MODIFICATION NO. 50

TO RHODE ISLAND STATE SOCIAL SECURITY AGREEMENT

Whereas, the Secretary of Health, Education, and Welfare and the State of Rhode Island acting through its representative designated to administer its responsibilities, entered into an agreement on December 20, 1951 for the purpose of extending coverage under the provisions of the Social Security Act, as amended, to the employees of the State and the political subdivisions of the State; and

Whereas, the Woonsocket Housing Authority, Woonsocket, Rhode Island, a political subdivision of the State, filed wage reports and tax returns under the Federal Insurance Contributions Act beginning with the calendar quarter ending with December 31, 1951 in the belief that such action would result in extending coverage under the provisions of the Social Security Act, as amended; and

Whereas, in furtherance of this belief the said political subdivision continued to file wage reports and make tax payments under the Federal Insurance Contributions Act for each succeeding calendar quarter after the quarter ending with December 31, 1951; and

Whereas, the filing of such wage reports and tax returns under the Federal Insurance Contributions Act was erroneous; and

Whereas, the political subdivision has established that services of its employees are covered under the provision of section 218 of the Social Security Act, as amended; and

Whereas, the political subdivision has followed the incorrect procedure in effectuating such coverage; and

Whereas, the State of Rhode Island and the Secretary of Health, Education, and Welfare desire to correct the above error in said agreement;

Now, Therefore, the Secretary of Health, Education, and Welfare and the State of Rhode Island acting through its representative designated to administer its responsibilities under the above agreement, hereby agree to end by this modification do add the above-named political subdivision to said agreement, with coverage effective as of October 1, 1953, the beginning of the period for which wage reports were first erroneously filed under the Federal Insurance Contributions Act.

Approved for the State of Rhode Island this 4th day of June, 1964.

[Signature]
General Treasurer

Approved this 12th day of [Signature], 1964.
Secretary of Health, Education, and Welfare

By: [Signature]
Director, Division of Child Welfare
Mr. John A. Campbell, Jr.
Bureau of Old-Age Survivor's Insurance
120 Boylston Street
Boston 16, Massachusetts
OFFICE MEMORANDUM * UNITED STATES GOVERNMENT

To: Mr. Thomas C. Parrott
     Director

From: Edward N. Watman, Chief
       Coverage Branch

Subject: Modification No. 50, Rhode Island

Date: October 8, 1964

Refer to: USCP- C

Enclosed is the above identified modification and supporting
documents for necessary action.

<table>
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<th>Coverage Groups</th>
<th>No. of Employees</th>
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<td>218(b)(5)</td>
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<tr>
<td>218(d)(1)</td>
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<tr>
<td>Other (See Remarks)</td>
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<td>Total No. of Coverage Groups</td>
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<tr>
<td>Total No. of Employees Covered</td>
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</table>

Remarks:

Cleared by the Regional Attorney.

Attachment (s) 5

Edward N. Watman
TO:       SSA Regional Representative
FROM:     Office of the General Counsel
          Boston Regional Office
SUBJECT:  State and Local Coverage - Rhode Island Modification No. 50

COMMENTS: Cleared for approval.

The letter from the State dated February 7, 1964, provides an explanation giving the reason the Woonsocket Housing Authority made reports under the Federal Insurance Contributions Act in compliance with section 366 of the Handbook. The State has also submitted the statements required by section 491.5 of the Handbook. In addition, the Modification follows the form set forth in Exhibit 15 of section 375 of the Handbook.

With respect to the status of the Woonsocket Housing Authority, a letter from the State dated July 20, 1964, states that the Authority was established under sections 45-25-2 through 45-25-33 of the General Laws of Rhode Island (1956). Separate coverage under the State agreement previously has been extended to other Housing Authorities created under these statutory provisions. See Modifications No. 21, 25, 26, and 44. In our Cleared for Approval Comments with respect to Modification No. 21, we pointed out that a Housing Authority established under the above-mentioned statutory provisions constituted a public body and a body corporate and politic with boundaries coterminous with the territorial boundaries of the city which it serves and possessed such public powers as the power to acquire, own, and dispose of real property, to borrow money, to sue and be sued, to make and execute contracts, and to have perpetual succession.

The State in its letter dated July 20, 1964, states that a Housing Authority created under sections 45-25-2 through 45-25-33 of the General Laws is a "jurisdictional entity (political subdivision) of the City and can qualify as such for Social Security coverage under section 218 of the Act." In accordance with the statutory provisions under which the Woonsocket Housing Authority was established, it would appear that the Authority would constitute a separate political subdivision of the State of Rhode Island as such. However, even if in accordance with the State's letter dated July 20, 1964, the Woonsocket Housing Authority were thought to be an instrumentality of the
City of Woonsocket, it could still qualify for separate coverage as a "political subdivision" as that term is defined in section 218(h)(2) of the Social Security Act in that it could be considered an instrumentality of a political subdivision of the State. In this connection, the Attorney General of Rhode Island in an opinion dated October 1, 1963, relating to the status of the Portsmouth Water and Fire District (see Modification No. 48) stated pertinently, inter alia:

"I have reached the above conclusion based on that language of the Federal Act which defines a 'political subdivision' as including, among other things, an instrumentality of a state, or as an instrumentality of a political subdivision or subdivisions of a State."

Arthur M. Menard
Regional Attorney
Mr. John A. Campbell, Jr.
Bureau of Old-Age & Survivor's Insurance
120 Boylston Street
Boston 16, Massachusetts

Dear Mr. Campbell:

The Woonsocket Housing Authority was established by virtue of the General Laws of the State of Rhode Island - 1956 - Chapter 45-25-2 through 45-25-33.

The City council has initial control in bringing the Housing Authority into existence and by appointing the Authority's initial officers and subsequent replacement of officers of the Authority as terms expire.

It was through our Attorney General's opinion that where a City has any control over a Housing Authority this makes it a juristic entity (political sub-division) of the City and can qualify as such for Social Security Coverage under Section 215 of the Act.

As reference, I refer to Providence Housing Authority which was established under the General Laws cited above, and which came under coverage through Modification #25 of our State-Federal Agreement.

Your cooperation is greatly appreciated.

Sincerely,

[Signature]

General Treasurer
February 7, 1964

Mr. John R. Campbell, Jr.
Social Security Regional Representative
120 Boylston Street
Boston, Massachusetts 02116

Dear Mr. Campbell:

We have carefully surveyed the Woonsocket Housing Authority situation regarding its Social Security reporting.

After careful analysis of all correspondence and lengthy talks with the Executive Director, I feel that through misunderstanding by the Authority brought about through correspondence that informed this Agency, "that the Rhode Island Legislative passed acts to enable cities and towns (and Quasi-Municipality) to enter the Social Security Program through a State-Federal Agreement." No reference at that time was made of the fact that it should be through the General Treasurer of the State as the Administrator of the Program.

I honestly feel the Authority at all times was acting in good faith.

My opinion is that the Agency should be allowed to enter our program and credit prior reporting already done under two different Identification Numbers to a new Identification Number when and if a Modification is excepted by your Agency.
Mr. John R. Campbell, Jr. —2— 2/7/64

I am enclosing a listing compiled from the Woonsocket Housing Authority quarterly returns since the first quarter of 1953.

I will await an answer from you before further contacting the Woonsocket Housing Authority.

Sincerely yours,

[Signature]

General Treasurer

Enclosure