

---

---

EXTENSION OF TIME FOR RETROACTIVE OLD-AGE AND  
SURVIVORS INSURANCE COVERAGE OF CERTAIN STATE  
AND LOCAL EMPLOYEES

---

JUNE 19 (legislative day, JUNE 10) 1952 —Ordered to be printed

---

Mr. GEORGE, from the Committee on Finance, submitted the following

R E P O R T

[To accompany H. R. 6291]

The Committee on Finance, to whom was referred the bill (H. R. 6291) to amend section 218 (f) of the Social Security Act with respect to effective dates of agreements entered into with States before January 1, 1954, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

By virtue of this act the House report is accepted as follows:

PURPOSE

The bill would amend section 218 (f) of the Social Security Act, which relates to the effective dates of Federal-State agreements for old-age and survivors insurance coverage of State and local government employees, so as to extend from January 1, 1953, to January 1, 1954, the period within which such coverage may be made retroactive to January 1, 1951. The effect of the bill would be to permit State and local government employees covered under an original agreement or a modification of an agreement during the year 1953 to obtain coverage retroactively to January 1, 1951, if they desired. The maximum period of retroactive coverage would be 3 years.

GENERAL STATEMENT

The Social Security Act amendments of 1950 made old-age and survivors insurance coverage available to 1.4 million employees of State and local governments not covered by State or local retirement systems. Statutory authority is required before a State agency can enter into a coverage agreement with the Federal Security Administrator. Such agreements have been negotiated by more than three-fourths of the States. In other States plans have been made for extending old-age and survivors insurance coverage to State and local employees retroactive to January 1, 1951 but the legislatures of those States do not meet again until 1953. Consequently, under existing law a special session of the legislature would be required to enable those States to provide for their employees the advantages which would accrue from this retroactive coverage.

This bill would grant to the States which have not yet negotiated an agreement with the Federal Security Agency and to States which may desire to extend coverage to employees not provided for in an original agreement an additional year in

which to enter into an agreement to make coverage of State and local employees retroactive to January 1, 1951.

The report of the Federal Security Agency, which was approved by the Bureau of the Budget, states:

"The enactment of the bill would allow the States and political subdivisions considering old-age and survivors insurance coverage more time in which to make a thorough study of the problems involved without disadvantage to their employees. It would be of particular advantage to employees in States which will not have a regular session of the legislature until 1953 and which may therefore be unable to enact enabling legislation and complete a coverage agreement by the present deadline, January 1, 1953. While the Federal Security Agency would not favor an indefinite extension of the period during which coverage may be made retroactive, the 1-year extension proposed by the bill is a desirable one."

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 218 (f) OF THE SOCIAL SECURITY ACT, AS AMENDED  
VOLUNTARY AGREEMENTS FOR COVERAGE OF STATE AND LOCAL EMPLOYEES  
PURPOSE OF AGREEMENT

Sec. 218. (a) \* \* \*  
\* \* \* \* \*

EFFECTIVE DATE OF AGREEMENT

(f) Any agreement or modification of an agreement under this section shall be effective with respect to services performed after an effective date specified in such agreement or modification but in no case prior to January 1, 1951, and in no case (other than in the case of an agreement or modification agreed to prior to January 1, [1953] 1954) prior to the first day of the calendar year in which such agreement or modification, as the case may be, is agreed to by the Administrator and the State.

\* \* \* \* \*

