SLS 20RS-433

ORIGINAL

2020 Regular Session

SENATE BILL NO. 336

BY SENATOR ALLAIN

CHILDREN. Provides relative to the Department of Children and Family Services child support employer reporting program. (8/1/20)

1	AN ACT
2	To amend and reenact R.S. 46:236.14(B)(4), (D), (E), (F), (G)(1), (H), and (I), and to enact
3	R.S. 46:236.14(B)(5), relative to the Department of Children and Family Services
4	child support employer reporting program; to provide for mandatory reporting of
5	wages or remuneration of nonemployees by service-recipients; to provide for
6	deadlines and content of reports submitted by service-recipients; and to provide for
7	related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 46:236.14(B)(4), (D), (E), (F), (G)(1), (H), and (I) are hereby
10	amended and reenacted and R.S. 46:236.14(B)(5) is hereby enacted to read as follows:
11	§236.14. Employer reporting program
12	* * *
13	B. As used in this Section, the following terms shall have the following
14	meanings:
15	* * *
16	(4) "Service-recipient" has the meaning given such term in Section
17	6041A(a) of the Internal Revenue Code of 1986.

Page 1 of 5 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

ORIGINAL SB NO. 336

1	(5) "Wage and claim information" has the meaning given such term under
2	Section 303(h) of the Social Security Act.
3	* * *
4	D.(1)(a) An employer shall report to the Department of Children and Family
5	Services, office of children and family services, child support enforcement section
6	any of the following:
7	(a)(i) The hiring of any person to whom the employer anticipates paying
8	earnings.
9	(b)(ii) The rehiring or return to work of any employee who was laid off,
10	furloughed, separated, granted a leave without pay, or terminated from employment.
11	(b) A service-recipient shall report to the Department of Children and
12	Family Services, office of children and family services, child support
13	enforcement section any nonemployee for whom the service-recipient is
14	required to make a return in accordance with Section 6041A(a) of the Internal
15	Revenue Code of 1986.
16	(2) The Department of Children and Family Services shall secure either
17	electronically or by hard copy wages or remuneration and unemployment
18	compensation information which is required to be submitted to the secretary of the
19	United States Department of Labor for entry into the state directory of new hires.
20	E.(1)(a) An employer shall submit the report required in Paragraph
21	<u>Subsection</u> $D(1)$ of this Section no later than twenty days after the hiring or rehiring
22	of the employee.
23	(2)(a)(b)(i) If an employer transmits a report magnetically or electronically,
24	two monthly transmissions shall be made not less than twelve days nor more than
25	sixteen days apart.
26	(b)(ii) If an employer has employees who are employed in two or more states
27	and transmits a report magnetically or electronically, the employer may comply with
28	this Section by designating one of the states to which he shall report. The employer
29	shall notify the Department of Children and Family Services in writing as to which

Page 2 of 5 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	state he will report.
2	(3)(c) The report shall contain all of the following:
3	(a)(i) The employee's name, address, social security number, and occupation,
4	and the date services for remuneration were first performed by the employee.
5	(b)(ii) The employer's name, address, and employer identification number
6	assigned under Section 6109 of the Internal Revenue Code of 1986.
7	(2)(a) A service-recipient shall submit the report required in Subsection
8	D(1) of this Section no later than twenty days after the earlier of any of the
9	following:
10	(i) First making payments as a consequence of which a return in
11	accordance with Section 6041A(a) of the Internal Revenue Code of 1986 is
12	required to be made.
13	(ii) Entering into a contract providing for such payments.
14	(b)(i) If a service-recipient transmits a report magnetically or
15	electronically, two monthly transmissions shall be made not less than twelve
16	days nor more than sixteen days apart.
17	(ii) A service-recipient required to make returns in accordance with
18	Section 6041A(a) of the Internal Revenue Code with respect to nonemployees
19	located in two or more states and transmits reports magnetically or
20	electronically may comply with this Section by designating one of the states to
21	which he shall report. The employer shall notify the Department of Children
22	and Family Services in writing as to which state he will report.
23	(c) The report shall contain all of the following:
24	(i) The name and address of the nonemployee.
25	(ii) The social security number of or identifying number assigned under
26	section 6109 of the Internal Revenue Code to the nonemployee.
27	(iii) The date services for remuneration were first performed by the
28	nonemployee.
29	(iv) The name, address, and employer identification number of the

1	<u>service-recipient.</u>
2	(4)(3) Each report required by this Section shall be made on a W-4 form, or,
3	at the option of the employer or service-recipient, on an equivalent form. The report
4	may be transmitted by first class mail, magnetically, or electronically.
5	F.(1) An employer or service-recipient who fails to report as required under
6	this Section may be fined a civil penalty which shall not exceed twenty-five dollars.
7	(2) If the failure to report is the result of a conspiracy, as determined under
8	state law, between the employer and the employee or service-recipient and
9	nonemployee to withhold the required report or to supply a false or incomplete
10	report the employer or service-recipient may be fined a civil penalty which shall not
11	exceed five hundred dollars.
12	G.(1) The Department of Children and Family Services shall enter the
13	information into the data base for the state directory of new hires no later than five
14	business days after receipt from an employer or service-recipient .
15	* * *
16	H.(1) The state directory of new hires shall conduct an automated comparison
17	of the social security numbers reported by employers or service-recipient pursuant
18	to this Section and the social security numbers appearing in the records of the state
19	case registry.
20	(2) If a match is revealed with respect to the social security numbers in the
21	state directory of new hires and is in the state case registry, the state directory of new
22	hires shall provide the child support enforcement section with the employee's or
23	nonemployee's name, address, and social security number, and the employer's or
24	service-recipient name, address, and employer's or service-recipient's
25	identification number.
26	I. The state directory of new hires shall furnish extracts of the reports
27	concerning the wages, remuneration, and unemployment compensation paid to
28	individuals to the national directory of new hires by such dates, in such format, and
29	containing such information as the secretary of the United States Department of

Page 4 of 5 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

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Health and Human Services shall specify in regulations.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Christine Arbo Peck.

DIGEST 2020 Regular Session

Allain

SB 336 Original

<u>Present law</u> establishes the DCFS employer reporting system to increase collection of child support enforcement upon hiring an individual who owes child support. <u>Proposed law</u> retains <u>present law</u> and expands the applicability of the employer reporting requirements to "service-recipients" as defined by the Internal Revenue Code of 1986. The IRS defines "service-recipient" as the person for whom the service is performed.

<u>Proposed law</u> requires service-recipients to submit a report to DCFS no later than 20 days after first making payments to the nonemployee or entering into a contract to provide for such payments. <u>Proposed law</u> requires the service-recipient to notify DCFS of the name and address of the nonemployee, the social security number or other identifying information, the date of the services for remuneration, and the name, address, and employer identification number of the service-recipient.

Effective August 1, 2020.

(Amends R.S. 46:236.14(B)(4), (D), (E), (F), (G)(1), (H), and (I); adds R.S. 46:236.14(B)(5))