

**EMPLOYER STATUS DETERMINATION
PANHANDLE NORTHERN RAILROAD**

This is the determination of the Railroad Retirement Board regarding the status of Panhandle Northern Railroad (PNR) as an employer under the Railroad Retirement Act (45 U.S.C. §231 et seq.) (RRA) and Railroad Unemployment Insurance Act (45 U.S.C. §351 et seq.) (RUIA). PNR has not previously been determined to be an employer under the RRA and the RUIA.

Information about PNR was furnished by Deborah Nabors, the Assistant Controller for OmniTRAX, Inc. PNR acquired 31.255 miles of rail line from the Atchison, Topeka and Santa Fe Railway Company (ATSF)¹ "on or after November 12, 1993", at which time it became a class III carrier. See Interstate Commerce Commission (ICC) Finance Docket No. 32377 and No. 32376. According to information provided by Ms. Nabors, PNR began operations on November 15, 1993, and has sixteen employees who were compensated from that date. Ms. Walsh stated that the line in question interchanges with the ATSF at Borger, Texas.

Section 1(a)(1) of the RRA defines the term "employer" to include:

(i) any express company, sleeping car company, and carrier by railroad, subject to [the Interstate Commerce Act];

(ii) any company which is directly or indirectly owned or controlled by, or under common control with one or more employers as defined in paragraph (i) of this subdivision, and which operates any equipment or facility or performs any service(except trucking service, casual service, and the casual operation of equipment or facilities) in connection with the transportation of passengers or property by railroad, or the receipt, delivery, elevation, transfer in transit, refrigeration or icing, storage, or handling of property transported by railroad, [45 U.S.C. §231(a)(1)(i) and (ii)].

Section 1(a) of the RUIA (45 U.S.C. § 351(a)) contains essentially the same definition.

There is no question that PNR is a carrier by rail and operating in interstate commerce. Based upon the information summarized above,

¹ATSF is an employer covered under the Acts, BA No. 1702.

PANHANDLE NORTHERN RAILROAD

it is determined that Panhandle Northern Railroad became a rail carrier employer under the Railroad Retirement and Railroad Unemployment Insurance Acts effective November 15, 1993, the date on which it began operations.

Glen L. Bower

V. M. Speakman, Jr.

Jerome F. Kever

CCCook:SABartholow:RLSimmons:rls:ik
PNR2.cov
C. 226-94