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*5-1953*

PLAN AND AGREEMENT BETWEEN COMMONWEALTH OF PENNSYLVANIA  
AND  
TOWNSHIP OF KISKIMINETAS  
FOR THE COVERAGE OF PUBLIC EMPLOYEES AND ELECTED OFFICERS  
UNDER FEDERAL OLD AGE AND SURVIVORS INSURANCE

TO: SECRETARY OF LABOR AND INDUSTRY

Attention: Bureau of Social Security for Public Employees  
Harrisburg, Pennsylvania

The Township of Kiskiminetas hereinafter called the Political Subdivision, pursuant to the provisions of Act No. 491 of the 1951 Session of the General Assembly of the Commonwealth of Pennsylvania, and in accordance with the authority vested in the Political Subdivision by Resolution No. 2, dated February 27, 1953, a certified copy of which is hereto annexed, hereby submits the following Plan and Agreement in order to extend to the employees of the Political Subdivision the basic protection accorded by the Old Age and Survivors Insurance System embodied in the Social Security Act.

Subject to his approval of this Plan, the Secretary of Labor and Industry, hereinafter called the State Agency, is hereby authorized to include this Political Subdivision in any original agreement or any modification thereof, entered into between the Commonwealth of Pennsylvania and the Federal Security Administrator pursuant to Section 218 of the Social Security Act and Act No. 491 of the 1951 Session of the General Assembly of Pennsylvania.

(b) The term "coverage group" means a coverage group as defined in Section 218(b)(5) of the Social Security Act.

(c) The term "employee" means an employee as defined in Section 210(k) of the Social Security Act and includes an elected officer of the Township of Kiskiminetas.

(d) The term "employment" means (and this plan is applicable to) any service performed by an employee of the Political Subdivision, except:

1. Service performed by an employee in a position covered by a retirement system on the date the Agreement between the Federal Security Administrator and the Commonwealth is made applicable to his coverage group.
2. Service performed by an employee who is employed to relieve him from unemployment.
3. Service performed in a hospital, home, or other institution by an inmate thereof.
4. Covered transportation service (as defined in Section 210(1) of the Social Security Act).
5. Service (other than agricultural labor or service performed by a student) excluded from employment by any provision of Section 210(a) of the Social Security Act, other than paragraph (8) of such Section.
6. Services of an emergency nature.
7. Services in positions the compensation for which is on a fee basis.
8. Services performed by a student, which, if performed in the employ of a non-government employer, would be ex-

9. Services in any class or classes of part-time positions.
10. Agricultural labor which, if performed in the employ of a non-government employer, would be excluded from employment under the Social Security Act.
- (e) The term "retirement system" means a pension, annuity, retirement, or similar fund or system established by the Political Subdivision or by the Commonwealth of Pennsylvania.
- (f) The term "Federal Insurance Contributions Act" means subchapter A of Chapter 9 of the Federal Internal Revenue Code as such Code has been and may from time to time be amended.
- (g) The term "Social Security Act" means the Act of Congress approved August 14, 1935, Ch. 531, 49 Stat. 620 (including regulations and requirements issued pursuant thereto) as such Act has been and may be from time to time amended.
- (h) The term "wages" means all remuneration for employment as defined herein, including the cash value of all remuneration paid in any medium other than cash except that such term shall not include that part of such remuneration which, even if it were paid for employment within the meaning of the Federal Insurance Contributions Act, would not constitute wages within the meaning of that Act.

## II. Benefits

Approval of this Plan by the State Agency and the inclusion of the Political Subdivision in the Federal-Commonwealth Agreement, shall have the effect of making all employees covered by this Plan eligible for Old Age and Survivors In-

### III. Contributions

- (a) The Political Subdivision hereby undertakes to pay to the State Agency at such time or times as the State Agency shall designate, amounts equivalent to the sum of the taxes which would be imposed by Sections 1400 and 1410 of the Internal Revenue Code if the services of employes covered by this Plan constituted employment as defined in Section 1426 of such Code.
- (b) In consideration of an employe's retention in or entry upon employment after approval of this Plan the Political Subdivision hereby agrees, pursuant to the authority contained in Act No. 491, and in the manner specified by law, to impose upon each of its employes as to services which are covered by this Plan, a contribution with respect to his wages, not exceeding the amount of tax which could be imposed by Section 1400 of the Federal Insurance Contributions Act, and to deduct the amount of such contributions from his wages as and when paid. Contributions so collected shall be paid into the State Agency in partial discharge of the Political Subdivision's liability under this Plan. However, the Political Subdivision is aware that failure to deduct such contributions will not relieve the employe or the Political Subdivision of liability therefor.
- (c) The Political Subdivision hereby agrees to adopt such methods of financing as are found by the State Agency to

of the general funds of the said township and all liability of said subdivision shall be paid from the general fund of the Township. The source from which payment will be made is adequate for the purpose of paying the liability of the said Political Subdivision for any contribution or contributions due the State Agency and, furthermore, states that the said county is without debt and also that the general tax rate will be raised if necessary for the purpose of meeting any liability of the Township of Kiskiminetas under the provisions of this agreement.

- (d) Delinquent payments due under this Plan, with interest at the rate of 6% per annum, computed at the rate of  $\frac{1}{2}\%$  per month for each month or fraction thereof, may be recovered by action in a court of competent jurisdiction against the Political Subdivision or, at the discretion of the State Agency, may be deducted from any other moneys payable to the Political Subdivision by any department or agency of the Commonwealth, without prejudice to any other available methods of collection or enforcement of payment.

#### IV. Modification of Plan and Agreement

This Plan and Agreement will be modified at the request of the Political Subdivision to include any coverage group or additional services not now within the Plan, such modification to be consistent with the provisions of Section 218 of

V. Termination of Plan and Agreement

- (a) The Political Subdivision reserves the right, with respect to each coverage group herein, to terminate its participation in the Old Age and Survivors Insurance Program by giving such notice in writing as the State Agency may, by rule or regulation, prescribe, and in the absence of a rule or regulation, such written notice as will afford the State Agency an opportunity to give a minimum of two years' advance notice in writing to the Federal Security Administrator of the coverage of the Political Subdivision under this Plan, either in its entirety or with respect to any coverage group. Such notice shall be effective at the end of the calendar quarter specified in the notice, provided, however, that this Plan may be terminated in its entirety or with respect to any coverage group only if it has been in effect from the effective date specified herein for not less than five years prior to receipt by the Federal Security Administrator of such notice with respect to any group for which termination is sought.
- (b) The Political Subdivision does recognize that if the Federal Security Administrator, in the manner outlined in the Federal-Commonwealth Agreement, terminates that Agreement in its entirety or with respect to the Political Subdivision or any coverage group herein, such termination shall have the same effect on the relationship between the Commonwealth and the Political Subdivision as termination under such

(c) The State Agency, in its discretion, may terminate this Plan in its entirety or as to any coverage group if it finds, after due notice and hearing, that there has been a failure to comply substantially with any provision contained in this Plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the State Agency and as may be consistent with the provisions of the Social Security Act. If, under this paragraph, the Plan is terminated with respect to any coverage group, such termination shall be effective also with respect to any additional services in such coverage group included in the Plan pursuant to any modification thereof under Paragraph IV.

#### VI. Compliance with Regulations

The Political Subdivision will comply with such regulations as the State Agency may prescribe to facilitate efficient administration of this Plan and enable the State to carry out the Agreement with the Federal Government. The Political Subdivision shall furnish such reports, in such form and containing such information as the State Agency, from time to time, may require and comply with such provisions as the State Agency or the Federal Security Administrator, from time to time, may find necessary to assure the correctness and verification of such reports.

be necessary for the proper and efficient administration of the Plan, including cooperation with the local field offices of the Federal Security Agency.

(b) The Political Subdivision, pursuant to the authority in it vested hereby appoints Samuel L. Shotts as the person to be responsible for the local administration of this Plan.

VIII. Operative Date

This Plan and Agreement shall be operative as of January 1, 1951 subject to approval and acceptance by the State Agency.

This Plan and Agreement is entered into this 27th day of February 1953, and shall be binding as of the date the agreement between the Federal Security Administrator and the Commonwealth is made applicable to the Political Subdivision.

ATTEST:

Samuel L. Shotts  
Secretary

Township of Kiskiminetas

By:

Norman R. Martin

John E. Hilly

Samuel L. Shotts  
Supervisors

David D. Walker  
Secretary of Labor and Industry  
State Agency