

HUMAN SERVICES

DIVISION OF FAMILY DEVELOPMENT

State Directory of New Hires - Remuneration

Proposed Amendment: N.J.A.C. 10:110-11.2

Authorized By: Jennifer Velez, Commissioner, Department of Human Services.

Authority: N.J.S.A. 30:1-12 and Pub. L.111-291, the Claims Resolution Act of 2010.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2014-053

Submit comments by July 4, 2014, to:

Miguel Mendez, Administrative Practice Officer

Division of Family Development

P.O. Box 716

Trenton, New Jersey 08625-0716

Email: Miguel.Mendez@dhs.state.nj.us

The agency proposal follows:

Summary

As the Department is providing a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

The proposed amendment at N.J.A.C. 10:110-11.2(c)1 requires employers to send an additional reporting data element to the State Directory of New Hires in accordance with amendments made to section 453A of the Social Security Act, as amended by the Claims Resolution Act (Pub. L. 111-291). New Jersey statutes and Federal law require all public, private, non-profit, and government employers to report newly hired and re-hired employees to the State Directory of New Hires within 20 days of the employee's start date. The proposed amendment requires employers to report the date that services for remuneration were first performed by the employee, that is, the date that the employee first began earning salary or wages.

Social Impact

A failure to adopt the proposed amendment at N.J.A.C. 10:110-11.2(c)1 will have a negative social impact because the State would not have a fully Federally compliant child support program, putting the State at risk for a loss of Federal funding for the Child Support Program.

Economic Impact

Failure by the State to amend the reporting requirement to include the date on which services for remuneration were first performed by the employee may jeopardize New Jersey's Title IV-D funding (66 percent Federal financial participation of total expenditures for administration of the program) as outlined in Federal Action Transmittal AT-86-21. The result is

that New Jersey would be in line to lose 66 percent of the approximate \$262 million spent in administrative costs.

Employers who fail to report the information are subject to a written notice and a subsequent \$25.00 fine for each instance of non-reporting.

Federal Standards Statement

The proposed amendment contains standards that do not exceed those contained in 45 CFR Part 301, Child Support Enforcement Program, but implement Pub. L. 111-291. Therefore, a Federal standards analysis is not required.

Jobs Impact

The proposed amendment will not result in the generation or loss of jobs.

Agricultural Industry Impact

The proposed amendment has no impact on the agriculture industry.

Regulatory Flexibility Analysis

The proposed amendment has been reviewed with regard to the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The proposed amendment requires employers to submit the date

services for remuneration were first performed by the employee. All businesses within the State of New Jersey are required to comply with the proposed amendment in order to meet Federal regulations. The proposed amendment does not impose any recordkeeping or compliance requirements. There are no professional services required to implement the proposed amendment. There will be no additional costs to the employers to comply with the proposed amendment, nor should there be any adverse economic impact on small businesses since this reporting can be done at the same time as other current reporting requirements are sent.

Housing Affordability Impact Analysis

The proposed amendment will have an insignificant impact on affordable housing in New Jersey and there is an extreme unlikelihood that the amendment would evoke a change in the average costs associated with housing because the proposed amendment relates to a required data element for employers to submit to the State Directory of New Hires.

Smart Growth Development Impact Analysis

The proposed amendment will have an insignificant impact on smart growth and there is an extreme unlikelihood that the amendment would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the proposed amendment relates to a required data element for employers to submit to the State Directory of New Hires.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 11. LOCATION

10:110-11.2 Location sources

(a)-(b) (No change.)

(c) The report in (a) above shall contain:

1. The employee's, contractor's, or independent contractor's name; address; Social Security number; date of hire for employees or the date of service for either type of contractor; **the date services for remuneration were first performed by the employee or either type of contractor**; and date of birth; and indicate which of the following Federal [Forms] **forms** the employer completes for the individual:

i.-ii. (No change.)

2. (No change.)

(d)-(o) (No change.)