

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 10-17.12 as follows:

6 (305 ILCS 5/10-17.12)

7 Sec. 10-17.12. Compromise of assigned child support
8 arrearages and interest.

9 (a) The Department of Healthcare and Family Services may
10 provide by rule for compromise of debt owed to the State in the
11 form of child support arrearages and interest accrued on child
12 support arrearages assigned to the State under Section 10-1.
13 The rule shall establish the circumstances under which such
14 obligations may be compromised, with due regard for the payment
15 ability of low-income obligors and the importance of
16 encouraging payment of current child support obligations. The
17 rule shall provide that assigned obligations shall be
18 compromised only in exchange for regular payment of support
19 owed to the family and shall require that obligors considered
20 for debt compromise demonstrate inability to pay during the
21 time the assigned obligation accumulated. The rule shall
22 provide for nullification of any compromise agreement and the
23 prohibition of any future compromise agreement if the obligor

1 fails to adhere to the compromise agreement. In addition, the
2 rule shall establish debt compromise criteria calculated to
3 maximize positive effects on families and the level of federal
4 incentive payments payable to the State under Title IV, Part D
5 of the Social Security Act and regulations promulgated
6 thereunder.

7 (b) The Department may compromise the debt owed by
8 incarcerated individuals to the State in the form of child
9 support interest accrued on child support arrearages assigned
10 to the State under Section 10-1. Such obligations may be
11 compromised, with due regard for the payment ability of
12 low-income obligors and the importance of encouraging payment
13 of current child support obligations. Assigned obligations
14 shall be compromised only upon request of an incarcerated
15 individual and only upon proof of incarceration and the length
16 thereof. Interest owed to the State will only be compromised
17 for the period in which the individual is actually
18 incarcerated. The interest debt compromise shall be
19 implemented to maximize positive effects on families and the
20 level of federal incentive payments payable to the State under
21 Title IV, Part D of the Social Security Act and regulations
22 promulgated thereunder.

23 (Source: P.A. 94-971, eff. 1-1-07.)