

EMPLOYER STATUS DETERMINATION
Central Vermont Railway, Inc.

This is the determination of the Railroad Retirement Board concerning the status of Central Vermont Railway, Inc. (CVR) (BA No. 1105) 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).

According to information provided in a letter dated April 3, 1995, from Ms. Mary Ann Pigula, Manager of Payroll Accounting of CN North America, on February 4, 1995, the CVR ceased operations and most CVR employees last performed compensated service on that date. Substantially all of CVR's railroad operating assets (with the exception of rolling stock) was sold to New England Central Railroad, Inc. (NECR)¹. The corporation has not been dissolved; CVR will continue to exist, own assets and require management of those assets, but will exist primarily as a real estate holding company, and will no longer act as a carrier under the Interstate Commerce Act. According to Ms. Pigula, the Interstate Commerce Commission (ICC) did not authorize abandonment of the CVR line, but did authorize NECR to acquire and operate the rail line formerly owned by CVR (ICC Docket No. 32432, decided December 20, 1994). Many of the former CVR employees were hired by NECR as of February 4, 1995; others received severance and terminated their relationship with CVR; several were offered and received monthly dismissal payments, which are being paid through the Grand Trunk Western payroll.²

Based upon the information summarized above, it is determined that Central Vermont Railway, Inc. ceased to be a rail carrier employer under the RRA and RUIA effective February 4, 1995.

Glen L. Bower

V. M. Speakman, Jr.

Jerome F. Kever

¹ NECR has been found to be an employer covered by the Acts. B.A. No. 3126.

² Grand Trunk Western (GTW) is an employer covered by the Acts. B.A. No. 1208. GTW and CVR are wholly-owned subsidiaries of Grand Trunk Corporation.

