

EMPLOYER STATUS DETERMINATION
Eureka Southern Railroad Company

This is the determination of the Railroad Retirement Board concerning the continued status of Eureka Southern Railroad Company (ESRC) 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 ESRC was provided by Mr. Philip M. Arnot, attorney for ESRC. According to Mr. Arnot, ESRC ceased railroad operations on April 1, 1992, the date of the closing of the sale of its assets to North Coast Railroad Authority (NRA), a covered employer under the Acts (B.A. No.3783). ESRC last compensated its employees on March 31, 1992. Mr. Arnot stated that ESRC has not been formally 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.

According to the information Mr. Arnot provided, in April 1992, all assets were acquired by North Coast Railroad Authority, a covered employer. Since ESRC no longer possesses the characteristics of an operating railroad company covered by the Acts, ESRC is no longer a covered employer under the RRA and RUIA.

The Board therefore finds that effective with the close of business April 1, 1992, the closing date of sale of ESRC rail assets to North Coast Railroad Authority, Eureka Southern Railroad Company ceased to be a covered employer under the RRA and the RUIA.

Glen L. Bower

V.M. Speakman, Jr.

Jerome F. Kever

TO : The Board

FROM : Catherine C. Cook
General Counsel

SUBJECT: Coverage Determination
Eureka Southern Railroad Company

Attached is a proposed coverage ruling for Board approval.

Attachment