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1. What is the new hire law?

The "Personal Responsibility and Work Opportunity Reconciliation Act" (PRWORA) of 1996 was passed as part of the larger welfare reform legislation. This Act requires that all employers report information on people they hire or re-hire to a state directory shortly after they are hired. Although a Federal law, this legislation looks to the individual states to implement the law and to maintain the directories of new hires. Delaware Code, Title 13, Chapter 22, Section 2208, and Title 30, Chapter 11, Section 1156A.is the implementation of PRWORA within the State of Delaware.

2. Why is new hire reporting required?

New hire reporting was designed to speed up any child support withholding order processes by expediting collection of child support from parents who change jobs frequently. It also helps locate non-custodial parents to help in establishing paternity and child support orders. Thus, employers serve as key partners in ensuring financial stability for many children and families by helping them receive the financial support they deserve.

3. Who is required to report?

Employers doing business in the state of Delaware must report on the following employees:

- New Employees: Employers must report information on newly hired employees who
 reside or work in the State of Delaware. This includes employees of all ages, those
 who work less than a full day, those still in a probationary period, part-time and
 seasonal employees.
- Rehired or recalled employees: Employers must report information on employees who are rehired or recalled to work after being laid off, furloughed, separated, granted a leave without pay or are terminated from employment if the employee is required to complete a new federal W-4 form.
- **Temporary employees:** Temporary agencies are responsible for reporting information on any employee hired to report for an assignment. This need be done only once, employees do not need to be re-reported each time they report to a new client, unless there is a break in service and are required to complete a new federal W-4 form

Employers doing business in the state of Delaware must report information on any employee hired if the employee is required to complete a federal W-4 form. This includes employees of all ages, those who work less than a full day, those still in a probationary period, part-time, seasonal employees and employees who are rehired. This information must be reported even if the employee is employed for only one day before termination.

4. What information must be reported?

In accordance with the Federal legislation, the State of Delaware requires the following information to be reported:

- The employer's Federal Employer Identification Number (FEIN). If the employer has more than one FEIN, use the same one used to report quarterly wage information
- The employer's name
- The employer's address
- The employee's name (full name: first, middle and last)
- The employee's address
- The employee's Social Security Number

5. How and where is this information reported?

The Delaware New Hire Unit offers several options that make it easy for employers to report new hires. The options available are:

Electronic Reporting

Go to http://www.dhss.delaware.gov/dhss/dcse/elecrptspecs.html for the data specifications and other instructions on how to send a tape or diskette with new hire reporting information. Mail any diskettes or tapes to the address below.

Non-Electronic Reporting

- Printed List: If you cannot or do not wish to report new hire information electronically, you might be able to have your accounting, payroll, or personnel software create a printed list containing your new hire data. The printed list must contain all of the required information.
- W-4 form: You may choose to submit a W-4 form as a new hire report. If you do, please ensure that the W-4 is easily readable and has the employer's name, Federal Employer Identification Number, and address written in blocks 8 and 10 on each form.
- New hire reports may either be faxed or mailed to the following:

Mail reports, diskettes or electronic tapes to:
Division of Child Support Enforcement
New Hire Unit
P.O. Box 12701
Wilmington, DE 19850

Fax reports to:

(302) 395-6729 Toll-free: (888) 854-4762

Other Reporting Methods

 Payroll Service: Leading payroll services are already electronically reporting new hires for thousands of employers. If you use one a payroll or accounting service see if the service can report new hires for you.

6. How often must the information be reported?

Employers are required to submit new hire reports within 20 days after an employee is hired, rehired or returns to work. If you have multiple new hires in a month and are submitting electronic files, these files must be submitted which are not less than 12 days nor more than 16 days apart.

7. What is the penalty if the report is late?

A penalty of \$25 per employee per month may be assessed for each failure to report a new hire. Also, a penalty of \$500 may be assessed for the failure to report new hire information if the failure is the result of conspiracy between the business or government entity and the employee.

8. How will the information be used?

Federal and State laws contain strict regulations on how new hire reporting information may be used. New hire reporting information is matched against any open child support orders to locate non-custodial parents and enforce these orders.

This information will also be fed into a national directory to provide more current information for locating out-of-state noncustodial parents.

New hire information may also be used by states to help detect and prevent fraudulent payments to recipients of unemployment insurance, worker's compensation and welfare benefits.

The use of this information helps maintain financial stability in Delaware families and helps to keep down the cost of welfare, unemployment and worker's compensation insurance.

9. Additional information.

For questions about new hire reporting you can contact the Division of Child Support Enforcement in your county at: New Castle County: (302) 577-7171; Kent County: (302) 739-8299; Sussex County: (302) 856-5386.