

New Mexico New Hires Directory

A Look Behind the Scenes—The Importance of New Hire Reporting

Employers Are Required To Report New Hires

New hire reporting is one of many reporting requirements employers must fulfill when maintaining a successful business. Just as it is required to report taxes and/or wages to varying federal and state agencies, employers have a legal obligation to report new hires to the New Mexico New Hires Directory. State and federal laws require employers to report each newly hired or re-hired employee within 20 days of hire.

New Hire Reporting Benefits Children

Whereas taxation helps fund infrastructure such as bridges and roads, new hire reporting helps build up the foundation of our communities – our children. Reporting new hires is an important step in the child enforcement process, which helps children and families receive the financial support to which they are legally entitled.

New hire reporting gives child support enforcement specialists the ability to locate and track parents with child support or paternity orders. It is necessary to know where parents are currently working to speed up the child support income withholding process, and allows income withholding to continue with minimal interruption if parents change jobs. New hire reporting also helps interstate case processing, the most difficult kind of cases to enforce. In short new hire reporting helps ensure children receive the financial support they have been granted by law.

Other benefits of New Hire Reporting

New Hire Reporting benefits the employer-employee relationship by demonstrating to the employee that the business owner is committed to running the business legitimately, complying with all reporting from unemployment insurance to new hire reporting as required, ultimately protecting the integrity of the business and its employees. This protection may help raise and maintain company morale and more efficient performance.

New Hire Reporting benefits the employee by helping keep income withholding and medical support for their children continue with minimal interruption if they change jobs. This prevents the likelihood the parent will fall into non-compliance with their child support order, preventing fines and other possible penalties for non-payment.

New Hire Reporting benefits our community by preventing and reducing fraud and improper payments in public assistance programs, unemployment insurance (UI) and workers' compensation. Not only does this help ensure taxpayer money is spent efficiently, it also serves to keep employers' insurance premiums low.

Every Employee Must Be Reported

ALL employers must report ALL newly hired employees—this includes part-time, seasonal and temporary employees. If an employee is paid wages, they must be reported, even if the wages are for only one day. ALL re-hired employees, and those returning to work after a period of absence, such as farm workers or school teachers, must also be reported as new hires – if there was a 60 day or more gap in pay for the employee, they must be reported again when they return to work.

If you are a multi-state employer, you may choose to report your new hires electronically to one state. Contact the Federal Office of Child Support Enforcement to register for multi-state reporting, www.acf.hhs.gov. Be sure to immediately update any changes in your payroll contact information, and check the accuracy of your registration annually.

HOW:

Online reporting is the most efficient way to submit all your reports: www.nm-newhire.com. Online reporting is secure and saves both time and material costs.

ALL new hire reports must include the following information:

- Federal Employer ID Number (FEIN)
- Employer Name
- Employer Payroll Address & Contact Info
- Date of Hire (first day of work)
- Employee Social Security Number
- Employee Name
- Employee Address

New Hire Reporting Questions:

New Mexico New Hires Directory
PO Box 29840 Santa Fe, NM 87502
Phone: 888-878-1607 Fax: 888-878-1614
www.nm.newhire.com

New Mexico Child Support Enforcement Division

Employer Child Support Reporting Requirements

A large part of the success of New Mexico's child support enforcement programs relies on the cooperation of employers with child support reporting requirements. **Employers provide the largest source of child support collection, garnering nearly 74% of all child support through income withholding.**

What Basic Services Does the New Mexico Child Support Enforcement Division (NMCSED) Provide?

- Locate individuals with child support orders
- Legally establishing fatherhood through genetic testing or voluntary acknowledgement
- Enforce child support and medical support orders
- Collect and re-distribute child support payments

What are the Four Basic Child Support Reporting Requirements for Employers?

- New Hire Reporting:** ALL employers must report ALL new and re-hired employees to the New Mexico New Hires Directory within 20 days of hire
- Verifications:** Answer requests for employment verifications from NMCSED
- Income Withholding & Medical Support:** Garnish wages and include children in health insurance programs
- Terminations:** Report to NMCSED when an employee permanently leaves a job

What is New Hire Reporting?

Every employer is required to report every employee to the New Mexico New Hires Directory within 20 days of the date of hire. **New hire reporting is the first step toward successful child support enforcement.** Review the front of this publication for more information on new hire reporting.

What is Employment Verification?

NMCSED may request an employers to verify an employee's employment status, wages, and benefits. Sometimes more specific and current information is needed to carry out an enforcement order. Employers must respond promptly and as fully as possible to verification requests.

HOW: Complete information requested in letters, subpoenas, state-issued forms, or attorney requests, or respond online by visiting the NMCSED eLink Employer Portal: <https://elink.hsd.state.nm.us/ePortal/Default.aspx>

What is an Income Withholding Order (IWO)?

Income withholding is the single most effective tool for collecting child support. An income withholding order is a requirement for an employer to garnish the wages of an employee in order to fulfill a child support order. Income includes any periodic form of payment due to an individual, regardless of source. Federal and state laws require income withholding in almost all cases; receiving an IWO for an employee does not reflect negatively on that individual. It is illegal to terminate or otherwise deny employment to an individual based on their involvement with child support.

HOW: Employers may respond to and maintain IWOs online by visiting the NMCSED eLink Employer Portal: <https://elink.hsd.state.nm.us/ePortal/Default.aspx>

What is Medical Support?

Employers are required by law to respond after receiving a National Medical Support Notice (NMSN), which is a Qualified Medical Child Support Order (QMCSO) requiring the provision of medical insurance coverage to an employee's child if the employee is eligible for family care coverage.

HOW: NMCSED will issue the NMSN alone or with an IWO. Employers complete the "Employer's Response" portion of Part A and return it within 20 days. If a group health plan is available and the employee is eligible for coverage, Part B is sent to the plan administrator within 20 days. Employers may respond to and maintain NMSNs online by visiting the NMCSED eLink Employer Portal:

<https://elink.hsd.state.nm.us/ePortal/Default.aspx>

What are Terminations?

Employers must notify NMCSED as soon as possible when an employee who is the subject of an IWO stops working for them or no longer receives periodic income. This allows NMCSED to quickly issue a new IWO to the new employer, preventing a possible interruption in child support payments.

HOW: Employers may report terminations online by visiting the NMCSED eLink Employer Portal: <https://elink.hsd.state.nm.us/ePortal/Default.aspx>

For more information about child support enforcement reporting including verifications, IWOs, NMSNs or terminations, please contact NMCSED: 1-800-288-7207 or 1-800-585-7631 (Out of State)