



North Dakota Department of Human Services

NORTH DAKOTA CHILD SUPPORT DIVISION LEGAL REQUIREMENTS FOR EMPLOYERS

On behalf of the children we serve, thank you for the vital role you play in the Child Support Program. You help ensure the financial security of children and families by withholding child support payments from employees' paychecks and enrolling children in their parents' health insurance plans.

Items covered by this fact sheet include:

- Income Withholding
- National Medical Support Notice
- Request for Information
- Lump Sum Reporting
- New Hire Reporting

Income Withholding: Income withholding by employers is the most effective method for collecting support. Income withholding is governed by federal and state laws and is a process through which payments for support are withheld each pay period from the income of an employee. "Support" includes payments for child support, medical support, and spousal support.

You will be notified to begin withholding via an Order/Notice to Withhold Income for Child Support (hereafter referred to as an "income withholding order"). You are not required to vary your pay cycle to be in compliance with an income withholding order. Withheld payments must be remitted to the entity designated on the income withholding order. Also, if you are interested in receiving an electronic income withholding order instead of a paper copy, please contact our office.

Following are some of the legal requirements applicable to employees whose principal place of employment is North Dakota:

- Start withholding no later than the first pay period after receipt of the income withholding order.
- Provide a remittance identifier for each payment remitted. This remittance identifier can be found on the income withholding order.
- To cover expenses involved in transmitting the payment, withhold and retain up to \$3.00 per month from the employee's income.
- Withhold no more than 50% of the employee's disposable income. Payment of less than the ordered amount must be accompanied by a payroll calculation.
- Send the income withholding payment within 7 business days of the pay date/date of withholding.
- Notify the issuing entity, in writing, of the employee's termination of employment within 7 business days of the termination.
- An employer that employs more than 24 employees at any time needs to make income withholding payments by an electronic method approved by the Child Support Division (CSD).
 - If an income payer believes that complying with the electronic remittal requirement will cause special difficulties, a waiver for good cause can be requested.
 - An income payer that employs more than 24 employees at any time and is currently withholding support as directed in four (4) or fewer income withholding orders can elect to send a written statement to the Child Support Division stating it is opting out of the requirement to send payments electronically.

Failure to comply with these requirements may subject you to penalties, late fees, or sanctions.

National Medical Support Notice: CSD sends a two-part National Medical Support Notice (NMSN) directly to the employer(s) of parents who are ordered to provide health insurance coverage for their children. The goal is enrollment of children in their parent's employment-related health insurance programs if an employer offers dependent health coverage and the parent qualifies for the program.

The standardized NMSN is intended to simplify and streamline the process of enrolling children in their parents' employment-related health insurance coverage. Each NMSN should be carefully reviewed because it will provide specific information regarding your legal requirements as an employer. Both you and the insurer/plan administrator have requirements regarding how and when you must respond to an NMSN. An NMSN is often sent in conjunction with an income withholding order. If you are interested in receiving an electronic NMSN instead of a paper copy, please contact our office.

Request for Information: State law requires a response to a Request for Information issued by the CSD within 10 days after receipt of the request. You must complete and return the Request for Information whether or not the individual is employed by you or has been within the last 180 days.

Lump Sum Reporting: You must notify the CSD before making any lump sum payment of \$1,000 or more to an employee if you have received an income withholding order from the CSD that includes an amount for past-due support. Lump sum payments include pay in lieu of vacation or other leave, bonuses, commissions, and any other payments to the employee. Lump sum payments do not include periodic payments made on regular paydays as compensation for services, reimbursement for expenses incurred by the employee on behalf of the employer, severance pay, or advances.

New Hire Reporting: Federal and state laws require that all employers must report the following information for each employee hired including full time, part time, and temporary employees, both adults and minors:

Employee's: Name ♦ Address ♦ Social Security Number ♦ Date of Hire (effective 10-1-2013)
♦ Whether or not health insurance is offered

Employer's: Name ♦ Address ♦ Federal Tax Identification Number

- An employer that employs more than 24 employees at any time needs to submit new hire reports through an electronic method provided by the Child Support Division:
 - Internet reporting at www.childsupportnd.com
 - Web file transfer (please contact our office if interested)
- An employer that employs more than 24 employees at any time may request a waiver for good cause if the employer believes that complying with the electronic reporting requirement will cause special difficulties.
- Multistate employers (those with employees in two or more states) may choose to report all their new hires to one state. If you are a multistate employer who would like exercise this option, please contact our office.

For more information, visit our website at www.childsupportnd.com

Contact Information:

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