

CHAPTER 41
STATE WAGE INFORMATION
AND COLLECTION AGENCY

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Within this Chapter, the following terms have the following meanings:

(a) *Employer* means any sole proprietorship, partnership, corporation or other business association which pays wages to private individuals who work on behalf of the employer, perform domestic service on behalf of the employer and who are not in a consultant relationship.

(b) *Employee* means a person who is employed or self-employed and receiving compensation subject to federal employment taxes.

(c) *Calendar Quarter* means any of the following four periods of three months each: January 1st through March 31st; April 1st through June 30th; July 1st through September 30th; October 1st through December 31st.

(d) *Income and Eligibility Verification System (IEVS)* means a system of information acquisition and exchange for purposes of income and eligibility verification which meets the requirements of Section 1137 of the Social Security Act.

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(e) *Act* means the Deficit Reduction Act of 1984 (Public Law 98-369) as amended.

(f) *Social Service Programs* includes but is not limited to the Food Stamps Program, the Aid to Families and Dependent Children Program, Aid to the Aged, Blind and Disabled Programs, Medicaid Program, the IV-D Program and any other Social Service Programs administered by the Department of Public Health and Social Services for which federal and local laws require crossmatching of information for the prevention of program fraud and abuse.

(g) *State Wage Information Collection Agency (SWICA)* means the State agency administering the State unemployment compensation law, any agency administering a quarterly wage reporting system, or a State agency administering an alternative system which has been determined by the Secretary of Labor, in consultation with the Secretary of Agriculture and the Secretary of Health and Human Services, to be as effective and timely in providing employment related income and eligibility data as the two just mentioned agencies.

SOURCE: Added by P.L. 19-22:2.

§ 41102. Designation as State Wage Information and Collection Agency (SWICA).

The Department of Revenue and Taxation shall be the State Wage Information and Collection Agency (SWICA) as required by the Act. The SWICA shall comply with all the requirements found in the Act; all of the federal regulations concerning State Wage Information Agencies as adopted by the U.S. Department of Health and Human Services, the U.S. Department of Agriculture and the U.S. Department of Labor; and any other requirements on it by law.

SOURCE: Added by P.L. 19-22:2.

§ 41103. Coordination with Department of Public Health and Social Services.

SWICA shall implement a program of wage information collection in conjunction with Department of Public Health and Social Services. Such program shall crossmatch employee wage information with information from Social Service programs administered by the Department of Public Health and Social Services. The wage information collection program shall meet all federal and local requirements and shall

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be implemented within one hundred twenty (120) days from the enactment of this Chapter.

SOURCE: Added by P.L. 19-22:2.

§ 41104. Quarterly Reports.

Within ninety (90) days of the enactment of this Chapter, every employer on Guam, including the government of Guam, shall file quarterly wage reports with SWICA concerning each of its employees by the thirtieth (30th) day following the end of each calendar quarter as defined herein. Quarterly reports shall include but are not limited to the full name and address of each employee and employer, taxpayers identification number (social security number/employer identification number); gross earnings and gross federal taxes withheld for the calendar quarter.

(a) Certain reports must be filed on magnetic media.

(1) In the case of any employer who is required to file quarterly reports with respect to more than 50 employees for any calendar quarter, all reports shall be on magnetic media.

(2) Subsection (1) shall not apply to any person for any period if such person establishes to the satisfaction of SWICA that its application to such person for such period would result in undue hardship.

SOURCE: Added by P.L. 19-22:2.

§ 41105. Penalty.

(a) Failure to file on time. If an employer fails to file the information required under this Chapter on or before the date prescribed, unless such failure is due to reasonable cause, there shall be imposed on the employer a penalty of one hundred dollars (\$100) per employee for the first thirty (30) days after the prescribed due date and fifty dollars (\$50) for each additional thirty (30) days or a fraction thereof thereafter.

(b) Furnishing false, misleading, or fraudulent information. In addition to any other penalty provided by this Chapter, any employer who willfully furnishes a false, misleading or fraudulent statement or willfully fails to furnish such statement in the manner required may be fined fifty dollars (\$50) for each offense per month.

SOURCE: Added by P.L. 19-22:2.

§ 41106. Disclosure of Wage Information to the Department of Public Health and Social Services.

SWICA shall, upon written request, disclose current return information for the purpose of, and to the extent necessary for, determining eligibility for, or the correct amount of, benefits under a program listed in Section 41101(f).

- (a) Requirements governing the release of wage information.
 - (1) Purpose of the request.
 - (2) Identification of all Department of Public Health and Social Services employees, by position with authority to request information.
 - (3) Methods and timing of the requests for information, including the machine readable format to be used, the period of time needed to furnish the requested information and the basis for establishing this period.
 - (4) The type of information and reporting periods for which information will be provided.

(b) Safeguarding wage information. The Department of Public Health and Social Services shall limit the use of disclosure information concerning applicants and recipients to purposes directly connected with:

- (1) Establishing eligibility, determining amount of assistance, and providing services for applicants and recipients.
- (2) Any investigation, prosecution, or criminal or civil proceeding conducted in connection with the administration of any such plans or programs.
- (3) Publicize provisions governing the confidential nature of information about applicants and recipients, including the legal sanctions imposed for improper disclosure and use, and will make these provisions available to applicants and recipients and to other persons to whom information is disclosed.
- (4) The wage information obtained pursuant to SWICA will be stored and processed so that no unauthorized personnel can acquire or retrieve the information by any means.

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(5) All persons with access to information obtained pursuant to SWICA will be advised of the circumstances under which access is permitted and the sanctions imposed for illegal use or disclosure of the information.

SOURCE: Added by P.L. 19-22:2.

§ 41107. SWICA's Quarterly Reports.

Not later than sixty (60) days from the end of each calendar quarter, SWICA shall crossmatch employee information as obtained pursuant to Section 41104 with Social Service program information held by the Department of Public Health and Social Services. Such crossmatching shall be done in a manner which does not compromise the privacy of employers, employees or public welfare beneficiaries.

SOURCE: Added by P.L. 19-22:2.

§ 41108. Funding.

The sum of Four Hundred Thousand Dollars (\$400,000) is hereby reappropriated from the appropriations made to the Executive Branch for FY '88 pursuant to Public Law 19-10. These funds are to be used to fund the implementation of the State Wage Information Collection Agency (SWICA) Program.

SOURCE: Added by P.L. 19-22:2.

§ 41109. Regulations.

The Departments of Revenue and Taxation and of Public Health and Social Services shall adopt regulations to facilitate the administration of the State Wage Information and Collection Agency (SWICA) in accordance with the Administrative Adjudication Law.

SOURCE: Added by P.L. 19-22:2.

§ 41110. Severability.

If any of the provisions of this Chapter, or the application thereof to any person or circumstance, is held invalid, such invalidity shall not affect any other provision or application of this Chapter which can be given effect without the invalid provision or application, and to this end the provisions of this Chapter are severable.
