

MONTANA CHILD SUPPORT SERVICES DIVISION



**DEPARTMENT OF
PUBLIC HEALTH &
HUMAN SERVICES**

New Hire Reporting Montana Employer Guide PDF

**New Hire Reporting Law
Flexible Reporting Options
State & Federal Contacts**

*Employers are a vital part of the New Hire Reporting Program.
CSSD thanks you for making a difference in the lives of children across
the state of Montana and the country.*



New Hire Reporting Guide Contents

- Background 3
- Definitions & Terms - MCA § 40-5-901 3
- New Hire Reporting Law 4
 - New Hire Reporting Information Safeguards..... 4
- Employer - First Steps..... 4
 - Employer Impact..... 4
 - Benefits to Employers 5
 - Independent Contractors & Subcontractors..... 5
 - Labor Organizations & Hiring Halls..... 5
 - Multistate Employers 5
 - Register as a multi-state employer..... 5
 - Mail Multi-State Employer Information to: 6
- Employer – How to report a new hire/rehire 6
 - Required Information 6
 - Optional Information 6
 - New Hire Reporting Deadlines 6
 - Options for Reporting New Hires..... 6
 - Preferred Methods for Reporting New Hires..... 7
 - Online New Hire Reporting System 7
 - Montana File Transfer Service 7
 - Other Options for Reporting New Hires 7
 - Tips for New Hire Reporting 8
 - Montana NHR Program Contact Information 8
- Contact Us..... 8

Background

The Montana Child Support Services Division (CSSD) founded in 1975, relies on employer participation to secure child support for families. Through programs like the New Hire Reporting Program (NHR), established under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, employers assist in locating non-custodial parents' income sources for child support collection.

Employers are required by law to report all newly hired and rehired employees to CSSD within specified time frames. Employers play a crucial role in the CSSD's mission to "Improve the economic stability of families through the establishment and enforcement of parental obligations". NHR matches New Hire reports against child support records to locate parents, establish a child support order, or enforce an existing order.

Definitions & Terms - MCA § 40-5-901

Date of Hire

The first day that an employee starts work for which the employee is owed compensation by the payor of income.

Employer

A person, firm, corporation, association, governmental entity, or labor organization that engages an employee for compensation and withholds federal or state tax liabilities from the employee's compensation.

Employee

A person 18 years of age or older who performs labor in this state for an employer in this state for compensation and for whom the employer withholds federal or state tax liabilities from the employee's compensation.

Rehire

The first day, following a termination of employment that an employee begins to again perform work or provide services for a payor. Termination of employment does not include temporary separations of less than 60 days from employment, such as unpaid medical leave, an unpaid leave of absence, or a temporary or seasonal layoff.

Other terms:

CSSD	Montana Child Support Services Division
DHHS	Federal Department of Health & Human Services
DPHHS	Montana Department of Public Health & Human Services
EDI	Electronic Data Interchange
FEIN	Federal Employer Identification Number
NDNH	National Directory of New Hires
NHR	New Hire Reporting
OCSS	Federal Office of Child Support Services
PRWORA	Personal Responsibility & Work Opportunity Reconciliation Act of 1996
SDNH	State Directory of New Hires
UIC	Unemployment Insurance Claimant

New Hire Reporting Law

In 1997 Montana passed legislation in response to the passage of the Federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). This Act created the Montana Directory of New Hires.

Federal law 42 USC 653(a) and State statute MCA § 40-5-922 require Montana employers to report all employees hired or rehired within 20 days after the date of hire.

All newly hired or rehired employees are required to be reported through New Hire Reporting (NHR) regardless of whether they have a child support obligation. The NHR database helps locate income sources available for child support payments.

If an employee quits or is terminated before a new hire is reported, reporting the job change to the NHR is required. Reporting these individuals may help child support agencies locate them. Montana may conduct matches between the NHR database, public assistance, and Medicaid agencies to determine eligibility, location, and prevent fraud.

NHR information is confidential and may only be shared on a limited basis with other agencies. Montana transmits the NHR information to the National Directory of New Hires (NDNH) and cross references the information with other child support agencies across the country. State agencies operating Employment Security and Workers' Compensation programs may have access to Montana's NHR information to detect and prevent erroneous or fraudulent benefit payments.

The CSSD is required to maintain NHR records for 24 months from the date the report is entered into the State Directory of New Hires (SDNH). After the retention timeframe has lapsed, physical records are shredded and the SDNH database is purged, and records are deleted.

New Hire Reporting Information Safeguards

Security and privacy of NHR data are important issues for all those involved in this vital program. Federal law requires all states to establish safeguards for confidential information handled by the state agency. All Montana NHR data is transmitted to the NDNH over secure and dedicated lines. Federal law also requires that the Secretary of the Department of Health and Human Services (DHHS) establish and implement safeguards to protect the integrity and security of information in the NDNH and to restrict access to and use of the information to authorized persons and purposes.

Employer - First Steps

Employer Impact

Most of the information employers are required to submit to the NHR Program will be found on the employee W-4 form. Montana offers a variety of reporting methods to ensure efficiency and convenience for employers to report their newly hired and rehired employees. For quick and cost-effective reporting for employers, the NHR program recommends submitting reports using one of the electronic methods listed on page 7.

Benefits to Employers

A direct benefit to employers is the reduction and prevention of fraudulent unemployment and workers' compensation payments. Timely receipt of NHR data allows Montana and other states to crossmatch this data against their active claimant files which may result in stopping erroneous or fraudulent payments.

Independent Contractors & Subcontractors

As an employer, you must first make the determination of whether an employer/employee relationship exists. If the work being performed is based on a contract rather than an employer/employee relationship, you are not required to report. In such a circumstance, the contractor is responsible for reporting his/her employees.

If your agency is paying wages to the individual, you must submit a New Hire Report.

If your agency simply refers individuals for employment and does not pay the individual directly, a New Hire Report is not necessary. However, the employer who hires and pays the individual will be required to submit a New Hire Report.

Labor Organizations & Hiring Halls

Labor organizations and hiring halls must report employees who work directly for the labor organization or hiring hall to the NHR Program.

If the labor organization or hiring hall simply refers individuals for employment, a NHR does not need to be filed.

Multistate Employers

An employer who has employees in two or more states and who transmits reports electronically may comply with the NHR Program by designating one of the states in which they have an employee to transmit their new hire reports to electronically.

A multistate employer who elects to report to only one state must give written or electronic notice to the Secretary of DHHS notifying them of which state they plan to electronically transmit their New Hire Report (NHR).

The Secretary of DHHS will need the following information:

- Federal Employer Identification Number (FEIN)
- Company Name, Address, and Telephone Number
- State to which you will electronically transmit NHR
- List of states in which your company has employees
- Contact Person Name and Telephone Number

Register as a multi-state employer: <https://www.acf.hhs.gov/css/employers>



Mail Multi-State Employer Information to:

Office of Child Support Services
Multistate Employer Registration
PO Box 509
Randallstown, MD 21133
Fax: (410) 277-9325

Employer – How to report a new hire/rehire

This guide is intended to provide Montana Employers with:

- Information needed to comply with federal and state New Hire Reporting laws.
- Options for submitting New Hire Reports.
- Contacts to reach out to for questions and assistance with the process.

Required Information

Employer

Federal Identification Number
Business name
Business address

Employee

Full legal name
Date of hire
Social Security Number
Mailing & home address

Optional Information

Employers are encouraged, but not required, to report:

Employer

Work phone number
Fax number
State of hire
Health insurance availability

Employee

Home/Cell phone number
Work phone number
Date of birth

New Hire Reporting Deadlines

- Reports must be submitted within 20 days of the date the employee is hired or rehired.
- Electronic reports may be submitted twice monthly between 12 and 16 days apart.

Options for Reporting New Hires

New hires may be reported by any of the following means:

- Online New Hire Reporting System
- State of Montana File Transfer Service
- Electronic formatted reports
- Facsimile
- Mail
- Phone

Preferred Methods for Reporting New Hires

Online New Hire Reporting System

Get started by using your existing OKTA Montana account or create one at <https://okta.loginmt.com>.



Montana File Transfer Service

Submit reports using the Excel Template or ASCII file format at: <https://dphhs.mt.gov/cssd/employerinfo/newhirereporting>

Scanned or electronic New Hire Reports should be submitted via Montana File Transfer Service.
Please include your name and email address.

DO NOT EMAIL NEW HIRE REPORTS
Keep Your Employee's Information Safe:
USE THE MONTANA FILE TRANSFER SERVICE

Contact New Hire Reporting Specialist for assistance at:
(888) 866-0327 or (406) 444-9290

Other Options for Reporting New Hires

Facsimile

Fax reports with required information referenced below using the New Hire Reporting form, or a copy of the employee's W-4 form to: **(888) 272-1990 or (406) 444-0745**

Mail

Employers may mail a hard copy of their report using the New Hire Reporting form, W-4 form or any other reporting form. Required information must be typed or printed legibly.

Montana New Hire Reporting Program

PO Box 8013
Helena, MT 59604-8013

Phone

Employers with 1- 4 new hires may report by phone at:
(888) 866-0327 or (406) 444-9290
You may leave a message with the required information referenced below.

Required Information

Employer

Federal Identification Number
Business name
Business address

Employee

Full legal name
Date of hire
Social Security Number
Mailing & home address

Tips for New Hire Reporting

- ✓ Include a contact name and phone number for your company with your new hire reports.
- ✓ Do not use any punctuation when reporting new hires online or electronically.
- ✓ When naming your electronic files, please use your company name and the current date. For example: **CompanyNameMMDDYYYY**
- ✓ If your company's FEIN changes and your employee(s) are being paid under the new FEIN, submit a new hire report for each employee under the new FEIN number with the date of hire as the first day the employee started working under the company's new FEIN.
- ✓ The employee's name should match the name on the employee's Social Security card. If it does not, there is a good chance the report will be rejected.
- ✓ Only report valid Social Security Numbers. Do not report fake numbers or Alien Registration numbers. Reports containing such numbers will be rejected.
- ✓ If an employee is rehired, use the date the employee was rehired as the date of hire.
- ✓ <https://dphhs.mt.gov/cssd/employerinfo>



Montana NHR Program Contact Information

For information regarding the New Hire Reporting Program and reporting tools such as:

- Online New Hire Reporting Service
- Instructions for File Transfer Service
- ASCII Format for Electronic Reporting
- Spreadsheet Template for Electronic Reporting
- New Hire Reporting Forms
- New Hire Reporting FAQs
- Montana Employer Guide

<https://dphhs.mt.gov/cssd/employerinfo/newhirereporting>



Contact Us

Montana New Hire Reporting Program

PO Box 8013

Helena, MT 59604-8013

Email: NewHireReporting@mt.gov

Phone: (888) 866-0327 or (406) 444-9290

Fax: (888) 272-1990 or (406) 444-0745