

**§ 404.1204**

**20 CFR Ch. III (4-1-14 Edition)**

possible, while continuing to work with the State to resolve remaining discrepancies.

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[53 FR 32976, Aug. 29, 1988, as amended at 66 FR 28836, May 25, 2001]

**§ 404.1204 Designating officials to act on behalf of the State.**

(a) Each State which enters into an agreement shall designate the official or officials authorized to act on the State's behalf in administering the agreement. Each State shall inform SSA of the name, title, and address of the designated official(s) and the extent of each official's authority. For example, a State may indicate that the State official is authorized:

- (1) To enter into an agreement and execute modifications to the agreement; and
- (2) To carry out the ministerial duties necessary to administer the agreement.

For wages paid prior to 1987:

- (3) To enter into agreements to extend or re-extend the time limit for assessment or credit;
- (4) To make arrangements in connection with onsite reviews; and
- (5) To request administrative review of an assessment, an allowance of a credit or refund, or a disallowance of a credit or refund.

(b) Each State shall inform SSA timely of changes in designated officials or changes in their authority.

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**WHAT GROUPS OF EMPLOYEES MAY BE COVERED**

**§ 404.1205 Absolute coverage groups.**

(a) *General.* An absolute coverage group is a permanent grouping of employees, e.g., all the employees of a city or town. It is a coverage group for coverage and reporting purposes. When used for coverage purposes, the term refers to groups of employees whose positions are not under a retirement system. An absolute coverage group may include positions which were formerly

under a retirement system and, at the State's option, employees who are in positions under a retirement system but who are ineligible (see § 404.1208) to become members of that system.

(b) *What an absolute coverage group consists of.* An absolute coverage group consists of one of the following employee groups:

- (1) State employees performing services in connection with the State's governmental functions;
- (2) State employees performing services in connection with a single proprietary function of the State;
- (3) Employees of a State's political subdivision performing services in connection with that subdivision's governmental functions;
- (4) Employees of a State's political subdivision performing services in connection with a single proprietary function of the subdivision;
- (5) Civilian employees of a State's National Guard units; and
- (6) Individuals employed under an agreement between a State and the U.S. Department of Agriculture as agricultural products inspectors.

(c) *Designated coverage groups.* A State may provide coverage for designated (*i.e.*, selected) absolute coverage groups of the State or a political subdivision. When coverage is extended to these designated groups, the State must specifically identify each group as a designated absolute coverage group and furnish the effective date of coverage and any optional exclusion(s) for each group. Where a State has provided coverage to designated absolute coverage groups, the State may, by modifying its agreement, extend that coverage to any absolute coverage group in the State.

**§ 404.1206 Retirement system coverage groups.**

(a) *General.* Section 218(d) of the Act authorizes coverage of services of employees in positions under a retirement system. For purposes of obtaining coverage, a system may be considered a separate retirement system authorized by sections 218(d)(6) (A) or (B) or 218(l) of the Act. Under these sections of the Act a State may designate the positions of any one of the following