B.C.D. 00-18

Employer Status Determination
New Orleans Lower Coast Railroad, Inc.

MAY 17 2000

This is the determination of the Railroad Retirement Board concerning the continuing status of the New Orleans Lower Coast Railroad, Inc. (NOLR) (B.A. No. 3881) 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). NOLR was determined to be an employer covered under the RRA and RUIA effective March 16, 1991.

In Surface Transportation Board (STB) Finance Docket No. 33736, decided April 20, 1999, the New Orleans & Gulf Coast Railway Company (NOGC)[1] filed a notice of exemption to acquire from NOLR its entire rail line. The transaction was scheduled to be consummated on or after April 15, 1999.

NOLR advised the Board that it ceased operations and its employees last performed compensated service on April 23, 1999. NOLR further advised that NOGC purchased NOLR's assets at that time and that NOLR's employees thereafter either stayed on with NOGC, transferred to another company within Railtex, or resigned. According to NOLR, its only remaining relationship with the railroad industry involves the payment of past due bills.

In view of the foregoing, it is the determination of the Railroad Retirement Board that the New Orleans Lower Coast Railroad, Inc. ceased to be an employer covered under the RRA and RUIA as of the close of business on April 23, 1999, the date on which it ceased operations and last compensated its employees.

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[1]NOGC was determined to be an employer under the Acts administered by the Board effective April 24, 1999. See B.C.D. 99-24.