original

MODIFICATION NO. 55

TO RHODE ISLAND STATE SOCIAL SECURITY AGREEMENT

The Secretary of Health, Education, and Welfare and the State of Rhode Island acting through its representative designated to administer its responsibilities under the Agreement of December 20, 1951, hereby accept as additional coverage groups (as defined in Section 218 (b) (5) of the Act), under said Agreement and Acknowledge full applicability of the terms of said agreement to all such coverage groups of the following political subdivision of the State.

COVERAGE

NAME

Rhode Island Turnpike and Bridge Authority

Treasurer
Rhode Island Turnpike and
Bridge Authority
37 Bellevue Avenue
Newport, R. I. 02840

The effective date for coverage of these groups shall be January 1, 1964

"In accordance with Section 218 (f) (2) of the Act, the State of Rhode Island designates the following date:

November 30, 1964"

Approved for the State of Rhode Island this Thirtieth day of November, 1964.

By General Treasurer

Approved this given day of the da

Secretary of Health, Education and Wellare.

by Idam Kungtt

Therass G. Parest. Planter
Division of Calles Selling
Social Security 450-651

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Department of Health, Education, and Welfare Region I Boston, Massachusetts 02116

GC:RA:I

DATE: December 18, 1964

TO:

SSA Regional Representative

FROM:

Office of the General Counsel

Boston Regional Office

SUBJECT: State and Local Coverage - Rhode Island Modification No. 55

COMMENTS: Cleared for approval.

The statutory authority for the creation, powers and functions of the Rhode Island Turmpike and Bridge Authority is contained in sections 24-12-1 through 24-12-49 of the General Laws of Rhode Island. Under these provisions, the Authority was created as a body corporate and politic (section 24-12-2) with the power to construct or acquire certain turnpikes and bridges and to issue bonds of the Authority to carry out its projects (section 24-12-5). In addition to such powers, the Authority is specifically empowered, inter alia, to adopt an official seal, to sue and be sued in its own name, to borrow money, to fix, charge and collect tolls, to acquire, hold, and dispose of real and personal property, including the power to acquire real property by eminent domain, to employ, and to enter into contracts or agreements (sections 24-12-9 and 24-12-10). The factors and powers enumerated above would appear to constitute the Authority a public body and a separate, juristic entity of the State. The separateness of the Authority as a legal entity distinct from the State or any political subdivision of the State is further indicated by the specific stanutory provisions that the revenue bonds issued by the Authority are not to be deemed to constitute a debt of the State or any political subdivision thereof (section 24-12-7) and that the Authority and the department of public works are empowered to enter into agreements with one another (sections 24-12-44A and B).

In connection with the determination of the status of the Authority for social security purposes, we note that in the case of Rhode Island Turnpike and Bridge Authority v. Nugent, 182 A. 2d 427 (1962), the Supreme Court of Rhode Island described the Mount Hope Bridge Authority as a "direct state agency," in determining whether that Authority was clothed with "sovereign immunity." The Court emphasized the fact that the Legislature specifically omitted to grant the Mount Hope Bridge Authority the power to sue and to be sued -- a power normally possessed by a "political subdivision" under the Social Security Act and certainly possessed by the Authority herein. Furthermore, we believe that the language employed by the Supreme Court of Rhode Island in Opinion to the Governor, 58 R.I. 486, 193 Atl. 503 (1937) is also pertinent to the issues herein. The Court there held that the Jamestown Bridge Commission, which we might note

had the power to sue and was subject to suit in its own name, could not issue bonds in the name of the State but in fact must issue them in its own name. The Court stated pertinently, inter alia, as follows:

" *** the general scheme and purpose of the statute points in the direction of making the commission solely responsible for the construction, maintenance, and operation of the bridge and especially for the financial administration and control thereof. For these purposes, the act clothes the commission with substantially all the attributes of a distinct legal entity, separate and apart from the state."

As pointed out above, under section 24-12-7 of the General Laws, the bonds of the Rhode Island Turnpike and Bridge Authority specifically are to be deemed not to constitute a debt of the State or of any political subdivision thereof. The Jamestown Bridge Commission was covered in Modification No. 15 and we believe that the Rhode Island Turnpike and Bridge Authority possesses at least a sufficient number of powers and attributes of the Commission, particularly those relating to suing and being sued in its own name, as likewise to constitute it a "political subdivision" of the State for section 218 purposes. In addition, we believe that the Authority may properly be the subject of a modification under section 36-7-2 of the General Laws of Rhode Island as an "instrumentality of the state which (is) a juristic entity and legally separate and distinct from the state ***."

Arthur M. Menard Regional Attorney

State Flouse

Providence, Rhode Island, 02903

State of Aliade Island and Providence Plantations
TREASURY DEPARTMENT
OFFICE OF THE GENERAL TREASURER
PROVIDENCE 2: R. I.

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Mr. John R. Campbell, Jr.
Bureau of Old-Age & Survivor's Insurance
120 Boylston Street
Boston 16. Massachusetts

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ATT Van John Pors

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OFFICE MEMORANDUM * UNITED STATES GOVERNMENT

| То | | r. Thomas C | . Parrott | Da | Date: January 6, 1965 | | |
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| From | Director : Edward N. Watman, Chief Coverage Branch | | - | Refer to: 14:CP:C | | | |
| Subject | : Mo | dification | No. 55 | Rhode Is | land | | |
| đoci | | | the above identifics | ed modifica | ation and supporting | | |
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| ⊥ن | eared, | r na rus Les | gional attorney. | | | | |

Edward N. Watman

Enclosure(s) 5