

**VIRGINIA & MARYLAND RAILROAD COMPANY
EMPLOYER STATUS DETERMINATION**

This is a determination of the Railroad Retirement Board concerning the continued status of Virginia & Maryland Railroad Company (VMRC), B.A. No. 2333, 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 VMRC was provided by Mr. John C. Paredes, Vice President of Maryland & Delaware Railroad. Initially, Mr. Paredes stated that since VMRC closed its railroad operations, all records have been destroyed after the statute of limitation period had ended. However, Mr. Paredes provided the following information. According to Mr. Paredes, VMRC ceased rail operations on September 30, 1981 and its employees were last compensated in October 1981. Mr. Paredes stated that VMRC had no assets at the time it ceased operations. Specifically, all assets were owned by Accomack-Northampton Transportation District Commission, a political entity of the State of Virginia. Mr. Paredes further stated that VMRC did not merge with another railroad company after it ended its operations in September 1981. However, Mr. Paredes stated that Eastern Shore Railroad (B.A. No. 3417) began rail operations after VMRC ceased operations.

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 establishes that VMRC ceased rail operations in September 1981 and last compensated its employees in October 1981. Virginia & Maryland Railroad Company no longer possesses

the characteristics of an operating railroad company covered under the Acts. Accordingly, Virginia & Maryland Railroad Company is no longer a covered employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

The Board finds that effective October 31, 1981, the last day of the last month in which it compensated employees, Virginia & Maryland Railroad Company was no longer a covered employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

Original signed by:

Michael S. Schwartz

V.M. Speakman, Jr.

Jerome F. Kever