

**B.C.D. 14-25**

**December 9, 2014**

**EMPLOYER STATUS DETERMINATION  
C&NC Railroad Corporation (C&NC)**

This is a determination of the Railroad Retirement Board concerning the continuing status of C & NC Railroad Corporation (C&NC) (BA No. 2374) 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 Board Coverage Decision (B.C.D.) 98-11, issued March 3, 1998, C&NC was determined to be an employer under the Railroad Retirement Act and Railroad Unemployment Insurance Act effective December 19, 1997.

In Surface Transportation Board (STB) Finance Docket No. AB 1093X, decided July 26, 2013, C&NC filed a verified notice of exemption to discontinue service over approximately .88 miles of non-contiguous rail line segments in Henry County, Indiana. In support of the discontinuance of service C&NC certified that: (1) no local traffic has moved over the rail line segments for at least two years, (2) no overhead traffic has moved over the rail line for at least two years, and (3) no formal complaints have been filed by any users of the rail line regarding cessation of rail service for at least two years.

In a letter dated March 3, 2014, Mr. Spencer Wendelin, owner of C&NC, stated that C&NC ceased railroad operations on October 8, 2013. Mr. Wendelin did not state when employees were last compensated, however C&NC filed a Form G-440 (Report Specifications Sheet) on April 1, 2013 which indicated "I am not submitting an annual report because my company has no employees". In his letter of March 3, 2014, Mr. Wendelin stated that no services are rendered by C&NC, it has no active physical interchange with any common carrier railroad, it owns no equipment or facilities, and "it has no plans to begin any operation or service".

Section 202.11 (20 CFR 202.11) of the Board's regulations states that:

The employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status.

The evidence of record establishes that C&NC no longer possesses the characteristics of an operating railroad company. The Board therefore finds that effective October 8, 2013, the date rail operations ceased, C&NC Railroad

Corporation ceased being a covered employer under the Railroad Retirement and Railroad Unemployment Insurance Acts.

Original signed by:

**FOR THE BOARD**

**Martha P. Rico**

**Secretary to the Board**