

New-Hire Act of 1997

Act 97-228, the New-Hire Act of 1997, brought Alabama into compliance with the Federal Welfare Reform Act of 1996 (Public Law 104-193). This act is designed to accomplish the following:

1. Prevent payment of unemployment compensation to individuals who have returned to work.
2. Prevent individuals from receiving workers' compensation while employed.
3. Recoup from unemployment compensation the cost of over-issuance of food stamps.
4. Locate non-custodial parents who are delinquent in legal child support obligations.

New hire reports are entered into the Alabama State Directory of New Hires in order to prevent program abuse and to assist the Federal Parent Locator Service. New hire reports are transmitted to the National Directory of New Hires where the data is cross matched with other states.

Alabama New-Hire provides a direct means for identifying workers who refuse jobs while receiving unemployment compensation. An individual can be denied benefits for failure to accept suitable employment.

Reporting Requirements

Since October 1, 1997, all employers are required to report each newly hired or recalled employee to the Department of Industrial Relations. The information must be furnished within seven days from the date of hire or reemployment. (Employers reporting electronically may transmit twice monthly, not less than twelve (12) days nor more than sixteen (16) days apart.) Employers who fail to report newly hired or recalled workers may be fined up to \$25.00 for each violation.

All reports of hire will require the following data: employee's name, address, and social security number; first day of work; and, whether the employee was newly hired or recalled to work. Also required are the employer's Federal Employer Identification Number (FEIN), name, and address.

Effective May 1, 2008, Alabama employers with 5 or more employees must report via the Internet through this website ([click here](#)). Florida employers must report via the internet through this website ([click here](#)) Employers with less than 5 employees may use the Internet system, or they may send copies of W-4's to the New Hire unit. W-4's must have additional notations showing the date the employee began work, and whether the employee was a new hire or recall.