


Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: November 9, 2011

SUBJECT: Fiscal Impact Statement – “Hire Date Reporting Amendment Act of 2011”

REFERENCE: Draft legislation shared with OCFO on November 4, 2011

Conclusion

Funds are sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the proposed legislation.

Background

The proposed legislation amends current law¹ to require employers report the start date of new hires to the District of Columbia Directory of New Hires (“Directory”). Current law requires employers to report the name, address, and social security number of new hires but not the date of hire. Federal law enacted in 2010 requires all states to collect this information from employers; this requirement is intended as an anti-fraud measure aimed at reducing the number of overpayments to individuals receiving unemployment insurance benefits or workforce compensation benefits. The bill would also give the District’s Child Support Services Division (CSSD) additional information that will aid it in collecting child support payments.

The information in the Directory also feeds into the National Directory of New Hires, which is used by state Child Support Enforcement agencies to locate noncustodial parents, establishing child

¹ District of Columbia Child Support Enforcement Act Of 1985, effective April 3, 2001 (D.C. Law 13-269; D.C. Official Code § 46-226.06(b)).

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FIS: "Hire Date Reporting Amendment Act of 2011," Draft Bill as Shared with the OCFO on November 4, 2011

support orders and enforcing child support orders. Enactment of this legislation would bring the District in compliance with the federal requirements.²

Financial Plan Impact

Funds are sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the proposed legislation. Requiring all employers to report the start date for new hires would not result in additional costs for the District, as the capability to collect this information already exists and the majority of employers already report this information.³

² Effective December 8, 2010, the Claims Resolution Act (Public Law 111-291), requires employers to report the start date of new employees to their State Directory of New Hires. The law became effective June 28, 2011 and states were granted additional time to enact conforming legislation.

³ According to a memorandum from the Office of the Attorney General to the Office of the Chief Financial Officer on September 20, 2011, 89 percent of employers already report the start date for new hires.