

B.C.D. 11-70
EMPLOYER STATUS DETERMINATION
DeQueen & Eastern Railroad Company

July 26, 2011

This is the determination of the Railroad Retirement Board concerning the continuing status of DeQueen & Eastern Railroad Company (DQER) (B.A. No. 2805) 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).

Information about DQER was provided by Mr. Wayne Pratt, Payroll Tax Accountant for Weyerhaeuser NR Company, and Mr. Louis E. Gitomer, Attorney for DeQueen & Eastern Railroad, LLC. In Surface Transportation Board Finance Docket No. FD 35427, DeQueen & Eastern Railroad, LLC (DQE) filed a verified notice of exemption to acquire and operate approximately 47 miles of rail line from DQER. This transaction was related to a transaction in which Patriot Rail, LLC (a non-covered entity) and its subsidiaries entered into an asset purchase agreement on July 21, 2010, to acquire from Weyerhaeuser NR Company certain rail assets and the rail assets of five of its subsidiaries. According to Mr. Pratt, DQER ceased operations on December 30, 2010, and employees were last compensated on January 14, 2011 for hours worked through December 30, 2010. All employees of DQER were offered and accepted employment with DQE. Articles of Dissolution for DQER were filed with the Secretary of State of Arkansas on December 14, 2010.

Section 202.11 of the Board's regulations provides 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.

Based on the information set forth above, it is clear that the character of DQER as a railroad no longer exists inasmuch as all of its railroad assets have been sold and the corporation dissolved. Therefore, it is the determination of the Railroad Retirement Board that DeQueen & Eastern Railroad Company ceased being an employer under the RRA and RUIA on December 30, 2010, the date on which it ceased operations and the last date for which it paid its employees.

Original signed by:

FOR THE BOARD
Martha P. Rico
Secretary to the Board