### Section 160.64 Compromise of Assigned Obligations

a) For purposes of this Section, the following definitions shall apply:

1) "Assigned obligation" means past due child support or interest accrued on past due child support, or both, assigned to the State under Section 10-1 of the Illinois Public Aid Code [305 ILCS 5/10-1].

2) "Poverty line" means the level of income equal to the official poverty line determined by the federal Office of Management and Budget and revised annually in accordance with 42 USC 9902(2).

3) "Gross monthly income" means the total of all monthly income from all sources, excluding child support and maintenance.

b) The Department shall agree to compromise assigned obligations under the program when the responsible relative:

1) has gross monthly income of no more than 250 percent of the poverty line;

2) owes an assigned obligation totaling at least $500;

3) has an unassigned current support obligation or owes unassigned past due child support, or both; and

4) documents his or her inability to comply with the order for support during the period in which assigned obligations accrued by providing the Department with pay stubs, federal income tax returns, records of financial institutions, or other documents pertaining to that period.

c) A compromise agreement shall provide:

1) that the balance of the responsible relative's child support account will be reduced by the amount of the assigned obligation upon execution of the agreement;

2) that the responsible relative:

A) agrees to:

i) pay any current child support obligation required under the order for support and specified periodic payments toward satisfaction of unassigned past due child support for a period of six months following account reduction; or

ii) make a lump sum payment equal to six months of any such current child support obligation and unassigned past due child support payments; and

B) agrees to make payments agreed upon as a result of a payment plan entered into with the Department; and

C) agrees to accrue no further past due child support obligation during the six-month period following account reduction;

3) that any current support and unassigned past due child support obligation shall continue to be enforceable in any manner provided for by law;

4) that the responsible relative's failure to comply with the terms of the compromise agreement shall have the following effect:

A) nullification of the agreement;

B) reinstatement of the assigned obligation to the responsible relative's account; and

C) prohibition of any future compromise agreement with the responsible relative.

d) The Department will suspend a compromise agreement and refrain from reinstating the assigned obligation to the responsible relative's account if, during the six-month period after execution of the agreement, the responsible relative files a written request for suspension with the Department that includes documentation of the relative's inability to comply with the agreement because of involuntary loss of employment, temporary inability to work due to illness or injury, incarceration, or other justifiable reason.

e) A suspension of a compromise agreement under subsection (d) of this Section shall have a maximum duration of one year during which period the responsible relative shall provide monthly reports to the Department on progress toward resolution of the reason for suspension of the agreement.

f) Upon resumption of a compromise agreement suspended under subsection (d) of this Section, the required six-month compliance period for payment of any current child support obligation and unassigned past due support obligation shall commence anew.

g) The Department shall reduce the amount of the unreimbursed assistance balance in a case by the amount of the assigned obligation compromised under this Section.

(Source: Added at 31 Ill. Reg. 12771, effective August 27, 2007)