

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

EMPLOYERS' RESPONSIBILITIES IN CHILD SUPPORT

PAYROLL AND HUMAN RESOURCE PROFESSIONALS GETTING STARTED PACKET

FOR ADDITIONAL INFORMATION:

www.childsup.ca.gov/employer.aspx



EMPLOYER VALUE TO OUR PROGRAM

Welcome

California Department of Child Support Services

IN FEDERAL FISCAL
YEAR 2014/2015
EMPLOYERS
ACCOUNTED
FOR MORE THAN
70 PERCENT OF
CHILD SUPPORT
COLLECTION.

THAT IS MORE THAN
\$1.5 BILLION DOLLARS
EACH YEAR.

THANK YOU FOR ALL
YOUR COMMITMENT
AND DEDICATION.

WHY YOU ARE IMPORTANT

As employers, you are one of our most important partners. You play a valuable role in helping ensure families get the financial and medical support they need. More than 70 percent of all child support collections are through payroll deductions. That is more than \$1.5 billion dollars each year.

The federal Office of Child Support Enforcement (OCSE) oversees the national child support program and provides leadership to state agencies, including the California Department of Child Support Services (DCSS). OCSE helps develop, manage, and operate our programs effectively. California has 51 local child support agencies that provide direct services to our families and partners.

We recognize the challenges employers have in support of the child support enforcement effort. Federal and state laws mandate the DCSS to serve the Income Withholding Order (IWO) and the National Medical Support Notice (NMSN) to the employer on behalf of the responsible party required to pay child support. We are committed to working with employers to help reduce these concerns while still meeting legal requirements.

Visit our Employer Resource Center for more information about employers' responsibilities. If you have questions or need assistance you can contact us at any time as we are here to better serve you.

FOR ADDITIONAL INFORMATION:

Visit the Employer Resource Center at
www.childsup.ca.gov/employer.aspx



NEW HIRE REPORTING

Fact Sheet

California Department of Child Support Services

NEW HIRE CHECKLIST

- The following information must be reported:

- » Employer's legal business name
- » Contact person name
- » Address
- » Phone number
- » California employer account number
- » Federal Employer Identification Number (FEIN)

- » Employee's full name
- » Social Security Number
- » Address
- » Start-of-work date

- Report your new hires electronically by visiting:
<https://eddservices.edd.ca.gov/>

NEW HIRE REPORTING

New hire reporting is the process by which you, as an employer, report information on your newly hired employees to the California Employment Development Department (EDD). New hire reports are matched against child support records at the state and national levels to locate parents who are not paying owed child support.

All California employers must report all of their new or rehired employees who work in California to the New Employee Registry within twenty (20) days of their start-of-work date. Any employee that is rehired after a separation of at least sixty (60) consecutive days must also be reported within 20 days.

Employers may use any of the following to report new employee information to EDD:

- Submit a Report of New Employee(s) (DE 34) electronically using EDD's e-Services for Business.
- Submit a paper Report of New Employee(s) (DE 34) to EDD. A fill-in DE 34 can be downloaded if you have Adobe Reader. Forms may also be ordered through EDD's Online Forms and Publications page, by calling EDD's toll-free number 1.888.745.3886, or visiting your nearest Employment Tax Office. You may also print your data directly from your computer to the DE 34 by following the print specifications.
- Submit a copy of the employee's W-4 form. You must add the employee's start-of-work date, your California employer account number and Federal Employer Identification Number (FEIN) to the W-4.
- You may create your own form with all of the required information and mail or fax to:
Employment Development Department
Document Management Group, MIC 96
P.O. Box 997016
West Sacramento, CA 95799-7016
Fax: 916.319.4400

FOR ADDITIONAL INFORMATION:

Visit the Employment Development Department website at
http://www.edd.ca.gov/Payroll_Taxes/New_Hire_Reporting.htm



INCOME WITHHOLDING ORDER (IWO)

Fact Sheet

California Department of Child Support Services

The Income Withholding Order (IWO) is a court order served on employers that requires them to withhold a specified amount of an employee's wages for payment of child and medical support. The IWO or court order is served on employers on form FL 195. It may also be referred to as a wage assignment, garnishment order, or an income withholding for support order. Employers may be served with an IWO by a local child support agency (LCSA), by private party, or by another state's child support agency.

Income withholding is the most effective method of child support collection. In California, wage withholding accounts for more than 70 percent of child support collected.

EMPLOYER CHECKLIST FOR PROCESSING INCOME WITHHOLDING ORDERS

- Within 10 days of receipt of an IWO from a local child support agency (LCSA), confirm that the employee named in the Income Withholding Order (IWO) is your employee and provide him/her with a copy of the Income Withholding Order, the Request for Hearing Regarding Wage and Earnings Assignment, and Information Sheet.
- The employer must begin withholding the amount specified in the order no later than the first pay period occurring 10 days after receipt of the IWO.
- If no federal tax levy is already in place against your employee's earnings, then calculate the child support deduction and withhold the maximum allowable disposable income needed to satisfy the child support obligation, and your administrative fee, if any. If a federal tax levy is in place, please contact the local child support agency by calling the statewide toll free number 866.901.3212 to determine if the child support order was entered prior to the date of the tax levy and therefore has priority over the tax levy.
- Payment options:
 - » Online - Log in at www.casdu.com - Use your debit/credit card or bank account information.
 - » Phone - Call 1.866.901.3212 - Use your debit/credit card or bank account information.
 - » Check - mail your payment to:
State Disbursement Unit
P.O. Box 989067
West Sacramento, CA 95798
- If the employee no longer receives payments from you, is terminated, on disability leave, or there is any cause to stop the withholding of payments, notify the LCSA that is managing the case.

FOR ADDITIONAL INFORMATION:

Visit the Employer Handbook - Guide to California child support for employers at:
<http://www.childsup.ca.gov/Portals/0/employer/docs/EmployerHndbk.pdf>
or call 866.901.3213 Option 1.



NATIONAL MEDICAL SUPPORT NOTICE (NMSN)

Fact Sheet

California Department of Child Support Services

By law, every order for child support must include a health insurance provision. If an employee or independent contractor is a noncustodial parent and eligible for health insurance, his/her children must be enrolled in the employer's health insurance plan whenever the noncustodial parent is ordered to provide health insurance coverage. Health insurance must be provided to the employee's children even if the employee declines his/her own personal health coverage.

Medical support orders may be for a specific dollar amount included on the IWO or as an order to provide health insurance that employers are noticed via a document titled: The National Medical Support Notice (NMSN) (form OMB 0970-0222). The NMSN is a standardized federal form that all state IV-D child support programs must use. The NMSN may accompany an IWO or it may be sent separately.

EMPLOYER CHECKLIST FOR CHILD SUPPORT HEALTH INSURANCE.

- When an employee is ordered to pay health insurance as part of court ordered child support, the employer is sent a document called the National Medical Support Notice (NMSN). It will have the employee's name, child support case number and other information. It also has a section for the employer to complete.
- Within 20 business days of the date on the NMSN, the employer should check number 1 of the NMSN Employer Response (Part A) and return it by mail to the issuing party shown on the NMSN. If health insurance is not available to the employee, the employer is still required to respond to the issuing party by returning the Employer Response regardless of whether you provide group health benefits or the employee named herein is no longer employed by your organization.
- If your company does offer health insurance to employees, then you have 10 days from the date you receive an NMSN to confirm that the employee named in the NMSN is your employee and provide him/her with a copy of the notice and the information on the employee's right to request a hearing regarding the health insurance assignment.
- Within 20 business days of receipt of the NMSN, forward instructions to enroll to the designated health insurance company or other health plan insurer.
- Once enrollment is verified with the effective date, complete the NMSN's Health Insurance Information Form and return it to the issuing local child support county office.
- Within 40 business days of the receipt of the NMSN, or sooner if reasonable, furnish the local county office with a description of the coverage available and the effective date of the coverage, including, if not already provided, a summary plan description and any forms, documents, or information necessary to effectuate such coverage, as well as information necessary to submit claims for benefits.
- If health insurance coverage terminates for any reason, a notice of lapse of health insurance coverage should be forwarded to the issuing party.

FOR ADDITIONAL INFORMATION:

Visit the California Child Support- A Guide for Business Handbook.
Any eligibility questions can be answered through NMSN guidelines:
<http://www.acf.hhs.gov/programs/css/resource/national-medical-support-notice-form>
Or contact the issuing local child support agency at 1.866.901.3212.



ELECTRONIC OPTIONS FOR CHILD SUPPORT

Fact Sheet

California Department of Child Support Services

ELECTRONIC OPTIONS

Our program is always looking to add more efficient and effective ways to do business. Below are three electronic options that we currently offer to employers:

ELECTRONIC IWO (e-IWO)

- A faster and easier way for employers to receive and reply to Income Withholding Orders is available. By utilizing the federal Electronic Income Withholding Order process (e-IWO), employers will save time and money while reducing the potential for error usually associated with manually processing paper documents. There are two options for implementing the e-IWO process:
 - » The System-to-System Option
 - » No Programming Option (NPO)

ELECTRONIC PAYMENTS

- The California State Disbursement Unit (CASDU) is the single payment processing center for employers to send all California wage withholding child support payments. To simplify the payment submission process, the CASDU provides all employers the option to submit payments electronically via an Electronic Funds Transfer (EFT) through the payments network known as the Automated Clearing House (ACH). Our EFT method is more cost effective, provides more security to its users and eliminates the risks associated with traditional check processing.

eTERM

- Electronic Termination (eTerm) allows employers to report employee terminations online. Registered employers provide information about employee terminations (or that an individual has never worked for them) either by uploading a file or entering information in the online eTerm application.

For additional information on e-IWO:

<http://www.acf.hhs.gov/programs/cse/newhire/employer/eiwo/eiwo.htm>

For additional information on electronic payments:

[https://www.childsup.ca.gov/payments/edisbursementunit\(sdu\).aspx](https://www.childsup.ca.gov/payments/edisbursementunit(sdu).aspx)

For additional information on eTerm:

<http://www.acf.hhs.gov/programs/css/resource/electronic-termination-eterm>

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