

B.C.D. 11-59
EMPLOYER STATUS DETERMINATION
Lancaster & Chester Railway Company

July 6, 2011

This is the determination of the Railroad Retirement Board concerning the continuing status of Lancaster & Chester Railway Company (LCR) (B.A. No. 2525) 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 LCR was provided by Ms. Ellen Oblow, CFO of the Gulf & Ohio Railway, Inc., on behalf of Lancaster & Chester Railroad, LLC (L&C Railroad)¹. In Surface Transportation Board Finance Docket No. FD 35413, L & C Railroad filed a notice of exemption to acquire and operate 62 miles of rail line owned by LCR, including related rail property and trackage. In a letter dated November 30, 2010, Mr. Ronald T. Seegars, Vice President of LCR, advised the agency that on November 30, 2010, LCR was sold to the Gulf & Ohio Railways, Inc., and effective December 1, 2010, the Gulf & Ohio Railways, Inc. would begin a new company called Lancaster & Chester Railroad, LLC to handle the railroad business.

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 LCR as a railroad no longer exists inasmuch as all of its railroad assets have been sold. Therefore, it is the determination of the Railroad Retirement Board that Lancaster & Chester Railway Company ceased being an employer under the RRA and RUIA on November 30, 2010, the date on which it sold all of its assets.

Original signed by:

FOR THE BOARD
Martha P. Rico
Secretary to the Board

¹ The coverage status of Lancaster & Chester Railroad, LLC is addressed in the companion decision to this one.