B.C.D. 02-60

AUG 14 2002

EMPLOYER STATUS DETERMINATION
Delaware Valley Railway Company, Inc.

This is a determination of the Railroad Retirement Board concerning the continued status of Delaware Valley Railway Company, Inc. (DVRC)(B.A. No. 3384) 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).

DVRC became a covered employer under the RRA and the RUIA on July 1, 1994. Mr. Gary Laakso, Vice President and Regulatory Counsel for RailAmerica, provided information regarding DVRC. According to Mr. Laakso, DVRC ceased rail operations and last compensated its employees on June 4, 1999. Mr. Laakso stated that the Commonwealth of Pennsylvania involuntarily terminated DVRC's lease and contractual rights. He stated that all of DVRC's property was removed from the line and sent to other railroads within RailAmerica's corporate family. He stated that thereafter, Brandywine Valley Railway Company (B.A. No. 3342), a wholly owned subsidiary of Bethlehem Steel, began rail services. DVRC has not been dissolved as a corporation.

Section 202.11 (20 CFR 202.11) of the Board's regulations states:

> 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.

The evidence of record establishes that Delaware Valley Railway Company, Inc. no longer possesses the characteristics of an operating railroad. Therefore, the Board finds that effective June 4, 1999, the date it ceased rail operations, Delaware Valley Railway Company, Inc. ceased to be an

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employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

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