

SESSION OF 2012

SUPPLEMENTAL NOTE ON SENATE BILL NO. 438

As Amended by House Committee on
Commerce and Economic Development

Brief*

SB 438, as amended, would revise the information reported by employers for child support enforcement purposes. Within 20 business days of the hiring, an employer would report to the Secretary of the Department of Labor information pertaining to when a newly hired employee started working. The bill also would allow any other information to be reported which may be required in subsequent amendments to section 453A of the Social Security Act. The bill would define a “newly hired employee” to mean an employee who either has not previously been employed by the employer or was previously employed by the employer but has been separated from employment for a minimum of 60 days.

Under current law, employers are required to provide information to the Labor Department about an employee’s name, address, Social Security number, and wages. This information is accessible to the Department of Social and Rehabilitation Services (SRS) to determine whether child support payments are to be withheld from an employee’s wages.

Background

The Division of Child Support Enforcement within SRS is required by federal law to maintain a directory of new hires for the collection of child support. The Division contracts with the Labor Department to manage the database.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The bill was introduced at the request of the Division. The Division and the Department of Labor testified in favor of the bill. Recent changes in federal law are to be reflected in state law. The Division stated that failure to implement the changes could jeopardize approximately \$37 million in federal funds for the Division's operations. The Labor Department already collects the information required by the bill. The Department suggested two amendments that the Senate Committee later adopted.

There was no opponent testimony.

The Senate Committee on Commerce amended the bill to:

- Clarify the term "newly hired employee"; and
- Authorize by federal reference any additional information which employers may be required to report in the future.

The House Committee on Commerce and Economic Development amended the bill to specify that employers would be required to submit information about newly hired employees within 20 business days of the start of employment, rather than 20 calendar days.

According to the fiscal note prepared by the Division of the Budget, the bill, as introduced, would cost approximately \$1,197 in programming costs for the Department of Labor. Additional costs incurred by SRS would be negligible.