

**NCSSSA
2009 Proceedings Book
Chicago, Illinois
August 9-12, 2009**



NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Table of Contents	Page Number
<u>Table of Contents</u>	1
<u>Executive Committee</u>	4
<u>Committee Assignments</u>	5
<u>Conference Attendees:</u>	
State Social Security Administrators and Staff	8
Federal Representatives and Others.....	9
<u>Executive Committee Meetings:</u>	
Louisville, Kentucky - July 30, 2008	10
Chicago, Illinois – August 8, 2009	13
<u>Business Session Meetings:</u>	
Chicago, Illinois – August 9, 2009	16
Chicago, Illinois – August 12, 2009	19
<u>Orientation</u>	22
Speakers - James Driver Linda Yelverton	
<u>Retiree Spotlight</u>	24
Speaker - Dale Ferron, Wisconsin Retiree <i>Nicholas C. Merrill, Jr., Illinois</i>	
<u>Recap of Conference Sessions:</u>	
<u>Presidents Welcome</u>	25
Speaker - James Driver, NCSSSA President, Kentucky	
<u>Welcome to Illinois</u>	26
Speaker - Donald Templeman, Illinois Deputy Comptroller <i>Nicholas C. Merrill, Jr.</i>	
<u>Keynote Speaker</u>	27
Speaker - James F. Martin, SSA Chicago Regional Commissioner <i>Dean Conder, Colorado</i>	
<u>Resources and Responsibilities of State Administrators</u>	28
Speakers - James Driver, Kentucky Karen Park, Oregon <i>Linda Yelverton, Louisiana</i>	
<u>Is There Joint Custody in your Joint Venture?</u>	52
Speakers – Mark Brown, SSA, Policy Specialist, Office of Earnings Fred Sanchez, SSA, Chicago Region Office of General Council <i>Dean Conder, Colorado</i>	

<u>SSA - Communications Update on Office Directory and Overview of SSA Communications Efforts</u>	92
Speaker – Dana Edwards, Public Affairs Specialist, SSA Office of Intergovernmental and Community Affairs <i>Harry Wales, Wyoming</i>	
<u>IRS - Update on issues arising from compliance checks, 1099 initiative, 3402(t) issue, Firefighters new legislation \$30/mo exception & volunteer firefighters as Employees</u>	94
Panelist – Paul Marmolejo, Director, IRS FSLG Jayne Maxwell, Manager, IRS Compliance and Program Management Paul Carlino, Senior Technician Reviewer, Employment Branch 2, Office of Division Counsel / Associate Counsel <i>James Driver, Kentucky</i>	
<u>Well, I'll be deemed...retirement systems!</u>	121
Speaker – Mark Brown, SSA, Policy Specialist, Office of Earnings <i>Vandee DeVore, Missouri</i>	
<u>How should State Administrators, IRS and SSA identify political subdivisions?</u>	122
Panelists – James Driver, NCSSSA, Kentucky Jayne Maxwell, IRS, Manager Fred Sanchez, SSA, Chicago Region Office of General Counsel <i>Laquitta Heard, Oklahoma</i>	
<u>Who trains State administrators, FSLG agents and Regional SSA staff and how can we assist each other?</u>	123
Panelists – James Driver, NCSSSA, Kentucky Jayne Maxwell, IRS, Manager Chandra Thomas, SSA, Dallas Regional Office Tim Beard, SSA, Seattle Regional Office <i>Vernon Bush, Tennessee</i>	
<u>Solvency, Legislation to modify or eliminate WEP and GPO and Other Legislative proposals of interest</u>	124
Speakers – Tim Kelley, SSA, Office of Legislative and Program Management Dena Berglund, SSA, Office of Legislative and Program Management <i>Marion Montez, California</i>	
<u>Update on Section 218 Retroactive Agreement Coverage Issues</u>	152
Speaker – Jayne Maxwell, IRS Manager <i>Kurt Hiatt, Iowa</i>	
<u>Updates on Federal Advisory Committee's:</u>	153
<u>Advisory Committee on Tax Exempt and Government Entities (ACT), Taxpayer Advocacy Panel (TAP) and Information Reporting Program Advisory Committee (IRPAC)</u>	
Speakers – Dr. Maryann Motza, Colorado Dean Conder, Colorado James Driver, Kentucky <i>Michele Briggs, Arizona</i>	
<u>Updates on TEGE's Employee Plan Division survey of state and local pension plans</u>	181
Speaker – Janice Gore, Area Manager-Great Lakes, IRS TEGE Employee Plans <i>Nicholas Merrill, Illinois</i>	

<u>Election Worker Exclusions</u>	213
Panelists – Ken Anderson, SSA, policy Specialist, SSA Office of Earnings Jayne Maxwell, IRS, Manager Karen Park, Oregon <i>Barry Faison, Virginia</i>	
<u>Conducting a referendum from beginning to end!</u>	240
Speakers – Nick Merrill, Illinois James Driver, Kentucky <i>Lee DeJabet, South Dakota</i>	
<u>Training Community: What’s new? What’s old? and What’s just plain cool?</u>	261
Speakers – Marc Denos, Policy Specialist, Office of Earnings, SSA Kathleen Baxter, Alabama <i>Angie Dowdy, Louisiana</i>	
<u>How can we, as partners, help each other NCSSSA/SSA/IRS to avoid Section 218 coverage issues?</u>	291
Panelists – James Driver, NCSSSA, Kentucky Ken Anderson, Policy Specialist, SSA Office of Earnings Paul Marmolejo, Director, FSLG Jayne Maxwell, Manager, IRS Compliance and Program Management <i>Dr. Maryann Motza, Colorado</i>	
 Committee Reports:	
Audit.....	293
Constitution & By-Laws.....	294
Government Affairs	295
History.....	296
Hospitality.....	297
Internet Communications	298
Legislative	299
Membership.....	333
Nominating	334
Program Committee	335
Resolutions.....	337
Time and Place	366
Treasurer	368
Secretary	370
Region I Vice President Report	371
Region II Vice President Report.....	372
Region IV Vice President Report	373
Region V Vice President Report.....	374
Past Presidents	375
Previous Conference Sites	376
Roster of Officials	377

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Executive Committee

PRESIDENT

James Driver, Kentucky

FIRST VICE PRESIDENT

Linda Yelverton, Louisiana

SECRETARY

Angie Dowdy, Louisiana

TREASURER

Vandee DeVore, Missouri

REGIONAL VICE-PRESIDENTS

REGION I – *Nick Favorito, Massachusetts*

REGION II – *Kathleen Baxter, Alabama*

REGION III – *Danielle Huffine, Iowa*

REGION IV – *Lee DeJabet, South Dakota*

REGION V – *Karen Park, Oregon*

PAST PRESIDENT

Dean Conder, Colorado

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

2008-2009 NCSSSA Committee Assignments

Auditing

Kathleen Baxter (AL) - Chairperson

Lee DeJabet (SD)

Barry Faison (VA)

Kevin Goode (WV)

Constitution and By-Laws

Dean Conder (CO) – Chairperson

Laquitta Heard (OK)

Gerald V. Howard (OK)

Danielle Huffine (IA)

Government Affairs

Dean Conder (CO) – Chairperson

David Breckenridge (OH) Nick Favorito (MA)

Nick Merrill (IL)

Maryann Motza (CO)

History

Linda Yelverton (LA) – Chairperson

Angie Dowdy (LA)

James Driver (KY)

Barry Faison (VA)

Hospitality

Angie Dowdy (LA) – Chairperson

Lee DeJabet (SD)

Connie Eggen (KY)

Kevin Goode (WV)

Karen Park (OR)

Internet Communications

Tammy Taylor (KY) – Chairperson

Kathleen Baxter (AL)

Angie Dowdy (LA)

Teresa Commeau (NH, RE)

Legislative

Maryann Motza (CO) – Chairperson

Michele Briggs (AZ)

Nick Merrill (IL)

Angie Dowdy (LA)

Membership

Karen Park (OR) – Chairperson

Kathleen Baxter (AL) Lee DeJabet (SD)

Nick Favorito (MA)

Danielle Huffine (IA)

Nominating

Harry Wales (WY) – Chairperson

Laquitta Heard (OK) Nick Merrill (IL)

Maryann Motza (CO)

Program

Linda Yelverton (LA) – Chairperson

Michele Briggs (AZ) Vandee Devore (MO)
Laquitta Heard (OK) Karen Park (OR)

Angie Dowdy (LA)

Barry Faison (VA)

Research and Information

James Driver (KY) – Chairperson

Madison Davis (AR) Angie Dowdy (LA)
Gayle Mambro-Martin (RI)

Megan Shaum (GA)

Harry Wales (WY)

Resolution

Laquitta Heard (OK) – Chairperson

Angie Dowdy (LA) Harry Wales (WY)

Linda Yelverton (LA)

Time and Place

Vandee Devore (MO) – Chairperson

Kathleen Baxter (AL) Kay Gouyton (AK)

Tammy Taylor (KY)

Training

James Driver (KY) – Chairperson

Vernon Bush (TN) Dean Conder (CO)

Lee DeJabet (SD)

Karen Park (OR)



NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Conference Attendees State Administrators and staff

Alabama

Kathleen Baxter

Arizona

Michele Briggs

Arkansas

Madison Davis

Frank Wills

California

Marion Montez

Colorado

Dean Conder

Maryann Motza

Idaho

Rita Foltman

Illinois

Nick Merrill

Shelly Clardy

Indiana

Allison Murphy

Iowa

Kurt Hiatt

Kentucky

James Driver

Tammy Taylor

Gerald Howard

Louisiana

Linda Yelverton

Angie Dowdy

Maine

Philip Hargesheimer

Minnesota

Cheryl Keating

Mississippi

Shirley Sessoms

Pauline Howard

Missouri

Vandee DeVore

Nevada

Steven Bauder

New Mexico

Mary Frederick

Chris Bulman

New York

Kevin Mack

Oklahoma

Laquitta Heard

Treba Dennis

Oregon

Karen Park

Pennsylvania

Art Doherty

South Dakota

Lee DeJabet

Tennessee

Vernon Bush

Texas

James Sawyer

Virginia

Barry Faison

Washington

Kim Smith

Wisconsin

Jean Gilding

Dale Ferron-Retiree

Wyoming

Harry Wales

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Conference Attendees Federal

SSA Baltimore

Ken Anderson
Mark Brown
Marc Denos
Cassia Parson
Etizon Brand
Michael Redmond
Natalie Jemmison
Timothy Kelley
Dena Berglund
Dana Edwards

SSA Washington DC

Angela Arnett

SSA-Region I Boston

Regina Bachini
Sue Alt
Amy Bland

SSA-Region II New York

Ruth Cabral
Andrew Blumberg
Jennifer Rosa

SSA-Region III Philadelphia

Evelyn Lewis
Merry LeBlanc
Doris Brookens
Jeanette Jefferys
Sherita Deal
Robert Jeffries
Rebecca Wright

SSA-Region IV Atlanta

Kirk Jockell
Roy Satterwhite
Natalie Jemison

SSA-Region V Chicago

Darryl Swain
Jon Norbert
Kevin Rice
Rick Gann
Ron Konkol
John Lamotte
Robyn Ford
Fred Sanchez
Patricia Hayes
Anne Madden
Regina Allen
Grant Vreuis
Suzanne Duman
Julie Bentz

SSA-Region VI Dallas

Shawn Hill
Chandra Thomas
Jacinda Morris
Anne Hamilton

SSA-Region VII Kansas City

Gloria Kelly
Sue Alt??
Ann Reeg
Kristi Schmidt
Kathy Woolsey

SSA-Region VIII Denver

Ann McConnell
Anthony Navarro

SSA-Region IX San Francisco

Alan Follet
Deborah Stachel
Rey Arquero
William Brees

SSA-Region X Seattle

Timothy Beard
Michael Howard

IRS

Paul Carlino
Janice Gore
Paul Marmolejo
Jayne E. Maxwell
Michael Pupillo

GAO

Richard Harada
Matthew Saradjian
Blake Ainsworth

July 30, 2008

**1st
Executive
Committee Meeting**

Closed Meeting

August 8, 2009

**2nd
Executive
Committee Meeting**

Closed Meeting

August 9, 2009

**1st
Business Session**

Closed Meeting

August 12, 2009

**2nd
Business Session**

Closed Meeting

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9, 2009

Orientation

Speakers: James Driver, Kentucky and Linda Yelverton, Louisiana

NCSSSA Orientation for New Attendees

- 1) Welcome and introductions
- 2) Define FICA (Federal Insurance Contribution Act) Today 6.2 for Social Security and 1.45% for Medicare
- 3) OASDI – Old Age Survivors Disability Insurance
- 4) Quick History of Social Security and Government Entities involvement in Social Security
 - a) **1935** - The Social Security Act, which covered workers in commerce and industry, was signed by President Roosevelt.
 - b) **1937** - The Federal Insurance Contribution Act (FICA) required workers to pay taxes to support the Social Security system. Payroll taxes were 2%.
 - c) **1939** - Social Security was expanded to cover dependents and survivors. Payroll taxes were 2%.
 - d) **1950** - Coverage was expanded to job outside of commerce and industry, and benefit levels were increased. Payroll taxes were 3%.
 - e) **1951** – Section 218 of the Social Security Act was adopted by most States with variations to the agreements. (Each State has their own State enabling legislation that expresses the types of coverage). Some states are entity by entity while other states covered entire Retirement Systems.
 - f) **1956** - Disability Insurance was created, and expanded over the following years. Early retirement at age 62 for women was permitted. Payroll taxes were 4%. (note: States were responsible for collecting FICA liabilities from State and local governments).
 - g) **1961** - Early retirement at age 62 for men was permitted. Payroll taxes were 6%.
 - h) **1965** – Medicare was added
 - i) **1972** - Automatic cost-of-living-adjustments (COLAs), which index benefits to inflation, were introduced. The formula to calculate increases initially overstated inflation by 25%, and people born between 1910 and 1916 received an unintended windfall. Payroll taxes were 9.2%.
 - j) **1977** - The mistake in the benefit formula was corrected. The "notch" refers to the difference in benefits paid to the group that received the windfall and those who retired following the formula correction. Social Security was thought to be actuarially sound. Payroll taxes were 9.9%.

- k) **1983** - The National Commission on Social Security Reform was created in response to the actuarial unsoundness of the system. The commission called for 1) and increase in the self-employment tax; 2) partial taxation of benefits to upper income retirees; 3) expansion of coverage to include federal civilian and nonprofit organization employees; and 4) an increase in the retirement age from 65 to 67, to be enacted gradually starting in 2000. Again, Social Security was declared actuarially sound. Payroll taxes were 10.8%.
 - l) **1985** - The Social Security Trust Funds were moved "off-budget" so that the funds earmarked for the Social Security system would be tracked separately from the rest of the budget. Payroll taxes were 11.4%.
 - m) **Mandatory Medicare** – Everyone hired after March 31, 1986 would participate in Medicare.
 - n) **1987** the Federal Government took the responsibility for collecting FICA liability away from the States.
 - o) **1991** – Mandatory FICA laws came into being (explain)
- 5) Laws that affect Government Employees in a retirement system not covered by Section 218 Law
- a) **Windfall Elimination Provision** affects how the amount of a person's retirement or disability benefit is calculated if you receive a pension from work where Social Security taxes were not taken out of your pay. A modified formula is used to calculate your benefit amount, resulting in a lower Social Security benefit than you otherwise would receive.
 - b) **Government Pension Offset**. If you receive a pension from a federal, state or local government based on work where you did not pay Social Security taxes, your Social Security spouse's or widow's or widower's benefits may be reduced. Your Social Security benefits will be reduced by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits.
- 6) Do not be afraid to ask questions.

Role of NCSSSA

Explain role as it relates to Section 218, SSA, and IRS.



59th Annual Conference

Chicago, Illinois

August 9, 2009

Retiree Spotlight

On Sunday evening, guests and attendees were introduced to Mr. Dale Ferron (WI), retired. Dale served as the State Administrator for Wisconsin for many years, and was a critical part of the NCSSSA Executive Committee. He was the NCSSSA Treasurer from 1994 through 2005, and could always be counted on to provide an accurate accounting of the finances of the Conference, as well as a bit of humor to the proceedings.

Dale worked primarily with the employer reconciliation process, as his area would receive all monies for insurance, retirement, and other programs. He also dealt with the IT Department updating programs and making changes to improve the current programs. Dale worked with employers and the electronic reporting to the Wisconsin Retirement System (WRS). Finally, Dale worked extensively with Section 218 of the Social Security Administration. He had the final review of entities desiring to participate in the WRS.

Dale is enjoying his retirement and still rises early and works on softball issues. He currently runs the ASA softball program for his commissioner in the State of Wisconsin. He handles all of the youth softball matters in the State. Dale also does monthly accounting work for three corporations in the Madison, WI, area and other business entities.

Nick Merrill, Chicago
Moderator

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 10, 2009

President's Welcome

NCSSSA President: James Driver, Kentucky

President James Driver thanked everyone for their attendance at this years' conference. He let everyone know the conference moves at a fast pace. He went over the Program booklet agenda, noted the addition of acronyms in the back and reminded everyone conference proceedings would be posted on the website, including PowerPoint presentations.

He reminded attendees to be sure to ask questions throughout the conference; of SSA, IRS and other state administrators. He encouraged everyone to make contacts and find out who people are and build relationships that will assist us all in serving state and local government employers and employees.

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 10, 2009

Welcome to Illinois

Speaker: Donald Templeman, Illinois Deputy Comptroller

Moderator: Nick Merrill, Illinois

As Assistant Comptroller of Operations, Don Templeman oversees the Office of the Comptroller's operations through the Directors of Administrative Services, Budget/Fiscal, Financial Reporting, Information Technology, State Accounting and System Administration Departments. Mr. Templeman advises the Comptroller on operational policies, rules, regulations and procedures to improve and facilitate ongoing operational programs. He also directs the budget preparation and expenditures of the Office of the Comptroller appropriations; and, assists in the development and implementation of legislation affecting the Office of the Comptroller.

Prior to the Comptroller's Office, Mr. Templeman was the Director of Deferred Compensation at the Department of Central Management Services; Deputy Auditor General; Chief Fiscal Officer for the Attorney General; and Director of Corporations at the Secretary of State.

Mr. Templeman welcomed the NCSSSA Conference attendee to Chicago, Illinois. He noted the historic appeal of Chicago, especially the architecture. He noted several things of interest conference attendees might find to do while in Chicago; shopping on the Magnificent Mile, dining out, take an architectural tour, take in a ball game and/or take a boat ride along the river. He humorously discussed the current reasons Chicago might be in the news (i.e.; politics), and his concern as to how much the NCSSSA Conference attendees would be able to see of Chicago, after reviewing the conference agenda.

In closing, Mr. Templeman assured everyone attending the conference in this great city, there is something for everyone in Chicago.

Nicholas C, Merrill, Jr., Illinois
Moderator

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 10, 2009

Keynote Address

Speaker: James F. Martin, Regional Commissioner, Social Security Administration, Chicago Region
Moderator: Dean Conder, Colorado

Presenters: Honorable James F. Martin

Mr. Martin addressed the conference in his capacity as regional commissioner. He provided a wonderful account of the Social Security Administration's (SSA) efforts to be proactive, visionary and to continue to meet the challenges of providing quality services. He also spoke of the crucial need to provide leadership as SSA's workforce goes into retirement and how to capture that institutional history and knowledge. Mr. Martin's speech was well received and provided wonderful inspiration to start the conference.

Respectfully submitted,
Dean J. Conder
Colorado



NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 10, 2009

Resources and Responsibilities of State Administrators

Panelists: James Driver, Kentucky
Karen Park, Oregon
Moderator: Linda Yelverton, Louisiana

James Driver and Karen Park discussed the role and responsibilities of the state administrator. They also discussed some helpful resources to be utilized by state administrators.

The PowerPoint presentation is attached.

Linda Yelverton, Louisiana
Moderator



Resources and Responsibilities of a State Administrator

Karen Park (OR)
James Driver (KY)
Chicago
2009

What? Who? Where?



- What do we do?
- Who can help?
- Where do we turn?



Responsibilities?



What are our responsibilities as
State Administrators?



State Administrators Responsibilities



- Serve as a Bridge
- Administer and Maintain
- Negotiate New Agreements
- Conduct Referendums
- Report Dissolutions, Name Changes, New Components
- Resolve Coverage and Taxation Issues related to 218 Agreements
- Advise/Provide Employers with SSA & Medicare Tax Withholding Issues
- Section 218 and Non-section 218 employers - State's Enabling Legislation, Policies, Procedures, Standards – including Optional and Mandatory Exclusions
- Secure Agreements, Modifications and Intrastate Agreements

Bridging the Gap



- Serve as a bridge between State and local government employers and Federal agencies, including SSA and IRS.



Administer and Maintain



- Administer and maintain the federal-state Section 218 Agreement (“Agreement”) that governs voluntary social security and Medicare coverage by state and local government employers in the state.



Negotiate & Prepare



- Negotiate and prepare Section 218 modifications to include additional coverage groups, correct errors in other modifications, identify additional political subdivisions that join a covered retirement system, and obtain Medicare coverage for public employees whose employment relationship with a public employer has been continuous since March 31, 1986.



Referendums

(also referred to as Referenda)



- Conduct referendums for social security and medicare coverage for services performed by employees in positions under a public retirement system.



Dissolutions, Name Changes New Components



- Provide SSA with notice and evidence of
 - the legal dissolution
 - name changes
 - new componentsof covered state or political subdivision entities.



Work with SSA & IRS



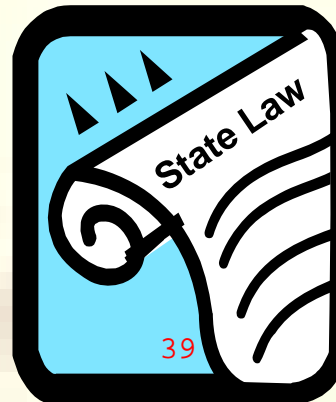
- Resolves coverage and taxation questions related to the Agreement and modifications with SSA and IRS.



State Legislation



- Provides information to state and local public employers as appropriate and in accordance with the state's enabling legislation, policies, procedures and standards regarding section 218 & non-section 218 entities.
- Provide advice on Section 218 optional exclusions applicable to the State and/or individual modifications, and advice on State and local laws, rules, regulations and compliance concerns.



Secure Agreements



- Maintains in a secured location the state's master Agreements, modifications, dissolutions and intrastate agreements.



Now the Who!



- Who.....
 - NCSSSA
 - Turn to your colleagues



Don't hesitate to contact!



Your Regional Vice President
or
another
Executive Committee Member!



Get Involved!



- **Join a committee**
 - Auditing
 - Constitution and By-Laws
 - History
 - Hospitality
 - Internet Communications
 - Legislative
 - Membership
 - Nominating
 - Program
 - Research & Information
 - Resolution
 - Time & Place
 - Training



NCSSSA Resources



- NCSSSA Website – www.ncsssa.org
 - Constitution and By-laws
 - NCSSSA Regions, State Administrators, Past Presidents, Retiree Information
 - SSA Regional Offices
 - Newsletters and Publications
 - NCSSSA Google Groups
 - Conference Information
 - Past, Present and Future site information
 - Proceedings Book, Conference Presentations
 - under 'About NCSSSA'
 - Related sites – Check it out

NCSSSA Resources (cont.)



- NCSSSA Best Practices Guide for State Social Security Administrators -
<http://www.ncsssa.org/newlettersandpublications.html>
- NCSSSA Handbook for State Social Security Administrators -
<http://www.ncsssa.org/newlettersandpublications.html>
- NCSSSA Standard Operating Procedures -
<http://www.ncsssa.org/newlettersandpublications.html>
- State Administrators -
<http://www.ncsssa.org/statessadminmenu.html>

SSA Who?



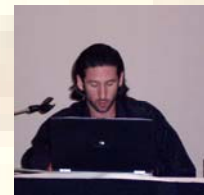
- Who.....
 - SSA
 - PSSO
 - Regional Office
 - ESLO's
 - State and Local Specialists



SSA Resources



- SSA Website – www.socialsecurity.gov
 - State and Local Government Employers - <http://www.ssa.gov/slge/index.htm>
 - Topics of Interest
 - Laws and regulations
 - FAQ's
 - Publications
 - Who to Contact
 - Related Links
 - Employer Reporting
- Core – <https://collab.core.gov>
 - Offers resources and training modules for NCSSSA members
 - Register with Marc Denos – marc.denos@ssa.gov



IRS Who?



- Who.....

- IRS

- FSLG Specialists

- listed on pages 36 & 37 of your conference booklet

- Group Managers

- Listed on pages 34 & 35



IRS Resources



- IRS Website – www.irs.gov
 - FSLG - <http://www.irs.gov/govt/fslg/index.html>
 - FSLG Newsletter
 - FSLG Customer Service
 - Educational Products
 - IRS Publication 963
 - Fringe Benefits Guide
 - Quick Reference Guide for Employers
 - FSLG Fact Sheets
 - FSLG FAQ's
 - FSLG Toolkit
 - FSLG Work Plan

Questions



Thank you



NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 10, 2009

Is there Joint Custody in your Joint Venture?

Speakers: Mark Brown, SSA, Policy Specialist, Office of Earnings
Fred Sanchez, SSA, Chicago Regional Office of General Counsel
Moderator: Dean Conder, Colorado

Mr. Brown and Mr. Sanchez presented a discussion on determining the legal status of an organization. In determining the status an entity can be: a political subdivision; an instrumentality; or a joint venture.

- A political subdivision is a separate legal entity that has governmental powers and functions.
- An instrumentality is created to act in a legally independent capacity to accomplish a specific purpose or function of government, but does not have the full powers of a government.
 - It must be determined whether an entity is an integral part of a political subdivision.
 - If the new entity is an integral part of an existing political subdivision, coverage is determined based on whether the political subdivision is covered under the §218 Agreement.
- Joint Ventures are cooperative undertakings resulting in a new, independent political subdivision or instrumentality; a component of one of the political subdivisions that is designated as the employer; or a joint employer.
 - Coverage for new instrumentalities that are separate political subdivisions for under the mandatory coverage rules, i.e., that the entity have a §218 Agreement, a qualifying pension plan, or FICA under the mandatory provisions.
 - When the entity is not a separate political subdivision, it must be determined if one political subdivision is designated as the employer.
 - If the organization is not a separate political subdivision, it may be an entity created by a joint venture of two or more political subdivisions in which none or those political subdivisions has been designated as the employer. Generally, in such situations, all the participating political subdivisions are considered joint employers.
- The SSA requires a reference to the statutory authority which established the organization's status; and, a copy of any legal authority under which the new government entity was established (e.g., cooperative agreement.)

Is There Joint Custody in Your Joint Venture?

**Chicago, Illinois
August 12, 2009**

Section 218 of the Social Security Act

Sec. 218 (a)(1): The Commissioner of Social Security shall, at the request of any State, enter into an agreement with such State for the purpose of extending the insurance system established by this title to services performed by individuals as employees of such State or any political subdivision thereof.

42 U.S.C. 418(a)(1)



Chicago Metropolitan Regional Library (CMRL)



Chicago Metropolitan Regional Library



Determining the Legal Status of an Organization



Determining the Legal Status of an Organization

Political Subdivision

Instrumentality

Integral Part of

Political Subdivisions



Legal Definition of a Political Subdivision

“A separate legal entity of a State which usually has specific governmental functions.” 20 C.F.R. 404.1202

“A separate legal entity of a State that has governmental powers and functions.” State and Local Handbook 30001.302

“A political subdivision is a separate legal entity of a State that has governmental powers and functions...It is an independent legal entity....” State and Local Handbook 30001.316(A)

Examples of Political Subdivisions

- Counties
- Cities
- Townships
- Villages

20 C.F.R. 404.1202

State and Local Handbook SL 30001.316(A)

Breaking It Down

A political subdivision is a

separate

legal

entity that has governmental
powers and functions.

20 C.F.R. 404.1202

Was the Organization Established:

- Under a state enabling statute?
- By city or county resolution?
- By vote of the electorate?
- By agreement between two or more political subdivisions?

Is it Separate from its Makers?

- Does state law describe the organization as separate and distinct?
- If created by agreement, does the agreement state that the organization is separate and independent of the political subdivisions that created it?
- Is there an Attorney General opinion discussing whether the entity is separate and independent?

Example of a Political Subdivision

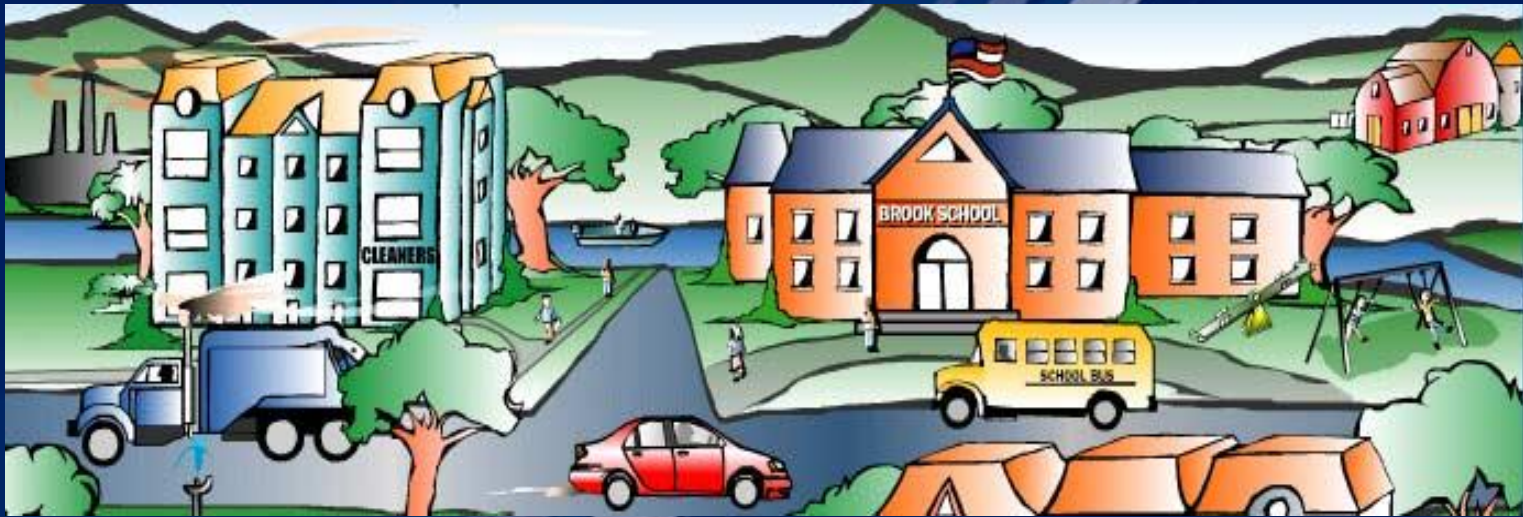
City of Chicago



65 ILCS 5/2-2-12:

Cities incorporated under this Code shall be bodies politic and corporate under the name of “City of (name),” and under that name may sue and be sued, contract and be contracted with, acquire and hold real and personal property for corporate purposes, have a corporate seal, changeable at pleasure, and exercise all the powers hereinafter conferred.

Instrumentalities



What is an Instrumentality?

An Instrumentality is created to act in a legally independent capacity to accomplish a specific purpose or some function of government, but does not have the full powers of a government.

State and Local Handbook SL 30001.302, 30001.316(A);
IRS Pub. 963, at 2-4

Factors to Consider



Ability to hire/fire/supervise its employees;



Ability to sue and be sued in its own name;



Ability to contract;



Ability to acquire, hold, and convey property;



The degree of financial autonomy;



The source of operating expenses;



Whether it functions on behalf of one or more States or political subdivisions;



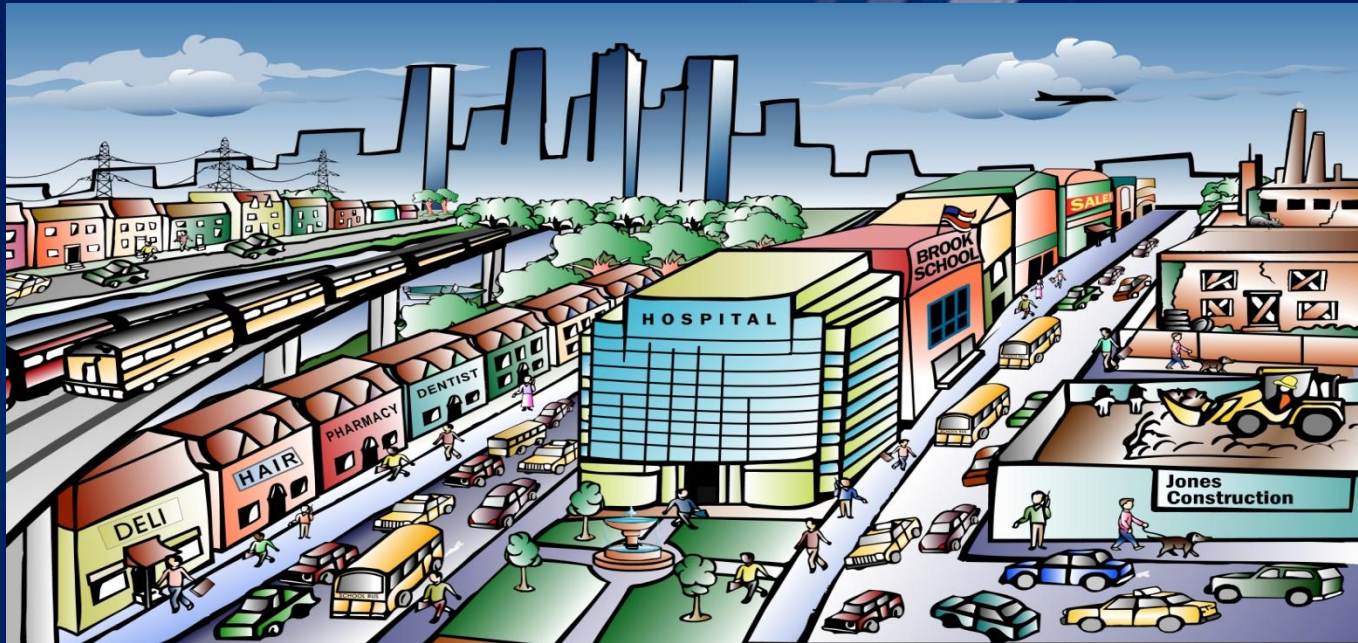
Whether states or political subdivisions have powers and interests as owners.

Example of an Instrumentality: The Chicago Park District

70 ILCS 1505/3: . . . [T] he Chicago Park District shall constitute a body politic and corporate and by such name and style may sue and be sued, contract and be contracted with, acquire and hold real property necessary for corporate purposes, and adopt a common seal and alter the same at pleasure.



Integral Part of



Integral Part of

“Some entities may be integral parts of a political subdivision such as a city or county, instrumentalities of a State or political subdivision and therefore separate political subdivisions, or they may be private nonprofit organizations.”

State and Local Handbook SL 30001.316(A)

Integral Part of

- If the new entity is an integral part of an existing political subdivision, coverage is determined based on whether the political subdivision is covered under the 218 Agreement.
- BUT, SSA and IRS should be informed of the new component if it has its own payroll, bookkeeping, tax reporting system, EIN, etc.

State and Local Handbook SL 40001.477(A)

Don't Judge A Book By Its Cover

“Libraries and hospitals are illustrative of organizations whose status is often not apparent from either title or statute. They may be integral parts of a political subdivision such as a city or county, instrumentalities of a State or political subdivision and therefore separate political subdivisions, or they may be private nonprofit organizations.”

State and Local Handbook SL 30001.316(A)

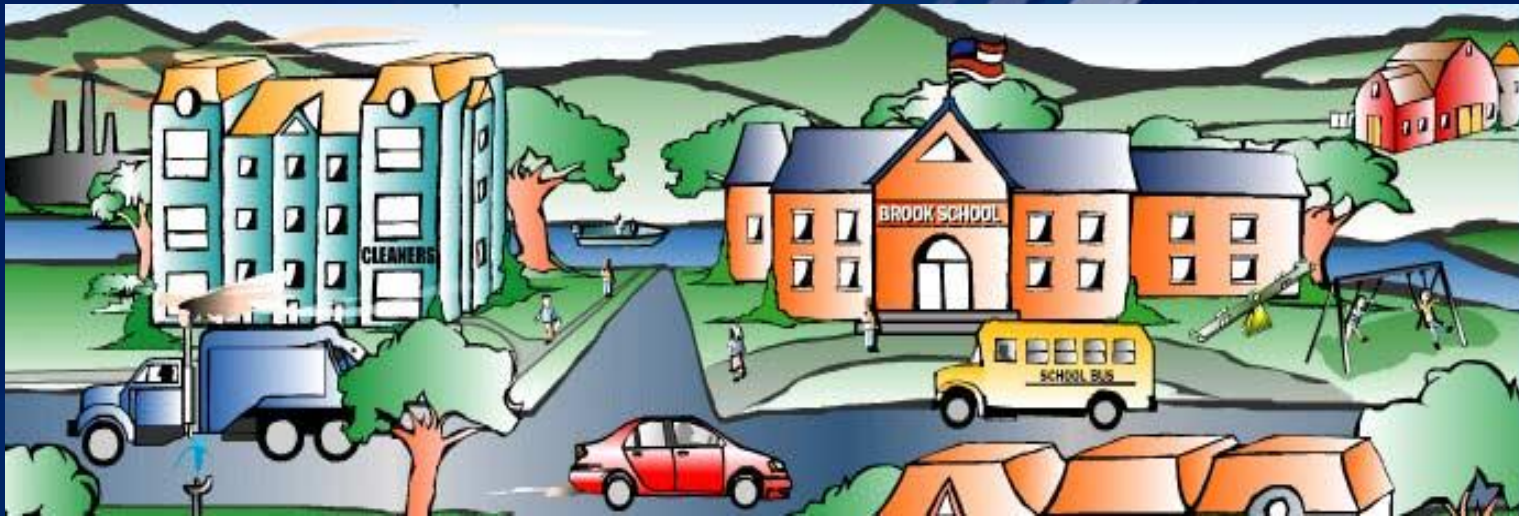
Example of an Integral Part of: Heartland, Illinois General Hospital

Hospital funding is accounted for each year in Heartland's annual budget. The City Council approves all hospital expenditures over \$25,000.

The city holds title to the building and land. The city pays for the hospital insurance. The city council enters into all contracts on behalf of the hospital. Hospital employees are considered to be employees of Heartland.



Cooperative Undertakings (Joint Ventures)



Cooperative Undertakings

An individual may perform services for an organization in connection with an activity carried on cooperatively by the State and one or more political subdivisions or by two or more political subdivisions.

State and Local Handbook SL 60001.670

Cooperative Undertakings Can Result in:

1. A new, independent Political Subdivision or Instrumentality;
2. A component of one the political subdivisions that is designated as the employer of the Cooperative Undertaking; or
3. A Joint Employer situation.

State and Local Handbook SL 60001.670

1. Joint Venture Results in New Instrumentality

If the organization is a separate political subdivision, the coverage of the employee is dependent upon whether the employees of the political subdivision are covered under a Section 218 Agreement or the mandatory Social Security and Medicare coverage provisions.

State and Local Handbook SL 60001.670

Was the Organization Established:

- Under a state enabling statute?
- By city or county resolution?
- By vote of the electorate?
- By agreement between two or more political subdivisions?

Chicago Metropolitan Regional Library (CMRL)



Considerations in Determining Whether an Entity Is an Independent Instrumentality:



Ability to hire/fire/supervise its employees;



Ability to sue and be sued in its own name;



Ability to contract;



Ability to acquire, hold, and convey property;



The degree of financial autonomy;



The source of operating expenses;



Whether it functions on behalf of one or more States or political subdivisions;



Whether states or political subdivisions have powers and interests as owners

2. One Political Subdivision Is Designated as the Employer

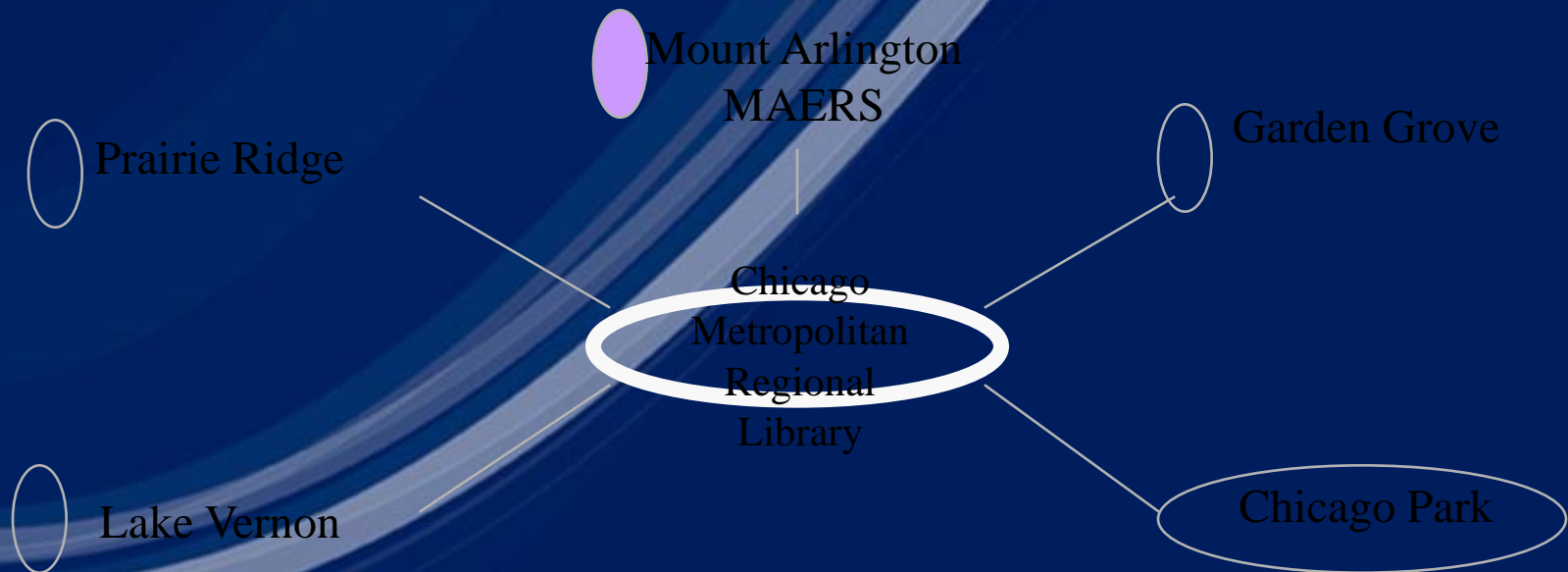
If the organization is not a separate political subdivision, it must be determined whether one political subdivision is the designated employer of the individuals performing services, i.e., whether one entity actually hires, fires, and controls the performance of services.

State and Local Handbook SL 60001.670

Chicago Metropolitan Regional Library (CMRL)



Chicago Metropolitan Regional Library (CMRL)



3. Joint Venture Results in a Joint Employer Situation

If the organization is not a separate political subdivision, it may be an entity created by a joint venture of two or more political subdivisions in which none of those political subdivisions has been designated as the employer. Generally, in such situations, all the participating political subdivisions are considered joint employers.

State and Local Handbook SL 60001.670

Chicago Metropolitan Regional Library (CMRL)



Chicago Metropolitan Regional Library (CMRL)



What Evidence Does SSA Require?

- A reference to the statutory authority which established the organization's status.
- A copy of any legal authority under which the new government entity was established (e.g., cooperative agreement).

State and Local Handbook SL 40001.420(D), 40001.477

What Should the State Do?

- Send the modification and supporting documentation to the PSSO for review.
- If the modification is complex or there is a question concerning the legality of any provision of the modification, the State may request a preliminary review of the modification from the RO through the PSSO.

State and Local Handbook SL 40001.420(B)

SSA Makes Final Coverage Determinations

- Final determinations regarding State Section 218 Agreements are governed by Federal law and are made by SSA.
- Where State law may have a bearing on the issue, an opinion of the State legal officer may be requested if one does not already exist. The opinion will be given due weight in making the final determination.



Mark Brown,
Office of Earnings and Program Integrity Policy



Fred Sanchez,
Office of the Regional Chief Counsel
Region V, Chicago

Social Security Administration

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 10, 2009

SSA-Communications Update on Office Directory and overview of SSA Communications efforts

**Speaker: Dana Edwards, Public Affairs Specialist,
SSA Office of Intergovernmental and Community Affairs**
Moderator: Harry Wales, Wyoming

Mr. Edwards discussed the following:

- I am pleased that you have again asked me to speak at your conference about communication subjects at the Social Security Administration.
- Today, I will touch on three things in the area of communications at SSA. They are 1. The Social Security Office Directory; 2. The challenge SSA faces in educating the public about this program; and 3. Some changes in the Medicare Part D Extra Help program that SSA administers.
- First, the SS Office Directory. As I informed you last year, like many specialized Social Security publications, the Directory is now only available in an electronic format due to the rising cost of printing and shipping.
- Also at last year's meeting, I asked you to tell us about your use of the online Social Security Office Directory and give us feedback about it. I distributed a short feedback form that you could fill out and also arranged for the NCSSSA to email it the group.
- I received a few responses. So what we have decided to do is to revise the Directory on the Core website to link to the existing Social Security Online web pages where you can find most of the same contact information that was in the printed Directory.
- This has a couple of advantages for you: first, there is someone already responsible for updating those web pages as changes occur. This method eliminates the need for those managers to remember to notify me that a change has occurred. And second, the information in the Directory is more current and accurate saving you time and effort.
- Marc Denos will make these changes when we get back from the conference. Please continue to give me your feedback on the Social Security Office Directory.

- Second, SSA has a big challenge in educating the public about its program.
- How many of you get an annual Social Security Statement? The annual Statement can clearly be the best educational tool that Social Security has since it helps immeasurably to reduce the surprises people have when they apply for Social Security, be it retirement, disability or survivors benefits.
- But a survey found that the Statement is not something that everyone who receives it reads it. In an article last year from the Chicago Tribune by Humberto Cruz, on the knowledge of Social Security by those nearing retirement, he pointed out a very challenging fact. A 2008 Fidelity Investments online survey of 300 61-year-olds showed that only 22 percent said they knew exactly how much their benefit would be, and 26 percent had no idea.
- I ask you to encourage the State and local employees that you come in contact with to look at their Statement and use it to help them make those important financial retirement decisions especially when they are considering Social Security coverage.
- And to avail themselves of all the material on our website, www.socialsecurity.gov, to help them learn about their benefits under this social insurance program.
- Finally, I want to tell you about a recent change in the Medicare Part D Extra Help program that we administer. A recent law called the Medicare Improvements for Patients and Providers Act makes two changes effective 1/1/2010 that should help more senior citizens become eligible for up to \$3,900 in financial assistance to pay those prescription drug costs.
- Those two changes are 1. We no longer count as a resource any life insurance policy.
- And 2. We will no longer count as income the financial help someone receives to pay their household expenses like rent, heat, water, etc.
- These changes as I mentioned, go into effect 1/1/2010. So SSA will be gearing up over the coming months to prepare media and informational material to explain these changes and encourage seniors and those people who care for and work with seniors to reapply for this Extra help if they were turned down before because of one of these factors.

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 10, 2009

IRS-Update on issues arising from compliance checks, 1099 initiative, 3402(t) issue, Firefighters new legislation \$30/mo exception & volunteer firefighters as Employees

Panelists: Paul Mamolejo, Director, IRS FSLG
Jayne Maxwell, Manager, IRS Compliance and Program Management
Paul Carlino, Senior Technician Reviewer, Employment Branch 2,
Office of Division Counsel/Associate Chief Counsel
Moderator: James Driver, Kentucky

Paul Marmolejo provided an overview of FSLG and his 100 day assessment as new Director of FSLG. He said his goal was to assess the environment and then plan a strategy. Questions: What is the landscape in each state for 218? How do we educate FSLG on those landscapes? And then how do we best develop a strategic educational outreach for this environment? He shared that is goal is to reinvest in 218 and International items.

Paul Carlino discussed 139B, specifically the “volunteer emergency” exclusion. This refers to the law allowing for \$30 a month for volunteer emergency wages to be excluded from income. He reported that income for an employee would be reported on Box 14 of the W2 for “non taxable wages” and any state benefit would be included on a 1099G for state income rebate.

Jayne Maxwell discussed the review of field returns and issues that arise from compliance. One of the issues is the 1099 data analysis which will have a final report in September 2009 for the Director. But it appears that state and local government entities still have issues with correctly issuing these forms. She briefly discussed the 3402(t) issue but said there have been no new developments but that it still set to go for January 1, 2012.

FEDERAL, STATE AND LOCAL GOVERNMENTS



**Jayne Maxwell, Manager
FSLG Compliance & Program Mgmt**

**NCSSA Conference
August 2009**

FSLG Compliance Issues



- **Information Return Filing**
- **Employment Taxes (FITW, Social Security, Medicare)**
- **Incorrect or no Taxpayer Identification Numbers (TINs)**
- **Worker Classification**
- **Fringe Benefits**
- **Backup Withholding**
- **Settlement Payments**
- **Taxation of Foreign Workers/Vendors**
- **Abusive Tax Avoidance Transactions**
- **Excise Taxes**

What is a compliance check?

- (1) A compliance check is a contact with the customer that involves a review of filed information and tax returns of the entity. A compliance check is NOT an examination and the customer may legally choose not to participate. A compliance check does not directly relate to determining a tax liability for any particular period. The check is a tool to help educate government entities about their reporting requirements and increase voluntary compliance.
- (2) The compliance check shall not include an examination, inspection, or discussion of books and records, nor shall it include a review of employee/independent contractor classification questions.

Conducting a Compliance Check

- Review of all filed returns (F941, 944, 945, W-2/W-3, W-4, W-9, 1099s, F1042, etc)
- Verify that all appropriate returns are filed timely, secure delinquent returns if necessary
- Verify that all deposits are made timely
- Discuss/evaluate internal controls for appropriate wage reporting

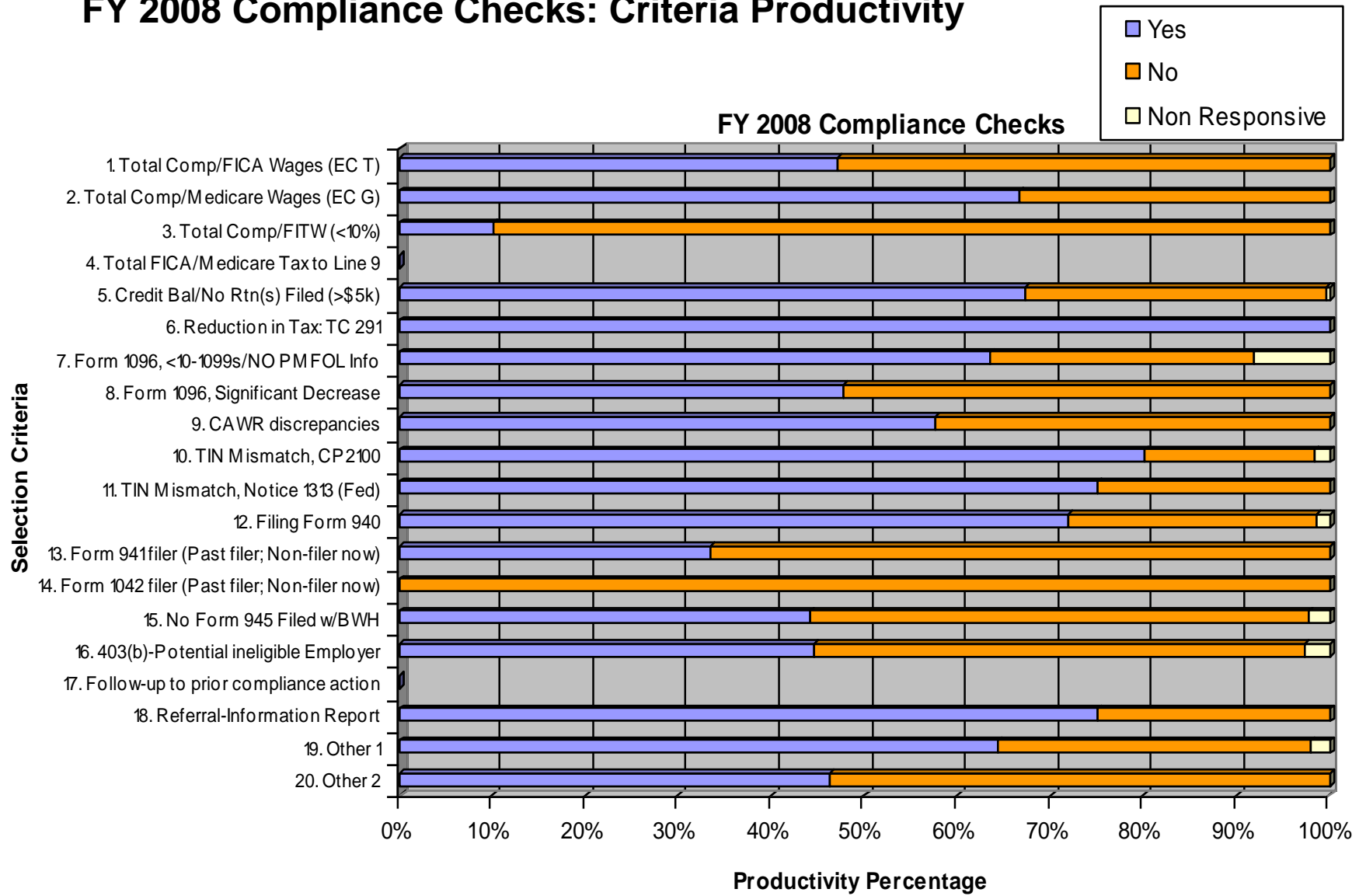
Conducting a Compliance Check

- Evaluate the procedures by which at TP:
 - Determines whether a vendor is an individual or corporation
 - Track vendor TINs
 - Track payments to vendors
 - Determines whether or not to file information returns

Conducting a Compliance Check

- Inspect filed information returns for indications that the amount and information reported are complete and correct, including but not limited to:
 - Forms W-2 (withholding appear appropriate)
 - Forms W-2 for missing information (TIN, Name, Address, etc.)
 - Duplicated filings (F1099 & W-2)
- Do provide employee/independent contractor information for educational purposes.

FY 2008 Compliance Checks: Criteria Productivity



Tables: Other Issues Identified

Issue	Total	Percent of FY08 Closed CCs (860 Cases Worked)
1099 Issues/Education	454	55.2%
W-9 Issues/Education	307	37.3%
Day Meals	156	19.0%
Personal Use-Gov't Prop	155	18.8%
W-2/W-3 Issues/Education	114	13.9%
Worker Reclassification Issues	114	13.9%
Payment Reclassification Issues	96	11.7%
Other-Wage Issue	69	8.4%
Non-Accountable Plan	60	7.3%
W-4 Issues/Education	50	6.1%
Non-Taxed Allowances	38	4.6%
Other FB-Cell Phone	37	4.5%
Section 218 Coverage Issues	34	4.1%
Pension Plan Issues (403(b)/457)	33	4.0%
Other Issues-1 (Employment Code corrections)	28	3.4%
Cafeteria Plan Issues	8	1.0%
Total Occurrences	1753	

The FY 2008 Compliance Checks, *1099 Issues/Education* was identified as an additional issue in a high percentage of the cases. *W-9 Issues/Education*, *Day Meals*, *Personal Use-Gov't Prop* and *Worker Reclassification Issues* were also prevalent.

What are the main issues?

- Information Return reporting compliance (1099s)
- W-9 & W-4 compliance
- W-2/W-3 reporting issues
- Taxable fringe benefits/non-Accountable plans
 - Day Meals
 - Personal Use of Gov't provided vehicle
 - Uniform/Clothing allowances
 - Payment reclassification issues resulting
- Worker Classification issues

1099 Initiative

- The primary purpose of The Project is to measure the extent to which entities are not filing Forms 1099-MISC when they are required to file.
- Initiated as a result of a TIGTA Audit
- Sample of 200 identified GE's that did not file any 1099's for a 3 yr period.

Targeted accomplishment?

- Information gathered from the Project will:
 - help FSLG make decisions about allocating our limited resources to address the greatest areas of non-compliance,
 - assess validity of Form 1099-MISC database information,
 - allow us an opportunity to educate non compliant taxpayers, and
 - to analyze ways to improve Form 1099-MISC filings.
- The data will assist us in the development of future work plans, ensuring our resources are being applied appropriately.

Initial findings?

- Entities use of centralized TIN for reporting purposes
- Entities became absorbed or defunct and TIN was not inactivated
- Entities not aware of 1099 reporting requirements
 - Attorney Payments
 - Medical Payments
 - Reporting LLC payments
 - Reporting LLP payments
- Electronic transposition/transcription errors
- Some entities were just not required to file

Current status of Project?

- Currently completing the analysis of the case data gathered.
- Final report is projected to be released September 2009

Internal Revenue Code Section 139B

**BENEFITS PROVIDED TO
VOLUNTEERS FIREFIGHTERS AND
EMERGENCY MEDICAL
RESPONDERS**

Overview of Section 139B

In the case of any member of a **qualified volunteer emergency response organization**, gross income does not include:

- Any **qualified state and local tax benefit**, and,
- Any **qualified payment**.
- Applicable for tax years beginning after December 31, 2007 and before December 31, 2010.

Qualified State and Local Tax Benefit

Any reduction or rebate for State or local

- Personal property taxes
- Real property taxes
- Income taxes

provided on account of services performed as a member of a qualified volunteer emergency response organization.

Qualified Payment

- Any payment (whether reimbursement or otherwise) provided by a State or political subdivision on account of the performance of services as a member of a qualified volunteer emergency response organization.
- Exclusion not to exceed \$30 multiplied by the number of months during the year that the taxpayer performs such services.

Qualified Volunteer Emergency Response Organization

Any volunteer organization which is:

- Organized and operated to provide firefighting or emergency medical services for persons in the jurisdiction, and
- Required (by written agreement) by the State or local government to furnish firefighting or emergency medical services in the jurisdiction

No Double Benefit

The taxpayer can deduct:

- State and local taxes paid, only to the extent they exceed qualified State and local tax benefits; and
- Charitable contributions for expenses incurred in performance of volunteer work, only to the extent they exceed amounts excluded as qualified payments.

Example:

Paul:

volunteers with a qualified volunteer emergency response organization in City A.

receives \$10 for each call to which he responds during the year.

responded to 40 calls during the 12 months in 2008 that he volunteered for the organization.

also receives a rebate of the first \$1,000 that he pays in real property tax to City A.

paid \$2,700 in real property tax to City A in 2008.

General Tax Results

- \$360 of the \$400 is excludible from gross income as a qualified payment.
- Paul should receive an information return reporting the additional \$40.
 - Form W-2 if Paul is a common-law employee; or
 - Form 1099-MISC if Paul is an independent contractor.
- The \$1,000 rebate of real property tax is excludible from gross income as a qualified local tax benefit.
- Paul can deduct the additional \$1,700 as an itemized deduction.

Significance of the Common Law Test to Determine Worker Classification

- Tax laws apply to volunteer firefighters in the same way as other workers.
- Calling a firefighter a “volunteer” does not determine his or her status as an employee or nonemployee.
- The common law rules are applied to determine the status of the individual.
- The status of the individual drives the employment tax treatment and related information reporting requirements.

Tax Treatment for Employees

- There is no information reporting requirement for amounts excludible under section 139B.
- Excludible amounts are not wages for ITW, FICA or FUTA.
- Amounts in excess of the excludible amount are wages for purposes of ITW, FICA and FUTA unless excludable under another provision of law.
- Wages are subject to withholding and are reported on Form W-2.

Tax Treatment for Nonemployees

- There is no information reporting requirement for amounts excludible under section 139B.
 - Form 1099-G may be required for reporting a qualified State or local income tax benefit.
- Amounts in excess of the excludible amount are reported on Form 1099-MISC.

Income Tax Refunds, Credits or Offsets

- Income tax refunds, credits or offsets of \$10 or more are subject to reporting on Form 1099-G.
- Form 1099-G reporting is required even if the refund, credit or offset is not includible in the gross income of the recipient, however, a copy of Form 1099-G is not required to be furnished to the recipient if the state or locality can verify that the recipient did not itemize deductions on the recipient's Federal return.

Property Tax Rebates

Property tax rebates or refunds to qualified volunteers, whether employees or nonemployees, that are qualified state and local tax benefits under section 139B:

- are not income;
- are not subject to information reporting; and
- are not subject to income tax, social security, or Medicare withholding.

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 10, 2009

Well, I'll be deemed...retirement systems!

Speaker: Mark Brown, SSA, Policy Specialist, Office of Earnings

Moderator: Vandee DeVore, Missouri

Federal law allows flexibility in determining retirement system groups for Social Security coverage. The States have the following choices:

1. Entire Retirement system---the referendum would be of the system-wide majority vote of all system members. After a successful referendum, any entity joining the system after the fact is automatically covered for Social Security. All that will need done is an identification modification referencing the original mod number of the retirement system, and including the name of the new entity.
2. Deemed Retirement system---the referendums are on an entity by entity basis. The coverage could be offered based upon the referendums which could consist of groups of employers. For example one State or political subdivision could be a voting entity, or any combination of political subdivisions can be a voting entity.

It is also possible to have automatic future coverage of a deemed retirement system if all members of the retirement system have opted for Social Security coverage. In that case, the modification needs to reference that “all future common members are also covered.” See POMS for specific details.

Divided vote states having referendums, the vote is not a secret ballot. If the referendum is system-wide, and an individual votes “no” then that person carries his vote with him no matter what member entity he goes to work at. If it is a deemed retirement system vote, any new hires after the referendum is defaulted as a “yes” vote; if transferring from one entity to another within the deemed retirement group, then the vote follows the individual to the new entity.

Moderator: Vandee DeVore

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 10, 2009

How should State Administrators, IRS and SSA identify political subdivisions?

Panelists: James Driver, NCSSSA, Kentucky

Jayne Maxwell, IRS, Manager

Fred Sanchez, SSA, Chicago Region Office of General Counsel

Moderator: Laquitta Heard

James Driver is the State Social Security Program Manager for the State of Kentucky. James provided the following information to aid State Administrators in identifying political subdivisions:

- Get Involved in your Municipal and County Government. Have “one on one” contacts.
- Know your State Legislation.
- Attend CPA training to keep up with tax laws.
- Obtain legal documents on how an entity was formed.
- Get attorney General’s opinion if necessary.
- Make contact with the Public Service Commissions and Retirement systems.

James closed by advising sending the supporting facts to the regional office along with the Modification.

Jayne Maxwell is the Manager of the Compliance and Program Management group for the Internal Revenue Service. Jayne stated IRS will turn to the States to determine if an entity is a separate entity. Jayne also stated IRS looks to who is the reporting, liable employer.

Fred Sanchez is the Assistant Regional Counsel for the Social Security Administration in the Office of the Regional Chief Counsel in Chicago. Fred further stressed the importance of providing enabling legislation about how the entity was formed. Fred also suggested getting an Attorney General’s opinion and to not make assumptions.

Moderator: Laquitta Heard, Oklahoma

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 10, 2009

Who trains State Administrators, FSLG agents and Regional SSA staff and how can we assist each other?

Panelists: James Driver, NCSSSA, Kentucky
Jayne Maxwell, IRS, Manager
Chandra Thomas, SSA, Dallas Regional Office
Tim Beard, SSA, Seattle Regional Office
Moderator: Vernon Bush, Tennessee

James Driver, NCSSSA: Discussed the new training measures put forth by NCSSSA. The NCSSSA Training Committee members have been visiting state administrators that are new to the position or those that have been in the position for a while but may not have received sufficient training from their predecessor. It is the goal of NCSSSA to offer training to any state administrator that feels it is needed. James stated he was asked by IRS to attend the FSLG specialist training and offer any information that would be helpful.

Jayne Maxwell, IRS: Federal State and Local Government (FSLG) has developed training scenarios for specialists and has attended NCSSSA training for state administrators. FSLG has just completed a rewrite of the training curriculum. She invited input from James Driver. Jayne proposes “Joint NCSSSA, IRS and SSA training to state officials, not just administrators, through webinars, visit, etc. In the future, we also need to focus on inactive and compliant deficient states.

Tim Beard, SSA: Has been working with state administrators and IRS to train. Tim has gone to several states within his area. The most important advice he can give is to talk with each other; regular communication is essential.

Chandra Thomas, SSA: We will need to get the word out to SSA State & Local that we need SSA representation. Time and money will be a problem but it can be worked out. We need to get the word out to others: the people that allow us to get the money to do the training. Within the last two years the Dallas Regional Office has had **five (5)** different managers and this kind of turnover always makes training difficult.

Some comments from the floor:

Regina Bachini: Communication and continuing education is the key.

Darryl Swain: Got State & Local training while on location. If it weren't for experienced personnel he still wouldn't know how to handle State & Local. He emphasized the need for training.

Respectfully Submitted,

Vernon Bush, Tennessee
Moderator

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 11, 2009

Solvency, Legislation to modify or eliminate WEP and GPO, Other Legislative proposals of interest

Speakers: Tim Kelley, SSA, Office of Legislative and Program Management
Dena Berglund, SSA, Office of Legislative and Program Management
Moderator: Marion Montez, California

Timothy Kelley has been a Staff Director at the Office of Legislative & Regulatory Affairs at the Social Security administration since 1991. He began his career at SSA in 1972 as a claims authorizer adjudicating disability claims. In 1996 Mr. Kelley was appointed as the Acting Executive Director of the 1994-1996 Advisory Council on Social Security.

Dena Berglund works in the Social Security's Office of Legislative & Regulatory Affairs and has been a Social Insurance Specialist since 2006. Dena has a broad background in Social Security from working in field and regional offices.

The PowerPoint presentation used is attached for informational purposes.

Marion Montez, California
Moderator



Social Security Legislative Update NCSSSA Presentation August 2009

Solvency, WEP/GPO, Legislation



- Solvency of Social Security
- Pending legislation dealing with Solvency
- Social Security benefit reductions based on receipt of a non-covered pension - a summary of the Windfall Elimination Provision (WEP) and Government Pension Offset provision (GPO)
- Pending legislation related to WEP, GPO, and coverage.

Solvency



A significant financing challenge faces Social Security

The Social Security Trust Funds



- The trust funds are financial accounts in the U.S. Treasury.
- Social Security taxes (12.4% of earnings) and other income are credited to these accounts and Social Security benefits are paid from them.
- Money in the trust funds that is not needed to pay benefits and administrative costs is loaned to the U.S. Treasury.



Social Security Solvency



2009 Trustees' Report – Estimate based on long-range intermediate assumptions:

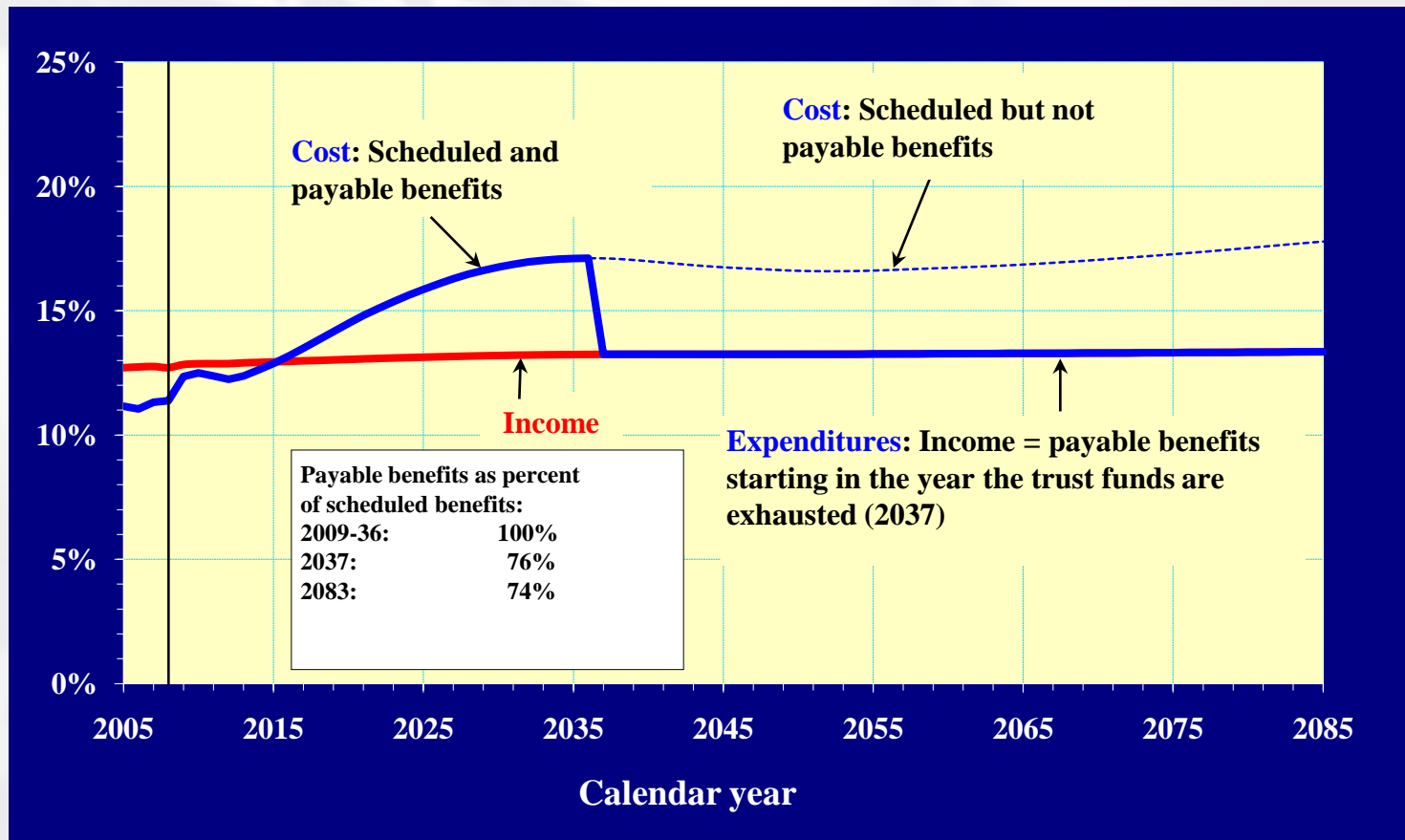
2016: OASDI expenditures exceed tax income for first time since 1983

2037: Unable to pay full benefits

Income vs. Cost of Benefits



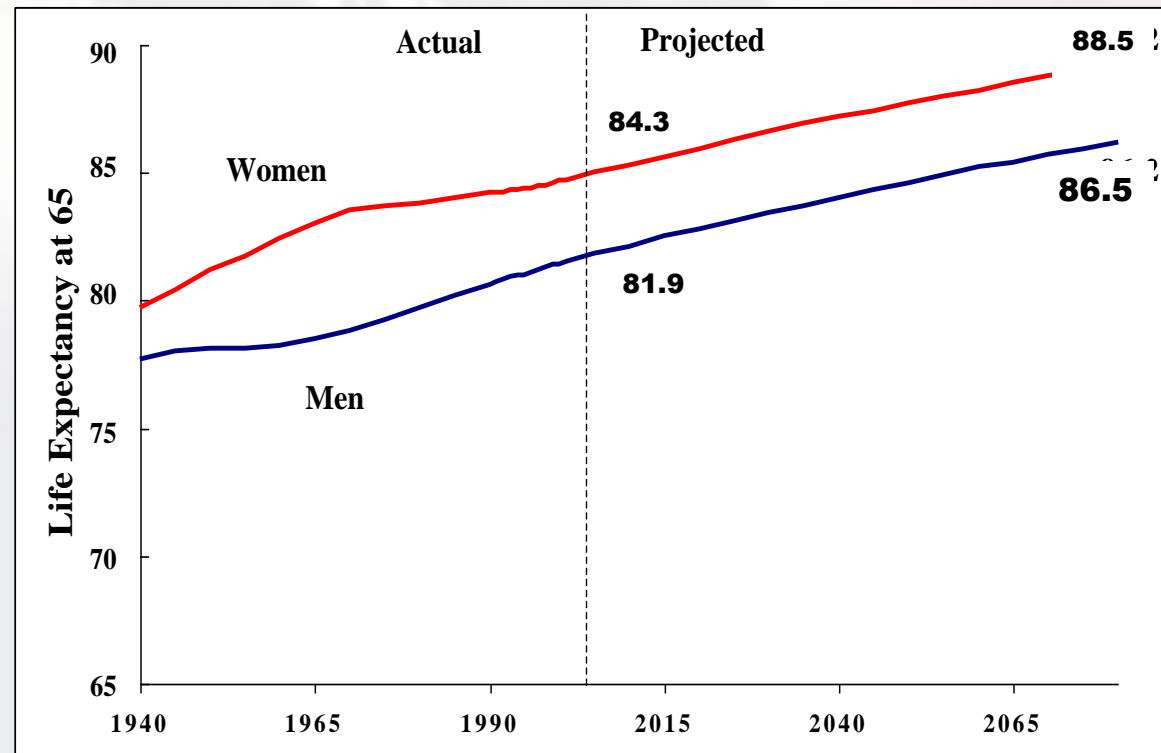
Payroll Tax Required for Scheduled Benefits



Longevity Increase Affects Solvency



Increasing Life Expectancy



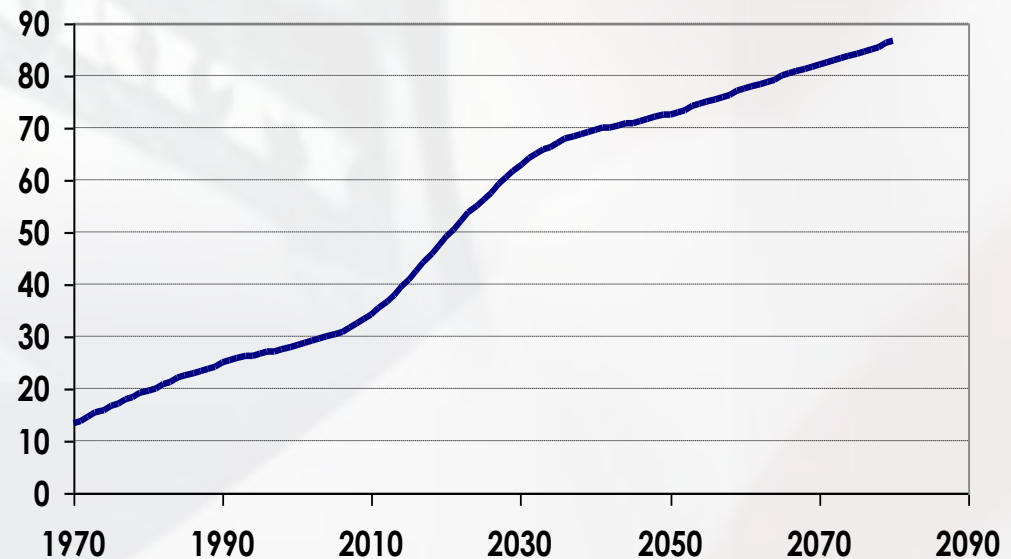
Longer life expectancy

SSA's Demographic Challenge



- **Rapid growth in number of retirees**
- **Only 2.2 workers for every 1 beneficiary by 2030**

**Number of Retired Workers
(in millions)**



Possible Solutions



- Increase in Social Security payroll taxes
- Revenue from other sources
- Reduce or slow growth in Social Security benefits

If addressed timely

- changes can be phased in gradually
- workers given time to plan for changes
- allow effects to be spread over more generations

Outlook for Reform



- Congressional leaders want to address Social Security solvency after dealing with health care reform.
- The President is opposed to substituting personal accounts for Social Security and does not support raising the retirement age.
- Consideration given to a commission to develop a comprehensive reform plan which Congress can debate and vote.

Solvency Legislation



- In the last Congress there were six solvency bills.
- There are currently four bills in the 111th Congress (in addition to a bill to establish a commission).



Commission Bill in 111th Congress



Social Security and Medicare Solvency Commission Act

S. 276 Feinstein (D., CA)

- Bi-partisan National Commission to:
 - review potential solutions and
 - make recommendations and proposed legislative language that will ensure long-term solvency and appropriate benefits
- Expedited congressional consideration
- 15 members appointed on a bipartisan basis

Solvency Legislation in 111th Congress



The SMART Act

H.R. 107 Flake (R., AZ)

- Mandatory personal accounts for new workers
- Contribution equal to entire employee contribution (7.65% of pay)
- Current workers could choose payment from personal account or traditional retirement benefit.

Social Security Solvency Act

S. 426 Bennett (R., UT)

- Progressive indexing of OASI aged benefits,
- Accelerate the increase in the full retirement age to 67,
- Life-expectancy adjustment for aged OASI benefits,
- Transfers from the General Fund when needed.

Solvency Legislation (continued)



Roadmap for America's Future Act

S. 1240 DeMint (R., SC)

- Voluntary personal accounts for workers born after 1954 (guaranteed annuity equal to 150 percent of the poverty level)
- Modified benefit formula for those who remain in the present system

Social Security Forever Act

H.R. 1869 Wexler (D., FL)

- Tax covered earnings above the current maximum for contributions (\$106,800 for 2009)
- Rate of 3% each for employer and employee



Effect of Non-covered Pensions on Social Security Benefits

Summary of WEP/GPO

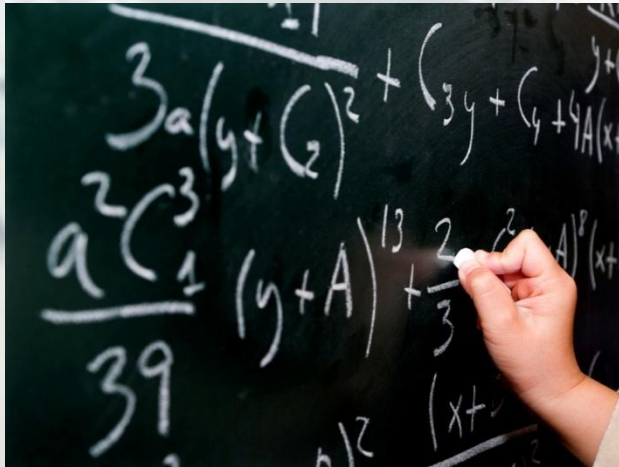


WEP - Windfall Elimination Provision

GPO - Government Pension Offset

Both provisions reduce Social Security benefits due to receipt of a pension based on work not covered by Social Security.

WEP



- A less generous computation when the worker also receives a pension or annuity from employment not covered by Social Security.
- The maximum reduction in 2009 is \$372.
- Its purpose is to remove the weighting in the benefit formula that is instead intended to boost benefits for workers with life-long low-paid earnings.

Exemption



- Worker earned 30 or more years of substantial earnings
- The amount needed in 2009 for “substantial earnings” is \$19,800.

Additional information

<http://www.socialsecurity.gov/retire2/wep.htm>

GPO



- Applies to Social Security spouse's benefits payable to Government retirees who receive a government pension not covered by Social Security.
- The amount of the offset in spouse's benefits is $\frac{2}{3}$ the amount of the non-covered Government pension.
- The maximum amount of the offset is the full spouse benefit.

Purpose of GPO



- The purpose of the offset is to apply the dual entitlement provision of Social Security.
- The offset of a spouse's benefit is the same concept whether the spouse worked in covered employment or non-covered government employment.



Multiple Exceptions



- Last 60 months of government employment is covered by both Social Security and the government pension system.
- Last day of employment was covered by Social Security and (1) was before July 1, 2004, or (2) the person filed for a Social Security spouse's benefit before April 1, 2004.

Additional exceptions are explained on the GPO factsheet which is on the Social Security web page:
<http://www.socialsecurity.gov/retire2/gpo.htm>

Proposals for Change



- Each year new legislation is introduced to eliminate or modify WEP and GPO.
- There is concern about the cost of total elimination.
- There is some interest in modifying the computations.



Legislation in 111th Congress



Social Security Fairness Act

S. 484 and H.R. 235 Feinstein (D.,CA) and Berman (D.,CA)

- Would eliminate the WEP and GPO.
- Would cost \$80 billion over first 10 years.
- There are 298 co-sponsors in the House of Representatives and 28 in the Senate.

Legislation (continued)



Public Servant Retirement Protection Act

H.R.1221 and S.490 Brady (R., TX) and Hutchison (R., TX)

- WEP reduction would be based on the proportion of lifetime earnings attributable to non-covered employment.
- Would cost \$4.6 billion over the first 10 years

Legislation (continued)



Windfall Elimination Provision Relief Act H.R. 2145 Frank (D.,MA)

- Phased-in WEP if combined monthly pension from non-covered service and the Social Security benefit amount is more than \$2,500
- Would cost \$7.9 billion over the first 10 years

Legislation to Elect Coverage



Social Security Exemption Relief Act

H.R. 2286 Rohrabacher (R.,CA)

- Individuals in non-covered employment would be able to elect coverage - irrevocable
- Employer would be subject to Social Security taxes.



Thank You

Any questions, comments, or concerns



NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 11, 2009

Update on Section 218 Retroactive Agreement Coverage Issues

Speaker: Jayne Maxwell, IRS, Manager
Moderator: Kurt Hiatt, Iowa

This presentation detailed how a State or Local government could make payments of FICA taxes for past years in order to effectuate a modification to its section 218 Agreement and provide retroactive coverage for certain workers.

Under section 218(c)(4) of the Social Security Act, an entity covered by a section 218 Agreement and the Social Security Administration can agree to modify the section 218 Agreement, and section 218(e) specifies that coverage may be made for a retroactive period of not more than five years. It is our understanding that the affected government entity is expected to pay the additional FICA taxes associated with such retroactive coverage in conjunction with entering into the modification.

Under sections 6501(a) and 6501(b)(3) of the Internal Revenue Code, the statute of limitations for assessment of FICA taxes is three years. When returns are timely filed it runs from the April 15th of the calendar following the calendar year for which the FICA returns are due and filed. Thus, if a government entity seeks to implement a retroactive modification to a 218 agreement running back the full five years permitted under the Social Security Act, the earliest two years will generally be barred for assessment under the statute of limitations. If a taxpayer makes a payment of tax for which there is no corresponding assessment, the Service will return the payment.

An entity that wishes to make its payments so that they can implement modifications with a full five-year retroactive effect may enter into a closing agreement under which it waives the statute of limitations for assessment, agrees to an assessment in the amount of the tax to be paid, and agrees to pay the amount in full.



NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 11, 2009

**Update on Federal Advisory Committee's-
Advisory Committee on Tax Exempt and Government Entities (ACT),
Taxpayer Advocacy Panel (TAP) and Information Reporting Program Advisory Committee (IRPAC)**

Speaker: Dr. Maryann Motza, Colorado
Dean Conder, Colorado
James Driver, Kentucky
Moderator: Michele Briggs, Arizona

Each member of the panel shared their personal involvement with the committees listed and discussed in detail what each committee is and its purpose.

In general, the committees provide a forum for identifying new issues or ongoing concerns relating to taxes and provide a vehicle to correct the issues. For example, Taxpayer Advocacy Panel (TAP), involves a diverse group of volunteers who solicit citizen input and make recommendations to IRS to improve services and/or products.

Depending on the issues, the groups will create subcommittees to address specific concerns and represent specific stakeholders within the group. All of the committees are authorized by the Federal Advisory Committee Act (FACA), a public law that outlines the operational guidelines for boards, committees or similar groups, established by federal agencies to provide advice, ideas, and diverse opinions to the federal government.

Several projects are currently taking place and as details become available, the NCSSSA will be contacted to assist with the projects.

Respectfully submitted,

Michele Briggs, AZ

A faint, light gray background image of a balance scale is visible. The scale is tilted slightly to the right, with the right pan hanging lower than the left pan. The scale's beam and vertical support are visible, extending across the upper and middle portions of the slide.

Update on the IRS Advisory Committee on Tax Exempt and Government Entities (ACT)

**Presentation to the NCSSSA 59th Annual Conference
in Chicago, Illinois
By Maryann Motza, PhD
August 11, 2009**

IRS Advisory Committees & Oversight Board

- The Advisory Committee on Tax Exempt and Government Entities (ACT) is one of six formally chartered Federal Advisory Committee at the Internal Revenue Service (IRS). Maryann Motza is currently a member of ACT. Other IRS Advisory Committees are:
 - IRS Advisory Council (formerly known as the Commissioner's Advisory Group).
 - Taxpayer Advocacy Panel (TAP). Dean Conder is currently a member of TAP.
 - Information Reporting Program Advisory Committee (IRPAC). James Driver is currently a member of IRPAC
 - Electronic Tax Administration Advisory Committee (ETAAC).
 - Art Advisory Panel.
 - All of these committees are authorized by the Federal Advisory Committee Act (FACA), a public law that outlines the operational guidelines for boards, committees or similar groups, established by federal agencies to provide advice, ideas, and diverse opinions to the federal government. Members of the IRS advisory committees are appointed by the U.S. Secretary of the Treasury.
- In addition, the IRS Oversight Board provides the IRS with long-term guidance and direction. Its members are appointed by the President of the U.S. The Oversight Board was created by the IRS Restructuring and Reform Act of 1998.

Purpose of the ACT

- The ACT was established to provide an organized public forum for discussion of relevant employee plans, exempt organizations, tax-exempt bond, and federal, state, local and Indian tribal government issues between officials of the IRS and representatives of those stakeholder groups.

Organization and Structure of ACT

- ACT's membership is divided into subcommittees representing each of the five stakeholder groups who are served by the Tax Exempt and Government Entities Division of the IRS:
 - Exempt Organizations (EO)
 - Employee Plans (EP)
 - Federal-State-Local Governments (FSLG)
 - Indiana Tribal Governments (ITB)
 - Tax Exempt Bonds (TEB)

Duties of ACT Members

- ACT members are to research, analyze, consider and make recommendations on a wide range of tax administration issues relating to employee plans, exempt organizations, tax exempt bonds, and federal, state, local and Indian tribal governments.
- The ACT advises and reports to the Commissioner of Tax Exempt and Government Entities, Ms. Sarah Hall Ingram.

ACT Reports

- Reports of ACT projects and recommendations to the IRS are published annually, in June, during a public meeting in Washington, D.C.
- As of June 2009, eight reports have been issued by the ACT and are available at:
<http://www.irs.gov/retirement/article/0,,id=98354,00.html>.

FSLG Subcommittee Project During 2008-2009

- During 2008-2009, the Federal-State-Local Government (FSLG) Subcommittee of ACT adapted the existing FSLG Compliance Check Form 4318 into a self-check form for public (Federal, state, and local government) employers to access in order to enable them to verify their compliance with applicable Federal laws and regulations.
- The existing form is currently available only to FSLG Specialists.

Probable FSLG Subcommittee Projects During 2009-2010

■ **Project #1:**

Finalize the compliance self-check form that was included in draft form in the June 10, 2009, ACT report (http://www.irs.gov/pub/irs-tege/tege_act_rpt8.pdf) by:

- Forming focus groups and meeting with various stakeholder groups and public employers and their legal and financial advisors to "pre-test" the draft form.

Probable FSLG Subcommittee Projects During 2009-2010 -- continued

■ **Project #1 (continued):**

- Obtaining evaluations and feedback on the draft form from all groups.
- Incorporating suggested changes into a final form that will be recommended to TE/GE officials during the June 2010 report to the IRS Commissioner.
- ACT will be asking for NCSSSA's assistance on this project.

Probable FSLG Subcommittee Projects During 2009-2010 -- continued

■ **Project #2:**

- Explore how the federal government (particularly the IRS and Social Security Administration) can encourage states to provide on-going support for State Social Security Administrators.
 - Coincides well with a new investigation that has been undertaken in June 2009 by the Government Accountability Office (GAO) related to State Social Security Administrator responsibilities, which was requested by the House Ways and Means Subcommittee on Social Security.
- ACT will be asking for NCSSSA's assistance on this project as well.

Probable FSLG Subcommittee Projects During 2009-2010 -- continued

■ **Project #3:**

- Work with FSLG on implementation strategies for the 3 percent withholding requirement that Congress has adopted, applicable to federal, state, and local governments. This project would focus on how to minimize the negative impact on governments that would otherwise be imposed by that requirement.
- ACT will also be asking for NCSSSA's assistance on this project.

Probable FSLG Subcommittee Projects During 2009-2010 -- continued

- Further details on all of these projects, particularly Projects #2 and #3, will be developed by the FSLG subcommittee members of ACT in the months to come.
- As details are available, NCSSSA and other stakeholder groups, will be contacted to assist with all three projects.





What is the Taxpayer Advocacy Panel?

A diverse group of citizen volunteers whose mission is to listen to taxpayers, identify taxpayers' issues and make suggestions for improving IRS service and customer satisfaction.



In support of the Mission, the TAP:

We Do:

- Hold public meetings
- Solicit Citizen Input
- Make recommendations to the IRS to improve products and services

We Don't:

- Act on behalf of individual taxpayers
- Make recommendations for legislative changes



History: Taxpayer Advocacy Panel (TAP)

November 2001: U.S. Treasury recognized the value of citizen participation in tax administration.

The Taxpayer Advocacy Panel was created to provide a forum for citizen input.

October 2002: The first Taxpayer Advocacy Panel met in Alexandria, VA for Orientation and Training.



Taxpayer Advocacy Panel (TAP) Panel Members

- ✓ Appointed by the Secretary of the Treasury
- ✓ Volunteer 300 to 500 hours per year
- ✓ Serve a three year term
- ✓ Volunteers are a diverse group from all walks of life
- ✓ Serve on at least two committees
- ✓ Represent all 50 states, the District of Columbia and Puerto Rico

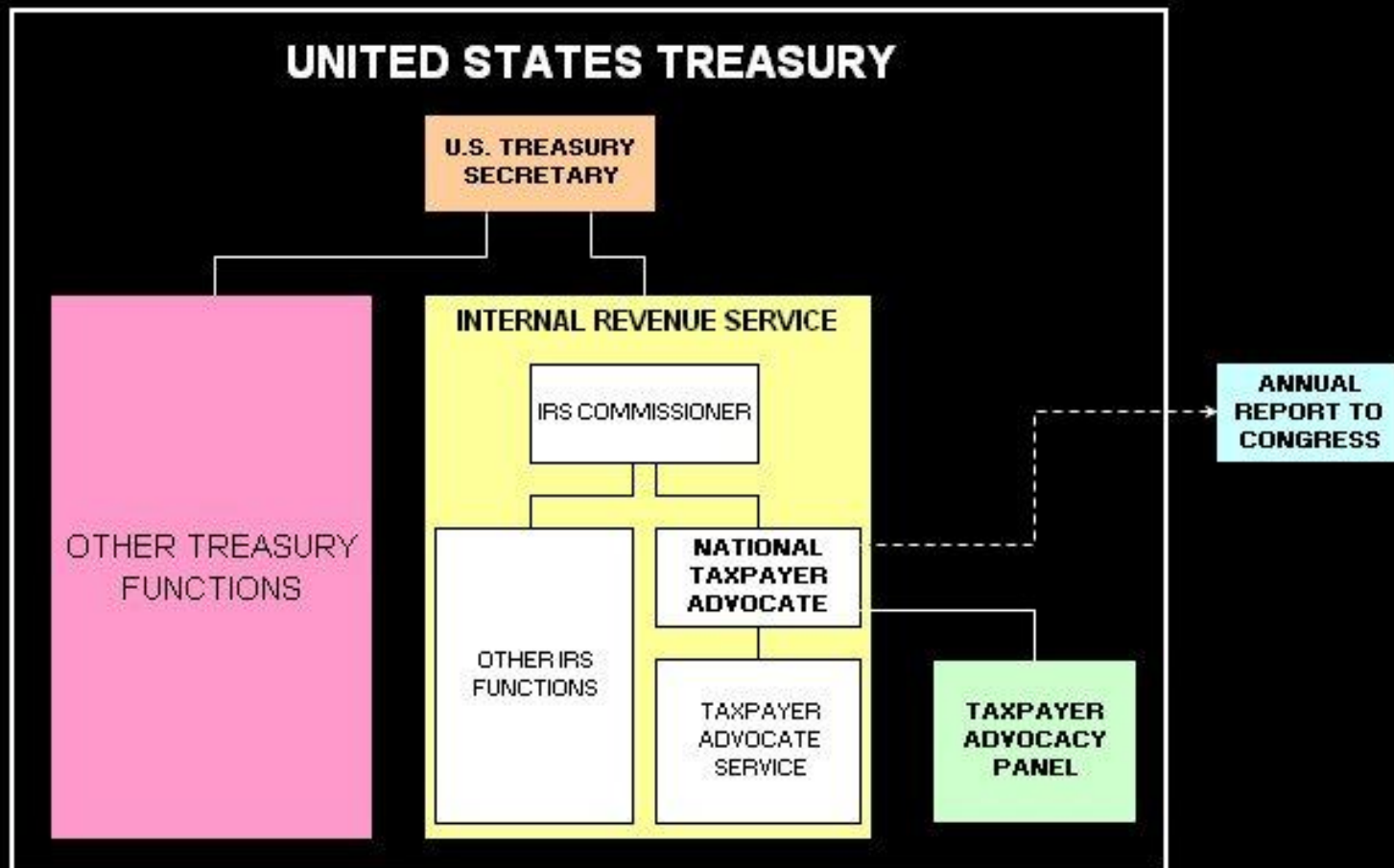


National Taxpayer Advocate

TAP is aligned with the Office of the
National Taxpayer Advocate:

Nina E. Olson

Taxpayer Advocacy Panel (TAP) United States Treasury Organization Chart





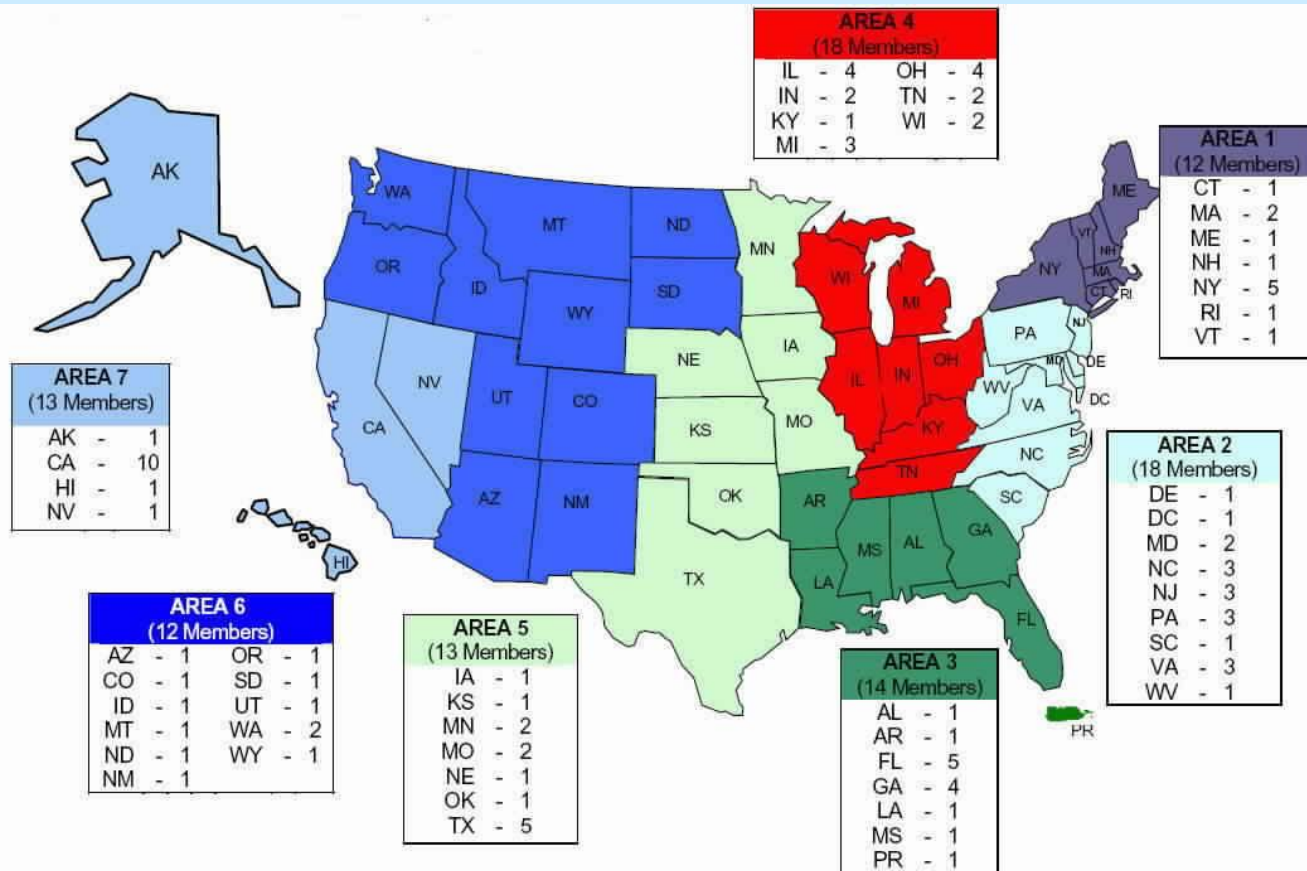
Taxpayer Advocacy Panel (TAP) Committees

Each panel member serves on two committees:

Area Committees: Focus on local geographic issues raised by citizens in their community.

Issues Committees: Partner with the IRS to focus on national initiatives or issues that cut across geographic boundaries.

AREA COMMITTEES



Taxpayer Advocacy Panel (TAP) Committees



Issue Committees:

- Small Business/Self Employed (SB/SE)
- Improving Tax Forms & Publications
- Communication
- Earned Income Tax Credit (EITC)
- Notice Improvement
- Volunteer Income Tax Assistance (VITA)
- Taxpayer Assistance Centers (TAC)
- Language Services

Joint Committee

- The Joint Committee is made up of the Chairpersons of the Area and Issue Committees plus the Chair and Vice Chair of TAP.
- The Joint Committee:
 - Is the guiding body of TAP
 - Approves or disapproves issues submitted by the Area Committees for submission to the IRS
 - Provides oversight to the Area and Issue Committees and the government of TAP.
 - Represent the consensus views of TAP in public statements.

Success Stories

OFFER-IN-COMPROMISE INSTRUCTIONS

When a taxpayer finds that he/she is unable to pay the taxes that are due, they have the ability to provide the IRS with an “offer” of something less than the total amount that is due. The IRS would then review the facts and could decide to “compromise” and accept the offer of a lesser amount. A number of taxpayers reported that they encountered a problem when submitting the OFFER-IN-COMPROMISE application. Instructions now inform taxpayers who were not required to file a tax return in the previous year(s) that they should attach an explanation of this fact. In addition, several wording changes were suggested to clear up other possible misunderstandings.

Success Stories

OBTAINING COPIES OF TAX RETURNS WHEN USING “FREE FILE”

A large number of taxpayers complained that they were unable to print out or download a copy of the return that they filed on line using the IRS “Free File” site. Members of the Free-File Alliance must now provide the capability to print out and download copies of returns filed for free for as long as they provide this service to their paying customers.

Success Stories

INNOCENT SPOUSE RELIEF NOTICES

Many taxpayers who sought "innocent spouse" relief from amounts owed on joint returns were unaware that the law requires the IRS to notify the non-requesting spouse of the request for relief. TAP recommended that the Innocent Spouse Relief form be revised so that all information pertaining to the fact that the law requires that the spouse or former spouse be notified of the request for innocent spouse relief be **CAPITALIZED and printed in bold letters.**



Success Stories

SMALL BUSINESS REPORTING MADE EASIER

The simplified small-business income reporting form known as Schedule C-EZ, has a limit of \$2,500. The TAP recommended, and the IRS agreed, that this amount be increased to \$5,000. Approximately 500,000 additional taxpayers are now qualified to file the simplified income reporting form, reducing the tax preparation burden for taxpayers and staff by more than 5 million hours.



Success Stories

ALL TAXPAYERS – A METHOD TO IMPROVE READABILITY OF IRS LETTERS

The IRS has approximately 600 different letters it sends to taxpayers and business owners. Many of these letters are illegible (printed on dot-matrix printers) and difficult to understand. As a result, taxpayers often fail to respond. The TAP Notice Committee established a method to score the "readability" of various IRS letters, as well as to review and make recommendations for change.



Current Recommendations to IRS

Issues Elevated to the IRS:

Elevated issues are listed on the
TAP Website:
www.improveirs.org



Volunteer Applications

Interested in serving on TAP?

- Recruitment period – Usually February, March, or April.
- Applications can be filled out at www.improveirs.org.



Contact Information

Taxpayer Advocacy Panel
1- 888-912-1227

TAP Web Site –

WWW.IMPROVEIRS.ORG

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 11, 2009

Update on TEGE's Employee Plan Division survey of state and local pension plans

Speaker: Janice Gore, Area Manager-Great Lakes, IRS TEGE Employee Plans
Moderator: Nick Merrill, Illinois

PowerPoint attached



Internal Revenue Service

Governmental Plans Project

Janice Gore, EP Examinations

Great Lakes Area Manager



Governmental Plan

IRC sec 414(d) - plans established and maintained for its employees by the government of:

1. the United States
2. any State or political subdivision thereof, or
3. any agency or instrumentality of any of the foregoing



Definition of a Governmental Entity

Rev. Rul. 89-49 lays out several factors to use in making this determination. These factors include:

- 1) the degree of control the Federal or state government has over the organization's everyday operations,
- 2) whether there is specific legislation creating the organization,
- 3) the source of funding for the organization,
- 4) the manner in which the organization's trustees or operating board members are appointed or elected and
- 5) whether the applicable governmental unit considers the employees of the organization to be employees of the applicable governmental unit.



Agency or Instrumentality

Rev. Rul. 57-128 and Rev. Rul. 75-359 lay out the factors used in defining agency or instrumentality. These factors are:

- 1) Whether it is used for a governmental purpose and performs a governmental function;
- 2) Whether the performance of its function is on behalf of one or more states or political subdivisions;
- 3) Whether there is any private interests involved, or whether the states or political subdivisions involved have the powers and interests of an owner;
- 4) Whether control and supervision of the organization is vested in public authority or authorities;
- 5) If express or implied statutory or other authority is necessary for the creation and/or use of such instrumentality, and whether such authority exists; and
- 6) The degree of financial autonomy and source of its operating expenses.



Code exemptions for Governmental Plans

1. Participation requirements
2. Minimum vesting standards (must meet pre-ERISA requirements)
3. Joint and survivor annuity requirements
4. Merger and transfer of asset requirements
5. Assignment or alienation of benefit requirements
6. Commencement of benefit requirements
7. Requirements regarding reduction in benefits due to social security increases
8. Requirements regarding forfeiture of mandatory contributions
9. PBGC notice requirements



Code exemptions continued:

10. Prohibited transaction provisions
11. Top-heavy requirements
12. 5% owner rules of the minimum distribution requirements
13. Requirement for an actuarial adjustment with respect to employees who retire in a calendar year after the calendar year in which the employee attains age 70 ½
14. ADP test and ACP test
15. Minimum funding requirements
16. TRA '86 added 401(k)(4)(B)(ii) prohibiting CODAs in governmental plans



Plan Document Requirement

- ✓ Code Section 401(a)(1) is applicable to a Governmental plan

This is the basic requirement to have a written plan document that details how the plan will operate and the benefits it will provide, to operate in accordance with its terms and to specify the actuarial assumptions (if applicable) to be used to define plan benefits in a way that precludes employer discretion. Failure to satisfy these requirements may result in taxable events that would negatively impact the plan's participants.



Qualification requirements for Governmental plans

- ✓ 401(a)(2) Exclusive Benefit Rules
- ✓ 401(a)(9) minimum distribution rules
- ✓ 401(a)(17) Compensation Limitation
- ✓ 415 benefit limitations
- ✓ 401(h) Retiree health benefits rules



Determination Letters

- Remedial Amendment Cycle (RAC) for Government Plans:
 - Governmental plans are to come in under cycle C, but may, one time only, come in under cycle E.



Cycle C and Cycle E

- ✓ Deadline for filing determination letter application for Cycle C:
 - January 31, 2009
- ✓ Deadline for filing determination letter application for Cycle E:
 - January 31, 2011



Caveats

The determination letter program does not provide an opinion as to whether a plan is a governmental plan as defined in IRC sec 414(d). Accordingly, determination letters for governmental plans will contain the following caveat :

“This determination letter is based solely on your assertion that the plan is entitled to be treated as a Governmental plan under section 414(d) of the Internal Revenue Code.”



Overview of Governmental Retirement Plans

- ✓ 20 million employees work for state and local governments
- ✓ Governmental retirement plans are a common feature of the compensation packages provided to state and local governmental employees.
- ✓ The most common type of plan is a defined benefit plan
- ✓ There is no federal filing requirement so the precise number of governmental retirement plans is not known.



Overview (continued)

The IRS has limited experience with governmental plans

All section 401(a) governmental plans are required to be amended to comply with applicable tax law changes

Government plans only need to show compliance with the federal pension laws back to those required by GUST.



Update on Government Plans Project

✓ Purpose and History of initiative

- Provide appropriate education, outreach, and guidance to this important and highly diversified retirement plan segment
- Promote voluntary compliance
- Ensure the protection of plan participants
- In April of 2008 – IRS convened a roundtable of IRS officials and participants to discuss:
 - Determination letter program
 - Federal tax law requirements relating to governmental plans
 - Technical and compliance issues affecting governmental plans
 - Self correction and voluntary compliance efforts



Pilot Questionnaire

- ✓ In February of this year, 25 questionnaires were sent to a sample of governmental plans selected at random.
- ✓ The questionnaire was 24 pages and included 65 items
- ✓ The questionnaire was posted to our Website and comments were solicited
- ✓ Feedback will be used to develop the final questionnaire
- ✓ A report will be issued that summarizes the overall responses, findings, and observations
- ✓ The report will include actions in the areas of guidance, education/outreach, determinations, and compliance.



Pilot Questionnaire focus

- ✓ Demographic information
- ✓ Plan document Information
- ✓ Plan provisions
- ✓ Plan operation
- ✓ Plan communications
- ✓ Plan administration
- ✓ General questions
- ✓ Retirement systems
- ✓ Feedback



Sample Questions

PART 1 - DEMOGRAPHIC INFORMATION

9. Check the types/categories of employees eligible to participate in the Plan.

Types (check all that apply):

Full-time; Part-time; Hourly; Salary; Seasonal

Categories (check all that apply):

General; Public Safety; K-12 Teachers; University (*Teaching/Non-Teaching*); Non-teaching School Employees; Judges; Legislators; Legislative staff; Other (*please specify*):



Sample Questions

Part 1 - Demographic Information

10. Are any types/categories of employees specifically excluded from participation in the Plan? **Yes No**

If "Yes," please describe the types and categories of employees specifically excluded from participation in the Plan.



Sample Questions

PART 3 - PLAN PROVISIONS

20. Check any non-retirement type benefits authorized by the terms of the Plan (**check all that apply**):
Lump Sum Death Benefit; Long Term Disability;
Retiree Health; Life Insurance; Other (*please specify below*):
22. In the last five (5) years, have amendments been adopted to provide any special “window” programs (in addition to the Plan’s regular early retirement provisions) that encourage early retirement? **Yes No**
If you responded “Yes,” describe how the most recent program operates:



Sample Questions

PART 3 - PLAN PROVISIONS

23. Are mandatory employee contributions required under the terms of the Plan? **Yes**
No

28. Does the Plan provide for post-retirement benefit adjustments such as an automatic cost-of-living adjustment (COLA) to retired Plan participants? **Yes** **No**



Sample Questions

PART 5 - PLAN COMMUNICATIONS

40. How are Plan provisions communicated to participants? (**check all that apply**) Plan Document; Summary of Plan Provisions; Member Handbook; Website; Newsletters; Group Meetings; Other (*please specify*):
41. When are Plan provisions communicated to participants? (**check all that apply**) When hired; Annually; At first eligibility for retirement; At retirement; When the Plan is amended; Other (*please specify*):



Sample Questions

PART 6 - PLAN ADMINISTRATION

- 47. Is there a Board of Trustees authorized to administer the Plan (e.g., hire third party administrators and investment advisors, make investment decisions, etc.)? **Yes No** If you responded “No,” who has authority to administer the Plan?
- 48. Is a third-party administrator used to administer the Plan? **Yes No**
- 49. Who makes investment decisions for the Plan?
- 50. Are third-party investment advisors used for the investment of Plan assets? **Yes No**



Sample Questions

PART 9 - FEEDBACK

- 63. On a scale from 1 to 5, with 5 being the most burdensome, how burdensome was this questionnaire to complete?
- 64. Estimate how long it took you to complete this questionnaire (include the time of all individuals who participated) _____hrs
- 65. Explain any additional information you would like to share related to the questionnaire in general or any specific question.



Comments

- ✓ Some Questions are outside of IRS jurisdiction
 - ERISA funding requirements
 - Eligibility
 - Vesting
 - Prohibited Transactions
 - Communication of plan financial information to participants



Comments – continued

- Request for a legally binding statement regarding non-enforcement
- Timing of questionnaire in challenging economic times
- Concern that the service will take enforcement action that will lead to stiff penalties at a time when they can least afford to bear those costs



Comments – continued

- ✓ 90 day response time burdensome – suggest 180 days
- ✓ Many governmental plans are unfamiliar with the Service’s Employee Plans function.
- ✓ Add specific “plain English” language stating that EPCRS is available unless the plan is under separate audit or investigation



Next Steps

- ✔ Compile information from the pilot questionnaire
- ✔ Consider modifying the questionnaire to address clarity, content and burden concerns raised by comments received
- ✔ After revisions, mail the final questionnaire to approximately 200 governmental plans
- ✔ Issue a public report summarizing the overall responses, findings and observations.




Ongoing Actions

- ✓ Work with governmental plan sponsors, administrators and Practitioners to:
 - Improve the determination letter process
 - Provide clear guidance in appropriate areas
 - Enhance self-correction and voluntary compliance procedures for governmental plans.



EPCU WebPage

**Internal Revenue Service**
United States Department of the Treasury



[Individuals](#) | [Businesses](#) | [Charities & Non-Profits](#) | [Government Entities](#) | [Tax Professionals](#) | [Retirement Plans Community](#)

[Benefits Practitioner](#) | [Plan Participant/Employee](#) | [Plan Sponsor/Employer](#)

Retirement Plans Community Topics

- [Newsletters](#)
- [Published Guidance](#)
- [EP Forms/Pubs/Products](#)
- [Correcting Plan Errors](#)
- [Examinations/Enforcement](#)
- [EP FAQs](#)
- [Types of Plans](#)
- [Contact EP/Services](#)
- [More Topics . . .](#)

Employee Plans Compliance Unit (EPCU)

[Featured Project - Governmental Plans Questionnaire](#)
Guidance and resources for plans contacted with this issue.

[Overview of EPCU](#)
Who we are and what we do.

[WRERA Election Form and Instructions](#)
(Adobe Acrobat is needed to electronically send the form.)

[EPCU Project Selection Committee](#)
How are EPCU projects approved?

Current Projects
Select the project to learn more about it.

- [Form 5498 IRA Required Minimum Distribution Project](#)
- [403\(b\) Universal Availability Project](#)
- [Schedule A Project](#)
- [Funding Deficiencies Project](#)
- [Multiemployer Actuarial Certification/WRERA Elections Project](#)
- [Party-In-Interest Transaction Project](#)
- [Master and Prototype \(M&P\) Plans Project](#)
- [Invalid 501\(c\)\(18\) Deferrals Project](#)
- [Simplified Employee Pension Plans \(SEPs\) Project](#)
- [Non-Cash Contributions Project](#)

IRS Resources

- [Compliance & Enforcement](#)
- [Contact My Local Office](#)
- [e-file](#)
- [Forms and Publications](#)
- [Frequently Asked Questions](#)
- [Newsroom](#)
- [Taxpayer Advocate Service](#)
- [Where To File](#)



Website -

Website: irs.gov/ep

Retirement Plans Community

– Examination/Enforcement

- **Employee Plans Compliance Unit (EPCU)**
- **Featured Project – Government Plans Questionnaire**



Questions

▼ Janice.M.Gore@irs.gov

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 11, 2009

Election Worker Exclusions

Panelists: Ken Anderson, SSA, Policy Specialist, SSA Office of Earnings
Jayne Maxwell, IRS, Manager
Karen Park, Oregon

Moderator: Barry Faison, Virginia

Background:

- Election workers defined
- Election Worker Exclusion only applies for national, state, and local elections
- Part-time workers on pre-election activities not eligible for exclusion
- Payments are normally a set amount – for a day or duration of the election
- Election workers are considered to be employees

Election Worker Coverage, Exclusions and Reporting:

- Prior to 1968, no provisions to specifically exclude Election Workers
- Effective January 1, 1968, states could elect to exclude payments less than \$50 per quarter
- From January 1, 1978 through December 31, 1994 the exclusion could be modified to exclude payments less than \$100 per quarter
- P.L. 103-26 Provisions
 - Exclusion could be increased to a threshold amount by Modification
 - Modification effective January 1 of the year it is ratified
- Threshold amounts adjusted based on national average wage index
- Mandatory exclusion applies if not under Section 218 Agreement
- No FICA of payment less than threshold amount or state agreement
- Form W-2 required for payment of \$600 or more
- Form 1099 is not used for election worker reporting

Outstanding Issues and Resources:

- Impact of “vote by mail” on election worker rules
- Process for handling local workers who also work as election workers
- Additional information – http://www.ssa.gov/slge/election_workers.htm

Presentation

on

Election Workers

NCSSSA Conference, August 2009



*Social Security Administration,
Office of Income Security Programs*

Defined as...

- election judges
- election clerks, and
- their supervisors

Hired to perform services at polling places

Election Workers...not!

Part-time employees hired to do pre-election related functions:

- procure voting machines
- administrative work
- scout polling place locations

Payments

Normally paid set amount:

- For the day
- For the duration of the election

Employees of the state...

subject to a degree of control as

employees under the common-law tests

Section 218 Agreement and Election Workers

The state or its political subdivisions
-and-
the Social Security Administration



together may agree to extend Social Security coverage to election officials and workers

Section 218 Agreement and Election Workers (cont.)

- Covers services

- includes statement that election worker services are covered

- Amount needed to be eligible for coverage

- Threshold amount

- Amount per calendar quarter or year

Section 218 Agreement and Election Workers (cont.)

- may contain an exclusion for workers paid less than the threshold amount
- this exclusion is an “optional exclusion” from voluntary coverage under 218

Election Worker Exclusions

- Prior to 1968, no provisions to specifically exclude election workers
- Effective January 1, 1968, states could exclude election workers based on payment amount (currently adjusted automatically)
 - Less than \$50 per quarter

Election Worker Exclusions...cont.

- January 1, 1978- 1994, exclusion could be modified
 - Remuneration less than \$100 per calendar year

P.L. 103-26 Provisions

- Beginning 1995, exclusion amount increased
- Exclusion amounts could increase from \$100 to any amount less than the threshold.

P.L. 103-26 Provisions and New Modifications...

- All increases to exclusion amounts required a new modification to the state's agreement.
- Election worker modifications become effective January 1 in the calendar year in which it was ratified.

P.L. 103-26 Provisions and New Modifications...

- the state could begin excluding election worker services

-or-

- could begin covering services

No new modification?

Adjusted threshold amount does not apply.

Threshold Amounts

- Statutory threshold amounts are derived from the national average wage index
- Adjusts automatically
- \$1500 for 2009

Election Worker Coverage under 218

- Workers earning \$1500 or more per year are covered for Social Security
- Workers earning less than \$1500:
 - ❑ Not covered, unless
 - ❑ Position and lower threshold amount is in agreement

Election Worker Coverage: No 218 agreement

- Entity not covered, then
- Mandatory coverage applies if threshold is met

Retirement System Covered

- Can also be covered under the state's 218 agreement
- Referendums are needed for 218 coverage

Reporting Remuneration...

Workers earning *less than* threshold amount
not subject to FICA

UNLESS

the position and lower threshold amount is
covered in the state's agreement

Reporting Remuneration (cont.)

- Aggregate payments of \$600 or more must be reported on Form W-2
- File Form W-2 for payments of less than \$600 when FICA taxes are withheld under 218 agreement.
- No Form 1099 reports for election workers.
- See Rev. Rul. 2000-06~ EE: multiple positions, same entity.

Reporting Remuneration (cont.)

- No FICA taxes due on remuneration less than threshold amount: mandatory coverage under 210

Recap



- Keep abreast of the threshold amounts and reporting requirements

Recap (cont.)

- Election workers not covered under the state's agreement are subject to mandatory coverage when threshold amount is met
- Excluding election workers from 218 is an optional exclusion
- Referendums needed for 218 coverage: positions under a qualifying retirement system (if not already included).

Recap (cont.)

- 218 agreements covering election worker services may include:
 - Statement providing voluntary coverage
 - Amount needed for coverage
 - could be the threshold amount,
 - or amount per calendar quarter or year
 - Exclusion for workers paid less than threshold amount

Resources

- Social Security

POMS SL 30001.357

POMS SL 50001.560

POMS SL 80001.850

- IRS

Publication 963, Chapter 5

Revenue Ruling 2000-06

Resources (cont.)

Election Officials and Election Workers

http://www.ssa.gov/slge/election_workers.htm

Employment Coverage Thresholds

<http://www.socialsecurity.gov/OACT/COLA/CovThresh.html>



NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 11, 2009

Conducting a Referendum from beginning to end!

Speakers: Nick Merrill, Illinois
James Driver, Kentucky
Moderator: Lee DeJabet, South Dakota

We were on a very tight schedule so introductions of the presenters were not read. We had heard from both of them previously during the conference. The printed introductions are attached.

James and Nick used a different approach for their presentation. It was an interactive discussion between a state administrator and a political subdivision contact. James was the state administrator and Nick portrayed the political subdivision contact.

The discussion was an inquiry into Section 218 coverage by a political subdivision. All the appropriate questions were asked by both the administrator and political subdivision contact as if we were sitting in on their conversation. An outline of the presentation is attached.

I heard a lot of positive feedback regarding both the presentation and how it was presented. Several attendees thought that the format helped them understand the topic better and also showed them how they could be interacting with new entities.

Submitted by:

Lee DeJabet
South Dakota State Social Security Admin.
Region IV VP

James Driver
Biographical Information

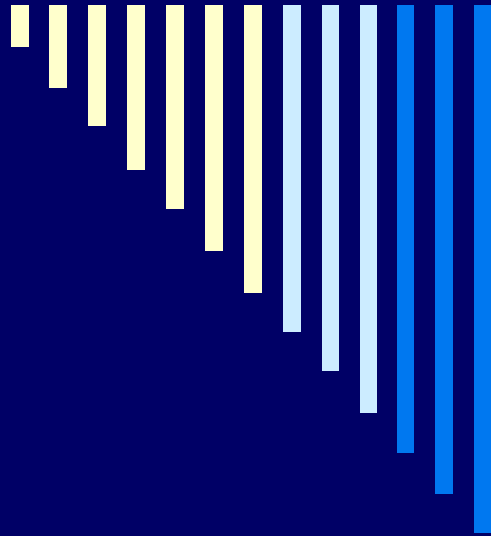
James serves in the Finance Cabinet of the Commonwealth of Kentucky. He is the State Social Security Program Manager in the Office of the Controller and he serves as the State's liaison between the Internal Revenue Service, the Social Security Administration, and all State and local governments. James has served as President of the National Conference of State Social Security Administrators from July 2007 to the present. He is on the Information Reporting Program Advisory Committee in Washington DC (2008-2010 term).

James conducts training seminars on employment tax issues affecting State and local government entities as well as motivational sessions in both the State of Kentucky and around the country.

James holds degrees in Psychology from Western Kentucky University (85), Masters in Education (86) from Western Kentucky University and a Masters of Divinity in Pastoral Counseling (90) from Southern Seminary. James' background includes being Human Resource Manager for the Cabinet for Families and Children, Executive Staff Advisor for Medicaid Services, and Personnel Administrator for Health Services.

Nicholas C. Merrill, Jr.
CPA, CGFM

- Has served as the Accounting Division Manager of the State Employees' Retirement System of Illinois for over 23 years
- Previously worked for a large regional public accounting firm, specializing in governmental audits and evaluations of complex computer systems
- Has served two terms as President of the National Conference of State Social Security Administrators
- Previously completed three years of serving on the Internal Revenue Service, Advisory Committee on Tax Exempt and Government Entities (ACT)
- Is on the Government Finance Officers Association, Special Review Executive Committee



Conducting a Referendum from beginning to end!

James Driver, Kentucky

Nick Merrill, Illinois



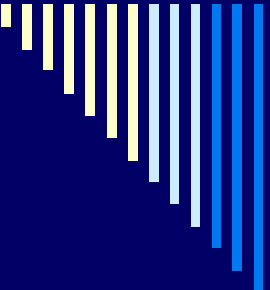
Objective:

The intent of this discussion is to cover the topic of those entities that do not have social security coverage based on participating in a retirement system. What follows is a step by step approach to cover political subdivisions under Section 218.



Step 1

Obtain Legal Documentation that formed the entity. Make a determination based on the legal documentation and your State's Statutes of whether the entity is indeed a political subdivision of your state for social security purposes.



Questions to ask while reviewing legal documents

- Is the entity a separate political subdivision for social security purposes?
- Is the entity a body politic with attributes of a corporation? i.e. do they have the right to sue and be sued, do they have sole hiring authority, do they have the power to tax, etc.



Step 2

Assuming the entity is a political subdivision; notify the political subdivision of Social Security options.

1. Full FICA coverage, social security and Medicare, is extended through a voluntary plan and agreement with the State. These agreements are commonly referred to as “Section 218” agreements. [Section 218 of the Social Security Act (Act)].



Step 2 (continued)

2. **For services performed after July 1, 1991, full FICA coverage, social security and Medicare, is required for employees whose services are not covered under a Section 218 agreement or by a qualified, employer's retirement system. This coverage is commonly referred to as "mandatory FICA". [Section 210(a)(7)(F) of the Act and Section 3121(b)(7)(F) of the Internal Revenue Code (Code)].**



Step 2 (continued)

3. Medicare only coverage is required for political subdivision employees whose services are not covered for social security under a Section 218 agreement or under mandatory FICA, but who were hired after March 31, 1986. This coverage constitutes Medicare qualified government employment. [Section 210(p) of the Act and Section 2131(u) of the Code].



Coverage Checklist

- ☐ Obtain Legal documentation
- ☐ Send Coverage letter
- ☐ Send referendum resolution
- ☐ Send referendum notice and register
- ☐ Conduct Educational (if agreed upon)
- ☐ Conduct Referendum



Checklist continues

- Send Plan and Agreement upon affirmative referendum
- Once Plan and Agreement is received complete Modification

Shelby County 109 Taxing District - Coverage Template

Save and Close | Recurrence... | X | |

File Edit View Insert Format Tools Actions Form Layout Help

Task Agency Info Checklist

Coverage Checklist

	<u>Requested/Sent</u>	<u>Date</u>	<u>Received</u>	<u>Date</u>
Obtain Legal Document	<input checked="" type="checkbox"/>	October 15, 2006	<input checked="" type="checkbox"/>	October 19, 2006
Send Coverage Letter	<input checked="" type="checkbox"/>	October 25, 2006	Coverage Letter Response	
Send Referendum Resolution	<input checked="" type="checkbox"/>	Dec. 5, 2006	<input checked="" type="checkbox"/>	Jan. 11, 2007
Send Referendum Notice	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	1/11/2007
Referendum Date, Time and Location	April 19, 2007 from 2-4 PM 419 Washington Street, Shelbyville (Educational on April 5th from 2-4 PM at same loc)			
Send Referendum Register	<input checked="" type="checkbox"/>	1/17/07	<input type="checkbox"/>	
Referendum Conducted:	Favorable Referendum?	<input checked="" type="checkbox"/>	Vote Count: Eligible Voters	6
	Unfavorable Referendum?	<input type="checkbox"/>	Not Voting	
Send Plan & Agreement	<input checked="" type="checkbox"/>	4/20/07	<input checked="" type="checkbox"/>	5/21/07
Prepare Modification	<input checked="" type="checkbox"/>	5/24/07	<input checked="" type="checkbox"/>	7/3/07
Modification Preparation Information	218(d)(6) and error mod			
Agency Data to Database	<input checked="" type="checkbox"/>	5/23/07	DOSS Status	Completed



Step 3

Submit Referendum Resolution to governing board or council of the political subdivision. In many cases, education of the governing body may be needed to explain the process and to answer questions. Often times the State Administrator can avoid misunderstandings by personally educating the board or council.



Step 4

Set referendum date, time, and place. Get referendum notice to employer and employees. Set up any times for employee educational meetings. (Note: encourage educational meetings to include the Social Security Administration for the employees)



Step 5

Send and receive the referendum register of eligible employees. (Note: Eligible employees are those not covered by Social Security via Section 218 and are participating members in the entity's retirement system on the date of the notice and on the day of the referendum).



Step 6

Conduct Referendum.

The Referendum process would have another list of processes. Much depends on the State, the type of referendum, the designee to conduct the referendum, etc.



Step 7

Once the Referendum has been completed, your office can issue a Plan and Agreement for the Governing Body of the political subdivision to sign.













Step 8








Prepare Modification and send to Regional SSA Office. (Discussion surrounded the issue of some states sending Modifications directly to the region while other states go through State SSA office).



Step 9

Notify political subdivision that the Modification has been signed and received back to your office and what that means to the entity.

- 1  **Conducting a Referendum from beginning to end!**
James Driver, Kentucky
Nick Merrill, Illinois
- 2  **Objective:**
The intent of this discussion is to cover the topic of those entities that do not have social security coverage based on participating in a retirement system. What follows is a step by step approach to cover political subdivisions under Section 218.
- 3  **Step 1**
Obtain Legal Documentation that formed the entity. Make a determination based on the legal documentation and your State's Statutes of whether the entity is indeed a political subdivision of your state for social security purposes.
- 4  **Questions to ask while reviewing legal documents**
 - ☐ Is the entity a separate political subdivision for social security purposes?
 - ☐ Is the entity a body politic with attributes of a corporation? i.e. do they have the right to sue and be sued, do they have sole hiring authority, do they have the power to tax, etc.
- 5  **Step 2**
Assuming the entity is a political subdivision; notify the political subdivision of Social Security options.
 1. Full FICA coverage, social security and Medicare, is extended through a voluntary plan and agreement with the State. These agreements are commonly referred to as "Section 218" agreements. [Section 218 of the Social Security Act (Act)].
- 6  **Step 2 (continued)**
 2. **For services performed after July 1, 1991, full FICA coverage, social security and Medicare, is required for employees whose services are not covered under a Section 218 agreement or by a qualified, employer's retirement system. This coverage is commonly referred to as "mandatory FICA". [Section 210(a)(7)(F) of the Act and Section 3121(b)(7)(F) of the Internal Revenue Code (Code)].**
- 7  **Step 2 (continued)**
 3. Medicare only coverage is required for political subdivision employees whose services are not covered for social security under a Section 218 agreement or under mandatory FICA, but who were hired after March 31, 1986. This coverage constitutes Medicare qualified government employment. [Section 210(p) of the Act and Section 2131(u) of the Code].
- 8  **Coverage Checklist**
 - ☐ Obtain Legal documentation
 - ☐ Send Coverage letter
 - ☐ Send referendum resolution
 - ☐ Send referendum notice and register
 - ☐ Conduct Educational (if agreed upon)
 - ☐ Conduct Referendum
- 9  **Checklist continues**
 - ☐ Send Plan and Agreement upon affirmative referendum
 - ☐ Once Plan and Agreement is received complete Modification
- 10  Screen print of an example of a Coverage Checklist created in Outlook

- 11  **Step 3**
Submit Referendum Resolution to governing board or council of the political subdivision. In many cases, education of the governing body may be needed to explain the process and to answer questions. Often times the State Administrator can avoid misunderstandings by personally educating the board or council.
- 12  **Step 4**
Set referendum date, time, and place. Get referendum notice to employer and employees. Set up any times for employee educational meetings. (Note: encourage educational meetings to include the Social Security Administration for the employees)
- 13  **Step 5**
Send and receive the referendum register of eligible employees. (Note: Eligible employees are those not covered by Social Security via Section 218 and are participating members in the entity's retirement system on the date of the notice and on the day of the referendum).
- 14  **Step 6**
Conduct Referendum.
- The Referendum process would have another list of processes. Much depends on the State, the type of referendum, the designee to conduct the referendum, etc.
- 15  **Step 7**
Once the Referendum has been completed, your office can issue a Plan and Agreement for the Governing Body of the political subdivision to sign.
- 16  **Step 8**
Prepare Modification and send to Regional SSA Office. (Discussion surrounded the issue of some states sending Modifications directly to the region while other states go through State SSA office).
- 17  **Step 9**
Notify political subdivision that the Modification has been signed and received back to your office and what that means to the entity.

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 11, 2009

Training Community: What's New? What's Old? And what's just plain cool?

Speakers: Marc Denos, Policy Specialist, Office of Earnings, SSA and Kathleen Baxter, Alabama

Moderator: Angie Dowdy

Marc Denos is a Policy Specialist for the Social Security Administration in Baltimore, Maryland. He plans, develops, evaluates, and issues operational policies and procedures concerning coverage issues related to Section 218 of the Act. When Marc is away from work, he can be found thundering his Harley along the east coast, emblazoning the capitol beltway with 400 horses of Hemi power—or, most recently, he has diverted much of his attention to the waterways of the Chesapeake Bay, where he happily reports—there are no speed restrictions.

Kathleen D. Baxter is currently an Accounting Director with the State of Alabama Finance Department State Comptroller's Office. She has been employed with the State for 19 years. She also has worked in other non-profit organization including health care facilities. Kathleen received her Bachelor's Degree in Business with a major in Accounting and Masters in Business Administration with a major in Governmental Accounting from Auburn Montgomery, and is currently working on her PhD in Public Administration at Auburn and Auburn Montgomery. She is currently the President of the Montgomery Chapter Association of Government Accountants, where she has chaired various committees including President Elect, Membership, Webmaster and Newsletter. Kathleen is in her second term as Regional Vice President of the NCSSSA and first term as Audit Chair.

Marc Denos (PowerPoint Presentation attached) highlighted the CORE website's "old" functions and explained how each works. He noted the look of the website has changed since its implementation, but most importantly, the functionality has improved. Marc encouraged everyone in attendance to log in and maneuver the site and try out the training community section. Marc said new training courses are added regularly.

Marc Denos then covered the "NEW": Tools and Edit Bar, Events Calendar, Community Information and Courses. Marc discussed how to ask a question of, or post a blog to the community. He also noted some additional features of the website such as the events calendar, and discussed the easiest way to navigate the website.

Kathleen Baxter, Alabama, discussed how the training courses have helped her as a relatively new state administrator and went over the ease of using the site. She explained how user-friendly the site is and how she's been able to post state specific information that be of use to other new state administrators.

Kathleen encouraged everyone attending the conference to sign up for CORE updates.

The PowerPoint used by Marc Denos is attached for reference.



State and Local Coverage Community

Providing support to state and local coverage experts

State and Local Coverage Community

What's old? What's new? And what's just plain cool!

**Presented By Marc Denos
Social Security Administration**



**NCSSSA Conference August, 2009
Chicago, Illinois**



State and Local Coverage Community

Providing support to state and local coverage experts

What is The State and Local Community?



Community focused



Training courses



Support



State and Local resources



Discussions





State and Local Coverage Community

Providing support to state and local coverage experts

What can it do for you?



Knowledge



Networking



Answers



Resources



Experience



State and Local Coverage Community

Providing support to state and local coverage experts

How Do I Access the Community?



Type: <https://collab.core.gov> into your browser.



If you haven't already, request a user account.

If you have a user account, enter your user name and password.



Locate the “SSA State and Local Community” in the Community Explorer box on the left of the page.



Navigate to the **SSA State and Local Community** (Alphabetically listed in the Community Explorer)

CORE.gov

Working together to build government-wide solutions
Component Organization and Registration Environment



State and Local Coverage Community

Providing support to state and local coverage experts

SSA State and Local Community

Welcome

Documents & Videos

Questions & Answers

Experts & Members

Welcome



I am new to state and local coverage and need guidance.

- [How to Use the Community](#)
- [State and Local Training](#)
- [State and Local Case Studies](#)
- [SSA Handbook](#)
- [IRS PUB 963](#)
- [Introduction to State Social Security Administration](#)
- [Community Discussions](#)



I have encountered a new situation and I'm not sure what to do.

- [State and Local Case Studies](#)
- [State Specifics](#)
- [Community Discussions](#)



I need to find state and local resources from both the IRS and the SSA.

- [SSA Handbook](#)
- [IRS PUB 963](#)
- [IRS Tax Codes](#)
- [Entity Summaries by State](#)



State and Local Coverage Community

Providing support to state and local coverage experts

Navigating Through the Community

Browse

[Up to top](#) [Up one level](#)



SSA State and Local Community



How to Use the Community



HT1: The Fundamentals



HT2: Administrative/Advanced Techniques



Communication Center



Resources



State and Local Library



Regional Specifics



State Specifics



Training



Glossary of Section 218 Terms



T1: Fundamental Training



T2: Advanced Training



T3: Case Study Training



State and Local Coverage Community

Providing support to state and local coverage experts

The Fundamentals

Browse

[Up to top](#) [Up one level](#)

[-]  SSA State and Local Community

[-] How to Use the Community

[-] **HT1: The Fundamentals**

[+] HT2: Administrative/Advanced Techniques

[+] Communication Center
















[+] Resources

[+] State and Local Library

[+]  Regional Specifics

[+]  State Specifics

[+]  Training

-  What is the State and Local Community?
-  What is a Community of Practice (CoP)?
-  Who can (or should) use the State and Local Community?
-  How do I use the State and Local Community?
-  How do I log in?
-  How are the pages laid out?
-  How can I navigate through the website?
-  What is the Welcome Page and how do I use it?
-  What are the tabs on the page and how do I use them?
-  What community areas are available to members of the community?
-  How is the training area organized?
-  How do I take part in the training courses?
-  How do I contribute resources to the community?
-  How do I use discussions in the community?
-  What is the State Specifics section of the community?



State and Local Coverage Community

Providing support to state and local coverage experts

Administrative/Advanced Techniques

Browse

[Up to top](#) [Up one level](#)

- SSA State and Local Community
 - How to Use the Community
 - HT1: The Fundamentals
 - HT2: Administrative/Advanced Techniques**
 - Communication Center
 - Resources
 - State and Local Library
 - Regional Specifics
 - State Specifics
 - Training

- Why do I need to be familiar with the Administrative Functions of the Community?
- Am I allowed to navigate freely throughout the Community?
- What permissions have I been allotted?
- What are the default permissions by Community and sub-community?
- What does my profile say about me and how do I access it?
- How do I become a member of a sub-community?
- As leader of my own page, what tasks will I face?



Communication Center

Browse

[Up to top](#) [Up one level](#)

[-] SSA State and Local Community

+ How to Use the Community

[-] **Communication Center**

+ Discussion Boards

+ Social Security Office Directory
2007

+ Resources

+ State and Local Library

+ Regional Specifics

+ State Specifics

+ Training

Question:

Questions [Add...](#)

<u>Title</u>	<u>Asked By</u>	<u>Asked</u>	<u>Last Answer By</u>	<u>Last Answer</u>	<u># Answers</u>
Do optional's vote in a referendum? ▾	Laquitta Heard ▾	16-Apr-2009 9:17 AM	Marc Denos ▾	16-Apr-2009 10:34 AM	1

Answer:



by [Marc Denos](#) ▾ on Thu, Apr 16, 10:34 AM

In a majority vote referendum--NO, optionals do not participate in the referendum. However, if coverage is elected by a majority of all eligible members, the covered group will include all current retirement system members, regardless of how they voted in the referendum, the ineligible and OPTIONALS.

In a divided vote referendum--YES, optionals participate in the referendum.

[Answer](#) [Edit](#) [Delete](#) [Email](#)

Did you find this helpful?



State and Local Coverage Community

Providing support to state and local coverage experts

Resources

United States[®]
Census
2010



Browse

[Up to top](#) [Up one level](#)

- ☐  SSA State and Local Community
 - ☐ How to Use the Community
 - ☐ Communication Center
 - ☒ **Resources**
 - ☐ External Resources
 - ☐ IRS Resources
 - ☐ SSA Resources
 - ☐ State and Local Library
 - ☐  Regional Specifics
 - ☐  State Specifics
 - ☐  Training









State and Local Coverage Community

Providing support to state and local coverage experts

Library

Browse

[Up to top](#) [Up one level](#)

- ☐  SSA State and Local Community
 - ☐ How to Use the Community
 - ☐ Communication Center
 - ☐ Resources
 - ☒ **State and Local Library**
 - ☐ Additional Libraries
 - ☐ IRS Library
 - ☐ SSA Library
 - ☐  Regional Specifics
 - ☐  State Specifics
 - ☐  Training



State and Local Coverage Community

Providing support to state and local coverage experts

State Specifics

State Specifics provides an area for each state to publish relevant state information and reach out to other states in an effort to share knowledge and expertise.

State administrators and community members will have access to the information from their respective states as well as to shared information from different states.



State and Local Coverage Community

Providing support to state and local coverage experts

Training



The training located on this site is currently broken out by four categories:

- ▶ Glossary
- ▶ Fundamental & Advanced Training Courses
- ▶ Case Study Courses



The training is intended to function as part of the community; utilizing both member knowledge and site resources to enhance the existing training as well as for developing new training courses.



State and Local Coverage Community

Providing support to state and local coverage experts

NEW



Tool and Edit Bar



Events Calendar



Community Information



Courses, of course!



State and Local Coverage Community

Providing support to state and local coverage experts

Tool and Edit Bar: Favorite

Favorite Ask Blog Add... Subscribe Email Edit Delete Move

Add to Favorites

Name *

URL *

Tags

My Favorites [Add](#)



SSA State and Local Community ▾ community

[Edit](#) [Delete](#) [Email](#)



Tool and Edit Bar: Ask

★ Favorite  Ask  Blog  Add...  Subscribe  Email  Edit  Delete  Move

Add a Question

Add a new Question by filling out the form below.

Question *

More info

Attachment

File

Browse...

OR [Add Sharepoint File](#)

☒ Notify me when anyone answers this Question

Save to Drafts

Submit

Cancel



278



State and Local Coverage Community

Providing support to state and local coverage experts

Blog



Marc Denos

Profile

Blog

Favorites and Network

Activity

Network Activity

Preferences

NCSSSA Conference 2009 ▾

Posted: Today 1:23 PM

This blog entry is about 🌐 [SSA State and Local Community](#) ▾

Generally, the days leading up to a conference are spent making last minute changes to my presentation, but this year--all that I can think about is Chicago. CHI-Town here I come!

[View Full Entry](#)

[Edit](#) [Delete](#) [Email](#)



 Favorite
 Ask
 Blog
 Add...
 Subscribe
 Email
 Edit
 Delete
 Move

?






Add a Resource
































Add a new Resource by filling out the form below.

Name *

NCSSSA Handbook 2009

Benefit/Value *

B *I*     Block Format  HTML



Tool and Edit Bar: Subscribe

★ Favorite ? Ask Blog + Add... ✓ Subscribe Email Edit ✕ Delete Move

Subscribe

Send notifications by

E-mail ▼

Notify me when:

E-mail
Inbox Notification
Inbox Notification & E-mail

- ... a topic is added
- ... a contribution is added
- ... a question is answered
- ... a question is asked
- ... a comment is added
- ... a highlight is added
- ... a relationship is added

... anywhere in this Community

Advanced ...

OK

Cancel



Tool and Edit Bar: Email

★ Favorite ? Ask Blog Add... Subscribe Email Edit Delete Move

Compose an E-mail

To:

Members...

Groups...

Cc:

Members...

Groups...

Bcc:

Members...

Groups...

Subject:

SSA State and Local Community

SSA State and Local Community - (
<https://collab.core.gov/CommunityBrowser.aspx?id=6085>)

☒ Include Header and Footer in email

Send

Preview

Cancel




State and Local Coverage Community

Providing support to state and local coverage experts

Events Calendar

< August 2009 >						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>1</u>
<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
9	10	11	12	<u>13</u>	<u>14</u>	<u>15</u>
<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>21</u>	<u>22</u>
<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>
<u>30</u>	<u>31</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>

<u>Title</u>	<u>Contributor</u>	<u>Start</u>	<u>End</u>
 59th Annual NCSSSA Conference	Marc Denos	Aug 9, 12:00 AM	Aug 12, 12:00 AM

59th Annual NCSSSA Conference

August 9-12, 2009

Chicago, IL

Registration Fee: \$375.00

To: State Social Security Administrators, State Officials, Federal Officials, Retirees and Guests

From: Linda Yelverton, First Vice President, NCSSSA

Re: 59th Annual NCSSSA Conference (Chicago, Illinois)

Sunday August 9, 2009 through Wednesday August 12, 2009

It is my pleasure to invite you to the 59th annual National Conference of State Social Security Administrators (NCSSSA)...



State and Local Coverage Community

Providing support to state and local coverage experts



© LIVE PENCIL



State and Local Coverage Community

Providing support to state and local coverage experts

Metrics

Community Information

Lifetime activity:



In This Community:

9588 Page Views

Date Created Fri, Jan 6, 2006 2:50 PM



State and Local Coverage Community

Providing support to state and local coverage experts

Training Courses

- 🕒 Glossary
- 🕒 The History of State and Local Coverage,
- 🕒 Roles and Responsibilities,
- 🕒 Exclusions from Mandatory Social Security and Mandatory Medicare Coverage,
- 🕒 Government 101: How and Why Does it Affect Section 218 and Mandatory Social Security/Medicare Coverage?,
- 🕒 Determining Public versus Private Entities,
- 🕒 Employee / Employer Relationships: How to Apply the Common Law Control Test,
- 🕒 Social Security and Public Retirement Systems for Mandatory Coverage,
- 🕒 How to Determine Social Security and Medicare Coverage (based on the flowchart),
- 🕒 Determining Part-time versus Full-time Employment,
- 🕒 Requests for Social Security and Section 218 Related Information,
- 🕒 What Everyone Needs to Know About Social Security,
- 🕒 Communication and the State Administrator,
- 🕒 Important Information for State Administrators to Share with Government Employers,
- 🕒 Introduction to State Social Security Administration.
- 🕒 Handling Consolidations, Annexations and Other Predecessor/Successor Situations,
- 🕒 218 Coverage for Fire Fighters and Police Officers,
- 🕒 Error Modifications for Erroneously Paid Social Security,
- 🕒 Temporary Emergency Worker Exclusion,
- 🕒 Public Employers and Wage Correction Reports,
- 🕒 Public Employers and Wage Reporting,
- 🕒 The Modification Process: "The who, what and how of it",
- 🕒 When an Entity Changes Name,
- 🕒 Election Workers,
- 🕒 The Windfall Elimination Provision (WEP),
- 🕒 Questionable Coverage: Questions to Ask When Developing and Documenting Coverage,
- 🕒 New Entity Notification Procedure,
- 🕒 Medicare-Only Coverage,
- 🕒 The Appeals Process.
- 🕒 Referendum process: How does a State Social Security Administrator conduct a simple majority or a divided vote referendum?
- 🕒 Dissolutions: Deleting a dissolved entity from a State's Agreement.
- 🕒 Coverage Eligibility.



State and Local Coverage Community

Providing support to state and local coverage experts

My Options: My Rights

User Privileges at a Location



Browse

- SSA State and Local Community**
- How to Use the Community**
- Communication Center**
- Resources**
- State and Local Library**
- Regional Specifics**
- State Specifics**
- Training**

Groups and Assigned Roles

Note: This is a list of groups that **Michele Lane** is a member of. Under each group is the list of roles that have been assigned to it.

Accounts

Email this Page, Request Membership, See Links, See the Community

Community Members

Edit Your Community Profile, Email this Page, See Community Members, See Contributions, See Highlights, See Questions, See Relationships, See Responses, See the Community, See Topics, Subscribe/Unsubscribe, Suggest a Comment / Changes to a Comment, Suggest a Community / Changes to this Community, Suggest a Contact / Changes to a Contact, Suggest a Contribution / Changes to a Contribution, Suggest a Highlight / Changes to a Highlight, Suggest a Question / Changes for a Question, Suggest a Relationship / Changes to a Relationship, Suggest a Response / Changes to a Response, Suggest a Topic / Changes to a Topic

State Administrators

Email this Page, Request Membership, See Community Members, See Contributions, See Highlights, See Questions, See Relationships, See Responses, See the Community, See Topics, Subscribe/Unsubscribe, Suggest a Contribution / Changes to a Contribution, Suggest a Highlight / Changes to a Highlight, Suggest a Question / Changes for a Question, Suggest a Response / Changes to a Response

Accumulated Privileges

Note: This represents the sum of all the privileges in all the roles assigned directly or indirectly to **Michele Lane** at **SSA State and Local Community**.



My Rights

☐ Community

☐ Full Control

☒ Read

☐ Edit

☐ Delete

☒ Suggest

☐ Add

☐ Administration

☐ Presentation

☐ Contribution

☐ Full Control

☒ Read

☐ Edit

☐ Delete

☐ Owner Edit

☒ Suggest

☐ Add

☐ Profile

☐ Full Control

☒ Read

☐ Edit

☐ Delete

☒ Owner Edit

☒ Suggest

☐ Add

☐ Miscellaneous

☒ Subscribe

☒ Email



State and Local Coverage Community

Providing support to state and local coverage experts

Questions?





State and Local Coverage Community

Providing support to state and local coverage experts



NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 11, 2009

How can we, as partners, help each other NCSSSA/SSA/IRS to avoid Section 218 coverage issues?

Panelists: James Driver, NCSSSA, Kentucky

Ken Anderson, Policy Specialist SSA Office of Earnings

Paul Marmolejo, Director, IRS FSLG

Jayne Maxwell, Manager, IRS Compliance and Program Management

Moderator: Dr. Maryann Motza, Colorado

Maryann Motza (CO) introduced the topic with a Power Point slide (see attachment), that outlined the subject. In opening the discussion she stated that the reason to partner with each other is to maximize voluntary compliance by public employers while minimizing the difficulties associated with complying.

James Driver (KY) stated that public employers need our help. We want to get it correct to help public employers. It is important for all of us to work together using various means, such as CORE (SSA's training website: <https://collab.core.gov>), joint training of public employers by State Administrators, IRS, and the SSA, etc. State Administrators need to get out there with public employers. State Administrators need to work with resources they have and SSA and the IRS are willing to help.

Paul Marmolejo indicated that all of the people in the room are service providers and are also all problem-solvers. No one owns the entire process, which is the main reason for collaboration. Joint training and case studies are important tools to facilitate the collaborative effort. The NCSSSA conference has a 50% increase in attendance this year, thus showing increased interest in the area.

The IRS seeks to provide a higher level of service and information to customers. To help accomplish that the IRS will discuss the matter with the IRS Advisory Committee on Tax Exempt and Government Entities (ACT) and consider putting IRS's information on CORE. Paul hopes to leverage tools we already have. Paul's approach is to put people in contact with members of his staff who are working particular issues. For example, Stewart Rouleau, coordinates updates to IRS Publication 963.

Paul also stated that we cannot afford not to work together to solve the problems. Relationships are the key.

Jayne Maxwell agreed that partnership is a must. FSLG is broadening past partnership efforts. She succinctly summarized the answer to the topic under discussion as being two-fold: (1) education, and (2) communication.

Ken Anderson echoed the partnership comments. SSA has a partnership with FSLG; they meet together throughout the year. SSA Specialists are available as resources to all State Administrators and IRS officials.

The discussion was opened up to comments from the audience by asking what else would help. Audience members offered the following comments:

- Kristi Schmidt from the Office of General Counsel in Kansas City's Regional Social Security Administration Office, who was involved in the Report of the Federal Section 218 Task Force for Missouri School Districts (March 31, 2009):
<http://oa.mo.gov/acct/033109FederalTaskForceReport.pdf> , provided her insights. Ms. Schmidt recommended a partnership among all parties as the way to prevent problems in the future. Solving the problem in Missouri was only possible by having all parties at the table to discuss different perspectives.
- Need the Governor's support and attention in each state. Joint letters from both the IRS and SSA Commissioners to all Governors are needed. How can NCSSSA get the attention of the National Governors' Association (NGA)?
- There used to be annual training of State Administrators in Baltimore. That needs to be revisited.
- Reinforce education and communication as the keys.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Maryann Motza".

Maryann Motza, PhD, (CO)
Moderator

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Audit Committee Report

The Audit Committee met on Sunday, August 9, 2009, to review the Conferences' financial records. Vandee DeVore, Treasurer (MO) provided the reports and information to Kathleen D. Baxter for review.

The Committee reviewed the financial report. No discrepancies were noticed. Kathleen Baxter suggested that the Treasurer maintain copies of checks with the deposit in order to more easily reconcile the source of funds. The Committee and the Treasurer agreed with the recommendation.

Expenses for the Chicago Conference had not been reconciled at the time of the Conference; therefore, some numbers will change in the current statement.

The Audit Committee wishes to thank Vandee DeVore for her diligence and commitment to the Conference. The organization and detail of the accounts made the audit processes less complicated. Based on the information provide the Audit Committee accepts the financial statement as presented as accurately representing the financial status of the National Conference on State Social Security Administrators (NCSSSA).

Respectfully Submitted,

Kathleen D. Baxter (AL), Chairperson

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Constitution and By-Laws Committee Report

Members: Dean Conder (CO) – Chair
Laquitta Heard (OK)
Danielle Huffine (IA)
Gerald V. Howard (KY)

The Constitution and Bylaws Committee brought forth amends to the National Conference of State Social Security Administrators Constitution and Bylaws. Such amendments concerned NCSSSA regions, the addition of the position of Second Vice-President, and amendments to the bylaws that allows the Executive Committee to act on matters of importance to the conference during the conference year.

Such amendments were adopted by the Conference as a whole.

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Government Affairs Committee Report

Members: Dean Conder (CO) – Chair
Nick Merrill (IL)
Maryann Motza (CO)
Nick Favorito (MA)
David Breckenridge (OH)

The Government Affairs committee was inactive during the conference year and was dissolved. Duties and functions of this committee were duplicative of the Legislative Committee.

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

History Committee Report

The History Committee's purpose is to preserve the history of the NCSSSA. The chairperson is responsible for preparing a book to summarize the "Conference Proceedings". For the 59th annual meeting held in Louisville, Kentucky the Secretary of the Conference, Angie Dowdy, prepared the Proceedings Book and provided it to members on CD. The proceedings book was also sent to Mr. Larry DeWitt, SSA Historian. Angie Dowdy and Linda Yelverton also created a Scrapbook with pictures and the cover of each Program Booklet dating back from 1976 the 26th Annual Conference of State Social Security Administrators through the conference in Louisville, Kentucky.

I would like thank Angie Dowdy (LA), James Driver (KY) and Barry Faison (VA) for serving on the History Committee. With a special thank you to my assistant, Angie Dowdy, for her diligent work which was greatly appreciated.

Respectfully Submitted,

Linda Yelverton

Linda Yelverton, Louisiana
NCSSSA History Committee 2008-2009

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Hospitality Committee Report

The National Conference of State Social Security Administrators' 59th Annual Conference was held at the Doubletree Hotel Chicago-Magnificent Mile in Chicago, Illinois on August 9-12, 2009.

Hospitality Committee members worked in an efficient and effective manner in regards to the daily operation of the Hospitality Room. The Hospitality Room provided a comfortable setting for old friends, colleagues, and new conference attendees to converse. Hospitality Committee members made every attempt to ensure all conference attendees and guests were treated in a hospitable and welcoming manner on the part of NCSSSA.

Approximately 42 conference attendees visited the Hospitality Room, aside from their initial registration for the conference.

I would like to thank Lee DeJabet (SD), Karen Park (OR) and Linda Yelverton (LA) for serving on the 2008-2009 Hospitality Committee. I would also like to extend a special "thank you" to Vandee DeVore, Barry and Edith Faison, Dale Ferron, Ron Park, Nick Merrill & Harry Wales, as well as to everyone else, who may not have been assigned to the Committee, but helped us immensely. All your time and efforts are greatly appreciated.

Respectfully submitted,

Angie Dowdy

Angie Dowdy (LA)
Chairperson

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Internet Communications Committee Report

- Roster changes for State Administrators and Social Security Regional contacts are current as of August 2009.
- Executive committee, past conference, and past president have been updated through August 2009.
- 2009 conference presentations will be added to the Conference Presentations page.

Respectfully submitted,

Tammy Taylor

Committee Members:

Tammy Taylor, KY - Chairperson
Kathleen Baxter, AL
Teresa Commeau, NH (retired)
Angie Dowdy, LA

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Legislative Committee Report

The purpose of the NCSSSA Legislative Committee is to: maintain, assess, and disseminate proposed legislative, policy, or regulatory changes affecting Social Security and employment tax programs and, as needed, to testify on behalf of the NCSSSA before Congress or in Federal forums, representing the NCSSSA public sector position.

The Legislative Committee was very active again this year, having accomplished the following:

- Held eight (8) conference calls from October 8, 2008, through July 22, 2009. During the first conference call it was decided that the most efficient way to approach the Committee's responsibilities was to divide up the workload and assignments among all Committee members. An agenda was distributed prior to each meeting and summary notes, including action items, were provided after each conference call.
- Continued networking/liaison relationship with eleven (11) organizations that have similar issues and concerns to NCSSSA, i.e.:
 - Government Finance Officer's Association (GFOA)
 - National Governor's Conference (NGA)
 - National Association of Counties (NAC)
 - National Conference of State Legislatures (NCSL)
 - National League of Cities (NLC)
 - National Conference of Public Employees Retirement Systems (NCPERS)
 - National Association of State Retirement Administrators (NASRA)
 - Public Pension Network (PPN)
 - State Auditors, Comptrollers and Treasurers (SACT)
 - U.S. House Ways and Means Committee
 - U.S. Senate Finance Committee
- Between conference calls, informational e-mails and reports from the above organizations were shared with members of the Legislative Committee and the NCSSSA President and First Vice-President, to ensure NCSSSA's leadership was kept apprised of significant national-level issues and developments.

- Continued its active involvement in the Public Pension Network, which began during 2007-2008, after Ms. Barrie Tabin-Berger, Assistant Director, Federal Liaison Center, GFOA, sponsored NCSSSA's membership. The Public Pension Network consists of a group of organizations that lobby Congress and Federal agencies regarding many issues with which NCSSSA members are also concerned. Among participating organizations in the Network, in addition to the GFOA, are: National Conference of Public Employees Retirement Systems (NCPERS), National Association of State Retirement Administrators (NASRA), the National Council on Teacher Retirement (NCTR), National Association of Government Defined Contribution Administrators (NAGDCA), and the National Conference of State Legislatures (NCSL). Involvement in the Public Pension Network has proven to be extremely valuable to NCSSSA in two major ways:

(1) Ensures that NCSSSA is apprised immediately of any Federal-level developments (Presidential, Congressional, or regulatory) that impacts any aspects of NCSSSA's areas of interest, e.g., Social Security, Medicare, employment taxes, and public pension system requirements and oversight. Examples during 2008-2009, included:

- A. Local Officials Tax Relief Act of 2008, introduced in the U.S. Senate (as Senate Bill 2151) and in the House (as House Resolution 6603) during the second session of the 110th Congress. The bills were to amend the Social Security Act and Internal Revenue Service to exempt from Social Security taxes any remuneration paid to an elected or appointed member of a general governing board, commission, or committee of any political subdivision of a state if the amount paid was not more than \$1,300 during calendar year 2008, with adjustments to the amount determined by the Social Security Administration for subsequent years. Both bills were referred to committees in their respective houses of Congress, but were not passed out of committee.
- B. Issuance of Notice 2008-98 on October 10, 2008, providing that the IRS and U.S. Treasury intend to amend the normal retirement age regulations to change the effective date for governmental plans to plan years beginning on or after January 1, 2011.
- C. Increased Federal scrutiny over public retirement systems and Social Security and Medicare coverage and benefits as they apply to state and local government employees, as expressed in several forms:
 - The possible modification of the FICA tax exemption for students was included in a White Paper issued by the U.S. Senate Finance Committee on May 20, 2009. The White Paper, entitled "Financing Comprehensive Health Care Reform: Proposed Health System Savings and Revenue Options"¹, includes possible policy options to generate revenue to pay for the comprehensive health care reform legislation proposed by Congress and President Obama's Administration. Currently, any income earned by a student at a college or university related to their education is exempted from the FICA tax. The proposal included in the White Paper would set an annual cap on the amount that is exempted (\$1,090 for 2009),

¹ Available at: <http://www.finance.senate.gov/sitepages/leg/LEG%202009/051809%20Health%20Care%20Description%20of%20Policy%20Options.pdf>.

so that most employed students, such as teaching assistants or research assistants, would have to pay the tax on income above the exemption cap. As of June 2009, the latest information available indicated that the FICA exemption would be retained for all students except medical residents.

- Announcement in June 2009, that a Government Accountability Office (GAO) investigation of State Social Security Administrator responsibilities has been requested by the U.S. House Ways and Means Subcommittee on Social Security.
- Issuance in July 2009, of a survey on investment strategies of state and local pension plans by the GAO.

(2) Provides high-profile exposure for NCSSSA on significant national issues when NCSSSA signs on to letters expressing concern or support for proposed actions at the Federal level. As a member of the Public Pension Network, during 2008-2009, NCSSSA joined in on several major policy statements that were submitted to Congress, the IRS, and the American Academy of Actuaries (copies of which are attached to this report), including:

- A. March 13, 2008, letter to Congress requesting a needed technical correction to the Pension Protection Act (PPA) of 2006 to ensure restrictions aimed at issues in the ERISA plan setting do not impose benefit cuts on employees in governmental defined benefit plans.
- B. August 1, 2008, letter to the American Academy of Actuaries, concerning the review of Actuarial Standard of Practice (ASOP) No. 27 by the Actuarial Standards Board (ASB), expressing concerns about applying corporate pension actuarial standards to the public sector. The letter stated, in pertinent part, “[s]pecifically, the letter expressed concerns about the several references in the ASB Request for Comments related to the concepts of financial economics and their use as “an alternative to the traditional actuarial model.” Recent articles have suggested governments should measure and account for their pension liabilities using corporate sector requirements. However, distinctions between the public and private sectors and the structure and governance of their pension plans often appear to be unknown or misunderstood by the authors of these articles. State and local government employee pensions are designed much like the federal pensions provided to U.S. military and civil service personnel, and are similarly backed by the full faith and credit of their sponsoring governments. Accordingly, suggesting the application of corporate finance measures—which are aimed at companies that can be acquired or go out of business—is simply inappropriate, uninformed and irresponsible.”
- C. May 23, 2009, letter to the IRS, Employee plans Compliance Unit, regarding the IRS’s pilot Governmental Plan Questionnaire.
- D. July 31, 2009, letter to the Governmental Accounting Standards Board (GASB), in response to their Invitation to Comment on possible revisions to GASB Statements 25 and 27, providing standards for accounting and reporting on the pension benefits that

governments provide to their employees. Specifically the PPN stated, in pertinent part: “Replacing this current GASB approach with a so-called “Market Valuation of Liabilities” method (MVL), would only serve to confuse users of public retirement system financial reports. Many stakeholders are likely to view MVL as a termination figure that reflects the pension liabilities of an entity that may be acquired or go out of business. These contingencies are virtually nonexistent in the public sector. Moreover, state constitutional or statutory frameworks, and case laws, guarantee the ability of public employees to receive the benefits they’ve been promised, and, in most cases, to continue to accrue those benefits. MVL is based on the corporate operating and legal environment, and focuses on pricing pension liabilities. Yet the purpose for measuring public pension liabilities is not to price them, but to fund them. Because some may view MVL as reflecting a plan’s termination as of some past date, for entities that are not terminating, and that are required to continue honoring service accruals and salary growth, this measure holds little value for public sector plans and threatens to mislead and confuse stakeholders. MVL would also lead to lower investment earnings, higher costs, lower funding ratios, and increased volatility of costs and funding levels. “

- Posted several items on Google-Groups, informing the entire NCSSSA membership of issues or requesting their input into important national-level issues:
 - (1) Request by Steve Miller, Director of the IRS Division of Tax Exempt and Government Entities (TE/GE), for feedback from stakeholders about issues and concerns that the economic downturn has, or may in the future have, on TE/GE stakeholders.
 - (2) Comments on the pilot questionnaire for Governmental Plans Initiative by the IRS. A separate letter, dated May 19, 2009, in addition to the one in which NCSSSA joined as part of the Public Pension Network, discussed above, was sent by me, as Legislative Committee Chair, to the IRS. A copy of that letter is attached as part of this report.
- Conducted a survey of NCSSSA membership, in October and early November 2008, as to NCSSSA members’ comments, issues, and concerns related to both Presidential candidates’ issue positions on Social Security, Medicare, employment taxes, and public pension systems. The final results of the survey are attached to this report.
- In November 2008, provided President James Driver with suggested changes to the Legislative Committee’s Purpose and Responsibilities statement that is included in the NCSSSA Standard Operating Procedures (SOP).

As chairperson of the Legislative Committee, I want to personally thank the other members of the Committee for their invaluable contributions and continued support of the efforts of the Committee: Michelle Briggs (AZ), Angie Dowdy (LA), and Nick Merrill (IL).

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Maryann Motza". The signature is fluid and cursive, with the first name "Maryann" and the last name "Motza" clearly distinguishable.

Maryann Motza, PhD, (CO), Chairperson
NCSSSA Legislative Committee, 2008-2009

National Conference of State Legislatures (NCSL)
Fraternal Order of Police (FOP)
American Federation of State, County and Municipal Employees (AFSCME)
National Association of Counties (NACo)
American Federation of Teachers (AFT)
United States Conference of Mayors (USCM)
International Brotherhood of Teamsters (IBT)
National League of Cities (NLC)
International Association of Fire Fighters (IAFF)
International City/County Management Association (ICMA)
National Education Association (NEA)
National Association of State Auditors Comptrollers and Treasurers (NASACT)
National Association of Police Organizations (NAPO)
National Association of State Treasurers (NAST)
Government Finance Officers Association (GFOA)
International Public Management Association for Human Resources (IPMA-HR)
National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)
National Association of Government Defined Contribution Administrators (NAGDCA)
National Public Employer Labor Relations Association (NPELRA)
National Conference of State Social Security Administrators (NCSSSA)
Service Employees International Union (SEIU)

March 13, 2008

The Honorable Max Baucus
Chairman, Committee on Finance
United States Senate
Washington, DC 20510

RE: Needed Technical Correction for Public Employee Pensions

Dear Mr. Chairman:

On behalf of the twenty-one national organizations listed above—representing state and local governments and officials, public employee unions, public retirement systems, and more than 20 million state and local government employees, retirees, and their beneficiaries—we are writing to request your assistance in making a needed technical correction to the Pension Protection Act (PPA) of 2006 to ensure restrictions aimed at issues in the ERISA plan setting do not impose benefit cuts on employees in governmental defined benefit plans. Specifically, we strongly support a needed statutory clarification to ensure rates of interest established by or in accordance with State or local laws are treated as permissible methods of crediting interest.

At issue is a requirement in the PPA stipulating that in order to comply with age discrimination laws the rate of interest used by a defined benefit plan can be **no greater** than a “market rate of return.” This cap is aimed at issues that arise under ERISA. In the public plan setting – where benefit protections and plan designs are quite different – the application of an interest rate cap would cut employee benefits, may actually conflict with State and local benefit guarantees, and also undermine efforts to preserve underlying defined benefit features.

Most governmental pension plans credit interest in some fashion, whether on refunds of contributions, deferred retirement option plans (DROPs), survivor benefits, or other optional forms of benefit common in public sector plans. These plan features are set through public law to achieve different objectives. In some cases, the structure was designed to protect public plan participants from the ravages of inflation or downside investment risk, in others to allow members to share in the investment gains of the plan. Many apply solely to optional ancillary provisions added to provide flexibility or accommodate the needs of short-service employees while safeguarding the traditional pension as the primary plan benefit. Nevertheless, State statutes and/or local ordinances guaranteeing numerous types of interest credit, including set, underlying or minimum rates of return, could be in excess of a new federal limitation in any particular year.

It is our understanding that PPA technical corrections legislation will soon be considered. We strongly urge your support of including a statutory clarification to ensure rates of interest guaranteed under State and local governmental plans are not in conflict with new federal requirements.

Attached is a one-page summary of the issue. If you have any questions or need additional information, please do not hesitate to contact the legislative representatives of our organizations:

Tim Richardson, FOP, (202) 547-8189
Barry Kasinitz, IAFF, (202) 737-8484
Jeannine Markoe Raymond, NASRA, (202) 624-1417
Diana Noel, NCSL, (202) 624-7779
Daria Daniel, NACo, (202) 942-4212
Larry Jones, USCM, (202) 861-6709
Neil Bomberg, NLC, (202) 626-3020
Jan Oliver, IBT, (202) 624-8741
Robert Carty, ICMA, (202) 962-3560
Alfred Campos, NEA, (202) 822-7345
Cornelia Chebinou, NASACT, (202) 624-545
Ed Jayne, AFSCME, (202) 429-1188
Bill Johnson, NAPO, (703) 549-0775
Dan DeSimone, NAST, 202-624-8592
Barrie Tabin Berger, GFOA, (202) 393-8020
Tina Ott Chiappetta, IPMA-HR, (703) 549-7100 x 244
Leigh Snell, NCTR, (703) 684-5236
Susan White, NAGDCA, (703) 683-2573
Hank Kim, NCPERS, (202) 624-1456
James Driver, NCSSSA, (502) 564-6888
Allison Reardon, SEIU, 202-898-3200
Bill Cunningham, AFT, (202) 393-6301

Impact of PPA's Interest Credit Limitations on Public Employee Plans

Restrictions in the Pension Protection Act (PPA) of 2006, Aimed at ERISA Plan Issues, Could Conflict with State and Local Government Employee Benefit Guarantees and Protections

Most Public DB Plans Credit Interest in Some Fashion. The current statutory definition of an “applicable defined benefit plan” subject to the limitations set forth in the PPA is being interpreted to cover numerous traditional DB plans with features and options that provide interest crediting. Treasury has indicated this would likely apply to long-standing public pension plan designs not subject to interest rate requirements under ERISA, including the vast majority of traditional public DB plans that credit interest on **refunds of contributions**, provide interest-bearing deferred retirement option plans (**DROPs**), **survivor benefits**, or other **optional forms of benefit** common in public sector plans that make these arrangements more attractive to public workers. These plan features have been adopted in open public legislative processes that included significant employee participation and in many cases were promoted by the employee groups themselves.

Cap on Interest Rates Could Conflict with State Guarantees and Efforts to Preserve Underlying Defined Benefit Features. The PPA stipulates that in order comply with age discrimination laws the rate of interest used by an applicable defined benefit plan must be **no greater** than a “market rate of return.” State statutes and/or local ordinances guarantee numerous types of interest credit, including set, underlying or minimum rates of return that could be in excess of this new federal limitation in any particular year. State and local interest rate structures are set through public law to achieve different objectives. In some cases, the structure was designed to protect public plan participants from the ravages of inflation or downside investment risk, in others to allow members to share in the investment gains of the plan. Many apply solely to optional ancillary provisions added to provide flexibility or accommodate the needs of short-service employees while safeguarding the traditional pension as the primary plan benefit.

State and Local Protections Already Exist. State and local government constitutional, statutory, contractual and/or case law would generally prohibit conversions of traditional DB plans to cash balance or any other plan design, as most public employees are not only guaranteed what they have earned to date, but their future accruals are safeguarded as well. Such protections mean that any changes in the pension design are prospective only – applying solely to the way benefits will be provided to future employees.

Cross-Reference to Inapplicable Federal Laws Presents a Catch-22. Most of the cash balance and hybrid plan provisions of the PPA amend parts of the Internal Revenue Code (IRC) and ERISA from which governmental plans are exempt. The legislation’s modification to the Age Discrimination in Employment Act (ADEA), however, applies to private and public sector plans alike yet cross-references definitions in ERISA and parts of the IRC inapplicable to public sector plans. Because public plans are not subject to these cross-referenced sections of the Code and ERISA, Treasury’s conforming regulations to these sections cannot make special accommodations for the specific designs and protections inherent in State and local government plans. Furthermore, since the Equal Employment Opportunity Commission (EEOC), which implements ADEA, is required by law to use the IRC definitions, this agency also cannot provide such relief. In short, even if Treasury or EEOC were to agree that a problem exists, neither agency appears to believe it has regulatory authority to deal with it.

Clarification Needed. The unique protections and plan designs inherent in State and local government retirement systems cannot be accommodated in regulations written for parts of the IRC and ERISA inapplicable to the public sector. A statutory clarification is needed to ensure rates of interest provided by State or local governmental plans in accordance with a statute, ordinance, administrative procedure, collective bargaining agreement or other public process, are treated as permissible methods of crediting interest under the PPA.

**National Conference of State Legislatures
National Association of Counties
U.S. Conference of Mayors
National League of Cities
National Association of State Treasurers
National Association of State Auditors, Comptrollers and Treasurers
International City/County Management Association
American Federation of State, County and Municipal Employees
Service Employees International Union
American Federation of Teachers
National Education Association
Fraternal Order of Police
International Association of Fire Fighters
National Association of Police Organizations
AARP
National Council on Teacher Retirement
National Association of State Retirement Administrators
National Conference on Public Employee Retirement Systems
National Conference of State Social Security Administrators
International Public Management Association for Human Resources
College and University Professional Association for Human Resources
National Public Employer Labor Relations Association**

July 31, 2009

Director of Research and Technical Activities
Governmental Accounting Standards Board
Project No. 34
Via email: director@gasb.org

On behalf of the above-named organizations, we are responding to the Governmental Accounting Standards Board's Invitation to Comment on possible revisions to GASB Statements 25 and 27, providing standards for accounting and reporting on the pension benefits that governments provide to their employees. Together, we represent a wide range of users of public retirement system financial reports, including state legislators and other policymakers; executive officials, such as mayors, county officials, treasurers, and comptrollers; public employers, public employees and retirees; and trustees or other governing bodies of governmental pension plans.

Overall, GASB Standards 25 and 27 in their present form are satisfactory in terms of informing users about the financial, accounting, and actuarial condition of governmental plans. In particular, we believe current measures consistent with governmental pension plans' long-term nature are a better gauge of a plan's financial condition than single-point market-based measures. Thus, we continue to believe that using government-sponsored retirement systems' estimated long-term investment returns, based on their asset allocations, as the rate for discounting projected pension benefits to their present value for accounting purposes is consistent with both the perpetual nature of governments and the enduring, long-term nature of public pensions.

Replacing this current GASB approach with a so-called “Market Valuation of Liabilities” method (MVL), would only serve to confuse users of public retirement system financial reports. Many stakeholders are likely to view MVL as a termination figure that reflects the pension liabilities of an entity that may be acquired or go out of business. These contingencies are virtually nonexistent in the public sector. Moreover, state constitutional or statutory frameworks, and case laws, guarantee the ability of public employees to receive the benefits they’ve been promised, and, in most cases, to continue to accrue those benefits.

MVL is based on the corporate operating and legal environment, and focuses on pricing pension liabilities. Yet the purpose for measuring public pension liabilities is not to price them, but to fund them. Because some may view MVL as reflecting a plan’s termination as of some past date, for entities that are not terminating, and that are required to continue honoring service accruals and salary growth, this measure holds little value for public sector plans and threatens to mislead and confuse stakeholders.

MVL would also lead to lower investment earnings, higher costs, lower funding ratios, and increased volatility of costs and funding levels. A recent study by Gabriel, Roeder, Smith & Company (GRS), a well-known national actuarial firm, confirmed that using a risk-free discount rate (based on 30-year U.S. Treasury yields) would introduce significant volatility into public pension funding levels and contributions.

The study compared the conventional actuarial approach used by the majority of public plans with the MVL approach) over the period from 1978 to 2008. It found that contribution rates under the MVL approach would have varied from about 3% of covered payroll in the mid-1980s (when 30-year Treasury yields were close to 14%) to about 40% of covered payroll in the mid-2000s (when Treasury yields were close to 4%). Under the current GASB method, which uses a discount rate based on expected investment returns, contribution rates ranged between 8% and 14% of covered payroll over the study period -- a range not only more practicable in the public budgeting process, but also more equitable across generations of taxpayers.

MVL would clearly create, in the words of the GRS study, “rapid and erratic changes to a public plan’s normal costs, accrued liabilities, and funded levels.” This volatility in funding levels and required costs would significantly disrupt public sector budget processes. Predictability and stability of required costs are critically important to effective budgeting in the governmental sector, and the imposition of MVL would be unnecessarily disruptive, particularly in these difficult economic times.

Finally, MVL fails to assist decision-makers in determining whether or not interperiod equity is being achieved. On the contrary, by charging current taxpayers on the basis of present interest rates, rather than a long-term expected rate, MVL is more likely to produce significant disparities in what generations of taxpayers are charged for pension benefits. We continue to believe that interperiod equity is better able to be achieved and measured under GASB’s current accounting standards, which permit the allocation of pension expenses to periods in such a manner that each period is charged a level percentage of payroll for normal costs, which equitably spreads the burden of an ongoing benefit program among different generations of taxpayers.

Any changes in the nature or amount of information currently disclosed under existing GASB accounting and financial reporting standards should enhance the overall value of such disclosures to the end users of such information. We firmly believe that the reporting of the liabilities of public pension plans at so-called “market value” not only fails to offer such an improvement, but could actually serve to provide a distorted view of plan funding that would confuse rather than inform the public and provide misleading information to decision-makers. GASB considered and rejected market-based techniques in 1994 when it established standards for calculating and reporting public pension liabilities, finding trend-based actuarial measures, consistent with public plans' long-term nature, are a better gauge of a plan's financial condition and we are hopeful the same conclusion will again be reached.

Thank you for the opportunity to offer our views as you proceed with this important project.

**NCSSSA Comments About the
IRS Pilot Questionnaire for Governmental Plans Initiative**

May 19, 2009

Page 310

NOTE: Comments are numbered sequentially, for ease of reference, not to indicate their relative importance.

Comment Number	Section of Questionnaire	Comments and Questions
1	Page 3, (Highlights of Pilot Questionnaire).	<p>The Questionnaire should also include FICA compliance questions.</p> <p>Section 218 (voluntary Social Security coverage agreements), Mandatory Medicare, and Mandatory Social Security are commonly misunderstood by public (state and local government) employers and their legal and financial advisors.</p> <p>While this information is not within the Employee Plans Section's jurisdiction, it could be helpful to the Federal-State-Local Government (FSLG) specialists. Ensuring compliance with all aspects of federal tax law by state and local governments would be enhanced if TE/GE did not always function within their distinct and separate "silos."</p>
2	Page 3 (Next Steps – Release of Pilot Questionnaire and Beyond).	<p>The last sentence states: "Publicly issued reports will not include taxpayer names or identifying information, nor will we use the pilot data to select anyone for examination."</p> <p>Does that mean the final questionnaire will be used to select Plans for examination?</p>
3	Page 5, Part 1 (Demographic Information), Questions 3 and 4, "If you responded 'No,' do not complete any further questions and return the questionnaire to the address noted on the cover letter."	It might be beneficial to the IRS to have such Plans complete the other questions contained in the questionnaire, because the responses may indicate misunderstandings or conflicts within the Plans that should be identified and corrected as early as possible, to maximize voluntary compliance with federal laws.
4	Page 5, Part 1 (Demographic Information), Question 9 (Categories of employees eligible to participate in the Plan)	The "University" category should be separated into two parts (one for teaching and the other for non-teaching), because some Plans allow teachers, for example, to belong to the plan, but not non-teaching positions and vice-versa.
5	Page 5, Part 1 (Demographic Information), Question 13 "Are there legal considerations that might prevent the party described in question 12 from being able to amend	It might be helpful to include an example, such as, "e.g., Does your legislative body convene at least annually?" Otherwise, some respondents to the Questionnaire may not include things like "needing legislative action" in their definition or understanding of a "legal consideration."

**NCSSSA Comments About the
IRS Pilot Questionnaire for Governmental Plans Initiative**

May 19, 2009

Page 311

Comment Number	Section of Questionnaire	Comments and Questions
	the Plan on at least an annual basis?"	
6	Page 7, Part 1 (Demographic Information), Question 9 (types/categories of employees eligible to participate in the Plan)	Elected officials should be added as a category.
7	Page 23, Part 8 (Retirement Systems)	The purpose of Part 8- Retirement Systems, is not exactly clear. I think that some additional language should be added to help the preparer understand why the answers given previously do not pertain to this part, and what the purpose of these questions are.
8	Page 9, Part 2 (Plan Document Information), Question 16, i.e., Do you have a single, written plan document containing all the provisions of a section 401(a) plan (to the extent applicable to governmental plans)?	<p>This question could be misread by people completing the questionnaire. The question includes the following statement after the "Yes" and "No" choices: "If you responded "Yes," proceed to part 3: Plan Provisions. If you responded "No," answer Question 17.</p> <p>The problem is that many (if not most) state and local governmental plans have both statutory (at the state level) or ordinances (at the local level) which authorize creation of the governmental plan IN ADDITION TO the plan provisions which the plan administrators craft. The statutes or ordinances often provide parameters for the Plan Provisions, which may not always include ALL aspects of what are contained in the statute, rules, etc., but may, instead, merely reference those other sources.</p> <p>The way the question is currently worded implies that statutes, etc. and the Plan Provisions are mutually exclusive, which they are not.</p>
9	Page 12, Part 3 (Plan Provisions), Question 23, Are mandatory employee contributions required under the terms of the Plan ? (Yes or No)	Because the preceding questions (#21 & #22) are asking about both "DROP" and "window" programs, should Question 23 also distinguish between those two or is Question 23 intended to address something else?
10	Page 12, Part 3 (Plan Provisions), Questions 27(a)(ii) and b(ii)	Are these questions asking the same thing that's being asked for in Question #18, but just in a slightly different way?
11	Page 24. Add two new Questions (#63 & #64).	<p>Add two open-ended questions at the end of the Questionnaire:</p> <ol style="list-style-type: none"> 1. "Is there any other information you would like to provide related to your governmental plan or system? If so, please specify____." AND 2. "Are there any questions you have that you would like the IRS to address related to your

**NCSSSA Comments About the
IRS Pilot Questionnaire for Governmental Plans Initiative**

May 19, 2009

Page 312

Comment Number	Section of Questionnaire	Comments and Questions
		governmental plan or system? “
12	General Comments About the Questionnaire	Overall, it seems to be a well-designed and well-written Questionnaire that asks all pertinent questions and provides the respondents with sufficient background and context to understand what information the questions in each section are trying to obtain. The brief explanations at the beginning of most sections are particularly helpful in that regard. This area of federal law, as the vast majority of tax code matters, is complex and can be easily misinterpreted or misunderstood. Thus, getting information from respondents about the many nuances in the law is difficult, while trying to balance the need for the information with making the Questionnaire as succinct and easy to complete as possible. This seems to accomplish both goals in a reasonable manner.



National Conference of
State Social Security Administrators

May 19, 2009

Employee Plans Section
Tax Exempt and Government Entities Division
U.S. Internal Revenue Service
ATTN: Governmental Plans Dialogue
1750 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

RE: Comments on the Pilot Questionnaire for Government Plans Initiative
(Provided Only Via Email)

To Whom It May Concern:

This letter and the attached listing of comments are submitted in response to the Internal Revenue Service's (IRS) request for comments from the governmental plans community on its Pilot Questionnaire for Governmental Plans Initiative. As Chair of the National Conference of State Social Security Administrators (NCSSSA) Legislative Committee, I am providing these comments on behalf of NCSSSA.

I want to, first, provide you with some background on why NCSSSA is commenting on the Pilot Questionnaire. Founded in 1952, after the U.S. Social Security Act was amended by Congress to include Section 218 in 1950, the NCSSSA was established to provide a unified state perspective at the federal level, an on-going medium for problem solving, and an open forum for the development of new policy with the federal government. The NCSSSA has provided an effective network of communication for federal, state, and local governments concerning Social Security coverage and federal employment tax policy.

Section 218 allowed states the option of voluntarily providing Social Security coverage for state and local government employees. The responsibility for administering the Social Security program for state and local government (public) employees varied depending on each state's enabling legislation.

State Social Security Administrators from all 50 states, including Puerto Rico and the Virgin Islands, are responsible for administering the voluntary coverage agreements, often called "Section 218 Agreements" because of the amendment that authorized the creation of such agreements between the federal government and the states. Many State Social Security Administrators also began exercising quasi-regulatory and enforcement functions for "non-Section 218" governmental entities in their states following changes to federal law that occurred effective April 1, 1986 (mandatory Medicare for all newly hired state and local government employees) and July 2, 1991

(mandatory Social Security for public employees not already covered under a Section 218 Agreement or by a qualified FICA-replacement public retirement system).

Nationwide, NCSSSA members are directly and indirectly responsible for ensuring compliance with federal and state laws related to Social Security, Medicare, public retirement systems, and employment taxes by the 89,526 state and local governments throughout the country. The latest U.S. Bureau of the Census data¹ Census data show that, as of 2006, the state and local governments had more than 19.3 million employees, with a payroll of more than 60.7 billion dollars. Our members are, therefore, well qualified to express informed opinions about the important issues currently under discussion by the IRS's Employee Plans Section of the Tax Exempt and Government Entities' Division (TE/GE).

If you have any questions, please feel free to contact me at the phone number or email listed below.

Thank you for considering our comments.

Sincerely,



Maryann Motza, PhD
NCSSSA Legislative Committee Chair (2008-2009)
State Social Security Administrator
Public Employees' Social Security Program
Colorado Department of Labor and Employment
633 17th Street, Suite 700
Denver, CO 80202-3660
Telephone: (303) 318-8061
FAX: (303) 318-8069
E-mail: maryann.motza@state.co.us
Website: <http://pess.cdle.state.co.us>

Enclosure

cc: NCSSSA Members

¹ *The 2009 Statistical Abstract*, U.S. Bureau of the Census, Table 444 (All Governments – Employment and Payroll by Function: 2006), Table 410 (Number of Governmental Units by Type: 1962 to 2007), and Table 529 (Public Employee Retirement Systems – Participants and Finances: 1980 to 2006), <http://www.census.gov/compendia/statab/>.

NCSSSA Legislative Committee Survey of Membership
FINAL SURVEY RESULTS (Updated 11-13-08)
Presidential Candidates' Issues/Positions on
Social Security, Medicare, Employment Taxes, and Public Pension Systems
Date Distributed: October 22, 2008

Deadline for Response: November 5, 2008

Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position¹	Importance of this Issue Position to You²				
	Important	Neutral	Not Important	No Opinion	Comments
Protect Social Security benefits for current and future beneficiaries (Obama)	16 94%	1 6%	0	0	<ul style="list-style-type: none"> ○ I believe we do not have to drastically reduce benefits to correct the fiscal shortfall. ○ Very important.
Does not support uncapping the full payroll tax of 12.4 percent rate. Instead, those making over \$250,000 will pay in the range of 2 to 4 percent more in total (combined employer and employee). (Obama)	8 47%	4 23%	3 18%	2 12%	<ul style="list-style-type: none"> ○ Neutral in that I would like to see the whole bill information before deciding. Not many employees of the Commonwealth would have to worry about this provision. ○ Leave the percentage at 12.4% but eliminate the earnings cap on Social Security. ○ The tax rate needs to be the same no matter what the income cap is. The multiple rates for different income levels will just complicate the process, programming, and cause confusion among payroll personnel. [NOTE: No choice was selected by one state for this item. To

¹ Include only issues that are directly related to state and local government employees/employers or are likely to impact public employers/employees. The list of issues does not include, for example, Obama's intention to create automatic workplace pension plans for employers who do not currently offer a retirement plan.

² Percentages for all responses are rounded to the nearest whole number, to ensure the total adds to 100 percent for each item.

NCSSSA Legislative Committee Survey of Membership
FINAL SURVEY RESULTS (Updated 11-13-08)
Presidential Candidates' Issues/Positions on
Social Security, Medicare, Employment Taxes, and Public Pension Systems
Date Distributed: October 22, 2008

Deadline for Response: November 5, 2008

Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position¹	Importance of this Issue Position to You²				
	Important	Neutral	Not Important	No Opinion	Comments
					properly tally the results for comparison purposes, I recorded the response as a “no opinion” – Maryann]
Expand retirement savings incentives for working families. Create a match of 50 percent of the first \$1,000 of savings for families that earn less than \$75,000. The savings match will be automatically deposited into designated personal accounts. Over 80 percent of these savings incentives will go to new savers. (Obama)	4 23%	2 12%	3 18%	8 47%	○ Who will pay for the match? The government? The employer? More information is needed before a stand can be made on this one. [NOTE: No choice was selected by one state for this item. To properly tally the results for comparison purposes, I recorded the response as a “no opinion” – Maryann]
Be honest with the American people about the long-term solvency of Social Security and the ways we can address the shortfall. (Obama)	15 88%	0	2 12%	0	○ We need to be both more honest and forthright in addressing the unfunded liability associated with both Social Security and Medicare. A recent report (October 2008) by The Heritage Foundation compared the 2008 financial bailouts of Wall Street and the banking industry in the U.S. (totaling \$0.84 Trillion) with the unfunded benefits promised in both Social

NCSSSA Legislative Committee Survey of Membership

FINAL SURVEY RESULTS (Updated 11-13-08)

**Presidential Candidates' Issues/Positions on
Social Security, Medicare, Employment Taxes, and Public Pension Systems**

Date Distributed: October 22, 2008

Deadline for Response: November 5, 2008

Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position ¹	Importance of this Issue Position to You ²				
	Important	Neutral	Not Important	No Opinion	Comments
					<p>Security and Medicare (combined total of \$40.9 Trillion, of which \$34.1 trillion is Medicare and \$6.8 trillion is Social Security). That is unsustainable for the funds and unsound for our nation's financial security.</p> <ul style="list-style-type: none"> ○ Honesty will help us take a look at how to accurately fix the problem. ○ Very Important -The Trust fund should be separate and the federal govt. should be held accountable for the unfunded liability just like state retirement systems. Louisiana is working hard to fund our retirement systems. ○ Already being done with annual reports from the Social Security Administration. ○ A decisive plan needs to be created which all parties can agree on without all the extras. Just deal with the protection and solvency issue and keep all other issues out.
Provide cheaper prescription drugs.	13	3	0	1	○ Very Important – Senior citizens need

NCSSSA Legislative Committee Survey of Membership
FINAL SURVEY RESULTS (Updated 11-13-08)
Presidential Candidates' Issues/Positions on
Social Security, Medicare, Employment Taxes, and Public Pension Systems
Date Distributed: October 22, 2008

Deadline for Response: November 5, 2008

Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position¹	Importance of this Issue Position to You²				
	Important	Neutral	Not Important	No Opinion	Comments
Allow the federal government to negotiate for lower drug prices for the Medicare program, just as it does to lower prices for veterans. (Obama)	76%	18%		6%	affordable prescription drug coverage. ○ Why can't they do the same as the Veteran's Administration?
Protect and strengthen Medicare by reducing waste in the Medicare system, including eliminating subsidies to the private insurance Medicare Advantage program, and tackle fundamental health care reform to improve the quality and efficiency of our healthcare system. (Obama)	14 82%	2 12%	0	1 6%	○ The Medicare Advantage plan works for disabled/and/or retired individuals who can not afford co pays or supplemental health insurance coverage. ○ Eliminate waste and this would save tremendous dollars which can go to make the program better.
Close the "doughnut hole" in the Medicare Part D prescription drug program. (Obama)	9 53%	3 18%	0	5 29%	○ Need more information. ○ Why does this even "doughnut hole" even exist? It needs to be eliminated.
Reform Social Security and control Medicare growth. (McCain)	11 65%	2 12%	1 6%	3 17%	○ This is the essence of what needs to be addressed; the question is what specifics will be included in any legislation?

NCSSSA Legislative Committee Survey of Membership

FINAL SURVEY RESULTS (Updated 11-13-08)

Presidential Candidates' Issues/Positions on Social Security, Medicare, Employment Taxes, and Public Pension Systems

Date Distributed: October 22, 2008

Deadline for Response: November 5, 2008

Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position ¹	Importance of this Issue Position to You ²				
	Important	Neutral	Not Important	No Opinion	Comments
					<ul style="list-style-type: none"> ○ Need more information. ○ Who would not agree with this? ○ Depends on the reforms and what is meant by "control Medicare growth" ○ A concrete plan must be formed and implemented.
Willing to consider raising the payroll tax cap on Social Security (currently set at \$102,000 of income annually; and \$106,800 in 2009) to help address the unfunded liability. (McCain)	11 65%	5 29%	0	1 6%	<ul style="list-style-type: none"> ○ The payroll cap should be indexed to go up, based on inflation or GDP. ○ Though employers do not like this, most folks consider this fair. ○ This seems to be double edged. Raising the payroll tax cap could help with the unfunded liability, even though it would also increase benefits to those above the cap. However it would also increase the payroll burden on employers. ○ The cap needs to be raised to a reasonable limit.

NCSSSA Legislative Committee Survey of Membership
FINAL SURVEY RESULTS (Updated 11-13-08)
Presidential Candidates' Issues/Positions on
Social Security, Medicare, Employment Taxes, and Public Pension Systems
Date Distributed: October 22, 2008
Deadline for Response: November 5, 2008
Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position ¹	Importance of this Issue Position to You ²				
	Important	Neutral	Not Important	No Opinion	Comments
					Unfortunately this will cause a burden on the employer. There does not seem to be a better alternative.
Supports an option for employees to invest 20% of their Social Security payroll taxes in private accounts. (McCain)	5 29%	7 41%	2 12%	3 18%	<ul style="list-style-type: none"> ○ Before a formal position is taken, we need to analyze the details of any legislation as it could have a significant impact on public employers, especially record-keeping demands. ○ Need more information. ○ Social Security is called "Social" not individual security. ○ Totally against so it is only important so as not to support it. ○ We need to fix what we have before we change things this drastically. ○ Bad idea. (WA) [NOTE: Washington did not check a box to the left, but, based on the comment provided, I listed a response in the "not important" column, so I could ensure that

NCSSSA Legislative Committee Survey of Membership

FINAL SURVEY RESULTS (Updated 11-13-08)

Presidential Candidates' Issues/Positions on Social Security, Medicare, Employment Taxes, and Public Pension Systems

Date Distributed: October 22, 2008

Deadline for Response: November 5, 2008

Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position ¹	Importance of this Issue Position to You ²				
	Important	Neutral	Not Important	No Opinion	Comments
					Washington's objection to the idea would be taken into account in the numerical comparison.]
Opposes using the Social Security trust funds for "emergency" spending. The Social Security Trust Fund should be completely "off budget so no politician can ever use it again for any purpose other than your retirement." (McCain)	17 100%	0	0	0	<ul style="list-style-type: none"> ○ The Trust fund should be separate and the federal govt. should be held accountable for the unfunded liability just like state retirement systems. Louisiana is working hard to fund our retirement systems. ○ Social Security and Medicare funds should not be used for anything but Social Security and Medicare. The government has to find it's funding elsewhere for the other purposes.
Eliminate the Social Security earnings test that penalizes seniors who collect Social Security benefits before the normal retirement age (65 to 67, depending on the year of birth) who work by taxing their Social Security benefits for income above exempt levels designated in the Social Security Act. (McCain)	9 53%	3 17.5%	2 12%	3 17.5%	<ul style="list-style-type: none"> ○ We should also encourage elimination of WEP/GPO under this proposal. ○ People are already getting a reduction for early retirement. Why penalize them more? ○ Let them earn a fair wage. Why do we limit an individual's earning potential? ○ Not sure "taxing" is the proper term. It seems the more appropriate term would be

NCSSSA Legislative Committee Survey of Membership

FINAL SURVEY RESULTS (Updated 11-13-08)

**Presidential Candidates' Issues/Positions on
Social Security, Medicare, Employment Taxes, and Public Pension Systems**

Date Distributed: October 22, 2008

Deadline for Response: November 5, 2008

Send completed survey to: Maryann Motza (Colorado) at: maryann.motza @state.co.us, or via fax at: 303-318-8069

Issue Position ¹	Importance of this Issue Position to You ²				
	Important	Neutral	Not Important	No Opinion	Comments
					“penalizing” for clarification.
Devote 62 percent of any budget surplus exclusively to shoring up the Social Security program. (McCain)	5 29%	8 47%	2 12%	2 12%	<ul style="list-style-type: none"> ○ Need more information. ○ The Trust fund should be separate and the federal govt. should be held accountable for the unfunded liability just like state retirement systems. Louisiana is working hard to fund our retirement systems. ○ When will have a budget surplus again?

States: Alabama, Alaska, Arizona, Colorado, Illinois, Iowa, Kentucky (2), Louisiana, Mississippi, Montana, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, Washington. **TOTAL RESPONSES = 17**

TOTAL STATES RESPONDING = 16

(55% out of 29 states attending the 2008 annual conference)

(41% out of 39 dues paying states (2008))

(31% out of 52 total states (50 states, plus Puerto Rico & Virgin Islands))

National Conference of State Legislatures (NCSL)
American Federation of State, County and Municipal Employees (AFSCME)
National Association of Counties (NACo)
American Federation of Teachers (AFT)
National League of Cities (NLC)
International Association of Fire Fighters (IAFF)
National Association of State Auditors Comptrollers and Treasurers (NASACT)
Fraternal Order of Police (FOP)
Government Finance Officers Association (GFOA)
Service Employees International Union (SEIU)
International City/County Management Association (ICMA)
National Education Association (NEA)
International Public Management Association for Human Resources (IPMA-HR)
National Association of State Retirement Administrators (NASRA)
National Conference of State Social Security Administrators (NCSSSA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

May 23, 2009

VIA ELECTRONIC MAIL (governmentalplansdialogue@irs.gov)

RE: Pilot Governmental Plan Questionnaire

Craig Chomyok, Manager
Employee Plans Compliance Unit
Internal Revenue Service
Manager, EPCU -7602
230 S. Dearborn; Room 1700
Chicago, IL 60604

Dear Mr. Chomyok:

On behalf of the national organizations listed above—representing state and local governments and officials, public employee unions, public retirement systems, and more than 20 million state and local government employees, retirees, and their beneficiaries—we are writing in response to the request for comments on the questionnaire sent to a pilot group of governmental plans as part of the Internal Revenue Service's Governmental Plans Initiative.

Our organizations greatly appreciate the IRS' responsiveness to many of the suggestions regarding the draft questionnaire and are grateful for the additional opportunity to submit commentary before the pilot is finalized and sent to a larger group of governmental plans. We agree that the IRS would benefit from a better understanding of governmental plans and the many differences between public and private sector retirement systems. As the process of working on the draft survey made clear, there is a difference not only in structure and governance, but also in the terminology and nomenclature of plans in each sector.

We hope the IRS and the governmental plans community can work collaboratively at gaining a better understanding of how we can assist each other, while also ensuring our mutual goal of protecting the retirement security of State and local government employees and retirees. To that end, we have three general concerns we urge the IRS to address in any final questionnaire: 1) the purpose and timing for which this information will be used; 2) the scope of the information being requested; and 3) the methodology by which the information will be collected. We also urge the IRS and Treasury to consider a more collaborative process to develop comprehensive and specific guidance for the governmental plans community as a prerequisite for establishing a process for enforcement.

Purpose and Timing

First and foremost, our greatest concern with the questionnaire is the IRS' stated intent to "study compliance with applicable federal tax laws" and to "issue a public report that summarizes the overall responses, findings, and observations based on those responses, including actions in the areas of guidance, education/outreach, determinations, and compliance." Not only is there a concern that unrepresentative findings will be used to publish a report and establish a compliance process, but that both will be done absent any comprehensive guidance being in place specific to governmental plans, nor even a listing of all the applicable tax code sections and their requirements of governmental plans.

Governmental plan stakeholders on numerous occasions have requested clarification, modification and/or guidance from IRS in a number of areas to ensure public plans are in compliance with all applicable laws. Much of the need for clarification and modification centers on the application of rules and standardized definitions written for the corporate sector, which do not take into account the state or local laws, regulations and policies governing public plans. Unlike private sector plans that are subject solely to federal regulation, public plans are subject to a vast landscape of state and local requirements. Application of a one-size-fits-all federal regulation often results in conflicts with existing State and local laws, regulatory structures, and benefit protections.

Thus, guidance specific to public plans must be a **predicate** to establishing a compliance process for them. It is unclear how IRS can conduct a compliance survey before comprehensive guidance, or even requested compliance guidance, is issued – let alone produce a qualitative report on the state of such in the public sector.

Jurisdiction

Another general concern with the questionnaire is that many parts have no direct connection to governmental plan compliance with the Federal Internal Revenue Code. A significant portion in fact focuses on the manner in which plans are operated in areas where the Service itself concedes there are no applicable Federal IRC requirements. For example, plan financial statements, plan funding, age and service requirements for plan eligibility, plan communications, plan provisions relating to normal and early retirement, etc.

Methodology

The final concern is with the proposed process by which the IRS will be gathering information to develop a better understanding of public plans. State and local retirement systems have been the subject of two recent Government Accountability Office (GAO) reports thoroughly studying issues including participation, funding, actuarial assumptions, and investment returns. In addition, all information regarding State and local government retirement systems are readily available public information. Furthermore, national trade associations came together many years ago to produce a collective body of information specifically intended to promote sound public retirement system policies and administration by increasing transparency and understanding of the public retirement system community. Information on more than 85 percent of all state and local government pension assets and participants are collected on an annual basis and is available to IRS representatives.

It is unclear then why the IRS, which has on many occasions stated its “limited experience with governmental plans,” wishes to base its understanding on a random sampling. Given the thousands of unique plans across the country, we believe doing so will likely provide an inaccurate snapshot of a diverse community. It is our understanding that the Service could be requesting information on the very smallest and most unrepresentative plan even within a large representative system. With the great degree of differentiation across plans, we feel this survey could result in a truly random work product.

Furthermore, based on comments by IRS staff, as well as feedback from our own membership, it is likely the Service will not always send the questionnaires to the best contacts to complete the survey. It is important for the IRS to recognize the separation that exists between the plan, the employer and the legislative and regulatory bodies governing the plan. We remain very concerned that sending the questionnaire to the wrong entity or agency could result in incomplete or incorrect information.

Conclusion

Our organizations fully support the goal of the IRS obtaining a better understanding of our diverse community and ultimately developing a process for ensuring compliance with federal tax laws. However, we believe this should be a collaborative effort, should include governmental plan stakeholders, should be based on complete and representative information, and should start with the aim of establishing clear, specific and appropriate guidelines for public plans prior to developing a compliance process.

The IRS has an excellent model of establishing tax guidance in cooperation with public agencies: IRS Publication 963, entitled the “Federal-State Reference Guide, A Federal-State Cooperative Publication.” This guide was prepared by the IRS, the Social Security Administration, and state administrators of Social Security and Medicare. It is readable and gives very useful guidance, covering a large percent of the issues for public agencies. As with IRS Publication 963, IRS should consider formally changing its current questionnaire/survey approach and replacing it with a process that is based on more

accurate information than would otherwise result and which would serve as a sound basis for more detailed written guidance. A good outcome would be cooperative development of guidance like Publication 963, whereby complete and tailored compliance information is available for governmental plans as well as the IRS agents working with this community.

We look forward to working with you and urge you to contact our association representatives should you have any questions or need additional information:

Neil Bomberg, NLC, (202) 626-3020
Alfred Campos, NEA, (202) 822-7345
Cornelia Chebinou, NASACT, (202) 624-545
Bill Cunningham, AFT, (202) 393-6301
James Driver, NCSSSA, (502) 564-6888
Deseree Gardner, NACo, (202) 942-4204
Ed Jayne, AFSCME, (202) 429-1188
Barry Kasinitz, IAFF, (202) 737-8484
Elizabeth Kellar, ICMA, (202) 962-3560
Hank Kim, NCPERS, (202) 624-1456
Jeannine Markoe Raymond, NASRA, (202) 624-1417
Diana Noel, NCSL, (202) 624-7779
Tina Ott Chiappetta, IPMA-HR, (703) 549-7100 x 244
Tim Richardson, FOP, (202) 547-8189
Leigh Snell, NCTR, (703) 684-5236
Barrie Tabin Berger, GFOA, (202) 393-8020
Marguerite Young, SEIU, (510) 343-8561

Part III - Administrative, Procedural and Miscellaneous

Extension of Effective Date of Normal Retirement Age Regulations for Governmental Plans

Notice 2008-98

I. Purpose

The Service and Treasury intend to extend the date by which a governmental plan must comply with final regulations on distributions from a pension plan upon attainment of normal retirement age, which were published in the Federal Register as T.D. 9325 (72 FR 28604) on May 22, 2007 (“the 2007 final regulations”). Under the extension, the 2007 final regulations will be effective for a governmental plan (as defined in § 414(d) of the Internal Revenue Code) for plan years beginning on or after January 1, 2011. This notice does not change the effective date of the 2007 final regulations for a plan that is not a governmental plan or modify the relief previously provided in Notice 2007-69, 2007- 2 C.B. 468.

II. Background

Section 411(a)(8) provides that the term “normal retirement age” means the earlier of (A) the time a plan participant attains normal retirement age under the plan or (B) the later of age 65 or the fifth anniversary of the time a plan participant commenced participation in the plan. A plan’s normal retirement age is relevant for a number of purposes, including for purposes of determining the date at which a participant is eligible to receive his or her normal retirement benefit and calculating the amount of the benefit received.

Prior to being amended by the 2007 final regulations, § 1.401(a)-1(b)(1)(i) of the Income Tax Regulations required a pension plan to be maintained primarily to provide systematically for the payment of definitely determinable benefits after retirement. The 2007 final regulations amended § 1.401(a)-1(b)(1)(i) to provide an exception to the rule that pension benefits be paid only after retirement by permitting a pension plan to commence payment of retirement benefits to a participant after the participant has attained normal retirement age even if the participant has not yet had a severance from employment with the employer maintaining the plan.

The 2007 final regulations require a pension plan’s normal retirement age to be an age that is not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. The 2007 final regulations provide that a normal retirement age of 62 or later (or age 50 or later, in the case of a plan in which substantially all of the participants are qualified public safety employees (within the meaning of § 72(t)(10)(B))) is deemed to satisfy this requirement, and a normal retirement age lower than 55 is presumed not to satisfy the requirement unless the Commissioner determines otherwise on the basis of facts and circumstances. Whether a normal retirement age that is at least 55 but below 62 satisfies the requirement is based on facts and circumstances.

The 2007 final regulations are generally effective May 22, 2007, with a later effective date for governmental plans and certain collectively bargained plans. For governmental plans, the 2007 final regulations are effective for plan years beginning on or after January 1, 2009.

Notice 2007-69 provided temporary relief for certain plans that may have to change their definition of normal retirement age to satisfy the 2007 final regulations. The relief is available to certain plans that might otherwise be required to be amended to raise the plan's normal retirement age effective before the first day of the first plan year beginning after June 30, 2008. Because the 2007 final regulations are not effective for governmental plans until 2009, the relief in Notice 2007-69 does not apply to governmental plans.

Notice 2007-69 pointed out that the 2007 final regulations do not contain a safe harbor or other guidance with respect to a normal retirement age conditioned on the completion of a stated number of years of service, stating that a plan under which a participant's normal retirement age changes to an earlier date upon completion of a stated number of years of service typically will not satisfy the vesting or accrual rules of § 411. The notice asked for comments from sponsors of plans that are not subject to the requirements of § 411, such as governmental plans, on whether such a plan may define normal retirement age based on years of service. Specifically, comments were requested on whether and how a pension plan with a normal retirement age conditioned on the completion of a stated number of years of service satisfies the requirement in § 1.401(a)-1(b)(1)(i) that a pension plan be maintained primarily to provide for the payment of definitely determinable benefits after retirement or attainment of normal retirement age and how such a plan satisfies the pre-ERISA vesting rules.

III. Extension of Effective Date of 2007 Final Regulations for Governmental Plans

The Service and Treasury intend to amend the 2007 final regulations to change the effective date for governmental plans to plan years beginning on or after January 1, 2011. Governmental plan sponsors may rely on this notice with respect to the extension until such time as the 2007 final regulations are so amended.

DRAFTING INFORMATION

The principal author of this notice is James P. Flannery of the Employee Plans, Tax Exempt and Government Entities Division. For further information regarding this notice, please contact Mr. Flannery via e-mail at retirementplanquestions@irs.gov.

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEES:

HEALTH

SOCIAL SECURITY

COMMITTEE ON AGRICULTURE

SUBCOMMITTEES:

GENERAL FARM COMMODITIES AND
RISK MANAGEMENT

DEPARTMENT OPERATIONS, OVERSIGHT,
NUTRITION, AND FORESTRY

SPECIALTY CROPS, RURAL DEVELOPMENT
AND FOREIGN AGRICULTURE

RURAL HEALTH CARE COALITION
CO-CHAIR



Earl Pomeroy
Congress of the United States
North Dakota

WASHINGTON OFFICE:

1501 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2611

REP.EARL.POMEROY@MAIL.HOUSE.GOV

DISTRICT OFFICES:

ROOM 328, FEDERAL BUILDING
220 EAST ROSSER AVENUE
BISMARCK, ND 58501
(701) 224-0355

3003 32ND AVENUE S
SUITE 6
FARGO, ND 58103
(701) 235-9760

September 11, 2008

Mr. Steven Lehmann
Chairman
Public Interest Committee
American Academy of Actuaries
1100 Seventeenth Street NW, Seventh Floor,
Washington, DC 20036

RE: Disclosure of Market Valuation of Assets and Liabilities for Public Pensions

Dear Mr. Lehmann,

The public retirement systems that cover State and Local Government employees across our nation stand out against the backdrop of growing retirement insecurity. Public pensions have not missed paying a monthly retirement income check to retirees. That is why I am especially concerned about proposals to adopt a liquidation value model for valuating public pensions using a snapshot approach to value liabilities that can only be paid over decades.

As I indicated earlier, one area where workers and retirees have good news is public pensions. I believe that public pensions get retirement security right. As a group, these systems are well funded and they have paid billions of dollars of secure retirement benefits for millions of retired public servants for many decades. They represent a cost-effective, efficient use of taxpayer funds. The public interest is being well served by these pensions. The record of the Joint Economic Committee at hearing in July 2008 clearly substantiates this fact.

As the American Academy of Actuaries continues its public discussions relating to the disclosure of public pension system liabilities, I urge the Academy to consider carefully, and guard against the risks of adverse consequences from its deliberations. Specifically, there are serious risks with respect to so-called "market value of liability" measurements. Unlike private sector pension plans, there is no liquidation risk for public pensions since state laws and constitutions protect pension benefits from being frozen or terminated on a given day. Artificially measuring the plan assets and liabilities at market value, is akin to "liquidation reserving". There is clearly no need for this misleading disclosure for public pensions called for by advocates of financial economics. Governments do not routinely disclose any type of liquidation measures and they should

not need to do so for their pension promises. The flaws in this measure are numerous, the potential negative consequences are enormous, and the potential benefits are dubious. In times of economic contractions, pension contribution requirements would increase to the higher levels; while in more prosperous times annual contributions would trend lower. Virtually all experts on public pensions feel the calculation is unnecessary and fraught with risks and would not result in better funding of pension liabilities.

I am very concerned that the reporting of flawed measurement of a pension system's funded status will have negative consequences for public plans. Such an outcome would have adverse effects on employees' retirement security and would undermine the goal of fiscal responsibility to taxpayers. Simply put, such an outcome would run counter to the public interest.

Thus, I urge the Academy to exercise caution in its deliberations, and to permit broad consideration of all policy alternatives that may enhance the twin objectives of strengthening retirement security and responsible use of taxpayer funds.

Thank you for your kind consideration of my views on this subject and for your work on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'Earl Pomeroy', with a large, sweeping flourish at the end.

EARL POMEROY
Member of Congress

EP:do

National Conference of State Legislatures (NCSL)
American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)
National Association of Counties (NACo)
American Federation of State, County and Municipal Employees (AFSCME)
United States Conference of Mayors (USCM)
American Federation of Teachers (AFT)
National League of Cities (NLC)
Fraternal Order of Police (FOP)
International City/County Management Association (ICMA)
National Association of State Treasurers (NAST)
National Association of Police Organizations (NAPO)
National Association of State Auditors Comptrollers and Treasurers (NASACT)
National Education Association (NEA)
Government Finance Officers Association (GFOA)
International Public Management Association for Human Resources (IPMA-HR)
National Association of State Retirement Administrators (NASRA)
National Conference of State Social Security Administrators (NCSSSA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

August 1, 2008

VIA ELECTRONIC MAIL

ASB Comments
American Academy of Actuaries
1100 17th St., N.W.
7th Floor
Washington, DC 20036

Dear Members of the Actuarial Standards Board:

The nineteen national organizations listed above—representing state and local governments and officials, public employee unions, public retirement systems, and more than 20 million state and local government employees, retirees, and their beneficiaries— appreciate the opportunity to offer comments concerning the review of Actuarial Standard of Practice (ASOP) No. 27 by the Actuarial Standards Board (ASB).

Our memberships are very interested in the adequacy of actuarial standards, including those pertaining to the calculation and disclosure of public pension liabilities. However, we believe that any modifications to ASOP No. 27 should clearly distinguish between standards appropriate for the corporate and governmental sectors. We are also concerned that this review process will get ahead of examinations already under way with regard to governmental accounting.

Specifically, we are concerned about the several references in the ASB Request for Comments related to the concepts of financial economics and their use as “an alternative to the traditional actuarial model.” Recent articles have suggested governments should measure and account for their pension liabilities using corporate sector requirements. However, distinctions between the public and private sectors and the structure and governance of their pension plans often appear to be unknown or misunderstood by the authors of these articles. State and local government employee pensions are designed much like the federal pensions provided to U.S. military and civil service personnel, and are similarly backed by the full faith and credit of their sponsoring governments. Accordingly, suggesting the application of corporate finance measures—which are aimed at companies that can be acquired or go out of business—is simply inappropriate, uninformed and irresponsible.

Furthermore, while we recognize that one of the roles of the ASB is to provide continuous review of existing standards of practice, the underlying accounting standards for state and local government plans and their sponsors are currently being examined by the independent standard setting authority responsible for financial reporting and disclosure requirements of state and local governments. Therefore, we believe it would be premature for the ASB to begin the process of potentially amending actuarial standards of practice in the public plans area prior to the completion of this examination.

Finally, with respect to the reasons cited for the ASB review of this standard, while the private sector pension landscape may have changed in some respects over the last decade, public sector plans have remained remarkably stable. In fact, the financial picture for public plans today shows aggregate funding levels roughly the same as they were a decade ago, and costs – both as a percentage of payroll and as a percentage of total expenditures – generally lower. Independent sources such as the U.S. Government Accountability Office (GAO) and the Center for Retirement Research at Boston College (CRR), have found the vast majority of public sector pension plans to be sound and on track to meet their future obligations, with over \$3 trillion in financial assets accumulated for the retirement security of millions of Americans.¹

We appreciate the role of the actuarial profession in helping public pensions provide a secure retirement for American workers and future economic growth for our country. If you would like additional information as you review the comments provided, please feel free to call upon the legislative representatives of our organizations:

Diana Noel, NCSL, (202) 624-7779
Daniel Pedrotty, AFL-CIO, (202) 637-5379
Tim Richardson, FOP, (202) 547-8189
Jeannine Markoe Raymond, NASRA, (202) 624-1417
Deseree Gardner, NACo, (202) 942-4204
Bill Cunningham, AFT, (202) 393-6301
Robert Carty, ICMA, (202) 962-3560
Alfred Campos, NEA, (202) 822-7345
Cornelia Chebinou, NASACT, (202) 624-545
Ed Jayne, AFSCME, (202) 429-1188
Bill Johnson, NAPO, (703) 549-0775
Dan DeSimone, NAST, 202-624-8592
Barrie Tabin Berger, GFOA, (202) 393-8020
Tina Ott Chiappetta, IPMA-HR, (703) 549-7100 x 244
Leigh Snell, NCTR, (703) 684-5236
Hank Kim, NCPERS, (202) 624-1456
James Driver, NCSSSA, (502) 564-6888
Neil Bomberg, NLC, (202) 626-3000
Larry Jones, USCM, (202) 293-7330

¹ U.S. Government Accountability Office. 2007. *State and Local Government Retiree Benefits: Current Status of Benefit Structures, Protections, and Fiscal Outlook for Funding Future Costs*. GAO-07-1156. Washington, DC.

U.S. Government Accountability Office. 2008. *State and Local Government Retiree Benefits: Current Funded Status of Pension and Health Benefits*. GAO-08-223. Washington, DC.

Munnell, Alicia H., Kelly Haverstick, Steven A. Sass, and Jean-Pierre Aubry. 2008. *The Miracle of Funding by State and Local Pension Plans*. Center for Retirement Research at Boston College and the Center for State and Local Government Excellence.

**59th Annual Conference
August 9-12, 2009
Chicago, Illinois**

Membership Committee Report

August 9, 2009

Members of the Membership Committee

Karen Park (OR) Chairperson

Lee DeJabet (SD)

Kathleen Baxter (AL)

Nick Favorito (MA)

Daniele Huffine (IO)

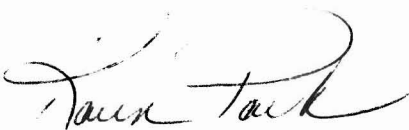
2008-2009's Membership Committee was again comprised of the Regional VP's.

Each committee member kept in touch with their states, updating the states with information regarding IRS & SSA issues along with Conference issues, including helping the treasurer collect the Annual Dues with reminders and phone calls to the States.

This year the committee put together an up to date contact listing of all Interstate Instrumentalities with Section 218 Agreements. A list of Section 218 Interstate Instrumentalities was supplied by Marc Denos with the Social Security Administration to the membership committee. An e-mail of introduction to NCSSSA was sent to the contacts along with an invitation to the annual conference.

Section II of the Constitution provides 'representatives of each interstate instrumentality included under an OASDHI agreement' after payment of dues may participate in conference proceedings as a non-voting member. The invitation created some interest and comments.

Respectfully Submitted,



Karen Park
Membership Committee Chair
2009-2010

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Nominating Committee Report

NCSSSA 2009/2010 Officer Nominations

The nominations committee is comprised of Harry Wales Chairman, Wyoming, Nick Merrill, Illinois, Laquitta Heard, Oklahoma and Mary Ann Motza, Colorado.

After having solicited nominations and verifying the nominees' wiliness to serve, make the following motion to the NCSSSA membership for approval:

President: Linda Yelverton, Louisiana

First Vice-President: Mary Ann Motza, Colorado

Secretary: Angie Dowdy, Louisiana

Vice-President Designee: Michele Briggs, Arizona

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

Program Committee Report

59th Annual Conference

Chicago, Illinois

August 9, 2009

Rises

To The

Challenges

The Program Committee is responsible for preparing and conducting the annual conference for State and Federal officials; educating and informing participants of issues regarding Social Security Coverage and Taxation affecting State and Local Governmental Employers and conducting the business of the State Social Security Administrators who represent their respective states.

The 2008-2009 National Conference of State Social Security Administrator's annual conference was held August 9-12, 2009 at the Doubletree-Magnificent Mile in Chicago.

The committee held monthly conference calls and established sub-committees to handle various tasks associated with preparing for and conducting the annual conference.

Sub Committees and Responsibilities:

Annual Conference Call e-mailed and posted on internet, Theme Logo, Program Agenda, Topics and Speakers, Meeting Set Ups, Meals, Guest Speakers, Evaluation Forms, Registration Bags and Gift items, Monday Night Event, Hotel Contract, Budgeting, Registrations, Hotel Reservations, NCSSSA Web Site, Power Points, Bios for each speaker, Computer Set Ups.

A very special Thank You to each member of the Program Committee for taking on their share of the duties and getting the job done to make this year's conference an excellent event.

Respectfully Submitted,

Linda Yelverton

Linda Yelverton, Louisiana, Chairperson and First Vice President

NCSSSA Program Committee 2008-2009

Vandee DeVore, MO

Karen Park, OR

Angie Dowdy, LA

Barry Faison, VA

Michele Briggs, AZ

Laquitta Heard, OK

Nick Merrill, IL – The Host State Administrator and an invaluable member of the Program Committee – Thank you



NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Research and Information Committee Report

Members: James Driver, Chair (Ky); Angie Dowdy (La); Madison Davis (Ar); Gayle Mambro Martin (RI), Megan Shaum (Ga), Harry Wales (Wy)

This year the committee revised the Standard Operating Procedures and brought it into contemporary language and usage. We are excited to report that the SOP was accepted and now all updates have been made and will be placed on the web site.

James Driver, Kentucky
Research and Information Committee Chairman

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to express its sincere appreciation for the cordial welcome to Illinois presented by the Illinois Assistant Comptroller of Operations, Mr. Don Templeman; and


WHEREAS, the National Conference of State Social Security Administrators gratefully acknowledges the dedicated and sincere efforts of Don Templeman to make the National Conference of State Social Security Administrators a success; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses its appreciation and sincere thankfulness to Don Templeman; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Templeman.

ADOPTED THIS 12th DAY OF AUGUST 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-1

NCSSSA

National Conference of State Social Security Administrators



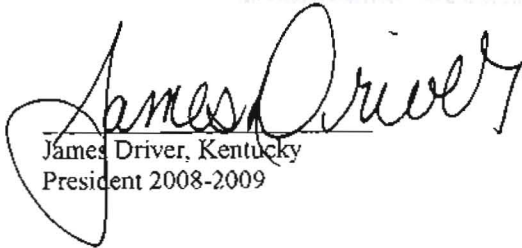
WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to express its sincere appreciation for the keynote address presented by the SSA Chicago Regional Commissioner, James F. Martin; and

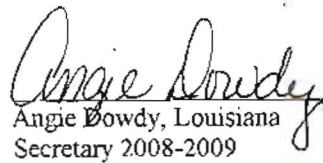
WHEREAS, the National Conference of State Social Security Administrators were both honored by and grateful to James F. Martin for his significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our respect and sincere thankfulness to James F. Martin; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Martin.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-2

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Ms. Janice Gore, Area manager-Great Lakes, IRS TE/GE Employee Plans; and

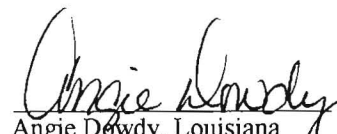
WHEREAS, Janice Gore's update on TE/GE's Employee Plan Division survey of state and local pension plans was a tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Janice Gore; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Gore.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-13

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of **Mr. Ken Anderson**, Policy Specialist, SSA Office of Earnings; and

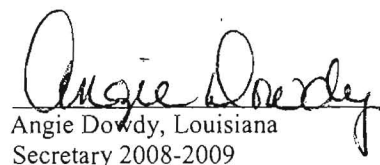
WHEREAS, the sessions entitled "Election Worker Exclusions" and "How can we, as partners, help each other NCSSSA/SSA/IRS to avoid Section 218 coverage issues?" presented by **Ken Anderson** was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to **Ken Anderson**; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to **Mr. Anderson**.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-14

NCSSSA

National Conference of State Social Security Administrators




WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Marc Denos, Policy Specialist, SSA Office of Earnings; and

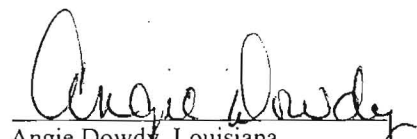
WHEREAS, the session entitled "SSA Training Community: What's new? What's old? And what's just plain cool?" presented by Marc Denos was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Marc Denos; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Denos.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-15

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. **James Driver**, NCSSSA President 2008-2009, Kentucky; and

WHEREAS, **James Driver** presented numerous sessions entitled;

- NCSSSA Training Committee Chairperson.
- How should State Administrators, IRS and SSA identify political subdivisions.
- Who trains State Administrators, FSLG Agents and Regional SSA staff and how can we assist each other?
- Update on Information Program Reporting Advisory Committee (IRPAC)
- Conduction a Referendum from beginning to end!
- How can we, as partners help each other NCSSSA/SSA/IRS/ to avoid Section 218 coverage issues?
- NCSSSA Administrator-Resources and responsibility of State Administrators.

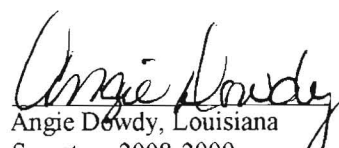
All sessions presented by **James Driver** were of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and significantly contributed to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our heartfelt appreciation and sincere thankfulness to **James Driver**; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Driver.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-16

NCSSSA

National Conference of State Social Security Administrators




WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Dean Conder, Colorado; and

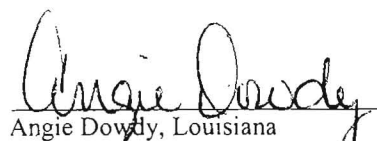
WHEREAS, the update on the Taxpayer Advocacy Panel (TAP) presented by Dean Conder was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Dean Conder; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Conder.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-17

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Dr. Maryann Motza, Colorado; and

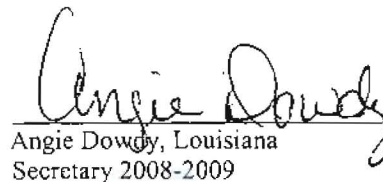
WHEREAS, the update on the Advisory Committee on Tax Exempt and Government Entities (ACT) presented by Maryann Motza was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Maryann Motza; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Dr. Motza.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-18

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Nicholas C. Merrill, Jr., Illinois, Host State Administrator; and

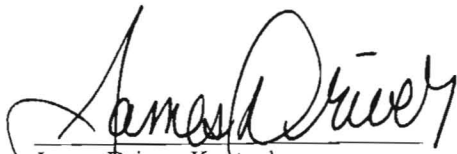
WHEREAS, Nicholas Merrill graciously and efficiently performed extensive duties in the role of Host State Administrator; and

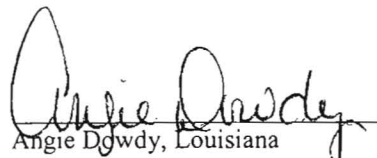
WHEREAS, Nicholas Merrill presented "Conducting a Referendum from beginning to end" which was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our sincere appreciation and thankfulness to Nicholas Merrill; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Merrill.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-19

NCSSSA

National Conference of State Social Security Administrators




WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Ms. Kathleen Baxter, Alabama; and

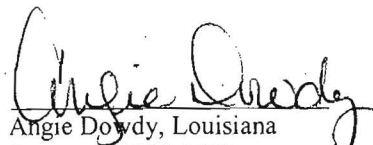
WHEREAS, the session entitled "SSA Training Community: What's new? What's old? And what's just plain cool?" presented by Kathleen Baxter was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Kathleen Baxter; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Baxter.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-20

NCSSSA

National Conference of State Social Security Administrators



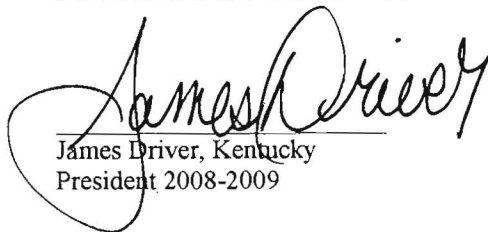
WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Ms. Karen Park, Oregon; and

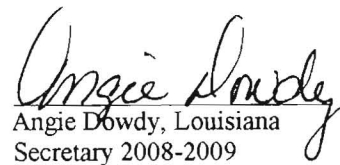
WHEREAS, the sessions entitled "NCSSSA Administrator-Resources and responsibility of State Administrators" and "Election Worker Exclusion" presented by Karen Park was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Karen Park; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Park.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-21

NCSSSA

National Conference of State Social Security Administrators




***WHEREAS,** the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of **Mr. Dale Ferron** , Retired State Administrator from Wisconsin; and*

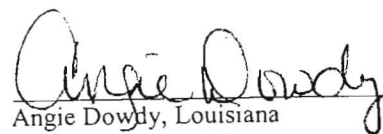
***WHEREAS,** Dale Ferron for many years performed a very valuable and conscientious service to his state and the National Conference of State Social Security Administrators and continues to contribute by presenting the Retiree Spotlight at the National Conference of State Social Security Administrators' Annual Conference. The update was interesting and enjoyable and a significant contribution to the overall success of the Conference; and*

***THEREFORE,** be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to **Dale Ferron**; and*

***BE IT FURTHER RESOLVED,** that the conference president forwards this resolution to **Mr. Ferron**.*

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-22

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to recognize Ms. Carolyn Fry, upon her retirement in August 2009 from the State of Texas; and

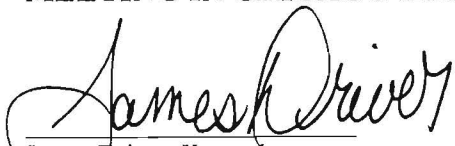
WHEREAS, Carolyn Fry for many years performed a very valuable and conscientious service to her state and to the National Conference of State Social Security Administrators by generously giving of her time, resources and expertise that made her an intricate and vital part of the overall success of the Conference; and

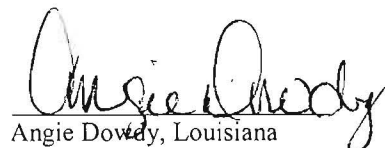
WHEREAS, the National Conference of State Social Security Administrators duly expresses it grateful appreciation and sincere thankfulness to Carolyn Fry; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, hereby extends best wishes for a continued active life, good health and a happy retirement to Carolyn Fry and presents to her an honorary lifetime membership as an "active" retired member of the National Conference of State Social Security Administrators; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Fry.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-23

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to recognize Ms. Carol Ochsner, upon her retirement in June 2009 from the State of Alaska; and

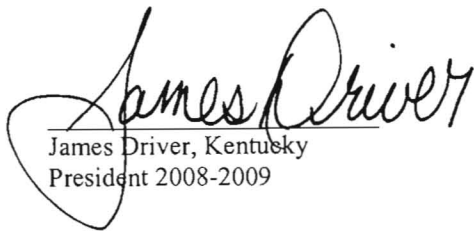
WHEREAS, Carol Ochsner for many years performed a very valuable and conscientious service to her state and the National Conference of State Social Security Administrators by generously giving of her time, resources and expertise that made her an intricate and vital part of the overall success of the Conference; and

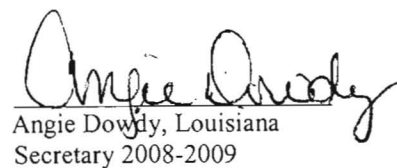
WHEREAS, the National Conference of State Social Security Administrators duly expresses its grateful appreciation and sincere thankfulness to Carol Ochsner; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, hereby extends best wishes for a continued active life, good health and a happy retirement to Carol Ochsner and presents to her an honorary lifetime membership as an "active" retired member of the National Conference of State Social Security Administrators; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Ochsner.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-24

NCSSSA

National Conference of State Social Security Administrators



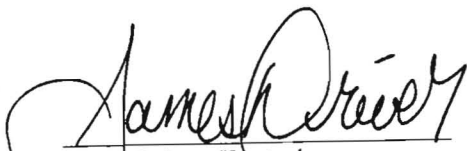
*WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to express its sincere appreciation **Mystic Blue Cruises**; and*

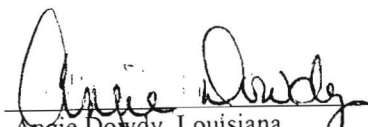
*WHEREAS, **Mystic Blue Cruises** provided a wonderful and memorable evening for the National Conference of State Social Security Administrators' Annual Conference attendees and guests. **Mystic Blue Cruises** was a highlight of Chicago and greatly contributed to the success of the conference; and*

*THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses its sincere thankfulness to **Mystic Blue Cruises**; and*

*BE IT FURTHER RESOLVED, that the conference president forwards this resolution to **Mystic Blue Cruises**.*

ADOPTED THIS 12th DAY OF AUGUST 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-25

NCSSSA

National Conference of State Social Security Administrators



*WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to express its sincere appreciation to **Double tree Hotel Chicago Magnificent Mile**; and*

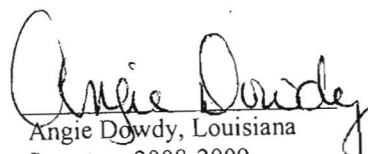
*WHEREAS, The National Conference of State Social Security Administrator wishes to specifically express its appreciation to the management and staff of the Doubletree Hotel for their extremely efficient service which overwhelmingly contributed to the overall success of the conference with special recognition to **Brian Lee** and **Tania Rodriguez**. The comfort, convenience and activities of conference attendees and guests have been professionally and courteously attended to; and*

*THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses its sincere thankfulness to **Doubletree Hotel Chicago Magnificent Mile**; and*

*BE IT FURTHER RESOLVED, that the conference president forwards this resolution to **Doubletree Hotel Chicago Magnificent Mile**.*

ADOPTED THIS 12th DAY OF AUGUST 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-26

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to express its appreciation Ms. Barbara Baird, State Employees' Retirement System of Illinois; and

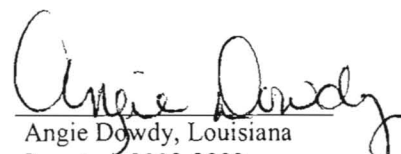
WHEREAS, The National Conference of State Social Security Administrators greatly acknowledges the manifold contributions of Barbara Baird by tirelessly accepting and storing items shipped to Illinois among other various assignments; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses its sincere thankfulness to Barbara Baird; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Baird.

ADOPTED THIS 12th DAY OF AUGUST 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-27

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, desires to express its appreciation Ms. Beth Dillon, State of Missouri, Office of Administration, Division of Accounting; and

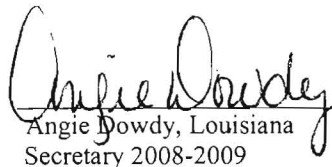
WHEREAS, The National Conference of State Social Security Administrators greatly acknowledges the manifold contributions of Beth Dillon by tirelessly assisting with conference registration among other various assignments; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses its sincere thankfulness to Beth Dillon; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Dillon.

ADOPTED THIS 12th DAY OF AUGUST 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
Resident 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-28

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Mark Brown, Policy Specialist, SSA Office of Earnings; and

WHEREAS, the sessions entitled "Is there Joint Custody in your Joint Venture? " and "Well, I'll be deemed....retirement systems!" both presented by Mark Brown was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Mark Brown; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Brown.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-3

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Ms. Jayne Maxwell, Manager, Internal Revenue Service Compliance and Program Management; and

WHEREAS, Jayne Maxwell presented numerous sessions entitled;

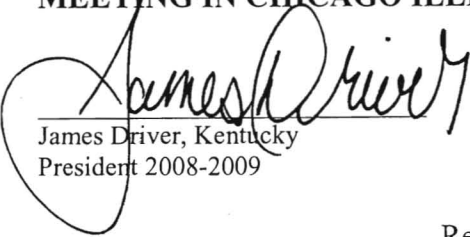
- *Update on issues arising from compliance checks, 1099 initiative, 3402 (t) issues, Firefighters new legislation and volunteer firefighters as employees.*
- *How should State Administrators, IRS and SSA identify political subdivisions.*
- *Who trains State Administrators, FSLG Agents and Regional SSA staff and how can we assist each other?*
- *Update on Section 218 Retroactive Agreement Coverage Issues.*
- *Election Worker Exclusions.*
- *How can we, as partners help each other NCSSSA/SSA/IRS/ to avoid Section 218 coverage issues.*

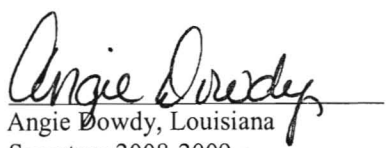
All sessions presented by Ms. Maxwell were of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and significantly contributed to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our sincere appreciation and sincere thankfulness to Jayne Maxwell; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Maxwell.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-4

NCSSSA

National Conference of State Social Security Administrators



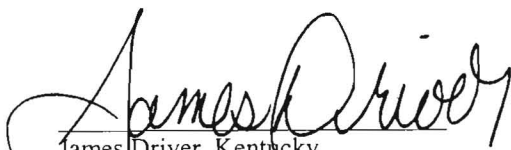
WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Paul Carlino, Senior Technician Reviewer, Employment Tax Branch 2, IRS Office Division Counsel/Associate Chief Counsel; and

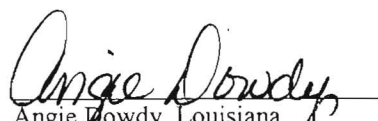
WHEREAS, Paul Carlino was part of a distinguished panel that presented updates on issues arising from compliance checks, 1099 initiative, 3402 (t) issues, Firefighters new legislation and volunteer firefighters as employees. Mr. Carlino's participation was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and was an important contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Paul Carlino; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Carlino.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-5

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Paul Marmolejo, Director, Internal Revenue Service and Federal State and Local Government; and

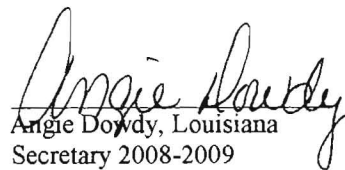
WHEREAS, Paul Marmolejo's update on issues arising from compliance checks, 1099 initiative, 3402 (t) issues, Firefighters new legislation and volunteer firefighters as employees as well as his presentation entitled "How can we as partners, help each other NCSSSA/SSA/IRS to avoid Section 218 coverage issues?" were both of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and significantly contributed to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Paul Marmolejo; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Marmolejo.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-6

NCSSSA

National Conference of State Social Security Administrators



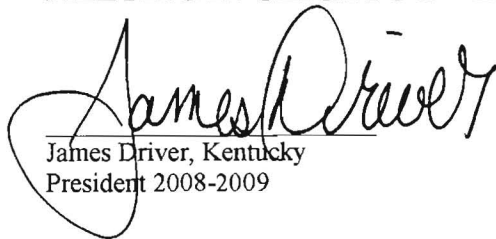
WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Fred Sanchez, Office of General Council, SSA Chicago Region; and

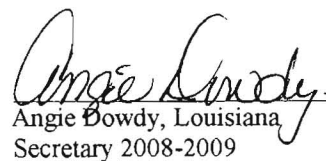
WHEREAS, the sessions entitled "Is there Joint Custody in your Joint Venture?" and "How should State Administrators, IRS and SSA identify political subdivisions?" presented by Fred Sanchez was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Fred Sanchez; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Sanchez.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-7

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of **Mr. Dana Edwards**, Public Affairs Specialist, SSA Office of Intergovernmental and Community Affairs; and

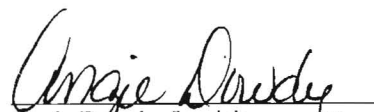
WHEREAS, the Social Security Administration Communications update presented at the conference by **Dana Edwards** was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to **Dana Edwards**; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to **Mr. Edwards**.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-8

NCSSSA

National Conference of State Social Security Administrators



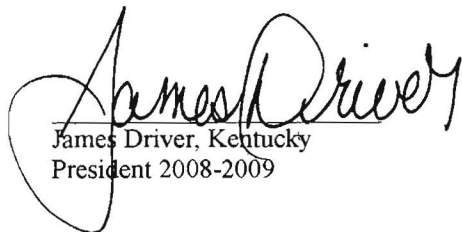
WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Ms. Chandra Thomas, SSA Dallas Regional Office; and

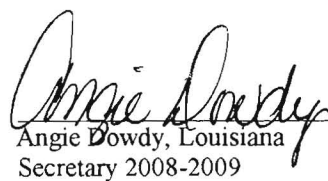
WHEREAS, the session entitled "Who trains State Administrators, FSLG Agents and Regional SSA staff and how can we assist each other?" presented by Chandra Thomas was of tremendous value to attendees of the National Conference of State Social Security Administrator's Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Chandra Thomas; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Thomas.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-9

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Tim Beard, SSA Seattle Regional Office; and

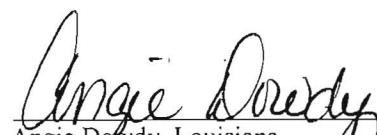
WHEREAS, the session entitled "Who trains State Administrators, FSLG Agents and Regional SSA staff and how can we assist each other?" presented by Tim Beard was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Tim Beard; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Beard.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-10

NCSSSA

National Conference of State Social Security Administrators



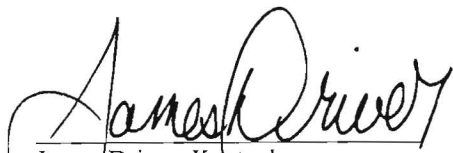
WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Ms. Dena Berglund, SSA Office of Legislative and Regulatory Affairs; and

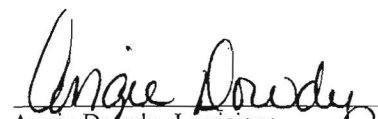
WHEREAS, the session entitled "Solvency, Legislation to modify or eliminate WEP and GPO, Other Legislative proposals of interest" presented by Dena Berglund was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Dena Berglund; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Ms. Berglund.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-11

NCSSSA

National Conference of State Social Security Administrators



WHEREAS, the National Conference of State Social Security Administrators at its 59th annual meeting in Chicago Illinois, gratefully acknowledges the participation of Mr. Tim Kelley, SSA Office of Legislative and Regulatory Affairs; and

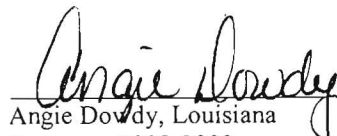
WHEREAS, the session entitled "Solvency, Legislation to modify or eliminate WEP and GPO, Other Legislative proposals of interest" presented by Tim Kelley was of tremendous value to attendees of the National Conference of State Social Security Administrators' Annual Conference and was a significant contribution to the overall success of the Conference; and

THEREFORE, be it resolved that the National Conference of State Social Security Administrators, duly expresses our appreciation and sincere thankfulness to Tim Kelley; and

BE IT FURTHER RESOLVED, that the conference president forwards this resolution to Mr. Kelley.

ADOPTED THIS 12TH DAY OF AUGUST, 2009 AT THE NCSSSA 59th ANNUAL MEETING IN CHICAGO ILLINOIS.


James Driver, Kentucky
President 2008-2009


Angie Dowdy, Louisiana
Secretary 2008-2009

Resolution 2009-12

NCSSSA

National Conference of State Social Security Administrators

* * * * *

REPORT OF THE RESOLUTION COMMITTEE 2008-2009 CONFERENCE YEAR

In accordance with the guidelines covering the procedures for the Resolutions Committee, Twenty Seven Resolutions concerning the following were offered and adopted at the 59th annual meeting in Chicago Illinois;

2009-1	Don Templeman	Welcome to Illinois
2009-2	James F Martin	Keynote Speaker
2009-3	Paul Marmolejo	IRS
2009-4	Jayne Maxwell	IRS
2009-5	Paul Carlino	IRS
2009-6	Janice Gore	IRS
2009-7	Fred Sanchez	SSA
2009-8	Dana Edwards	SSA
2009-9	Chandra Thomas	SSA
2009-10	Tim Beard	SSA
2009-11	Dena Berglund	SSA
2009-12	Tim Kelly	SSA
2009-13	Mark Brown	SSA
2009-14	Ken Anderson	SSA
2009-15	Marc Denos	SSA
2009-16	James Driver	NCSSSA
2009-17	Dean Conder	NCSSSA
2009-18	Mary Ann Motza	NCSSSA
2009-19	Nicholas Merrill	NCSSSA
2009-20	Kathleen Baxter	NCSSSA
2009-21	Karen Park	NCSSSA
2009-22	Dale Ferron	NCSSSA
2009-23	Carolyn Fry	Retired
2009-24	Carol Ochsner	Retired
2009-25	Mystic Blue Curises	
2009-26	Doubletree Hotel	
2009-27	Barbara Baird	Chicago
2009-28	Beth Dillon	Missouri

Copies of all Resolutions have been forwarded to the Conference Secretary this 12th day of August, 2009.

Respectfully submitted,

Laquitta Heard

Laquitta Heard (Oklahoma)
Chairperson, Resolution Committee

Resolution Committee

Angie Dowdy (Louisiana)
Linda Yelverton (Louisiana)
Harry Wales (Wyoming)



NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Time and Place Committee Report

The purpose of the Time and Place Committee is to screen, recommend, and secure future host sites for the Annual Conference.

Members of the Committee this year were: Vandee DeVore (Missouri), Chair; Kathleen Baxter (Alabama); Kay Gouton (Alaska); and Tammy Taylor (Kentucky).

The Time and Place Committee met via email a couple of times throughout this year with the following results:

- The Committee has recommended Kansas City Missouri for the 2010 Conference. The Executive Committee has approved The Elms as the location just outside of Kansas City.
- The Committee has recommended Cheyenne Wyoming for the 2011 Conference. The Executive Committee has approved The Little America Hotel/Resort as the location in Cheyenne.

Because of increased popularity of hotel contracting nationwide, the Conference feels it important to continue the process of future planning and have at least the next three years' locations planned in advance. The Committee is currently researching Niagara Falls New York for 2012 along with other possible locations. A recommendation for 2012 will be made to the Executive Committee within the upcoming year and reported to the Conference members as soon as possible. We encourage everyone to watch the www.ncsssa.org website for information regarding future conference locations.

Reported by: Vandee DeVore, Missouri
Time and Place Committee Chair

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Training Committee Report

Members: James Driver, Chair (Ky); Vernon Bush (Tn); Dean Conder (Co); Karen Park (Or); Lee Dejabet (SD)

We had a very busy year as a committee. We conducted New Administrator Training in the States of Indiana, Rhode Island, Texas, Pennsylvania, and Georgia. We plan on continuing this in 2009/2010 with trainings already committed to Montana, Nevada, Washington, Missouri, and possibly Nebraska.

This upcoming year we will also be working with SSA to increase activity on the Core site, participate in training with FSLG's new hires and assess their training, and create a new training for the conference that will highlight some basic beginning information for conference new comers.

James Driver, Kentucky
Training Committee Chairman

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Treasurer Report

NATIONAL CONFERENCE OF STATE SOCIAL
SECURITY ADMINISTRATORS
Annual Financial Report As Of August 31, 2009

Beginning Balance September 2008		\$ 42,126.97
Additions:		
Interest earned	\$ 231.77	
Refund from Caterer (2008 Conf)	\$ 258.30	
State Dues	\$ 9,350.00	
Conference registrations	\$ 37,880.00	
Total Additions		\$ 47,720.07
Disbursements:		
Merchant Card Fees	\$ 1,179.23	
Administrative/Misc Costs (checks/stamps/misc)	\$ 125.14	
Expenses for Annual DC/Baltimore Visits	\$ 4,197.41	
Expenses for State Visits (IN, GA, PA, TX, RI, MT, Phil, MO)	\$ 4,248.12	
Conference Expenses for 2009	\$ 47,343.50	
Conference Expenses for 2010 (Hotel deposit)	\$ 500.00	
Refund of Conference Registration (WV)	\$ 375.00	
Web site Hosting Costs	\$ 111.48	
Total Deductions		<u>\$ 58,079.88</u>
Balance in Accounts August 31, 2009		<u>\$ 31,767.16</u>

NATIONAL CONFERENCE OF STATE SOCIAL
SECURITY ADMINISTRATORS

Annual Financial Report As Of July 31, 2009

Beginning Balance September 2008		\$ 42,126.97
Additions:		
Interest earned	\$ 222.61	
Refund from Caterer (2008 Conf)	\$ 258.30	
State Dues	\$ 9,350.00	
Conference registrations	\$ 37,045.00	
Total Additions		\$ 46,875.91
Disbursements:		
Merchant Card Fees	\$ 903.58	
Administrative/Misc Costs (checks/stamps/misc)	\$ 125.14	
Expenses for Annual DC/Baltimore Visits	\$ 4,197.41	
Expenses for State Visits (IN, GA, PA, TX, RI)	\$ 2,968.11	
Conference Expenses for 2009	\$ 13,258.85	
Conference Expenses for 2010 (Hotel deposit)	\$ 500.00	
Refund of Conference Registration (WV)	\$ 375.00	
Web site Hosting Costs	\$ 111.48	
Total Deductions		\$ 22,439.57
Balance in Accounts July 31, 2009		<u><u>\$ 66,563.31</u></u>

NOTE: Outstanding estimated expenditures for 2009 Conference

Doubletree	\$ 35,400.00	
Hospitality Room	\$ 1,500.00	
AV Equipment rental	<u>\$ 3,000.00</u>	
Remaining O/S Estimates		<u>\$ 39,900.00</u>
Estimated Account Balances After Conference		\$ 26,663.31

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Secretary Report

The Proceedings Book for the NCSSSA 58th Annual Conference held in Louisville, Kentucky was put on CD and mailed to each state administrator or their designate. The Proceedings Book will be placed on the NCSSSA www.ncsssa.org website. I thank Tammy Taylor (KY), for her patience with our changes and diligence in keeping the website up-to-date.

I thank Karen Park for the excellent job she did, again this year, with the Conference Program Booklets. These booklets are our guides during the conference and make compilation the Proceedings Book so much easier than it would be otherwise.

I would also like to thank the Program Committee members for their hard work in making this years conference a success and Nick Merrill for hosting our conference in Chicago.

Respectfully Submitted,

Angie Dowdy,
NCSSSA Secretary
2008-2009

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Region I Vice-President Report

Nick Favorito, Massachusetts

Attending this year's Conference from Region I were Philip Hargesheimer, Maine and Kevin Mack, New York. Unfortunately, state budget restrictions prevented the travel of several of the Region's Administrators to this year's conference.

It was noted that the NCSSSA President had conducted training in Rhode Island over the course of the year since the 2008 Conference. Improving participation among the Region's states was discussed in addition to the outreach efforts being used in connection with the Conference.

The SSA Region I Employer Service Liaison Officer also attended the conference and renewed her offer to participate in any meetings amongst the Region's administrators that were scheduled.

NCSSSA members voted unanimously to restructure its regional division. Now, instead of five regions, NCSSSA will divide the U.S. into seven regions. Region I was unaffected by this change.

States designated as Region I are: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Puerto Rico, Rhode Island, Vermont and the Virgin Islands.

Kevin Mack, New York was nominated to serve as the Regional Vice President for the upcoming year.

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Region II Vice-President Report

As a group we discussed better ways to communicate with the different states. Email is the preferred method. Suggestions were made to have sectional training for different areas of the region. Vernon Bush, Tennessee was elected Regional VP. Out of the 13 states included in Region II, 5 attended the conference.

In attendance for the conference were the following:

Alabama
Kentucky
Mississippi
Tennessee
Virginia

The states that were not represented were the following:

Delaware
Florida
Georgia
Maryland
North Carolina
Pennsylvania
South Carolina
West Virginia.

Respectfully Submitted,

Kathleen D. Baxter (AL),
Region II Vice President

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois
August 9-12, 2009

Region IV Vice-President Report

Region IV had decided at the previous years' meeting that email would be our best communication tool.

As Region VP I sent follow up letters to the states which did not attend the conference along with a conference booklet. I followed up with phone calls as needed.

Several emails were sent out over the year with information from NCSSSA, IRA, or SSA sources which may have been of interest to the region states.

Emails regarding attendance at this year's conference were sent out. Follow up emails and phone calls were made to states who had not registered in the months prior to the conference.

A region meeting was held at the conference after the vote had been cast to accept the reorganization of the regions. Region IV was divided into the new Region VI and Region V. Region VI members meet and discussed pertinent issues which should be brought to the conference committees for action.

Region VI attendees (Colorado, Wyoming and South Dakota) voted to retain Lee DeJabet as the region VP for 2009-2010.

Submitted by:

Lee DeJabet
Region VI Vice President (Formerly Region IV)
South Dakota State Social Security Administrator

**59th Annual Conference
August 9-12, 2009
Louisville, Kentucky**

Regional Vice President's Report – Region V

Region V held its regional caucus on Sunday, August 9, 2009

States Represented

Of the 8 states in Region V, there were a total of 6 representatives from 6 states in attendance. The members in attendance include:

Michele Briggs, Arizona
Marion Montez, California
Rita Foltman, Idaho
Karen Park, Oregon
Steven Bauder, Nevada
Kim Smith, Washington

The following states were not able to attend this year's conference:

Alaska and Hawaii

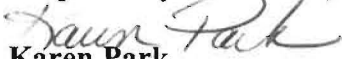
Topics Discussed

Region V was represented by six states this year. We welcomed a new member of the organization, Steven Bauder from Nevada. Rita Foltman, Idaho and Kim Smith, Washington attended their second year. Kim attended as an official member this year. The Washington Retirement System is now the official holders of the State Social Security Administration. Congratulations Kim.

Alaska was represented at the conference via items sent by Kay Gouyton for the giveaways.

As Regional VP, I periodically checked in with each State and kept them up to date with IRS and SSA issues.

Respectfully Submitted,



Karen Park

Region V Vice President
2008-2009

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Past Presidents

1952-53	William Farris, Tennessee	1980-81	Starlene Mitchell, South Dakota
1953-54	Charles H. Smith, Virginia	1981-82	David I. Herbert, Pennsylvania
1954-55	Donald M. O'Hara, Michigan	1982-83	Carlos A. Gallegos, New Mexico
1955-56	Bruce Parkinson, Arizona	1983-84	Jim Larche, Georgia
1956-57	Tatum W. Gressette, South Carolina	1984-85	Daniel J. McAuley, New York
1957-58	Steven E. Schanes, New Jersey	1985-86	Gary R. King, Maine
1958-59	James B. Atlee, Texas	1986-87	Dennis B. Snodgrass, Missouri
1959-60	Edward W. Bush, Illinois	1987-88	Michael K. Blankenship, Illinois
		1988-89	Patrick L. Doyle, Kentucky
		1989-90	Bobby J. Malley, Mississippi
1960-61	W. Frank DeLamar, Georgia	1990-91	James A. Correll, North Carolina
1961-62	Frederick N. MacMillin, Wisconsin	1991-92	Nicholas C. Merrill, Jr., Illinois
1962-63	John F. Sasek, Montana	1992-93	Nicholas C. Merrill, Jr., Illinois
1963-64	B. E. "Bus" Friday, Arkansas	1993-94	Daryl Dunagan, Kentucky
1964-65	William J. Cudding, Pennsylvania	1994-95	Steve Lortz, Nebraska
1965-66	Carl J. Blechinger, California	1995-96	Dawn Evans, California
1966-67	Lawrence L. Farrell, Michigan	1996-97	Johnnie Morales Sr., Texas
1967-68	Murray L. Biegalle, Kentucky	1997-98	Russell Graves, Oklahoma
1968-69	Robert A. Healy, Delaware	1998-99	Charles R. Severn, Idaho
1969-70	Arnold W. Jaeger, North Dakota	1999-00	Donald C. Rohan, Arizona
1970-71	Sidney M. VanDeventer, Oklahoma	2000-01	Doug Peterson, South Dakota
1971-72	Abe Domain, Georgia	2001-02	Maryann Motza, Colorado
1972-73	Fred E. Henne, Arkansas	2002-03	Steve Delaney, Oregon
1973-74	Alta E. Moore, Wisconsin	2003-04	Teresa Commeau, New Hampshire
1974-75	Edward A. Baublits, Colorado	2004-05	Barry Faison, Virginia
1975-76	William J. Joseph, New Jersey	2005-06	Dean Conder, Colorado
1976-77	Harold G. Purser, Oklahoma	2006-07	Dean Conder, Colorado
1977-78	Gerald P. Slaybaugh, Kansas	2007-08	James Driver, Kentucky
1978-79	Edwin C. Gallison, Vermont	2008-09	James Driver, Kentucky
1979-80	Purvis W. Collins, South Carolina	2009-10	James Driver, Kentucky

NCSSSA

NATIONAL CONFERENCE OF STATE SOCIAL SECURITY ADMINISTRATORS

59th Annual Conference
Chicago, Illinois

August 9-12, 2009

Previous Conference Sites

1951	Bloomington, Indiana	1981	Biloxi, Mississippi
1952	Nashville, Tennessee	1982	Hartford, Connecticut
1953	Chicago, Illinois	1983	Portland, Oregon
1954	Baltimore, Maryland	1984	St. Paul, Minnesota
1955	Baltimore, Maryland	1985	Topeka, Kansas
1956	Atlanta, Georgia	1986	Park City, Utah
1957	Denver, Colorado	1987	Myrtle Beach, South Carolina
1958	St. Louis, Missouri	1988	Boston, Massachusetts
1959	Chicago, Illinois	1989	Baltimore, Maryland
1960	Philadelphia, Pennsylvania	1990	Kansas City, Missouri
1961	San Francisco, California	1991	Washington, D. C.
1962	Miami Beach, Florida	1992	Newport, Rhode Island
1963	Billings, Montana	1993	Louisville, Kentucky
1964	Boston, Massachusetts	1994	Olympia, Washington
1965	Milwaukee, Wisconsin	1995	Des Moines, Iowa
1966	Gearheart, Oregon	1996	Denver, Colorado
1967	Fort Lauderdale, Florida	1997	Chicago, Illinois
1968	Tucson, Arizona	1998	Biloxi, Mississippi
1969	San Juan, Puerto Rico	1999	San Antonio, Texas
1970	Louisville, Kentucky	2000	Baltimore, Maryland
1971	Hot Springs National Park, Arkansas	2001	San Diego, California
1972	Seattle, Washington	2002	Rapid City, South Dakota
1973	New Orleans, Louisiana	2003	Portland, Oregon
1974	Sante Fe, New Mexico	2004	Merrimack, New Hampshire
1975	Mobile, Alabama	2005	Denver, Colorado
1976	Las Vegas, Nevada	2006	Williamsburg, Virginia
1977	Kansas City, Missouri	2007	Anaheim, California
1978	Sun Valley, Idaho	2008	Louisville, Kentucky
1979	Williamsburg, Virginia	2009	Chicago, Illinois
1980	Hershey, Pennsylvania		

Roster of State Administrators and Officials

ALABAMA Robert Childree, Comptroller RSA Union Building 100 North Union Street, Suite 274 Montgomery, AL 36130-2602 *Kathleen Baxter , Accounting Director Department of Finance *Sue Blanton Department of Finance	Region III Region VII	(334) 242-7063 (334) 242-4857 FAX (334) 353-0147 kathleen.baxter@comptroller.alabama.gov (334) 242-7075 sue.blanton@comptroller.alabama.gov	CALIFORNIA *Marion Montez , Section Manager Post Office Box 942709 Sacramento, CA 94229-2709 Steven Propp, Social Security Manager COLORADO *Maryann Motza, Ph.D. , State Social Security Administrator Public Employees' Social Security Section Colorado Department of Labor & Employment 633 17 th Street, 7 th Floor Denver, Co 80202-2117 Dean Conder, Deputy Social Security Administrator Website: http://pess.cdle.state.co.us/	Region VII Region VI Region I Region II	(916) 795-3121 888 CALPERS FAX (916) 795-1523 marion.montez@calpers.ca.gov (916) 795-9390 steven.propp@calpers.ca.gov (303) 318-8061 FAX (303) 318-8069 maryann.motza@state.co.us (303) 318-8060 dean.conder@state.co.us (860) 702-3347 (860) 702-3524 FAX (860) 702-3489 jeff.bieber@po.state.ct.us (302) 744-1001 (800) 722-7300 FAX (302) 739-5635 v.jones-potter@state.de.us (302) 672-6719 kim.vincent@state.de.us (302) 672-6719 paula.brown@state.de.us (302) 672-6714 lisa.embert@state.de.us
ALASKA Division of Retirement & Benefits 6 th Floor Office Building 333 Willoughby Avenue Post Office Box 110203 Juneau, AK 99811-0203 *Kay Gouyton , Division Auditor/State Social Security Administrator Robert Gregg, Internal Auditor/State Social Security Assistant	Region VII	(907) 465-5707 FAX (907) 465-4469 kay.gouyton@alaska.gov (907) 465-4469 robert.gregg@alaska.gov	CONNECTICUT Mark E. Ojakian, Director Retirement and Benefits Division Office of the State Comptroller 55 Elm Street Hartford, CT 06106-1797 *Jeffrey G. Bieber , Coordinator Social Security Unit	Region I	(860) 702-3347 (860) 702-3524 FAX (860) 702-3489 jeff.bieber@po.state.ct.us
ARIZONA *Michele Briggs , Administrator Arizona State Retirement System 3300 North Central Post Office Box 33910 Phoenix, AZ 85067-3910	Region VII	(602) 240-2022 FAX (602) 264-6113 micheleb@azasrs.gov	DELAWARE *Velda Jones-Potter , State Treasurer Office of State Treasurer Thomas Collins Building, Suite 4 540 South DuPont Highway Dover, DE 19901 Kimberly S. Vincent, Deputy Pension Administrator Paula Brown, State Acct II Lisa Embert, Controller II	Region II	(302) 744-1001 (800) 722-7300 FAX (302) 739-5635 v.jones-potter@state.de.us (302) 672-6719 kim.vincent@state.de.us (302) 672-6719 paula.brown@state.de.us (302) 672-6714 lisa.embert@state.de.us
ARKANSAS Gail Stone, Social Security Administrator Arkansas Public Employees' Retirement System One Union National Plaza 124 West Capitol Avenue, Suite 400 Little Rock, AR 72201 Michele Williams, Deputy Director *Madison Davis , Social Security Manager *Jay Wills, III	Region V	(501) 682-7855 gail.stone@arkansas.gov (501) 682-7855 michele.williams@arkansas.gov (501) 683-0890 madison.davis@arkansas.gov (501) 682-7856 jay.wills@arkansas.gov			

FLORIDA **Region III**

Sarabeth Snuggs, State Retirement Director
Division of Retirement
Post Office Box 9000
Tallahassee, FL 32315-9000

(850) 488-5540

sarabeth.snuggs@dms.myflorida.com***Cathy Smith**

Bureau of Enrollment and Contributions

(850) 414-6371

FAX (850) 410-2030

cathy.smith@dms.myflorida.com**GEORGIA** **Region III**

Pamela L. Pharris, Executive Director
Employees Retirement System of Georgia
Two Northside 75, Suite 300
Atlanta, GA 30318-7778

***Megan Schaum, Social Security Coordinator**

(404) 603-5615

FAX (404) 350-1406

mschaum@ers.state.ga.us**HAWAII** **Region VII**

*David Shimabukuro, Administrator
Employees Retirement System of Hawaii
201 Merchant Street, Suite 1400
Honolulu, HI 96813-2929

(808) 586-1700

FAX (808) 586-1677

shimabukurod@hiers.org

Wesley Machida, Assistant Administrator

(808) 587-5380

machidaw@hiers.org

Larry Wolfe, Accounting Manager

(808) 586-1721

FAX (808) 586-2882

wolfel@hiers.org

Darrick Tokuda

(808) 586-1722

tokudad@hiers.org**IDAHO** **Region VII**

Donna M. Jones, Controller
State Social Security Administrator
Joe R. Williams Building
700 West State Street
Post Office Box 83720
Boise, ID 83720-0011

(208) 334-3100

Brandon Woolf, Administrator
Office of State Wide Payroll

(208) 334-2394

FAX (208) 334-3338

bwoolf@sco.idaho.gov***Rita Foltman, State Social Security Coordinator**

(208) 332-8734

rfoltman@sco.idaho.gov**ILLINOIS** **Region IV**

Timothy B. Blair, Executive Secretary
State Employees Retirement System
2101 South Veterans Parkway
Post Office Box 19255
Springfield, IL 62794-9255

(217) 785-7444

***Nicholas C. Merrill, Jr., Accounting Division Manager**

(217) 785-2340

FAX (217) 785-7019

nmerrill@srs.state.il.us**INDIANA** **Region IV**

Terren (Terry) B. Magid, Executive Director
Public Employees Retirement Fund
143 West Market Street, Suite 500
Indianapolis, IN 46204

(317) 233-4133

888 526-1687

Tom Parker, General Counsel

(317) 233-4146

tparker@perf.in.gov***Kathryn Morgan-Cimera, Staff Attorney**

(317) 234-6222

kcimera@perf.in.gov**IOWA** **Region IV**

*Danielle Huffine, State Social Security Administrator
7401 Register Drive
Des Moines, IA 50321`

(515) 281-0089

FAX (515) 281-0053

danielle.huffine@ipers.org**KANSAS** **Region V**

*Kent E. Olson, Director
Department of Administration
Division of Accounts and Reports
Landon State Office Building
900 South-West Jackson Street, Room 351S
Topeka, KS 66612-1248

(785) 296-2314

FAX (785) 296-6841

kent.olson@da.ks.gov

Doug Craig
Division of Accounts and Reports

(785) 296-2474

doug.craig@da.ks.gov**KENTUCKY** **Region III**

*Gerald V. Howard, Director
Division of Local Government Services
Social Security Coverage and Reporting Branch
Post Office Box 639
Frankfort, KY 40602-0639

(502) 564-3952

FAX (502) 564-2124

geraldv.howard@ky.govWebsite: www.sssa.ky.gov

Tammy Taylor, Program Coordinator

(502) 564-6915

tammy.taylor@ky.gov

LOUISIANA **Region V**

John Neely Kennedy, State Treasurer
Department of Treasury
Division of Social Security
Post Office Box 44154
Baton Rouge, LA 70804-4154

***Linda Yelverton**, Social Security Program Director

(225) 342-0026
FAX (225) 342-1650
linda.yelverton@la.gov

Angie Dowdy, Social Security Program Analyst

(225) 342-0295
angie.dowdy@la.gov

MAINE **Region I**

Sandra J. Matheson, Executive Director
Maine State Retirement System
#46 State Station
Augusta, ME 04333

(207) 512-3190
(800) 451-9800
FAX (207) 512-3282

John Milazzo, Chief Deputy Executive Director and Legal Counsel

(207) 512-3105
(800) 451-3284
jmilazzo@bsrs.org

***Phillip Hargesheimer**

(207) 512-3217
FAX (207) 512-3285
phargesh@msrs.org

MARYLAND **Region II**

Cindy Kollner, Executive Director
Office of , Personnel Services and Benefits
333-5262
Department of Budget and Management
301 West Preston Street
Baltimore, MD 21201-2305

(410) 767-4716
FAX (410)
ckollner@dbm.state.md.us

Jim Fox, Personnel Administrator

(410) 767-5846
jfox@dbm.state.md.us

MASSACHUSETTS **Region I**

***Nick Favorito**, Deputy Treasurer/Executive Director
State Board of Retirement
One Ashburton Place #219
Boston, MA 02108-1518

(617) 367-7770, EXT 302
FAX (617) 723-1438
nfavorito@tre.state.ma.us

MICHIGAN **Region IV**

***Dick Pennington**, Social Security Coordinator
State of Michigan
Office of Retirement Services
Post Office Box 30171
Lansing, MI 48909

(517) 322-6062
(800) 381-5111
FAX (517) 322-1116
penningtond1@michigan.gov

MINNESOTA **Region IV**

Mary Most Vanek, Social Security Administrator
Public Employees Retirement Association (PERA)
60 Empire Drive
Saint Paul, MN 55103-2088

***Cheryl Keating**, Administrative Services Manager

(651) 355-0055
cheryl.keating@state.mn.us

Scott McLeod

(651) 355-0059
scott.mcleod@state.mn.us

Chris Arcand

(651) 355-0050
chris.arcand@state.mn.us

MISSISSIPPI **Region III**

Pat Robinson, Executive Director
Public Employees Retirement System
429 Mississippi Street
Jackson, MS 39201-1005

(601) 359-3589

***Shirley Sessoms**, Deputy Director
Wage and Contribution Division

(601) 359-2257
FAX (601) 359-2124
shirley_sessoms@pers.state.ms.us

MISSOURI **Region V**

Mark A. Kaiser, Director
Division of Accounting
Office of Administration
Post Office Box 809
Jefferson City, MO 65102-0809

(573) 751-4013
FAX (573) 526-9810
mark.a.kaiser@oa.mo.gov

***Vandee DeVore**, Assistant Director

(573) 751-3289
FAX (573) 526-9810
vandee.devore@oa.mo.gov

MONTANA **Region VI**

***Beth Riitano**, State Social Security Administrator
Local Government Services Bureau
Room 301 South Park Avenue – Room 340
Post Office Box 200547
Helena, MT 59620-0547

(406) 841-2912
briitano@mt.gov

NEBRASKA **Region V**

***Wes Mohling**, Social Security Administrator
Department of Administrative Services
Post Office Box 94664
State Capitol
Lincoln, NE 68509

(402) 471-0601
FAX (402) 471-2583
wes.mohling@nebraska.gov

Ron Carlson, Assistant

(402) 471-0619
FAX (402) 471-2583
ron.carlson@nebraska.gov

NEVADA **Region VII**
***Donna K. Clark**
 Division of Employment Security
 500 East Third Street
 Carson City, NV 89713
 (603) 775-6396
 FAX (775) 687-6397
dkclark@nvdetr.org

NEW HAMPSHIRE **Region I**
 James Fredyma, Controller
 New Hampshire Department of Health & Human Services
 129 Pleasant Street
 Concord, NH 03301-3857
 (603) 271-4333
 FAX (603) 271-4232
jfredyma@dhhs.state.nh.us

Ann Mattice, Administrator
 DHHS – Bureau of Finance
 (603) 271-4203
amattice@dhhs.state.nh.us

***Connie Manus**
 DHHS – Bureau of Finance
 (603) 271-5077
 FAX (603) 271-4478
constance.m.manus@dhhs.state.nh.us

NEW JERSEY **Region I**
 Thomas P. Bryan, Director
 New Jersey Division of Pensions
 20 West Front Street, CN295
 Trenton, NJ 08625
 (609) 292-3678

***Peter Gorman**, Supervisor
 Social Security Agency
 (609) 292-0132
 FAX (609) 393-4606
peter.gorman@treas.state.nj.us

NEW MEXICO **Region V**
***Mary M. Frederick**, Deputy Executive Director
 Public Employees Retirement Association
 Post Office Box 2123
 Santa Fe, NM 87504-2123
 (505) 476-9303
 FAX (505) 954-0379
mary.frederick@state.nm.us

NEW YORK **Region I**
***Kevin Mack**, Assistant Director
 Disability Services Bureau
 New York State Retirement System & Local Retirement Systems
 110 State Street
 State Social Security Administrator
 Albany, NY 12244
 (518) 474-0333
 FAX (518) 474-3091
kmack@nyslrs.osc.state.ny.us

NORTH CAROLINA **Region III**
 Michael L. Williamson
 Deputy State Treasurer and Director of Retirement Systems Divisions
 Department of State Treasurer
 325 North Salisbury Street
 Raleigh, NC 27603-1385
 (919) 508-5377

***Don Perry**, Deputy Director for Social Security Operations
 (919) 508-5377
 FAX (919) 508-5167
don.perry@nctreasurer.com

NORTH DAKOTA **Region VI**
***Jeff Gitter**, State Social Security Administrator
 Job Service-North Dakota
 Post Office Box 5507
 Bismarck, ND 58506-5507
 (701) 328-1680
 FAX (701) 328-1882
jgitter@nd.gov

OHIO **Region IV**
***Robert (Rob) Robinson, JR.**, Fiscal Officer
 Department of Administrative Services-Human Resources Division
 30 East Broad Street – 27th Floor
 Columbus, OH 43215
 (614) 466-0903
 FAX (614) 466-5127
robert.robinsonjr@das.state.oh.us

OKLAHOMA **Region V**
***Laquitta Pitts**, State Administrator
 State Bureau of Social Security
 Department of Human Services
 Post Office Box 25352 Room 327
 Oklahoma City, OK 73125-0352
 (405) 521-3555
 FAX (405) 522-2082
laquitta.pitts@okdhs.org

OREGON **Region VII**
 Paul Cleary, Executive Director
 Oregon Public Employees Retirement System
 Post Office Box 23700
 Tigard, OR 97281-3700

Steve Rodeman, Deputy Director

***Karen Park**, State Social Security Administrator
 (503) 603-7633
 FAX (503) 598-1218
karen.park@state.or.us

PENNSYLVANIA **Region II**
***Arthur T. Doherty**, State Administrator
 Department of Labor and Industry
 Social Security for Public Employees
 Pennsylvania Department of Labor and Industry Room 1424
 651 Boas Street
 Harrisburg, PA 17121
 (717) 783-8860
 FAX (717) 772-3351
atdoherty@state.pa.us
 Website: www.state.pa.us keyword – SSPE

PUERTO RICO **Region I**
***Alejandro Sanchez-Rivera**
 Assistant Secretary for Central Government Accounting
 State Administrator for the Commonwealth of Puerto Rico
 Department of the Treasury
 Post Office Box 9024 140
 San Juan, PR 00902-4140
 (787) 721-2020 EXT 2379; 2380
 FAX (787) 723-6215
asanchez@hacienda.gobierno.pr

RHODE ISLAND **Region I**
***Gayle Mambro-Martin**, Internal Legal Counsel
 Employees Retirement System of Rhode Island
 40 Fountain Street, 1st Floor
 Providence, RI 02903-1854
 (401) 457-3949
 FAX (401) 222-2430
gmambro@ersri.org

SOUTH CAROLINA

Peggy G. Boykin, CPA, Director
 South Carolina Retirement Systems
 Post Office Box 11960
 Columbia, SC 29211-1960

Region III

(803) 737-6906
 FAX (803) 737-6947

***David Avant**, Senior Managing Counsel

(803) 737-6811
davant@retirement.sc.gov

SOUTH DAKOTA

***Lee DeJabet**, Administrator
 State Social Security-IRS Division
 State Auditor's Office
 500 East Capitol Avenue
 Pierre, SD 57501-5070

Region VI

(605) 773-3900
 FAX (605) 773-4942
lee.dejabet@state.sd.us

TENNESSEE

***Vernon Bush**, State Social Security Administrator
 Old Age & Survivors Insurance Agency
 Tennessee Consolidated Retirement System
 Andrew Jackson State Office Building, 10th Floor
 502 Deaderick Street
 Nashville, TN 37243-0237

Region III

(615) 741-7902
 FAX (615) 532-8725
vernon.bush@tn.gov

TEXAS

***James Sawyer**, State Social Security Administrator
 Employees Retirement System of Texas
 Post Office Box 13207
 Austin, TX 78711-3207

Region V

(512) 867-7373
 FAX (512) 867-3379
jsawyer@ers.state.tx.us

UTAH

***Richard Beckstead, CPA**, State Accountant
 Division of Finance
 2110 State Office Building
 Salt Lake City, UT 84114

Region VI

(801) 538-3100
 FAX (801) 538-3562
rbeckstead@utah.gov

Brandon Bagley, Accounting Operations Manager

(801) 538-3110
bbagley@utah.gov

VERMONT

***Cynthia L. Webster**, Director
 Social Security Division
 Office of the State Treasurer
 109 State Street, 4th Floor
 Montpelier, VT 05609-6901

Region I

(802) 828-2302
 FAX (802) 828-5182
cynthia.webster@state.vt.us

Michael J. Jurnovoy, Payroll Manager

(802) 828-2314

VIRGINIA

Robert P. Schultze, Director
 Virginia Retirement System
 Post Office Box 2500
 Richmond, VA 23218-2500

Region II

(804) 344-3120
 FAX (804) 786-1541
rschultze@varetire.org

***Barry Faison**, Chief Financial Officer
 Virginia Retirement System

(804) 344-3128
 FAX (804) 786-1425
bfaison@varetire.org

VIRGIN ISLANDS

Claudette Watson-Anderson, Commissioner
 Department of Finance
 Government of the Virgin Islands
 2314 Kronprindsens Gade
 Charlotte Amalie, VI 00802

Region I

(304) 774-1553
 FAX (304) 776-4028
candercpa@dof.gov.vi

***William Belardo**, Director
 Central Payroll

(340) 774-4750 EXT 2252
wbelardo@dof.gov.vi

WASHINGTON

***Kim Smith**, State Social Security Administrator
 Department of Retirement Services
 Post Office Box 48380
 Olympia, WA 98504-8380

Region VII

(360) 664-7107
 FAX (360) 753-1090
kims@drs.wa.gov

Melanie Piccin, State Social Security Coordinator

(360) 664-7165
melaniep@drs.wa.gov

Eleanor Conway, State Social Security Coordinator

(360) 664-7980
eleanorc@drs.wa.gov

WEST VIRGINIA

Glen B. Grainer III, State Auditor
 State Administrator for Social Security
 State Auditor's Office
 West Wing, 100 State Capitol Building
 Charleston, WV 25305-0002

Region II

(304) 558-2251
 FAX (304) 558-5200
glen.grainer@wvsao.gov

Todd Childers, CPA, Deputy State Auditor
 State Capitol Building, Room W
 Charleston, WV 25305-0002

(304) 558-2261 EXT 2146
 FAX (304) 558-4155
todd.childers@wvsao.gov

Eric Wagner, Director of Accounting
 Deputy Social Security Administrator

(304) 558-2250 EXT 2186
eric.wagner@wvsao.gov

Carrie Chambers, Auditor Assistant

carrie.chambers@wvsao.gov

WISCONSIN**Region IV**

***Jean Gilding**, State Social Security Administrator
Department of Employee Trust Funds
Post Office Box 7931
Madison, WI 53707

(608) 261-7942jean.gilding@etf.state.wi.us**WYOMING****Region VI**

***Harry Wales**, Interim Director
Wyoming Retirement System
6101 Yellowstone Road, 5th Floor West
Cheyenne, WY 82002-0001

(307) 777-6109

FAX (307) 777-5995

hwales@wyo.gov