

QUICK REFERENCE GUIDE FOR TEXAS EMPLOYERS



TEXAS EMPLOYER Website: www.employer.texasattorneygeneral.gov • Call Center: (800) 850-6442

EMPLOYER RESPONSIBILITIES

- Report new hires or rehires within 20 calendar days.
- Respond to Verification of Employment letters within 7 days.
- Respond to National Medical Support Notices (NMSNs) within 40 days of notification.
- Enroll dependent children in health care coverage when ordered by a court or per an NMSN.
- Withhold payments according to Income Withholding Orders/Notices.
- Remit payments by the first pay period after date the Income Withholding Order/Notice is received.
- Notify the Office of the Attorney General (OAG) regarding lump-sum payments of \$500 or more before making payments.
- Report terminated employees with Income Withholding Orders/Notices within 7 days of termination.

TEXAS EMPLOYER WEBSITE ALLOWS EMPLOYERS TO

- Obtain general information.
- Stay informed on the latest information and updates.
- Access the employer handbook, forms, publications and user guides.
- Retrieve electronic Income Withholding Orders/Notices and National Medical Support Notices.
- Access online applications to report lump-sum payments and fulfill other employer responsibilities.
- Maintain company information.

BENEFITS OF ELECTRONIC REPORTING

- Provides secure, fast and simple method of payment
- Reduces paper and staff time
- Allows access to employer online applications
- Improves the quality of data submitted
- Provides capability to print and view record submission history

THIRD-PARTY AGENTS

- Third-party agents hired to handle employer reporting responsibilities must adhere to the same standards as employers.
- Third-party agents must provide written authorization from the employer to the OAG.
- Third-party agents must register their company on the employer website, and then the employers for whom they report.
- Employers are liable for a third-party agent's failure to report or comply with reporting responsibilities.

EMPLOYER NEW HIRE REPORTING

WHAT TO REPORT:

Texas requires seven data elements:

1. Employer name
2. Employer payroll address
3. Federal Employer Identification Number (FEIN)
4. Employee name
5. Employee home address
6. Employee SSN
7. Employee date of hire

New hires must be reported within 20 calendar days of hire if reported by non-electronic means. If reported **electronically**, new hires must be reported by two monthly transmissions (if necessary), not less than 12 days nor more than 16 days apart. Effective 9/1/2015, the definition of employee was revised to include independent contractors.

WHERE TO REPORT:

- Online: www.employer.texasattorneygeneral.gov
- Data Transfer System (DTS)
- File Transfer Protocol (FTP)
- Fax: (800) 732-5015
- Telephone: (800) 850-6442
- Mail hard copy of report:
ENHR Operations Center
P.O. Box 149224
Austin, TX 78714-9224

WHY REPORT:

State law authorizes a \$25 penalty for each employee an employer fails to report and a \$500 penalty for conspiring with an employee failing to file a report, or submitting a false or incomplete report.

NEW HIRE REPORTING FOR MULTISTATE EMPLOYERS

- Employers with employees in more than one state have the option to report all new hires to one state.
- To register as a multistate employer with the federal Office of Child Support Enforcement, complete the multistate form on the OCSE website at: <http://www.acf.hhs.gov/programs/css/resource/multistate-employer-registration-form-instructions>.
- All registered multistate employers must report **electronically**, by two monthly submissions (if necessary), not less than 12 days nor more than 16 days apart.



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VERIFICATION OF EMPLOYMENT

- Employers must respond to Verification of Employment letters within 7 days of receipt and can respond by mail to: Office of the Attorney General (OAG), Central File Maintenance, P.O. Box 12048, Austin, TX 78711-2048.
- Employers have the option to respond to verification of employment letters electronically at: www.employer.texasattorneygeneral.gov.
- Responding electronically allows employers to:
 - ▶ Complete the form using the Form Sequence Number and Member ID,
 - ▶ Work from a list of active employees associated with their company, or
 - ▶ Upload an Excel spreadsheet or TXT file.

NATIONAL MEDICAL SUPPORT NOTICES

- The National Medical Support Notice (NMSN) is a qualified medical child support order.
- Employers must respond to Part A within 20 business days or Part B within 40 business days from the date of notice.
- Employers have the option to receive and respond to National Medical Support Notices electronically at www.employer.texasattorneygeneral.gov.
- Reporting electronically allows employers to:
 - ▶ Receive email notifications when NMSN forms are available for completion,
 - ▶ Complete and submit forms online,
 - ▶ Update health insurance carrier information, and
 - ▶ Respond to NMSNs automatically if an employer does not offer insurance.

INCOME WITHHOLDING ORDERS

- Employers must begin withholding child support payments no later than the first pay period after the Order/Notice is received.
- Employers must deduct child support payments on scheduled pay dates.
- Employers must mail the child support payment to the address specified in the order or transmit the payment electronically no later than the second business day after the pay date.
- Employers have the option to receive Income Withholding Orders/Notices electronically at www.employer.texasattorneygeneral.gov.
- Receiving Income Withholding Orders/Notices electronically allows employers to:
 - ▶ Receive a PDF of the documents from the Texas portal, and
 - ▶ Receive email notifications when Order/Notices are available for retrieval.

LUMP-SUM PAYMENTS

- Lump-sum payments are defined as income in the form of a bonus or an amount paid in lieu of vacation or other leave time, not to include any amount paid as severance pay.
- Employers must notify the OAG before making a lump-sum payment to an employee if:
 - ▶ The gross amount is \$500 or more, **and**
 - ▶ An Income Withholding Order/Notice was issued by the OAG.
- Employers have the option to report lump-sum payments electronically at www.employer.texasattorneygeneral.gov.
- Reporting lump-sum payments electronically allows employers to:
 - ▶ Use an online application to submit up to 250 employees,
 - ▶ Utilize the Data Transfer System, or
 - ▶ Fax to (888) 272-5122.

ELECTRONIC PAYMENT SUBMISSION OPTIONS

- Employers **with 50 or more** employees **must** remit child support payments electronically. [Texas Family Code (TFC) § 158.203(b)]
- Employers have the following options to submit child support payments and information electronically:
 - ▶ Electronic Funds Transfer (EFT) using CCD+ or CTX 820
 - ▶ Smart e-Pay (bank draft) using a free web-based solution that debits bank accounts and transfers the payments to the Texas State Disbursement Unit (SDU).
- To speak to an EFT specialist, employers can contact the Employer Call Center at (800) 850-6442 for more information on electronic payment submission options.

WHY PAY ELECTRONICALLY

State law authorizes a payment processing surcharge of up to \$25 on an employer with 50 or more employees for each payment made on behalf of an employee that is not made by electronic funds transfer or electronic data exchange. [TFC § 158.203(d)(e)(f)] The surcharge may not be charged against the employee or taken from amounts withheld from the employee's wages.

TERMINATIONS

- Terminations can be submitted electronically at www.employer.texasattorneygeneral.gov or mailed to:
Central File Maintenance
P.O. Box 12048
Austin, TX 78711-2048
- Employers are required to withhold severance pay, which typically is income paid upon termination of employment. [TFC § 158.214]

SEND MANUAL PAYMENTS TO

Texas State Disbursement Unit
P.O. Box 659791
San Antonio, TX 78265-9791