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OCT 17 1955

L55-518.2

The Director of Wage and Service Records

The General Counsel

- (1) Arizona Eastern Railroad Company
- (2) El Paso & Rock Island Railway Company
- (3) El Paso & Southwestern Railroad Company
- (4) Southern Pacific Railroad Company
- (5) Dawson Railway Company

Of the above-mentioned companies, (1), (2), (3), and (5), by reason of being "lessor" carriers by railroad subject to part I of the Interstate Commerce Act, have been employers within the meaning of the Railroad Retirement Act and the Railroad Unemployment Insurance Act. No determination of the status of the Southern Pacific Railroad Company (4) has ever been made.

In an order dated July 18, 1955 the Interstate Commerce Commission authorized the merger of the properties of (1), (2) and (3) into the Southern Pacific Railroad Company, and the merger of the properties of the latter and the Dawson Railway Company into Southern Pacific Company. Southern Pacific Company Et Al. Merger, Etc., Finance Docket No. 18733, ICC.

In a letter of October 11, 1955 Mr. P. J. Kendall, Vice President and General Auditor, Southern Pacific Company, states that the merger of (1), (2) and (3) was effective September 23, 1955 and that (4) and (5) were merged into Southern Pacific Company effective September 30, 1955.

On the basis of the foregoing I conclude that as of September 24, 1955 (1), (2) and (3) ceased to be employers under the Railroad Retirement Act and the Railroad Unemployment Insurance Act and that on October 1, 1955 (5) ceased to be such an employer.

Appropriate Forms G-341 will be released giving effect to the foregoing conclusion.

Myles F. Gibbons
General Counsel

HPC:ea