

**EMPLOYER STATUS DETERMINATION  
Grenada Railroad, L.L.C. (GRL)**

This is a determination of the Railroad Retirement Board concerning the status of Grenada Railroad, LLC 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 Acts”). The status of Grenada Railroad, LLC under the Acts has not previously been considered.

Grenada Railroad, LLC (GRL) is a limited liability company that is 100% owned by San Luis Rio Grande Railroad, L.L.C. (SLRG). SLRG is a covered employer under the Acts since June 28, 2003 (BA No. 3796).<sup>1</sup>

In Surface Transportation Board Finance Docket No. 35940 decided July 6, 2015, the Illinois Company Rail Road (ICRR), a noncarrier, filed a verified notice of exemption under 49 CFR 1150.31 to lease and operate an approximately 186.82-mile rail line in Mississippi pursuant to an agreement with the North Central Mississippi Regional Railroad Authority and Grenada Railway, LLC. In a concurrently filed verified notice of exemption, Finance Docket No. 35939, Iowa Pacific Holdings LLC (IPH), and its wholly owned noncarrier subsidiary, Permian Basin Railways (PBR), sought exemption to continue in control of ICRR upon ICRR’s becoming a Class III rail carrier. It appears that Surface Transportation Board Docket No. 35940 is when ICRR first obtained its authority to operate a line of rail. In his July 14, 2015 letter to the Surface Transportation Board, John D. Heffner indicated that Permian Basin Railways changed the name of ICRR to GRL.

In Surface Transportation Board Finance Docket No. 35993 decided February 22, 2016, GRL, a class III rail carrier, filed a verified notice of exemption to permit it to lease from Illinois Central Railroad and to operate approximately 2.5 miles of rail line between milepost 703.8 and milepost 706.3; including, but not limited to, any sidings, yard tracks, yard leads, or ancillary tracks, switches, signals, crossings, structures, bridges, together with land upon which said tracts are situated in Canton, Mississippi. GRL stated there were no agreements applicable to the line imposing any interchange commitments.

---

<sup>1</sup> Board Coverage Decision 03-71 dated September 18, 2003.

David Michaud, General Counsel for Iowa Pacific Holdings, LLC and GRL provided information regarding the formation and start of operations for GRL. Mr. Michaud stated that GRL began operations on June 23, 2015. The Chief Executive Officer of GRL is Edwin E. Ellis. The first date employees performed service for GRL was July 29, 2015, and ten employees<sup>2</sup> of the former operator Grenada Railway, LLC<sup>3</sup> were hired. The ten employees were first compensated on August 24, 2015.

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;

Section 1 of the RUIA (45 U.S.C. § 351) contains essentially the same definition, as does section 3231 of the Railroad Retirement Tax Act (26 U.S.C. § 3231).

The evidence of record establishes that GRL is a rail carrier operating in interstate commerce. Accordingly, the Board finds that Grenada Railroad LLC became an employer within the meaning of section 1(a)(1) of the RRA and Section 1 of the RUIA effective June 23, 2015, the date on which it began operations.

Original signed by:

FOR THE BOARD  
Martha P. Rico  
Secretary to the Board

---

<sup>2</sup> This constituted most, but not all, of the employees of the former operator, Grenada Railway, LLC.

<sup>3</sup> Board Coverage Decision 09-69 dated November 23, 2009 found Grenada Railway, LLC to be an employer under the RRA and RUIA.