

EMPLOYER STATUS DETERMINATION
Arkansas-Oklahoma Railroad Company, Inc.

This is the determination of the Railroad Retirement Board concerning the status of Arkansas-Oklahoma Railroad Company, Inc. (AOK) 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 regarding AOK was provided by Mr. Bill David Donoley, owner and president/CEO of AOK. According to Mr. Donoley, AOK commenced operations and first compensated its employees on March 3, 1996. In Surface Transportation Board Finance Docket No. 32873, AOK filed a verified notice of exemption to assume the Missouri Pacific Railroad's (B.A. No. 1813) (MPR) lease of a rail line which is owned by the State of Oklahoma. The 69.60 miles of rail line is between Howe, Oklahoma, at milepost 295.36 and McAlester, Oklahoma, at milepost 364.96. The agreement also includes incidental trackage rights for interchange purposes over 8.54 miles of MPR's Shawnee Branch rail line located between mileposts 364.96 and 370.5 and mileposts 566.00 and 563.00. According to Mr. Donoley, AOK will interchange with Union Pacific Railroad (B.A. No. 1715), a covered employer under the Acts.

The evidence of record establishes that AOK is a carrier operating in interstate commerce. Accordingly, it is determined that the Arkansas-Oklahoma Railroad Company, Inc. 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 effective March 3, 1996, the date as of which it first compensated its employees.

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