2025 Employer Workshop Questions & Answers

Workshop Logistics

Q. Will you be providing a copy of the presentation?

A. Yes. The PowerPoint, video, and Q&A are posted on bayareachildsupport.net.

New Hire Reporting

Q. Can you explain how to perform a file upload for electronic new hire filing?

A. Contact the Employment Development Department (EDD) directly for instructions on the uploading of new hire files (eddservices.edd.ca.gov).

Q. Is there a printable version of a pamphlet or guidelines on processing of new hires, rehires, or 1099 contractors?

A. Yes. Resources are available on the California Department of Child Support Services website Reporting New Hires - DCSS and on EDD's website: California's New Employee Registry

Q. Do we need to create a user id and password to report new hires?

A. Yes. When registering with EDD's e-Services for businesses, you must create a username and password.

Wage & Insurance Verification Forms

Q. How do you indicate on the Wage & Insurance Verification form that an employee is out on Family Medical Leave (FMLA)?

A. In the 'Currently employed' section, note the employee is on leave and include the expected return date.

Q. When completing a Wage & Insurance Verification form, is an NMSN considered a form of an IWO? A. No. The Wage & Insurance Verification does not request IWO information but does ask for insurance coverage details, including costs, covered dependents, and policy information.

Income Withholding Orders (IWO)

Q. What is net disposable income?

A. Net disposable income is the amount of income remaining after the deduction of taxes (state, federal, FICA, Medicare, SDI) and mandatory deductions (such as mandatory retirement and mandatory union dues).

Q. Our company was not eligible for e-IWO because of the requirement of SFTP or FTPS. Has this changed?

A. Enrollment is managed by the Federal Office of Child Support Services. Their website notes that an e-IWO Online option is suitable for smaller employers and those with server limitations. See: <u>e-IWO | The Administration for Children and Families</u>

Q. Why does the Income Withholding Order (IWO)-Termination include amounts if the order is terminated.

A. A copy of the most recent IWO is included for reference, so employers can identify which order was terminated (useful when multiple IWOs exist).

Q. We have a 3rd party payroll provider that handles IWOs, can they access the information provided today?

A. Yes. The PowerPoint, video, and Q&A are available on bayareachildsupport.net.

Q. Are confirmations given on the e-IWO so that employers have proof of completion to avoid any penalties?

A. Yes. Employers can accept or reject an e-IWO, and this response is communicated back to the issuing agency.

Q. For e-IWOs, is the remittance ID listed on the first page the number we add to the upload file for the payment being made?

A. Yes, the Remittance ID (also the Case ID) must be included with the payment.

Q. Are employee reimbursements subject to the Income Withholding Order?

A. Generally, no. Income subject to withhold are wages, salary, bonuses, commissions, vacation/sick leave, retirement, dividends, royalties, residuals, and contractor payments. Bonus/commissions may be withheld up to 50% of the amount (report to the LumpSumResponseTeam@dcss.ca.gov). For reimbursements, contact the issuing agency for guidance.

Q. What is an example of a Federal Administrative Garnishment? Is there somewhere where we can find the priority of garnishments we receive, if we are unsure of what should be deducted first?

A. Examples include federal employee overpayments, unpaid fines, student loans, small business loans, and veterans' or farmers' loans. Slide 43 of the presentation (bayareachildsupport.net) provides withholding order prioritization.

National Medical Support Notice (NMSN)

Q. Is the National Medical Support Notice subject to withholding limits?

A. Yes. If the difference in the cost to add the child and the cost to add the employee-only is more than 5% of the employee's net disposable income or the 50% withholding limit applies, the cost is deemed unreasonable, and you must notify the issuing agency.

Q. If the employee declines to enroll in a medical plan during open enrollment our insurance provider has informed us that they cannot enroll just the dependent. What do we communicate to the insurance company?

A. If the insurance company requires employee enrollment, they must enroll both the employee and the child, unless the coverage is deemed unaffordable or exceeds withholding limitations.

Q. When an employer receives the NMSN, which part can be given to the employee to notify them?

A. Provide a copy of NMSN Part A (with partial SSN redacted), Statement of Obligor's Rights and Procedures, Request and Notice of Hearing Regarding Health Insurance Assignment and the Information Sheet and Instructions for Request and Notice of Hearing (available at Employer Resource Center-DCSS).

Q. How can we calculate if the cost of medical is reasonable if the employee's income is always different? We are a construction company, and one pay-period may have full pay and the next not.

A. Notify the issuing agency of the fluctuating wages. The final determination regarding affordability will be made by that agency.

Q. If we enroll an employee and their dependent(s), since the company doesn't pay any part for the dependent(s), in most cases the cost exceeds 50% of their NDI. What do we do in those cases?

A. Complete and return the Employer Response section of NMSN-Part A, checking box 5 ("withholding limitations exist").

General

Q. When completing the notification of termination of an employee on the Child Support Portal, it asks for the last payment amount. Is this the last payment amount made to the State Disbursement Unit (SDU) or the amount of the employee's last paycheck?

A. The last payment amount refers to the last payment sent to the State Disbursement Unit. This informs the Local Child Support Agency that no further payments will follow.

