

NOTICE

Requirements for Mandated New Hire Reporting Requirements

Welfare reform legislation, also known as the Personal Responsibility and Work Opportunity Reconciliation Act, enacted in 1996, provides for strong measures for ensuring that children receive financial support. New Hire reporting is an integral part of this legislation. New Hire Reporting is a process by which you, as a Vermont employer, report information on newly hired employees to the Vermont Department of Labor (VDOL). States will match new hire reports against their child support records to locate parents, establish an order for child support, or enforce an existing order. This information is also transmitted to the National Directory of New Hires, which allows the Federal Office of Child Support Enforcement to assist states in locating parents on a national level.

New Hire Reporting will result in significant increases to child support collections, reduction in welfare payments, and millions of dollars saved in Medicaid and Food Stamps. New Hire Reporting can also benefit employers by reducing unemployment and worker's compensation fraud.

This law is **effective October 1, 1998**, and requires employers to report minimal information for each new employee hired or rehired on or after October 1, 1998.

What is the definition of "employer" for new hire reporting purposes?

Federal legislation states that an "employer" for new hire reporting purposes is the same as for the federal income tax purposes (as defined by Section 3401 (d) of the Internal Revenue Code of 1986) and includes any government entity or labor organization. At a minimum, in any case where you as an employer are required to give an individual a W-4 form, you must meet the new hire reporting requirements.

What must I report?

- Employer Name
- Employer Address
- Federal Employer Identification Number (FEIN)
- Employee Name
- Employee Address
- Employee Social Security Number
- Date employee actually began working

As a temporary employment agency, must we report as a new hire each individual placed by our agency?

If your agency is paying wages to the individual, you MUST submit a new hire report. The individual needs to be reported only once, unless there is a break in service from your agency and a new W-4 form is required. If your agency simply refers individuals for employment and does not pay salaries, new hire reports are not necessary from you. Additionally, Federal policy states that if work being performed is based on a contract rather than an employer/employee relationship, you are not required to submit a new hire report. However, the contractor is responsible for reporting his/her employees.

What is the “date of hire” considered to be?

The “date of hire” is the first day services are performed for wages by an individual for you.

When must I report?

The report of hire MUST be made within 20 days of the first day services are actually performed for you. If you report by magnetic or electronic reports: 2 monthly transmissions not less than 12 days or more than 16 days apart.

If I layoff and then re-hire an employee, or an employee returns after a leave of absence, do I need to send in another New Hire report?

If an employee returning to work is required to complete a W-4 form, you MUST report the individual as a new hire to the Department of Labor (DOL) If, however, the returning employee had not been formally terminated or removed from payroll records, there is no need to report that individual.

Where do I report?

VDOL – New Hire Reporting
5 Green Mountain Drive
P.O. Box 488
Montpelier, VT 05601-0488

What if I have questions about reporting?

If you have questions about the actual submission of data, contact the Department of Labor at (802) 828-4344.

Methods of Reporting

You may choose one of these convenient reporting methods:

- ❖ Internet: This allows quick and easy online reporting. New Hire Reporting forms for mailing or faxing can also be downloaded from our website at <http://www.labor.vermont.gov>
- ❖ Magnetic Media and Diskette: Data specifications are contained in this packet.
- ❖ Forms: Submit your new hire information using the Vermont Department of Labor's New Hire Reporting Form or create your own form ensuring that it includes the seven required elements. A copy of the reporting form can be found in this packet.
- ❖ W-4 Form: After a new hire completes this federal form, fill in the required employer information on line 8 and 10 of the form. Be sure to include the date employee actually began working. Fax or mail a copy of the W-4 form to the Vermont Department of Labor.
- ❖ Mail: You can also mail the above forms, magnetic tape or the diskette to:

**Vermont Department of Labor
New Hire Reporting
5 Green Mountain Drive
P.O. Box 488
Montpelier, VT 05601-0488**

- ❖ Fax: The following to the Vermont Department of Labor:
 - The Vermont Department of Labor's New Hire Reporting Form, or
 - A form you created that includes the seven required data elements, or
 - A copy of the W-4 form, to: Fax: (802) 828-4286

For additional help or information about Vermont's New Hire Reporting call the Vermont New Hire Help Line to talk to a customer service representative: (802) 241-2194 or Toll-Free 1-800-786-3214.

If you have questions about the actual submission of data, contact the Department of Labor at (802) 828-4344.

Magnetic Media New Hire Reporting Specifications

Diskettes or Compact Disc ASCII format – 3.5 floppy diskettes/ compact disc created on an IBM PC XT, PC/AT, PS/2 or IBM compatible equipment. On all diskettes, the file must be named “**New Hire**”.

At this time, the department will accept data on magnetic cartridges that can be read on IBM 3480 cartridge drives. Cartridges using the IBM standard label must read “**New Hire**”. These cartridges must also use standard header/trailer labels. Do not compress the data.

All magnetic media must have an exterior label with the following information:

- ❖ Employer name/ Payroll Service Bureau
- ❖ Contact Person
- ❖ Telephone number

NOTE: Payroll Service Bureaus may submit multiple employers on the same file.

If you have questions about the actual submission of data, please contact the Department of Labor’s Magnetic Media Specialist at (802) 828-4253.

Magnetic Media must to be sent to:

Vermont Department of Labor
Attn: Magnetic Media Specialist
P.O. Box 488
Montpelier, VT 05601-0488

New Hire Record Format Specifications

Location	Field	Field Picture	Description	Required/Optional
1	Record Type	X	Always 2	R
2-16	Employee Last Name	X (15)	No Special Characters	R
17-31	Employee First Name	X (15)	No Special Characters	R
32	Employee Middle Initial	X	No Special Characters	O
33-62	Employee Address Line 1	X (30)	No Special Characters	R
63-92	Employee Address Line 2	X (30)	No Special Characters	O
93-107	Employee City	X (15)	No Special Characters	R
108-109	Employee State	XX		R
110-114	Employee Zip 5	X (5)		R
115-118	Employee Zip 4	X (4)		O
119-127	Employee SSN	9 (9)	All zeros will be rejected	R
128-135	Employee date of hire	9 (8)	CCYYMMDD	R
136	Filler	X	Fill with Spaces	O
137-144	Employee date of birth	9 (8)	CCYYMMDD	O
145-147	Filler	X (3)	Fill with Spaces	O
148-177	Employer Name	X (30)	No Special Characters	R
178-207	Employer Address Line 1	X (30)	No Special Characters	R
208-237	Employer Address Line 2	X (30)	No Special Characters	O
238-252	Employer City	X (15)	No Special Characters	R
253-254	Employer State	XX	No Special Characters	R
255-259	Employer Zip 5	X (5)		R
260-263	Employer Zip 4	X (4)		O
264-272	Employer Federal EIN	X (9)		R
273-300	Filler	X (28)	Fill with Spaces	O

Carriage Return/Line Feed must be at the end of each Record. (column 301)

