

**B.C.D. 11-91**  
**EMPLOYER STATUS DETERMINATION**  
**North Louisiana & Arkansas Railroad**

**October 17, 2011**

This is the determination of the Railroad Retirement Board concerning the status of North Louisiana & Arkansas Railroad (NLA) 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.). The status of NLA under the Acts has not previously been considered.

Information about NLA was provided by Ms. Kathleen Slavins, General Counsel for NLA. According to Ms. Slavins, NLA began operations August 15, 2011, and has three compensated employees. NLA is owned by Arkansas Short Line Railroads, Inc. (ASR), a holding company which also owns Dardanelle and Russellville Railroad (B.A. No. 3813), Ouachita Railroad (B.A. No. 3883), and Camden & Southern Railroad (B.A. No. 2895). NLA will interchange with the Union Pacific and Arkansas Midland, and 100% of its business time will be spent doing business with the Union Pacific and 100% of NLA's revenue will be received from the Union Pacific. According to Ms. Slavins, NLA will provide freight service as needed from Lake Village, Arkansas, to McGehee, Arkansas, handling approximately 1,500 cars.

In Surface Transportation Board (STB) Finance Docket No. 35543, service date August 12, 2011, ASR filed a notice of exemption to continue in control of NLA upon NLA's becoming a Class III railroad.

The Delta Southern Railroad, Inc. (DSR) was authorized to abandon a 24.1 mile line of railroad (See, Delta Southern Railroad – Abandonment Exemption – in Desha and Chicot Counties, Ark., AB 384 (Sub-No. 3X)(STB served March 25, 2011). Lake Providence Port Commission and ASR, as guarantor for its wholly owned subsidiary NLA, jointly filed a timely offer of financial assistance to purchase the entire line. By an STB decision served on May 19, 2011, the offerors were authorized to acquire the line, and NLA was authorized to operate the line.

Section 1(a)(1) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)), insofar as relevant here, defines a covered employer as:

- (i) any carrier by railroad subject to the jurisdiction of the Surface Transportation Board under Part A of subtitle IV of title 49, United States Code;

Sections 1(a) and 1(b) of the Railroad Unemployment Insurance Act (45 U.S.C. §§ 351(a) and (b)) contain substantially similar definitions, as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

The evidence of record establishes that NLA is a class III rail carrier operating in interstate commerce. Accordingly, it is determined that NLA is an employer within the meaning of section 1(a)(1)(i) of the Railroad Retirement Act (45 U.S.C. § 231(a)(1)(i)) and the corresponding provision of the Railroad Unemployment Insurance Act as of August 15, 2011, the date it began operations.

Original signed by:

FOR THE BOARD  
Martha P. Rico  
Secretary to the Board