



American Payroll Association

Government Relations • Washington, DC

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Office of Child Support Enforcement
Administration for Children and Families
Office of Planning, Research and Evaluation
330 C Street, SW
Washington, DC 20201
Attn: Reports Clearance Officer
Email address: infocollection@acf.hhs.gov

Re: Request for Comments on Revised Income Withholding Order Form (OMB 0970-0154) and Instructions via the *Federal Register* [81 FR 68421-68422]

Dear Commissioner Turetsky:

The American Payroll Association (APA) appreciates the opportunity to provide comments on the Revised Income Withholding Order Form (OMB 0970-0154) and Instructions. We understand that the Income Withholding Order (IWO) Form and Instructions must be reviewed per the requirements of the Paperwork Reduction Act of 1995. APA reviewed the six specific changes that the OCSE proposed. Our comments are offered to provide meaningful feedback on those changes. APA also is suggesting some additional items to improve the overall efficiency of the form and instructions.

Changes Proposed to the IWO Form and Instructions in DCL-16-22

1. Remove Amended IWO Checkbox – One checkbox will be used for an IWO, without distinction between an initial or amended version.
 - Employers have concerns with OCSE removing the Amended IWO checkbox. Without this identifying feature, employers will have difficulty determining the correct amount to withhold when an original and amended IWO are issued on the same day. The proposed change also impacts the e-IWO program. If the “amended” designation is removed on an inbound e-IWO detail record, the IWO will be rejected as a duplicate. The added burden of extensive code changes in the e-IWO process is greater than any benefit realized from removing the checkbox.

2. Remove Remittance ID – Child support agencies are instructed to use the Case ID as the payment identifier.
 - APA supports this change. However, in existing cases where the remittance ID and the Case ID differ, APA recommends that employers not be required to amend the orders to accommodate the change in the ID number. Updating untold numbers of IWOs will unnecessarily delay child support payments.
3. Effective Date – An IWO is effective the first pay period after the employer/income withholder receives it.
 - APA supports OCSE’s amendment. The amendment should eliminate a problem employers face when child support agencies issue IWOs with future effective dates, which few employers can reasonably be expected to track. APA also suggests removing Effective Withholding in the e-IWO Record Layout (Positions 662-669) to match the change on the paper IWO Form.
 - Additionally, the e-IWO Date should match the date placed on the IWO Form when completed. This helps to prevent any attempts to intentionally or inadvertently issue a past- or future-dated e-IWO and creates consistency in the instructions.
4. Consumer Credit Protection Act (CCPA) Limit – The Form and Instructions clarify that the sender must enter a specific percentage to withhold, not a range of percentages or a maximum percentage.
 - Employers withhold and perform calculations based on the percentage amount listed in Field 17. APA supports the amendment that each IWO must show a specific withholding percentage to ensure accurate payments. We recommend that the OCSE emphasize that this is a “REQUIRED FIELD” on the IWO.
5. Lump Sum IWOs – Amend the language to clarify that child support agencies should send lump sum IWOs only when notified by an employer that an employee is eligible for an upcoming lump sum payment.
 - To provide clarity in processing, OCSE should consider dividing the One-Time Order/Notice for Lump Sum Payment into two separate boxes. This involves an ongoing issue for employers with many state child support enforcement agencies checking the One-Time Order/Notice for Lump Sum Payment box to collect outstanding amounts, small arrearages, and collection of attorney fees before an employer reports that a lump sum bonus is pending. To eliminate this problem, APA proposes the following changes:
 - Use the term “One-time Order/Notice Deduction” for one box.

- Use the term “Lump Sum Payment Only – One-time Order/Notice (check only after employer reporting)” in a second box.
 - On the IWO Form, change field 14 to reflect the two boxes suggested above to: “\$_____One-Time Payment: Do not stop any existing IWO unless you receive a termination order.”
 - In the Instructions, change line 1b (One-Time Order/Notice For Lump Sum Payment) to reflect both types of one-time orders:
 - “One-time Order/Notice Deduction: Check this box if this IWO is for a one-time collection. After checking this box, enter the correct withholding amount in Field 14, One-Time Payment, in the Amounts to Withhold section. Additional IWOs must be issued to collect subsequent one-time payments.”
 - “Lump Sum Payment Only One-time Order/Notice (check only after employer reporting): Check this box if this IWO is for a one-time collection of a lump sum payment in which a notice was received by an employer/income withholder. After checking this box, enter the amount in Field 14, One-Time Payment, in the Amounts to Withhold section. Additional IWOs must be issued to collect subsequent lump sum payments.”
 - In the Instructions, change line 14 to reflect: “**One-Time Payment.** Dollar amount withheld when the IWO is used to attach a one-time or lump sum payment. This field should be used only when Field 1b is checked.
6. Withholding Limits for Tribal IWOs – Amended language to clarify that the employee’s principal place of employment governs the withholding limits. If the employee’s principal place of employment is within a state, the employer must apply the state withholding limits, even when a tribal child support agency issues the IWO. If the employee’s principal place of employment is on tribal land, employers must apply tribal withholding limits.
- APA supports this change to provide clear instructions to employers related to processing Tribal IWOs.

Additional Recommendations on the Proposed IWO Form and Instructions

The following are APA’s recommendations for changes to the IWO Form and Instructions not otherwise proposed by the OCSE:

- Add the noncustodial parent’s date of birth (DOB) on page 1 of the IWO Form in the Employee/Obligor Section. A number of states are including this information in the Supplemental Information Section on page 3. Adding an actual field for DOB would be

consistent with the e-IWO Record Layout where a dedicated data element exists for this information (Positions 315-322). APA recommends that this remain an Optional Data Requirement.

- Add the annualized calculation method described in the IWO Instructions to the IWO Form. In addition, provide clarification in the IWO Instructions regarding “acceptable” to lay the ground work for eventually requiring that this method be used.
- Add a new check box for “Supports a Second Family” to ensure that the maximum withholding limit is applied to that situation.
- Match the paper IWO Form and Instructions to the e-IWO Record Layout and standardize data element descriptions where necessary.
- Allow the use of the IWO Form for Spousal Support ONLY. This would potentially require a modification to the Remittance Information Section because these payments are not always returned to the State Disbursement Unit (SDU). The long-term goal would be to allow all spousal support to be sent by e-IWO with all payments going to the SDU.
- Specify in the IWO Instructions for each data element regarding whether that field is “REQUIRED” or “OPTIONAL.” This will allow the IWO Instructions to be consistent with the e-IWO Record Layout Data Element Designation. For example, at the end of each data description indicate “REQUIRED” or “OPTIONAL.”
- Change the following fields on the IWO Form and Instructions:
 - 3e. Child(ren)’s Name(s) – Make this a “REQUIRED FIELD.” If this field is left blank and the date of birth is not listed, there is no way to ensure the IWO will be recorded correctly.
 - 3f. Child(ren)’s Birth Date(s) – Make this a “REQUIRED FIELD.” If this field is left blank and the child's name is not listed, there is no way to ensure the IWO will be recorded correctly.
 - Change the Issuer Name, Telephone Number and Mailing Address to be “REQUIRED” data fields in the Contact Information section of the paper IWO Form and e-IWO Record Layout. This would be consistent with the need for the employer to have a contact person listed should questions or concerns arise. Fax number and e-mail or website Addresses should remain “OPTIONAL.”
- Allow courts or private attorneys to send their non-IV-D child support orders via e-IWO. The use of e-IWO is a proven and efficient mechanism for orders to be sent to employers that reduces mailing time thus ensuring that families receive money faster. Currently, only orders originated by a state IV-D agency can be transmitted via e-IWO. Many large companies, which process the bulk of child support remittances, prefer to use e-IWO.

About the APA

Established in 1982, the APA is a nonprofit professional association serving the interests of more than 20,000 payroll professionals in the United States. The APA's primary mission is to educate members and the payroll industry about the best practices associated with paying America's workers while complying with all applicable federal, state, and local laws. The APA's Government Relations Task Force (GRTF) works with legislative and executive branches at the federal and state levels to assist employers with understanding their legal obligations with significant emphasis on minimizing the administrative burden on government, employers, and individual workers. The GRTF maintains a close relationship with state child support agencies and the federal Office of Child Support Enforcement to ensure that APA's members receive the latest information about child support laws and that state and federal agencies receive meaningful feedback on their programs, regulations, guidance, and laws.

Sincerely,



Lisa Poole, CPP



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Cochairs, GRTF Child Support and Other Garnishments Subcommittee
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