

CENTRAL EMPLOYEE REGISTRY

252G.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "*Business day*" means a day on which state offices are open for regular business.
2. "*Compensation*" means payment owed by the payor of income for:
 - a. Labor or services rendered by an employee or contractor to the payor of income.
 - b. Benefits including, but not limited to, vacation, holiday, and sick leave, and severance payments which are due an employee under an agreement with the employer or under a policy of the employer.
3. "*Contractor*" means a natural person who is eighteen years of age or older, who performs labor in this state to whom a payor of income makes payments which are not subject to withholding and for whom the payor of income is required by the internal revenue service to complete a 1099-MISC form.
4. "*Date of hire*" means either of the following:
 - a. The first day for which an employee is owed compensation by the payor of income.
 - b. The first day that a contractor performs labor or services for the payor of income.
5. "*Days*" means calendar days.
6. "*Department*" means the department of human services.
7. "*Dependent*" includes a spouse or child or any other person who is in need of and entitled to support from a person who is declared to be legally liable for the support of that dependent.
8. "*Employee*" means a natural person who performs labor in this state and is employed by an employer in this state for compensation and for whom the employer withholds federal or state tax liabilities from the employee's compensation.
9. "*Employer*" means a person doing business in this state who engages an employee for compensation and for whom the employer withholds federal or state tax liabilities from the employee's compensation. "*Employer*" includes any governmental entity and any labor organization.
10. "*Labor organization*" means any organization of any kind, or any agency, or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.
11. "*Natural person*" means an individual and not a corporation, government, business trust, estate, partnership, proprietorship, or other legal entity, however organized.
12. "*Payor of income*" includes both an employer and a person engaged in a trade or business in this state who engages a contractor for compensation.
13. "*Registry*" means the central employee registry created in section 252G.2.

14. *"Rehire"* means the first day for which an employee is owed compensation by the payor of income following a termination of employment lasting a minimum of six consecutive weeks. Termination of employment does not include temporary separations from employment such as unpaid medical leave, an unpaid leave of absence, or a temporary layoff.

15. *"Unit"* means the child support recovery unit created in section 252B.2.

93 Acts, ch 79, §3; 94 Acts, ch 1171, §36; 97 Acts, ch 175, §87, 88

252G.2 Establishment of central employee registry.

By January 1, 1994, the unit shall establish a centralized employee registry database for the purpose of receiving and maintaining information on newly hired or rehired employees from employers. The unit shall establish the database and the department may adopt rules in conjunction with the department of revenue and the department of workforce development to identify appropriate uses of the registry and to implement this chapter, including implementation through the entering of agreements pursuant to chapter 28E.

93 Acts, ch 79, §4; 96 Acts, ch 1186, § 23; 2003 Acts, ch 145, §286

252G.3 Employer reporting requirements penalty.

1. Beginning January 1, 1994, an employer who hires or rehires an employee on or after January 1, 1994, shall report the hiring or rehiring of the employee to the centralized employee registry in accordance with one of the following time frames:

a. Within fifteen days of the hiring or rehiring of the employee.

b. If the employer is transmitting hire and rehire reports magnetically or electronically, the employer may report through transmissions which are not less than twelve nor more than sixteen days apart.

2. The report submitted shall contain all of the following:

a. The employer's name, address, and federal identification number.

b. The employee's name, address, and social security number.

c. Information regarding whether the employer has employee dependent health care coverage available and the appropriate date on which the employee may qualify for the coverage.

d. The address to which income withholding orders or the notices of orders and garnishments should be sent.

e. The employee's date of birth.

3. Employers required to report may report the information required under subsection 2 by any of the following means:

a. By mailing a copy of the employee's Iowa employee's withholding allowance certificate to the registry.

b. By submitting electronic media in a format approved by the unit in advance.

c. By submitting a fax transmission of the employee's Iowa employee's withholding allowance certificate to the registry.

d. By any other means authorized by the unit in advance if the means will result in timely reporting.

e. By submitting both of the following:

(1) For the information in subsection 2, paragraphs "a" and "b", by transmitting by first class mail, magnetically or electronically, a federal W-4 form, or, at the option of the employer, an equivalent form.

(2) By reporting the other information required in subsection 2 by any of the means provided in paragraph "a", "b", "c", or "d" of this subsection.

4. An employer with employees in two or more states that transmits reports magnetically or electronically may comply with subsection 1 by transmitting the report described in subsection 1 to each state, or by designating as the recipient state one state, in which the employer has employees, and transmitting the report to that state. An employer that transmits reports pursuant to this subsection shall notify the United States secretary of health and human services, in writing, of the state designated by the employer for the purpose of transmitting reports.

5. If an employer fails to report as required under this section, an action may be brought against the employer by any state agency accessing or administering the registry, or by the attorney general. The action may be brought in district court in the county in which the employer has its principal place of business, or if the employer has no principal place of business, in any county in which an employee is performing labor or service for compensation, or in Polk county to determine noncompliance with this section. A willful failure to provide the information shall be punishable as contempt.

93 Acts, ch 79, §5; 94 Acts, ch 1171, §37; 96 Acts, ch 1141, § 15; 97 Acts, ch 175, § 89, 90; 98 Acts, ch 1170, §21

252G.4 Alternative reporting requirements penalty.

1. Beginning January 1, 1994, a payor of income to whom section 252G.3 is inapplicable, who enters into an agreement for the performance of services with a contractor, shall report the contractor to the registry. Payors of income shall report contractors performing labor under an agreement within fifteen days of the date on which all of the following conditions are met:

a. The payor issues payment to the contractor in an amount which exceeds the amount required for the filing of a 1099- MISC report.

b. Payment to the contractor under an agreement is made in a form which is other than a lump sum payment, within a calendar year.

The payor of income is not required to file more than one report for any contractor.

2. The report submitted to the registry shall contain all of the following:

a. The name, address, and federal identification number of the payor of income.

b. The contractor's name, address, social security number, and if known, the contractor's date of birth.

3. A payor of income required to report under this section may report the information required under subsection 1 by any written means authorized by the unit which results in timely reporting.

4. Information reported under this section shall be received and maintained as provided in section 252G.2.

5. A payor of income required to report under this section who fails to report is subject to the penalty provided in section 252G.3, subsection 5.

93 Acts, ch 79, §6; 94 Acts, ch 1171, §38

252G.5 Access to centralized employee registry.

The records of the centralized employee registry are confidential records pursuant to sections 22.7 and 252B.9, and may be accessed only by state agencies as provided in this section and section 252B.9. When a state agency accesses information in the registry, the agency may use the information to update the agency's own records. Access to and use of the information contained in the registry shall be limited to the following:

1. The unit for administration of the child support enforcement program, including but not limited to activities related to establishment and enforcement of child and medical support obligations through administrative or judicial processes, and other services authorized pursuant to chapter 252B.
2. State agencies which utilize income information for the determination of eligibility or calculation of payments for benefit or entitlement payments unless prohibited under federal law.
3. State agencies which utilize income information for the recoupment of debts to the state unless prohibited under federal law.

93 Acts, ch 79, §7; 98 Acts, ch 1170, §22

252G.6 Administration and costs of the centralized employee registry.

1. The registry shall maintain the information received from employers for a minimum period of six months.
2. State agencies accessing the centralized registry shall participate in a proportionate cost sharing to defray the administrative costs of the registry. The amount of a state agency's proportionate share shall be established by rule of the department.

93 Acts, ch 79, §8

252G.7 Data entry and transmitting centralized employee registry records to the national new hire registry.

The unit shall enter new hire data into the centralized employee directory database within five business days of receipt from employers and shall transmit the records of the centralized employee registry to the national directory of new hires within three business days after the date information regarding a newly hired employee is entered into the centralized employee registry.

97 Acts, ch 175, §91

252G.8 Income withholding requirements.

Within two business days after the date information regarding a newly hired employee is entered into the centralized employee registry and matched with obligors in cases being enforced by the unit, the unit shall transmit a notice to the employer or payor of income of the employee directing the employer or payor of income to withhold from the income of the employee in accordance with chapter 252D.

97 Acts, ch 175, §92