

EMPLOYER STATUS DETERMINATION

Denver Railway Inc.

This is the determination of the Railroad Retirement Board concerning the continued status of Denver Railway Inc. (DRI), B.A. No. 4781 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).

In Interstate Commerce Commission (ICC) Directed Service Order No. 1512, decided January 8, 1993, the ICC authorized the Great Western Railway Company d/b/a Platt Valley Railway (GWRC/PVR) (B.A. No. 2706) to operate as a "directed rail carrier" over DRI's rail line. ICC's decision further stated that DRI indicated that it remained unable to resume operations and supported continued directed service of its line. The president of DRI, Harvey E. Webb, and the secretary and treasurer of DRI, Mary J.K. Webb have filed for personal bankruptcy.

Information regarding DRI was provided by Mr. Roy Hollaway, president of Great Northern Equipment (B.A. No. 9741). Mr. Hollaway stated that DRI ceased operations and last compensated employees approximately the same date that GWRC/PVR was directed to operate DRI's line. Mr. Hollaway stated further that DRI's assets were purchased by Denver Terminal Railroad Company (B.A. No. 3786).

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.

According to ICC Directed Service Order No. 1512, GWRC/PVR was authorized to operate DRI's rail line. Mr. Hollaway stated that DRI ceased rail operations and last compensated employees approximately January 8, 1993, the date GWRC/PVR began operating DRI's rail line. Since DRI no longer possesses the characteristics of an operating railroad company covered by the ACTS, DRI is no longer a covered employer under the RRA and RUIA.

The Board therefore finds that effective with the close of business January 7, 1993, Denver Railway, Inc. ceased being a covered employer under the RRA and the RUIA.

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