

=====
LC02252
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2003

—————
A N A C T

RELATING TO PUBLIC OFFICERS AND EMPLOYEES - FEDERAL OLD - AGE AND
SURVIVORS' INSURANCE

Introduced By: Senators DaPonte, and Ruggerio

Date Introduced: February 13, 2003

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 36-7-2 of the General Laws in Chapter 36-7 entitled "Federal Old-
2 Age and Survivors' Insurance" is hereby amended to read as follows:

3 **36-7-2. Definitions.** -- For the purposes of sections 36-7-1 -- 36-7-31 and 36-7-35, the
4 following terms shall have the meanings indicated unless different meanings are clearly expressed
5 or required by the context:

6 (1) "Agency of the state" shall mean:

7 (i) All departments, divisions, agencies, and instrumentalities of the state which are not
8 juristic entities, legally separate and distinct from the state;

9 (ii) Civilian employees of the Rhode Island national guard; or

10 (iii) Any instrumentality of the state such as fire districts, water districts, water
11 authorities, sewer commissions and authorities, housing authorities, or other instrumentality of
12 the state which are a juristic entity and legally separate and distinct from the state and if the
13 employees of the instrumentality are not by virtue of their relation to juristic entity employees of
14 the state. Without limiting the generality of the foregoing, examples of those agencies would be
15 the Kent County water authority, the Providence housing authority, the Blackstone Valley sewer
16 district commission, and other like instrumentalities of the state.

17 (2) "City or town" shall mean:

18 (i) Any city or town of the state of Rhode Island, inclusive of any department, division,

1 agency, board, commission, or bureau thereof;

2 (ii) Any instrumentality of a city or town which is a juristic entity and legally separate
3 and distinct from the city or town and if its employees are not by virtue of their relation to the
4 juristic entity employees of the city or town; or

5 (iii) Any instrumentality of two or more citizens and/or towns which is a juristic entity as
6 provided in subdivision (ii) hereof.

7 (3) "Coverage group" shall mean:

8 (i) All employees of the state other than those engaged in performing service in
9 connection with a proprietary function;

10 (ii) All employees of a city or town other than those engaged in performing service in
11 connection with a single proprietary function;

12 (iii) All employees of the state engaged in performing service in connection with a single
13 proprietary function;

14 (iv) All employees of an agency of the state;

15 (v) All employees of a city or town of the state engaged in performing service in
16 connection with a single proprietary function. If under the preceding sentence an employee would
17 be included in more than one coverage group by reason of the fact that he or she performs service
18 in connection with two (2) or more proprietary functions or in connection with both a proprietary
19 function and a nonproprietary function, he or she shall be included in only one coverage group.
20 The determination of the coverage group in which the employee shall be included shall be made
21 in such manner as may be specified in the agreement. Members of retirement systems shall
22 constitute separate coverage groups as provided in section 36-7-10.

23 (4) "Employee" shall mean any officer or employee of any city, town, or agency of the
24 state receiving salaries or wages for employment.

25 (5) "Employment" shall mean any service performed by an employee for wages as a
26 member of a coverage group as herein defined, including service of an emergency nature, service
27 in any class or classes of elective positions and service in part-time positions, but excluding the
28 following:

29 (i) Service in a position the compensation for which is on a fee basis;

30 (ii) Service performed by election officials or election workers for ~~each~~ each calendar year
31 2003 quarter in which the remuneration paid for that service is less than ~~fifty dollars (\$50.00);~~
32 one thousand two hundred fifty dollars (\$1,250), and for each calendar year after 2003 in which
33 the remuneration paid is less than the adjusted amount in accordance with section 218(c)(8)(B) of
34 the Social Security Act;

1 (iii) Service which under the federal Social Security Act may not be included in an
2 agreement between the state and the secretary entered into under this chapter;

3 (iv) (A) Service which, in the absence of an agreement entered into under sections 36-7-
4 1 -- 36-7-31, would constitute "employment" as defined in the federal Social Security Act.
5 Service which under the federal Social Security Act may be included in an agreement only upon
6 certification by the governor in accordance with section 218(d)(3) of the federal Social Security
7 Act, 42 U.S.C. section 418(d)(3), shall be included in the term "employment" if and when the
8 governor issues, with respect to that service, a certificate to the secretary, pursuant to section 36-
9 7-19.

10 (B) Notwithstanding any of the foregoing, if pursuant to section 141 of P.L. 92-603, 42
11 U.S.C. section 418, the state agreement with the federal government referred to in section 36-7-3
12 is modified appropriately at any time prior to January 1, 1974, the term "employment" with
13 respect to any coverage group specified in the modification shall, effective after the effective date
14 specified in the modification, include services in designated part-time positions but not services
15 performed in the employ of a school, college, or university by a student who is enrolled and
16 regularly attending classes at that school, college, or university.

17 (6) "Federal Insurance Contributions Act" shall mean subchapter A of chapter 9 of the
18 federal Internal Revenue Code of 1939, subchapters A and B of chapter 21 of the federal Internal
19 Revenue Code of 1954, and subchapters A and B of chapter 21 of the federal Internal Revenue
20 Code of 1986 as those codes have been and may from time to time be amended; and the term
21 "employee tax" shall mean the tax imposed by section 1400 of the code of 1939, section 3101 of
22 the code of 1954, and section 3101 of the code of 1986.

23 (7) "Federal Social Security Act", 42 U.S.C. section 301 et seq., shall mean the act of
24 congress approved August 14, 1935, officially cited as the "Social Security Act", including any
25 amendments thereto, and any regulations, directives, or requirements interpretative or
26 implementive thereof.

27 (8) "Part-time employment" shall mean any employment by those who work on a
28 regularly scheduled basis regardless of hours.

29 (9) "Retirement board" shall mean the retirement board as provided in chapter 8 of this
30 title.

31 (10) "Secretary", except when used in the title "secretary of the treasury", shall mean the
32 secretary of health and human services and any individual to whom the secretary of health and
33 human services has delegated any of his or her functions under the federal Social Security Act, 42
34 U.S.C. section 301 et seq., with respect to coverage under that act of employees of states and their

1 political subdivisions.

2 (11) "Sick pay" shall mean the amount of any payment (including any amount paid by an
3 employer for insurance or annuities, or into a fund to provide for any sick pay) made to, or on
4 behalf of, an employee or any of his or her dependents under a plan or system established by an
5 employer which makes provision for his employees generally (or for his or her employees
6 generally and their dependents) or for a class or classes of his employees (or for a class or classes
7 of his employees and their dependents), on account of sickness or accident disability.

8 (12) "State" shall mean the state of Rhode Island.

9 (13) "Wages" or "salaries" shall mean all compensation received by an employee for
10 employment as defined herein, including the cash value of all remuneration received by an
11 employee in any medium other than cash, except that this term shall not include that part of the
12 remuneration which, even if it were for "employment" within the meaning of the Federal
13 Insurance Contributions Act, 26 U.S.C. section 3101 et seq., would not constitute "wages" within
14 the meaning of that act.

15 SECTION 2. This act shall take effect retroactive to January 1, 2003.

=====
LC02252
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO PUBLIC OFFICERS AND EMPLOYEES - FEDERAL OLD - AGE AND
SURVIVORS' INSURANCE

- 1 This act would allow the current remuneration exemption for election workers to be
- 2 raised to the amount allowed by Social Security.
- 3 This act would take effect retroactive to January 1, 2003.

=====
LC02252
=====

