

**EMPLOYER DETERMINATION**  
**Michigan-Wisconsin Transportation Company**  
**Michconsin Incorporated**

This is the determination of the Railroad Retirement Board concerning the continued status of Michigan-Wisconsin Transportation Company (MWTC), B.A. No. 9236, and Michconsin Incorporated (MI), B.A. No. 9620, as employers 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 MWTC and MI was provided by Timothy J. Chorvat, attorney for MWTC and MI. According to Mr. Chorvat, MWTC and MI ceased operations in 1990 due to insufficient assets to continue operations. MWTC filed a chapter 11 bankruptcy on June 17, 1991. A court appointed trustee filed an involuntary Chapter 11 bankruptcy petition against MI, which originally contested the petition; however, it subsequently agreed to the entry of an order for relief. Mr. Chorvat stated that MWTC and MI's assets were not sufficient to provide any distribution to unsecured creditors; however, all priority employee compensation claims were paid in full in February 1995. Mr. Chorvat stated that MWTC and MI have not been dissolved as corporations.

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 MWTC and MI ceased operations in 1990. MWTC and MI filed a Chapter 11 bankruptcy petition June 17, 1991. The court appointed bankruptcy trustee paid all priority employee compensation claims in February 1995. MWTC and MI no longer possess the characteristics of operating railroads covered under the Acts; accordingly, under section 202.11 of the Board's regulations, MWTC and MI are no longer covered employers under the RRA and the RUIA.

In accordance with the above, the Board finds that effective with the close of business February 28, 1995, Michigan-Wisconsin Transportation Company and Michconsin, Incorporated ceased to be employers under the RRA and the RUIA.

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Glen L. Bower

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V. M. Speakman, Jr.

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Jerome F. Kever

**TO:** The Board

**FROM:** Catherine C. Cook  
General Counsel

**SUBJECT:** Coverage Determination  
Michigan-Wisconsin Transportation Company  
Michigan, Incorporated

Attached is a proposed coverage ruling for Board approval.

Attachment