 et seq.)(RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.)(RUIA). The status of MRC under the Acts has not previously been considered.

MRC is a privately held company owned by James Bradley. Mr. Bradley, the President, supplied information regarding the formation and start of operations for MRC. In correspondence dated June 17, 2013, Mr. Temple stated that MRC would begin operations on July 1, 2013 with between one and five compensated employees.

Mr. Bradley stated that he is currently filing a Notice of Exemption with the Surface Transportation Board. He also stated that there is no Surface Transportation Board Finance Docket because MRC has no freight operations. MRC has leased passenger railcars and is planning to provide rail passenger service over the interstate rail network owned by Amtrak.

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;

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

The evidence of record establishes that MRC is a rail carrier operating in interstate commerce. Accordingly, it is determined that Midwest Railroad Company became

an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act and its corresponding provision of the Railroad Unemployment Insurance Act effective July 1, 2013, the date on which MRC began operations.

Original signed by:

FOR THE BOARD
Martha P. Rico
Secretary to the Board