

Office of the Governor

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NEWS RELEASE

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Gov. Christie Whitman has signed the following piece of legislation:

A-2906, sponsored by Assembly Members Gerald J. Luongo (R-Camden/Gloucester) and Marion Crecco (R-Essex/Passaic) and Senator Anthony R. Bucco (R-Morris) provides for exclusion of student employees of public schools, colleges and universities from Social Security coverage. Under the bill, remuneration for service performed by such students would no longer be subject to the Federal Insurance Contributions Act (FICA) tax, the tax that provides for Social Security and Medicare coverage. Students attending and working at private colleges and universities already enjoy exclusion from the FICA tax. The state has authority under the federal Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1999 to amend its Social Security coverage agreement with the federal government to provide for this exclusion.