B.C.D. 00-48

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EMPLOYER STATUS DETERMINATION
Washington County Railroad Corporation

This is the determination of the Railroad Retirement Board concerning the continuing status of Washington County Railroad Corporation (WACR) (B.A. No. 2122) 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). WACR was determined to be an employer under the RRA and RUIA effective November 23, 1980.

WACR was formed in April 1980 by a group of users and shippers on a 14 mile rail line from Graniteville to Montpelier Junction in Washington County, Vermont, which was about to be abandoned by the Montpelier and Barre Railroad Company (MBRC) (B.A. No. 2113). See ICC Docket No. AB-202F, served March 12, 1980. The state of Vermont acquired from MBRC the right-of-way and other properties on the 14 mile rail line on November 21, 1980; MBRC ceased its operations thereon on November 22, 1980; and WACR began its operations on the line on November 23, 1980 under a lease agreement with the state of Vermont. See ICC Finance Docket No. 29536F, served January 21, 1981.

From the beginning of its operations on November 23, 1980, WACR was a lessee of the 14 mile rail line, the operations of which were contracted out by WACR to the New Hampshire and Vermont Railroad Company, Inc. (B.A. No. 3119). Since 1991, WACR has reported to the Board that it has no employees. On February 2, 1999, WACR agreed to assign its lease of the 14 mile rail line to New England Central Railroad, Inc. (NECR) (B.A. No. 3126). See STB Finance Docket No. 33715, served February 26, 1999. On February 9, 1999, NECR accepted the assignment of the lease between WACR and the state of Vermont and operated the line through September 8, 1999, after which Vermont Railway, Inc. (VTRY) (B.A. No. 2114) took over those operations under an interim lease arrangement with the state of Vermont. See STB Finance Docket No. 33800, served September 24, 1999. VTRY operated the rail line from September 9, 1999 through September 14, 1999. On September 15, 1999 the Washington County Railroad Company, (WCRC), a new employer, took over the VTRY operations under a new lease with the state of Vermont. See STB Finance Docket No. 33807, decided October 23, 1999.

On November 30, 1999, WACR assigned all of its right, title and interest in the name "Washington County Railroad Corporation" to VTRY. On December 2, 1999, WACR changed its corporate name to "Montpelier and Websterville Railroad Company, Inc." (MWRC). According to David H. Anderson, attorney for MWRC, MWRC retains the same inactive corporate status as WACR. The corporate charter has not been dissolved.

In view of the foregoing, it is the determination of the Railroad Retirement Board that the Washington County Railroad Corporation, now known as the Montpelier and Webster Railroad Company, ceased to be an employer covered under the RRA and RUIA as of February 9, 1999, the date on which it assigned its lease to operate the rail line for which purpose WACR was formed.

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