

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997  
4 By: Senator Mahony

As Engrossed: H3/21/97

# A Bill

ACT 1276 OF 1997  
SENATE BILL 28

## For An Act To Be Entitled

"TO ESTABLISH A DIVISION WITHIN THE STATE EMPLOYMENT  
SECURITY DEPARTMENT, CALLED THE DIVISION OF STATE NEW HIRE  
REGISTRY TO COMPILE A STATE REGISTRY TO WHICH EMPLOYERS  
SHALL REPORT NEWLY HIRED AND RETURNING EMPLOYEES TO AID IN  
THE ESTABLISHMENT AND ENFORCEMENT OF CHILD SUPPORT ORDERS;  
AND FOR OTHER PURPOSES."

## Subtitle

"TO REQUIRE THE STATE EMPLOYMENT  
SECURITY DEPARTMENT TO ESTABLISH A  
DIVISION OF STATE NEW HIRE REGISTRY TO  
WHICH EMPLOYERS SHALL REPORT NEWLY HIRED  
AND RETURNING EMPLOYEES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. There is established within the Arkansas Employment Security Department a division to be called the Division of the State New Hire Registry which shall be administered by a full time salaried administrator who shall be appointed by and serve at the pleasure of the Director of the Arkansas Employment Security Department. The Division shall compile a state registry of newly-hired and returning employees as required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193). The Director is authorized to enter into such professional services contracts as necessary to assist in the development and operation of the State New Hire Registry. The Director shall enter into agreements with other state and federal agencies necessary to properly administer and carry out the requirements of Public Law 104-193 to insure confidentiality of data and reimbursement for any costs associated with meeting the requirements of this Act and the P.L. 104-193.

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SECTION 2. (a) As used in this section:

(1) "Employee" means an individual who is an employee as defined in Chapter 24 of the Internal Revenue Code of 1986, as amended from time to time, but does not include an employee of a federal or state agency performing intelligence or counterintelligence operations if the head of such agency has determined that reporting pursuant to subsection (b) of this section could endanger the safety of the employee or could compromise an ongoing operation or investigation.

(2) "Employer" means an employer as that term is defined in § 3401(d) of the Internal Revenue Code of 1986, and includes any labor organization and any governmental entity.

(3) "Labor organization" means a labor organization as that term is defined in § 2(5) of the National Labor Relations Act, as amended from time to time, and includes any entity, sometimes known as a hiring hall, that is used by the labor organization and an employer to carry out the requirements listed in § 8(f)(3) of the federal act of an agreement between the organization and the employer.

(b)(1) On and after October 1, 1997, the New Hire Registry Division of Arkansas Employment Security Department shall compile an automated State Registry of newly-hired and returning employees.

(2) An employer shall report electronically, or in any manner authorized by the Employment Security Department for inclusion in the State Registry, whenever an employee is newly hired or returns to work.

(3) An employer shall include in each report the name, address, and social security number of the employee, and the name, address, and federal taxpayer identification number of the employer.

(4) An employer shall make the report by submitting a copy of the United States Internal Revenue Service Form W-4 for the employee, or at the option of the employer, an equivalent form. An employer may transmit the report by first class mail, magnetically, or electronically. If an employer makes the report by mail, the reporting date is that of the postmark. The report shall be received not later than twenty (20) days after the date the employer hires the employee, or in the case of an employer transmitting reports magnetically or electronically, by two (2) monthly transmissions, if necessary, nor less than twelve (12) days nor more than sixteen (16) days

1 apart.

2 (5) An employer that has employees employed in two (2) or more  
3 states and transmits reports magnetically or electronically may comply with  
4 the reporting requirements herein by designating one (1) state in which such  
5 employer has employees and to which the employer will transmit the report  
6 required by this section. Any employer that transmits such reports shall  
7 notify the Secretary of the Department of Health and Human Services of the  
8 United States in writing as to which state the employer designates for the  
9 purpose of sending reports.

10 (c)(1) Information reported hereunder shall be entered into the  
11 Registry of New Hires data base maintained by the Arkansas Employment Security  
12 Department or its designated contractor within five (5) business days of  
13 receipt from an employer. As used herein business day means a day which  
14 state offices are open for regular business.

15 (2) Within two (2) business days after the data information  
16 regarding a newly hired employee is entered into the State Registry of New  
17 Hires, the Arkansas Office of Child Support Enforcement shall transmit a  
18 notice to the employer of the employee directing the employer to withhold from  
19 the income of the employee an amount equal to the monthly or other periodic  
20 child support obligation (including any past due child support obligation) of  
21 the employee.

22 (3) Within three (3) business days after the date information  
23 regarding a newly hired employee is entered into the State Registry of New  
24 Hires, the Arkansas Employment Security Department or its designated  
25 contractor shall furnish the information to the National Registry of New  
26 Hires.

27 (4) On a quarterly basis the State Registry of New Hires shall  
28 furnish to the National Registry of New Hires extracts of reporting required  
29 to be made to the Secretary of Labor concerning the wages and unemployment  
30 compensation paid to individuals, by such dates, in such format, and  
31 containing such information as the Secretary of Health and Human Services  
32 shall specify in regulations.

33 (5) The Arkansas Department of Human Services shall have access  
34 to information reported by employers pursuant to this section for purposes of  
35 verifying eligibility for programs pursuant to 42 U.S.C. § 1320B-7, as  
36 amended. The Employment Security Department shall have access to information

1 reported by employers pursuant to this section for purposes of administering  
2 the Department's programs. The Workers Compensation Commission shall have  
3 access to information reported by employers pursuant to this section for  
4 purposes of administering the workers compensation programs.

5 (d)(1) Not later than May 1, 1998, the Arkansas Employment  
6 Security Department shall directly or by contract conduct automated  
7 comparisons of the social security numbers reported by employers and the  
8 social security numbers appearing within records of the Arkansas Office of  
9 Child Support Enforcement for cases being enforced under the Title IV-D State  
10 Plan.

11 (2) When an information comparison reveals a match with respect  
12 to the social security number of an individual required to provide child  
13 support under a support order, the State Registry of New Hires shall  
14 immediately provide the Arkansas Office of Child Support Enforcement with the  
15 name, address, and social security number of the employee to whom the social  
16 security number is assigned, and the name, address, and federal employer  
17 identification number of the employer.

18 (e) The Arkansas Office of Child Support Enforcement shall use  
19 information received pursuant to subsection (d) above to locate individuals  
20 for purposes of establishing paternity and establishing, modifying, and  
21 enforcing child support obligations, and may disclose such information to its  
22 agents under contract for purposes connected to the administration of the  
23 Title IV-D Child Support Program.

24 (f) All information gathered and maintained by the State Registry of  
25 New Hires shall be held confidential and be utilized solely for the purposes  
26 authorized herein. Such information shall be considered an exception to the  
27 open public record requirements of the Arkansas Freedom of Information Act,  
28 codified at Arkansas Code 25-15-101 et seq.

29 (g) To the maximum extent allowable, all expenses associated with the  
30 development and operation of the State Registry of New Hires shall be  
31 reimbursed through available funding under the Title IV-D Child Support  
32 Program.

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34 SECTION 3. All provisions of this act of a general and permanent  
35 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
36 Code Revision Commission shall incorporate the same in the Code.

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SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 5. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 6. EMERGENCY. It is found and determined by the General Assembly of the State of Arkansas that this act creates the Division of State New Hire Registry within the Arkansas Employment Security Department; that the Division is to compile a state registry of newly-hired and returning employees as required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193); and that to provide for the effective administration of this act, it should become effectively immediately. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on the date of its approval by the Governor. If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill. If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.

/s/Sen. Mahony

APPROVED: 4-09-97