BCD 00-28

EMPLOYER STATUS DETERMINATION
Meridian Southern Railway, L.L.C. (MDS)

AUG 07 2000

This is the determination of the Railroad Retirement Board concerning the status of the Meridian Southern Railway, L.L.C. (MDS) 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.).

By authority of a Surface Transportation Board decision on March 29, 2000 (STB Finance Docket No. 33854), MDS began operations as a class III railroad carrier on April 1, 2000. MDS acquired by purchase from the Kansas City Southern Railway Company (KCS) (Ba No. 1806) approximately 54.5 miles of rail line between Meridian, MS and Waynesboro, MS. MDS now owns and operates the freight line formerly operated by KCS and interchanges with KCS.

Section 1(a)(1) of the Railroad Retirement Act (45 U.S.C. § 231 (a)(1)), insofar as is 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 Railroad Unemployment Insurance Act contains the same definition.

The evidence of record establishes that MDS is a rail carrier operating in interstate commerce. Accordingly, it is determined that MDS became 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 effective March 29, 2000, the date as of which employees were first compensated. Cf. Rev. Rul. 82-100, 1982-1 C.B. 155.

Cherryl T. Thomas

Cherryl T. Thomas

V M Speakman, Jr.

V. M. Speakman, Jr.

Jerome F. Kever

Jerome F. Kever