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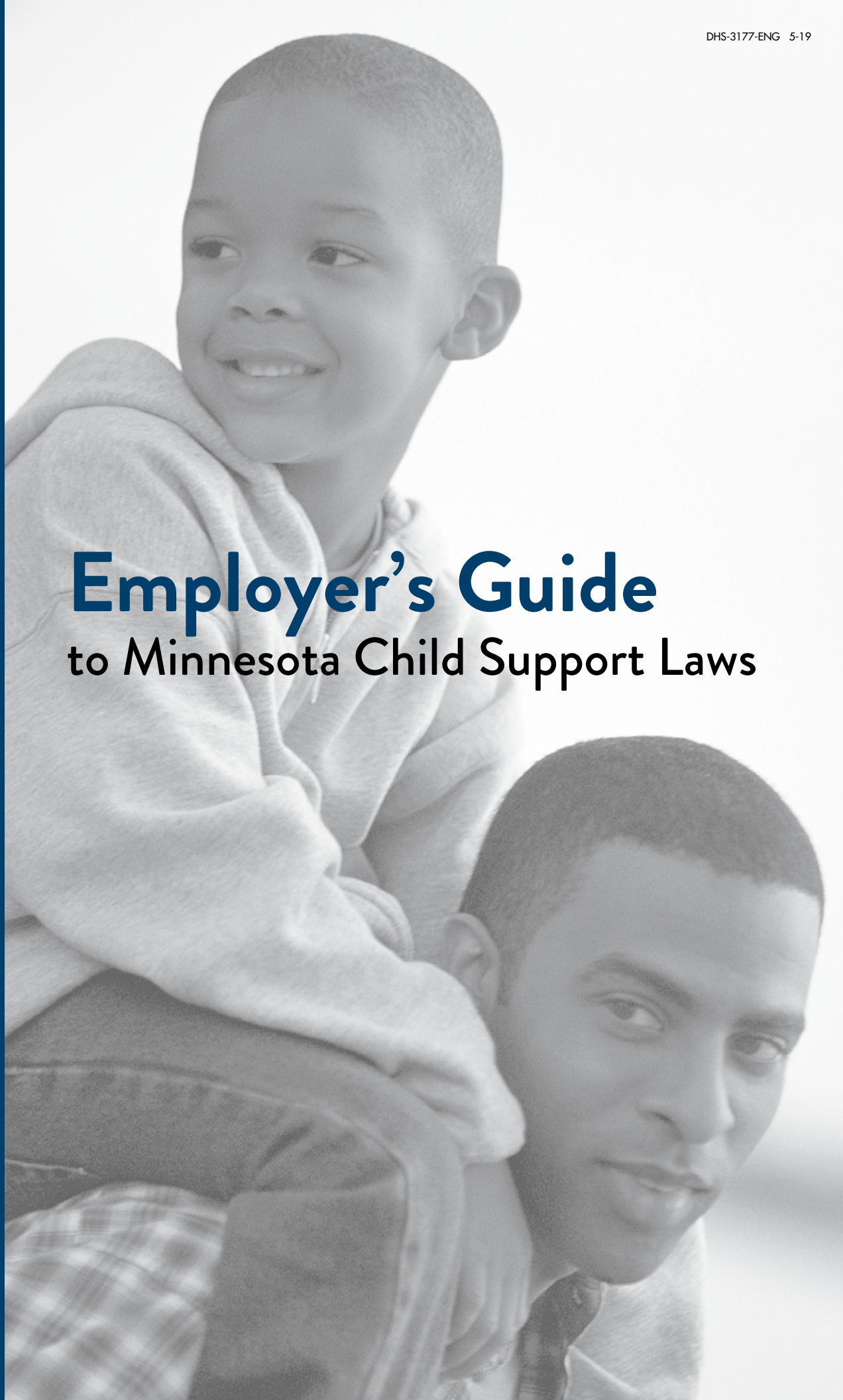
DEPARTMENT OF HUMAN SERVICES



Employer's Guide

to Minnesota Child Support Laws

Attention. If you need free help interpreting this document, ask your worker or call the number below for your language.

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ملاحظة: إذا أردت مساعدة مجانية لترجمة هذه الوثيقة، اطلب ذلك من مشرفك أو اتصل على الرقم 1-800-358-0377.

သတိ။ ဤစာရွက်စာတမ်းအားအခမဲ့ဘာသာပြန်ပေးခြင်း အကူအညီလိုအပ်ပါက၊ သင့်လူမှုရေးအလုပ်သမား အားမေးမြန်း ခြင်းသို့ မဟုတ် 1-844-217-3563 ကိုခေါ်ဆိုပါ။

កំណត់សំគាល់ ។ បើអ្នកត្រូវការជំនួយក្នុងការបកប្រែឯកសារនេះដោយឥតគិតថ្លៃ សូមសួរអ្នកកាន់សំណុំរឿង របស់អ្នក ឬហៅទូរស័ព្ទមកលេខ 1-888-468-3787 ។

請注意，如果您需要免費協助傳譯這份文件，請告訴您的工作人員或撥打1-844-217-3564。

Attention. Si vous avez besoin d’une aide gratuite pour interpréter le présent document, demandez à votre agent chargé du traitement de cas ou appelez le 1-844-217-3548.

Thov ua twb zoo nyeem. Yog hais tias koj xav tau kev pab txhais lus rau tsab ntaub ntawv no pub dawb, ces nug koj tus neeg lis dej num los sis hu rau 1-888-486-8377.

ဟ်သူဉ်ဟ်သးဘဉ်တက့ၢ်. ဖဲနမ့ၢ်လိဉ်ဘဉ်တၢ်မၤစၢၤကလီလၢတၢ်ကကျိးထံဝဲဒဉ်လံာ် တီလံာ်မီတခါအံၤန့ဉ်,သံကွၢ်ဘဉ်ပှၤဂ့ၢ်ဝိအပှၤမၤစၢၤတၢ်လၢနဂီၢ်မ့တမ့ၢ်ကိးဘဉ် 1-844-217-3549 တက့ၢ်.

알려드립니다. 이 문서에 대한 이해를 돕기 위해 무료로 제공되는 도움을 받으시려면 담당자에게 문의하시거나 1-844-217-3565으로 연락하ᄉᆡᆸ시오.

ໂປຣດຊາບ. ຖ້າຫາກ ທ່ານຕ້ອງການການຊ່ວຍເຫຼືອໃນການແປເອກະສານນີ້ຟຣີ, ຈົ່ງຖາມພະນັກງານກໍາກັບການຊ່ວຍເຫຼືອ ຂອງທ່ານ ຫຼື ໂທຣະໄປທີ່ 1-888-487-8251.

Hubachiisa. Dokumentiin kun tola akka siif hiikamu gargaarsa hoo feete, hojjettoota kee gaafadhu ykn afaan ati dubbattuuf bilbili 1-888-234-3798.

Внимание: если вам нужна бесплатная помощь в устном переводе данного документа, обратитесь к своему социальному работнику или позвоните по телефону 1-888-562-5877.

Digniin. Haddii aad u baahantahay caawimaad lacag-la’aan ah ee tarjumaadda qoraalkan, hawlwadeenkaaga weydiiso ama wac lambarka 1-888-547-8829.

Atención. Si desea recibir asistencia gratuita para interpretar este documento, comuníquese con su trabajador o llame al 1-888-428-3438.

Chú ý. Nếu quý vị cần được giúp đỡ dịch tài liệu này miễn phí, xin gọi nhân viên xã hội của quý vị hoặc gọi số 1-888-554-8759.

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ADA Advisory

For accessible formats of this information or assistance with additional equal access to human services, write to DHS.Info@state.mn.us, call 651-431-4400, or use your preferred relay service. ADA1 (2-18)

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Employers play an important role in Minnesota's child support efforts and make a valuable contribution to the lives of Minnesota's children. Employers help the child support program by reporting new hires and by withholding income from people whom the court orders to pay support.

Through new hire reporting, employers help match employees with child support obligations. Through income withholding, employers collect more than 70 percent of all the child support disbursed. Cooperation between employers and child support agencies encourages parental responsibility, reduces taxpayer costs for public assistance and helps families provide for their children.

New hire reporting

Federal and state laws require all employers to report newly hired and rehired employees to a state new hire directory whether the employee owes child support or not. All states transmit information to the National Directory of New Hires so child support agencies nationwide can access employment information quickly and easily.

New hire reporting laws improve child support collections, prevent fraudulent welfare claims, and reduce fraudulent unemployment insurance and workers' compensation payments.

Hires and rehires include employees who are:

- Full time
- Part time
- Temporary
- Seasonal (if employed more than two months)
- Independent government contractors.

Employer reporting requirements

Every employer must report newly hired and rehired employees to the Minnesota Department of Human Services New Hire Reporting Center within 20 calendar days. They must report:

- Every employee, whether or not they owe child support
- Every employee's name, address, Social Security number, date of hire and, if available, date of birth
- Their company name, address and federal employer identification number.

Payroll companies can report new hire information for employers. Employers who do business in more than one state may designate one state for all of their new hire reporting.

Minnesota New Hire Reporting Center

All new hire reporting is handled by the Minnesota New Hire Reporting Center. Information, forms and answers to questions about new hire reporting are available at:
www.mn-newhire.com
800-672-4473

Employers have three reporting options:

1. By visiting www.mn-newhire.com to use:
   - SFTP (secure file transfer protocol)
   - File uploads
   - Manual entry
2. By faxing the following items to 800-692-4473:
   - New hire reporting forms
   - W-4s (with blocks 8 and 10 completed)
   - Printed lists
3. By mailing the following items to the Minnesota New Hire Reporting Center, P.O. Box 64212, St. Paul, MN 55164-0212:
   - New hire reporting forms
   - W-4s (with blocks 8 and 10 completed)
   - Printed lists
   - Diskettes

Failure to report

New hire reporting is important. If an employer fails to report new employees, the county child support agency sends a notice of noncompliance by certified mail to the employer. In addition:

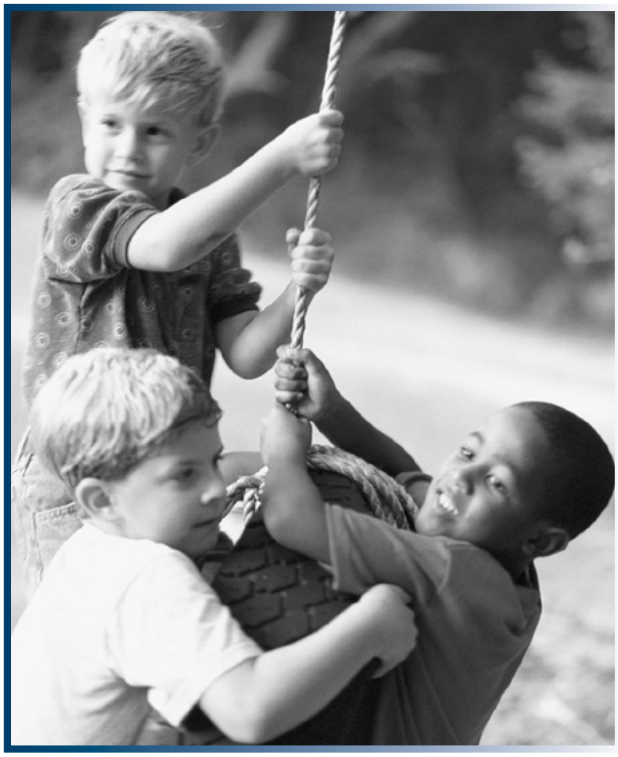
- Employers who fail to report a newly hired or rehired employee after receiving a notice of noncompliance may be ordered to pay a $25 civil penalty for each intentionally unreported employee.
- Employers who conspire with an employee to avoid reporting or who supply incomplete or false information may be fined $500 for each intentionally unreported employee.

Income withholding

Most child support orders require employers or payors of funds, hereafter referred to as employer, to automatically withhold basic support, medical support and child care support obligations from an obligor's pay. Employers may also be required to withhold other financial obligations such as spousal support and child support arrears. This means that if a parent has been ordered to pay child support and is employed, even in another state, that parent's employer, when notified, must withhold child support from that parent's paycheck. The employer can mail a check to the state payment center, electronically transfer the funds to the state or make an electronic payment using Minnesota Child Support Online.

Employers should withhold support from employees' income when notified to do so by the child support agency. Orders and notices will specify the types of support and the amounts due.

Most court orders for child support are based on a monthly child support obligation. Unless a court order specifically addresses how an employer or payor of funds should withhold income, employers may choose to withhold from one check per month or to withhold a portion from multiple checks throughout the month. Based on the number of times per month the employer withholds money, the custodial parent will receive child support weekly, biweekly or monthly. Employers must send child support to the location listed on the notice or order to withhold, within seven business days of paying an employee.



Legal requirements

Since Jan. 1, 1994, nearly all Minnesota court orders for child support require employers or payors of funds to withhold support from employees' income.

State and federal laws require employers and payors of funds to comply with court orders to withhold basic support, child care support, medical support and spousal support. Payors of funds include trustees, self-employed people, financial institutions, unemployment insurance, workers' compensation insurers, unions, individuals or companies paying independent contractors, and others who make periodic payments.

Under Minnesota law, all employee income, including commissions and lump sum payments, is subject to withholding. Lump sums include, but are not limited to, accumulated vacation or sick pay, severance pay, bonuses, commissions and profit sharing.

To offset the administrative cost of withholding, employers may charge their employees up to $1 for each payment withheld.

Employers may not fire, refuse to hire or discipline employees because they must withhold child support for them.

Notice to withhold

Employers are notified to withhold income when they receive a copy of an order or a notice to withhold support from a Minnesota county child support agency, another state's child support agency, a private attorney, an employee or an obligee.

Employers may choose to receive notices electronically by signing up for the Electronic Income Withholding Orders (e-IWO) program with the Federal Office of Child Support Enforcement. To learn more about this option, go to http://www.acf.hhs.gov/programs/css/employers/e-iwo.

When an employer receives an order or notice to withhold support, the employer must comply with the terms of the document and begin income withholding. Employers who receive an order or a notice from another state should send the support to the payment center designated in the order or notice.

Employers who receive documents from an employee may want to verify the information in the order with the county child support agency in case there have been any cost-of-living adjustments or modifications.

Requirements to start income withholding

Employers have 14 days to process an order or notice to withhold. Employers must begin withholding no later than the first pay period following this 14-day time period. Employers must continue withholding income until the originating child support agency notifies them in writing of any changes to the order.

Employers must:

- Comply with an order or notice of withholding
- Start income withholding even if an employee is willing to make payments directly to the custodial parent or to the child support agency
- Withhold the court-ordered amount within the designated time period
- Continue to withhold the court-ordered amount until the child support agency notifies them to stop or to withhold a different amount
- Verify that adequate income remains after the withholding, as defined by the Consumer Credit Protection Act
- Forward the payments as ordered.

Instructions for sending payments

Employers who withhold child support should promptly send the money they withhold to the child support agency. Employers should:

- Send the money they withhold to the Minnesota Child Support Payment Center or to the child support agency designated in the order or notice
- Send the money they withhold no later than seven business days after the day they pay the employee the remainder of the income
- Identify the money they send as child support payments by including an employee's:
  - Name
  - Social Security number
  - Case number
  - Date remainder of income was paid.

Employers who withhold child support from more than one employee may combine all support withheld during the same pay period into one payment. Employers should identify the payments and note the amount to be credited to each employee's child support obligation. Unless directed otherwise, employers should send child support withholding to:

Minnesota Child Support Payment Center
P.O. Box 64306
St. Paul, MN 55164-0306

Electronic funds transfer

Employers may send the child support they withhold by electronic funds transfer rather than by check to the Minnesota Child Support Payment Center. Employers who want to begin sending income withholding by electronic funds transfer should contact Minnesota Department of Human Services Child Support Division at 651-478-5905 or 800-657-3890.

MN Child Support Online

Employers may also send the child support they withheld by online payment. Employers who want to make online payments should register with Minnesota Child Support Online (MCSO) at https://www.childsupport.dhs.state.mn.us/Action/Welcome.

Multiple withholding orders

Some employees may have more than one child support order requiring income withholding. Employers must comply with all notices to withhold to the greatest extent possible.

Minnesota law requires basic support, spousal support, medical support, child care support and support arrears or debts take priority over other attachments, executions, garnishments or wage assignments.

Amount to withhold

Employers should:

- Withhold the amount of support set in the court order or notice
- Decide in which pay period to withhold the funds or split withholding into more than one pay period as long as the court-ordered amount is withheld within the set time period
- Send the maximum amount allowed under the Consumer Credit Protection Act if employees do not have sufficient income per paycheck to withhold the entire court-ordered amounts.

Consumer Credit Protection Act

The Consumer Credit Protection Act limits the total amount of child support that employers may withhold from an employee's pay. The act does not apply to independent contractors.

The act allows an employer to withhold up to:

- 50 percent of an employee's disposable earnings for child support or spousal support if the employee is supporting another spouse or child
- 60 percent if the employee is not supporting another spouse or child

- An additional 5 percent for support payments more than 12 weeks in arrears.

  More information about the Consumer Credit Protection Act is available from the U.S. Department of Labor at http://www.dol.gov/whd/garnishment/index.htm.

Lump sum payments

Lump sum payments need special attention. If an employer pays a lump sum of $500 or more to an employee when income withholding is in place, the employer must:

- Notify the child support agency about the payment
- Hold the entire lump sum for 30 days beyond the date they would have paid the lump sum to the employee
- Send the lump sum to the Child Support Payment Center or to the employee as directed by the child support agency.

Lump sum payments are held to Consumer Credit Protection Act limits. Employers who receive an order or affidavit from a child support agency regarding a lump sum must follow the requirements of that order or affidavit.

Notification upon ending employment

If income withholding was in place, the employer must notify the child support agency of an employee ending employment within 10 days of the ending date. The employer must notify the child support agency of the:

- Date employment ended
- Employee's last known address
- Name and address of the new employer, if known.

The employer must withhold support from the last payment made to the employee, including any lump sum payments such as sick pay, vacation pay, tax deferred savings pay or severance pay.

If an employee returns to work, employers must resume income withholding immediately.

Requirements to stop income withholding

Employers should continue to withhold income until they receive a notice to stop from the child support agency or a court order stopping income withholding.

Employees who owe child support but are not ordered to have the support withheld from their income may voluntarily ask their employer to withhold child support from their pay.

Failure to withhold

State and federal laws require employers to comply with court orders for child support income withholding. If employers intentionally fail to comply, a court may:

- Hold them in contempt and fine them for failure to comply with withholding provisions
- Hold them responsible for the amounts of child support they should have withheld plus interest as it accumulates from the date of the withholding notification

Medical support

Minnesota law requires employees to disclose their medical support obligations to their employer. Employers are not required to ask their employees about medical support obligations.

When an employer receives a National Medical Support Notice or a copy of a court order requiring medical support, the employer must comply with the order. Orders may require an employer to:

- Withhold medical support payments from the employee's income
- Enroll an employee's dependents in a health plan. Health plans may include, but are not limited to, medical, dental and vision plans.

National Medical Support Notice

The National Medical Support Notice is an administrative notice issued by the county child support agency to enforce the health care coverage plan provisions of a support order regardless of where the order originated. Employers should treat these notices the same as court orders requiring employees to provide health care coverage for their dependents.

Enrollment required

Employers must forward the National Medical Support Notice to their health plan within 20 business days after the date on the notice. Employers must forward this information even if their employees refuse to enroll their dependents.

Employees may contest enrollment within 15 days after their employer notifies them of their dependents' enrollment. Employers are required to continue enrollment for an employee's dependents while an employee contests enrollment.

Once the employer's health plan administrator determines that an employee's dependents may be covered under the health plan, employers must, immediately and not dependent upon open enrollment, enroll the dependents as beneficiaries in the health plan at the employee's expense. If a plan requires the employee to be enrolled in the plan to get coverage for their dependents, the employer must also enroll the employee in the plan.

Multiple health plans

If an employee is enrolled in a health plan, dependents should be enrolled in the same plan. If an employee is not enrolled and an employer offers more than one health plan, the plan administrator must notify both parents and the child support agency. The child support agency will select the plan in consultation with the custodial parent.

Income withholding for premiums

Employers must withhold any required premiums for an employee's dependent health plan from the employee's income or wages. The health plan may include, but is not limited to, medical, dental and vision insurance.

Health care coverage information

If dependent health care coverage is in place, employers must give information about health care coverage to both parents and the child support agency. This information includes the name of the insurer, insurance identification cards, policy numbers, the effective date of the coverage and all other written information necessary to use the benefits. If the employer does not have an address for a parent, the employer may send the information to the child support agency.

If health care coverage is not in place, employers must give the child support agency information regarding all dependent health coverage available to their employee. Health care coverage information includes, but is not limited to, all available plan options, any geographic service restrictions and location of service providers.

Length of coverage

Health care coverage for an employee's dependents must continue as long as coverage is available to the employee, is consistent with the terms of the coverage, or until:

- The dependent emancipates
- Further order of the court.

Notification upon employment ending

When an order for dependent coverage is in effect, employers must do the following when coverage is terminated.

- Notify both parents and the child support agency within 10 days of the termination date.
- Provide information about conversion privileges under the Consolidated Omnibus Budget Reconciliation Act of 1985. Information is available online from the U. S. Department of Labor at http://www.dol.gov/dol/topic/health-plans/cobra.htm.

Process to end health care coverage

Employers cannot disenroll or eliminate coverage for an employee's dependents unless the:

- Employee does not pay the required premiums
- Dependents are or will be enrolled in comparable coverage through another health or dental plan effective no later than the date of disenrollment
- Employee is no longer eligible for dependent coverage
- County child support agency notifies the employer in writing that the court-ordered medical support is no longer in effect.

In situations in which an employer may disenroll or eliminate coverage for an employee's dependents, the employer must provide a 30-day written notice to the:

- Employee
- Other parent of the employee's dependents
- Child support agency.

After 30 days, the employer may disenroll the dependents or eliminate the health care coverage.

Failure to comply

An employer or union that fails to comply with a National Medical Support Notice or an order to withhold is responsible for:

- Any uninsured medical expenses incurred by an employee's dependent during the period of time the dependent was eligible, but was not enrolled in the health plan
- Any other premium costs incurred because of a failure to comply.

An employer or union that fails to comply with a National Medical Support Notice or an order to withhold may be found in contempt of court. If found in contempt of court, the employer is subject to:

- A $250 fine
- A $500 civil penalty to be paid to the other parent of the employee's dependent or the public authority.

Self-insured employers

Self-insured employers must comply with medical support laws. They are not exempt from laws governing dependent health care coverage.

Self-insured employers cannot deny coverage to an employee's dependents.

All self-insured businesses covered by the Employee Retirement Income Security Act of 1974 must honor a Qualified Medical Child Support Order. These orders do not require self-insured employers to provide any additional benefits beyond the coverage offered through their employer's health care plan. These orders also require the employer to:

- Provide the child support agency the name and last known mailing address of the employee and each dependent covered by the order
- Describe the type of coverage to be provided to each dependent.

Under the Employee Retirement Income Security Act and Minnesota law, a National Medical Support Notice is a Qualified Medical Child Support Order.

Child care support

Child support orders sometimes require employers to withhold child care support from an employee's pay. Child care support obligations may be separate from, or in addition to, withholding for other types of child support.

Spousal support

Support orders sometimes require employers to withhold spousal support from an employee's pay. Spousal support may be separate from, or in addition to, other types of support.

Garnishment

By law, a garnishment is not the same as income withholding. An employee's wages may be garnished to pay child support arrears or court expenses. Income withholding for current support has priority over a garnishment. A garnishment for child support arrears has priority over garnishments to private creditors.

More information

General information about child support, including county telephone numbers, addresses and employer responsibilities is available online at mn.gov/dhs/.

Employers who have specific questions about a case should call the county agency that manages the case or the Minnesota Department of Human Services Child Support Division at 651-431-4400 or 800-657-3890. Contact information for county child support offices is available online at https://mn.gov/dhs/people-we-serve/children-and-families/services/child-support/contact-us/county-offices.jsp.

Employers who have questions about the Consumer Credit Protection Act should visit the U.S. Department of Labor website for information at http://www.dol.gov/whd/garnishment/index.htm.

Employees who have questions about their case should contact their county child support officer.

Employees who want to verify child support payments should contact the Child Support Division's payment line at 651-431-4340, 800-657-3512, or online at http://www.childsupport.dhs.state.mn.us/Action/Welcome.

Definitions

Arrears: The terms arrears, and arrearage, mean obligation amounts that are overdue and unpaid.

Basic support: Basic support is for expenses relating to the child's care, housing, food, clothing, and transportation. The amount is determined by applying the parent's combined parental income for determining child support (PICS) and the number of joint children to the basic support guidelines table. The basic support obligation does not include payment toward arrears.

Child care support: Child care support is contributing to the cost of work- or education-related child care costs.

Child support: Child support is money parents pay for the care, support, and education for their child. It may include a monthly court-ordered amount, for basic support, child care support, and medical support.

Child support agency: The term child support agency means county offices that provide child support services and the state office that supervises the county offices.

Contempt: A person may be found in contempt of court if the person fails to do something that the court ordered that person to do, or if that person does some thing in court that the court orders the person not to do. The child support agency may ask the court to find an obligor in contempt of court for not making support payments. If the court finds the obligor in contempt, the court may order the obligor to serve a jail sentence unless the obligor begins to meet certain conditions, such as making regular support payments.

Custodial parent: The custodial parent is the person or entity who has primary care and custody of a minor child.

Health care coverage: Health care coverage means health care benefits provided by a health plan and does not include any form of public coverage such as Medical Assistance or MinnesotaCare.

Income withholding: Income withholding is the deduction of the current basic support, child care support, medical support or spousal support obligation, and arrears from an obligor's wages or other sources of income.

Lump sum: A lump sum payment is an amount of money paid as a single payment instead of as installment payments.

Medical support: Medical support is the providing of health care coverage for a joint child by carrying health care coverage for the joint child or by contributing to the cost of health care coverage, public coverage, unreimbursed medical expenses and uninsured medical expenses.

National Medical Support Notice: The National Medical Support Notice is a federally-mandated administrative notice issued by the public authority to enforce health care coverage provisions of a support order in cases where the public authority provides support enforcement services.

Noncustodial parent: The noncustodial parent (NCP) is the parent who does not have primary care of a minor child.

Obligee: The obligee is a person to whom payments for maintenance or support are owed.

Obligor: The obligor is a person obligated to pay maintenance or support. For purposes of ordering medical support, a parent who has primary physical custody of a child may be an obligor subject to a payment agreement.

Payor of funds: A payor of funds (POF) is any person or entity that provides funds to an obligor including an employer, an independent contractor, payor of workers' compensation or unemployment insurance benefits, or a financial institution.

Public assistance: Public assistance is a benefit or benefits from a state or federal program. A support case is public assistance when any child on the case receives public assistance. Public assistance arrears are owed to the state, not to the obligee. Public assistance programs include the former Aid to Families with Dependent Children program (AFDC); the Minnesota Family Investment Program (MFIP), which is Minnesota's Temporary Assistance to Needy Families (TANF) program; the work first program; Child Care Assistance; Medical Assistance (MA); MinnesotaCare; and IV-E Foster Care services.

Spousal support: Spousal support refers to a court-ordered amount one party pays for the support and maintenance of a current or former marriage partner. Spousal support is also called spousal maintenance.

Uninsured medical expenses: Uninsured medical expenses are reasonable and necessary health-related expenses incurred while the joint child is not covered by a health plan or public coverage.

Unreimbursed medical expenses: Unreimbursed medical expenses are reasonable and necessary health-related expenses not covered by the child's health plan, such as deductibles, co-payments, orthodontia, prescription eyeglasses and contact lenses. Unreimbursed medical expenses do not include the cost of premiums or over-the-counter medications.

Child Support Division
P.O. Box 64946
St. Paul, MN 55164-0946
mn.gov/dhs/