

Procedures for Conducting a Majority Vote Referendum of a Retirement System for Social Security and/or Medicare Coverage

Missouri Referendum Process for Social Security and Medicare Coverage
for Political Subdivisions and/or Instrumentalities of the State

The procedures described herein are primarily based on RSMo 105.300-353 and Section 218 of the Social Security Act.

- A political subdivision's governing body of the State may request a majority vote referendum be conducted to determine if those employees performing services in positions covered by a retirement system desire social security and/or medicare coverage. The referendum may be requested for social security and medicare (Full FICA) coverage or for Medicare-only coverage.
- Authorization for the conduct of a referendum for social security and/or medicare purposes shall be requested by a resolution adopted by the governing body of the political subdivision. The resolution shall be provided by the Office of Administration/Division of Accounting (OA). The originally signed and properly certified resolution shall be filed with OA. Upon receipt of the executed resolution, OA shall establish the date on which the referendum will be held. The referendum must be held no less than 90 days (or more for military, see below) after the Notice of Referendum is distributed to eligible employees.
- OA shall, upon receipt of the resolution, prepare the Notice of Referendum that shall contain the date(s), time(s) and location(s) of the referendum. The notice shall be given by the political subdivision, not less than 90 days prior to the date set for the conduct of the referendum (plus 60 more days if they have employees on military leave), to all employees who are eligible members of the system, including those on leave of absence. Such notice shall be given to each employee who is in a position under the retirement system on the date the notice is given. Notice should be given by personal delivery, first-class mail or e-mail. A hard copy of the notice must be posted on applicable bulletin boards of the political subdivision. The notice may be posted on the web site or Intranet of the political subdivision and may be posted on the OA web site. Have the entity certify to OA that the Notice was issued.
- The political subdivision shall prepare a listing, in a paper or electronic format designed by the OA, of the eligible members of the retirement system as of the date of Notice of Referendum. This listing shall be furnished to the OA no later than fifteen (15) business days after the date of Notice of Referendum and will establish the initial pool of members eligible to vote in the referendum and that a simple majority will determine passage or failure. The political subdivision shall provide periodic updates to the listing based on applicable

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resignations and terminations, up to and including the date of the referendum. The political subdivision shall make such listing available for member inspection and verification.

- OA, in conjunction with the Social Security Administration, the political subdivision and any employee groups, will organize and conduct educational workshops for the eligible employees during the 90 day notice period. The educational workshops will be offered to each eligible employee to inform them of the rights and benefits that may accrue to them, their dependents and survivors if their services are covered under social security and/or medicare. Additionally, the educational workshops shall include an explanation of the tax liabilities to which they will be subject if coverage is chosen and also an explanation of the referendum process. The educational materials may also be posted on the OA web site. (It is recommended to schedule educational meetings nearer the date of the vote so individuals can be well informed at the vote.)
- Each eligible member of the retirement system, on the referendum date, shall be supplied with a referendum election ballot devised by the OA. The ballot will contain provisions for an election by the member whether he/she desires to be covered for social security and/or medicare. If the ballot will be supplied by postal mail, the ballot shall be sent by first-class mail and accompanied with instructions as to the date it must be postmarked and also with the address to which it must be returned. Failure to properly execute and return a ballot on the referendum date shall be deemed a "No" vote and an election by the member that he/she does not desire social security and/or medicare coverage.
- Absentee Ballots
 - i) Employees who will not be present or who otherwise will be unable to indicate a choice on the referendum date may request an absentee ballot from the political subdivision. This request shall be made on an absentee ballot request form supplied by the OA.
 - ii) The request must include the member's name, home address and reason for being absent from the referendum. OA will send the absentee ballot request forms and absentee ballots to the political subdivision seven (7) calendar days prior to the referendum date.
 - iii) The absentee ballot shall be completed during the seven calendar day period prior to the referendum date. The member will place the completed absentee ballot in a sealed envelope and return to the political subdivision. The sealed envelope will be given to OA representative on the day of the referendum, along with the absentee ballot request form.

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- iv) Failure to properly execute and return an absentee ballot within the established absentee period (seven calendar days) shall be deemed a "No" vote and an election by the member that he/she does not desire social security and/or medicare coverage..
- *Referendum procedures.* The following conditions shall be followed when conducting the referendum:
 - 1) The referendum will be held by secret, written ballot on the question of whether members of a retirement system wish coverage under the Agreement of January 1, 1951;
 - 2) The opportunity to vote will be given and limited to eligible employees identified below;
 - Those eligible employees who are members of the retirement system on the date the referendum is held, **AND**
 - Those employees in a position under the retirement system both at the time the referendum notice is given and on the date the referendum is held.
 - 3) All members of the system will be given at least 90 days' notice regarding the referendum;
 - 4) The referendum will be conducted under the supervision of the Governor, agency or person designated by the Governor; and
 - 5) A majority of the eligible employees of the retirement system must vote for coverage before coverage can be extended.
 - On the date of the referendum, the referendum ballots will be canvassed by the OA. The OA will collect the absentee ballots and completed absentee ballot request forms from the political subdivision. The OA will summarize the choice of eligible members, in a paper or electronic format designed by the OA.
 - The OA will forward to the political subdivision a certified copy of the referendum results.
 - The OA, after the conduct of a successful referendum, shall furnish, pursuant to RSMo 150.350, the political subdivision two, partially completed Plan and Agreement or two, partially completed Amendments to an existing Plan and Agreement. The Plan and Agreement or Amendment, and its associated Resolution, shall be executed by the political subdivision **no later than sixty (60) days after the date of the referendum.**
 - Upon receipt of the executed Plan and Agreement or Amendment from the political subdivision, the OA shall execute a modification to the Agreement of

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January 1, 1951 and submit such modification to the Social Security Administration. Such modification may, at the option of the political subdivision, provide language to include under coverage those services performed by individuals in positions covered by the retirement system, but who are ineligible to be members of said retirement system. Additionally, if "ineligibles" are to be covered, the modification shall provide that the services of any such ineligible employee shall continue to be covered under the Agreement of January 1, 1951, if and when, the ineligible employee becomes a member of said retirement system.

- Upon receipt of an executed modification from the Social Security Administration, the OA shall notify the political subdivision that coverage has been accepted. The political subdivision will initiate payment of the applicable taxes, if such payment has not been made, to the IRS based on the appropriate IRS instructions. Generally, a lump sum payment of the social security and/or medicare taxes is due one month after the end of the calendar quarter in which the OA is notified in writing by the Social Security Administration that the modification for retroactive coverage has been approved. The OA will coordinate with the IRS and the political subdivision in making such payment.

Social Security Referendum Absentee Ballot

An employee, under certain circumstances, may request an absentee ballot from the Missouri State Social Security Administrator within the Office of Administration/Division of Accounting. This request should be made in writing, using the attached form, as soon as the employee becomes aware they will be absent on the day of the Social Security referendum. The request must include the employee's name, home address and reason for being absent from the referendum. Return this completed request to your employer who will forward to the State Social Security Administrator.

The State Social Security Administrator will provide a ballot to the eligible voter via certified mail to the home address given below. The absentee ballot shall be completed and returned in a sealed envelope to your employer during the seven calendar-day period **prior** to the referendum date. The sealed envelope will be given to State Social Security Administrator on the day of the referendum.

Request for Absentee Ballot

The Missouri Revised Statutes provide the procedure whereby employees of a political subdivision who are covered by a retirement system may obtain social security coverage.

The xxx, on xxx, enacted a resolution requesting the Governor of Missouri to authorize a social security coverage referendum and notice was given on xx/xx/xxxx scheduling such referendum.

I, _____, will be absent from work on the day of the referendum, xxx due to _____

I hereby request an absentee ballot from the Missouri State Social Security Administrator.

Signed: _____

Date: _____

Please provide your home address:

Please contact the Missouri State Social Security Administrator if you have any questions.

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