

EMPLOYER STATUS DETERMINATION
Bootheel Regional Rail Corporation

NOV 19 1999

This is the determination of the Railroad Retirement Board concerning the continued status of the Bootheel Regional Rail Corporation (BRRC), B.A. No. 2781, 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). BRRC was held to have become a rail carrier employer effective November 17, 1995, in B.C.D. No. 97-14.¹

In Surface Transportation Board (STB) Docket No. AB-503 (Sub-No. 1X), decided May 12, 1998, BRRC and Bootheel Rail Properties, Inc. (BRP) filed a notice of exemption in connection with the abandonment and discontinuance of service over a 17.27-mile rail line known as the Hayti-Kennett Branch. The Hayti-Kennett Branch extended from milepost 212.73, near Hyati, Missouri, to milepost 230.00, near Kennett, Missouri in Pemiscot and Dunklin Counties, Missouri. According to the STB decision, BRRC was unable to increase rail service and therefore planned, upon BRP's abandonment of the rail line, to discontinue service and go out of business.

Ms. Vanessa Perdue, former Accounting Manager for BRRC, provided additional information for BRRC. According to Ms. Perdue, BRRC ceased rail operations on September 8, 1996, and last compensated its three employees on September 13, 1996. Ms. Perdue further stated that BRRC sold its assets to Mr. Lloyd Smith of Dyersburg, Tennessee. Ms. Perdue last stated that BRRC was not 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.

The information summarized above indicates that BRRC no longer possesses the characteristics of an operating railroad company. The Board therefore finds that effective with the close of business on September 13, 1996, the

¹ B.C.D. No. 97-14 also held that Bootheel Rail Properties, Inc. which owned the real property over which BRRC operated its railroad, was not an employer under the RRA and RUIA.

Bootheel Regional Rail Corporation

Bootheel Regional Rail Corporation ceased being a covered employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

Original signed by:

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