

CITY OF CHICAGO

RULES



Clear Path Relief Pilot Program

RULES



CITY OF CHICAGO
DEPARTMENT OF
FINANCE



BY AUTHORITY VESTED IN THE COMPTROLLER PURSUANT TO SECTIONS 2-32-096, 9-100-010, 9-100-120 AND 9-100-170 OF THE MUNICIPAL CODE OF CHICAGO, THE FOLLOWING RULES REGARDING CLEAR PATH RELIEF PILOT PROGRAM ARE ADOPTED HEREIN:

By Order of the Comptroller:

Signed: Reshma Soni

Date: 3/16/2022

Comptroller Reshma Soni

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DEPARTMENT OF FINANCE
CITY OF CHICAGO

CLEAR PATH RELIEF PILOT PROGRAM

SECTION I. DEFINITIONS.

Rule 1.01 Definitions.

- (a) For purposes of these rules, the following definitions shall apply:
- (1) “Administrator” means the City’s Traffic Compliance Administrator, or the Administrator’s designee.
 - (2) “Applicant” means the registered owner of a vehicle to whom citations for Violations have been issued and who applied for the Clear Path Relief Pilot Program.
 - (3) “Base Fine Amount” means the initial fine amount assessed for a Violation without including a penalty for late payment or any other associated fees.
 - (4) “Code” means the Municipal Code of Chicago.
 - (5) “Compliance Date” means the date on which a current city sticker or license renewal sticker was affixed on the vehicle as required by the Code, or, if such date is unavailable, the date on which the current city sticker or license renewal sticker was purchased, as determined by the evidence presented.
 - (6) “CPR” means the City’s Clear Path Relief Pilot Program established pursuant to section 9-100-170 of the Code.
 - (7) “Current Monthly Income” means all income of the Applicant and any other Individual who is 18 years or older and resides in the same household that is derived during the 30 day period immediately preceding the date of the application to enroll in CPR, no matter the source of the income and without regard to whether such income is taxable income, including but not limited to all pension, annuity, and all government benefit payments such as social security, unemployment insurance, and like payments.

- (8) “Debt” means all of an Applicant’s liability to the City for:
- (i) fines, fees, and penalties resulting from Violations of parking, standing, compliance, automated speed enforcement, and automated traffic law enforcement ordinances as to which a notice of final determination for such Violations have been issued, but does not include fines, fees, and penalties resulting from Violations of Section 9-64-190 of the Code;
 - (ii) fees that result from the immobilization, impoundment, towing, and storage of vehicles, except for Impounded Vehicle Release Fees; or
 - (iii) collection costs or attorney’s fees charged pursuant to Section 1-19-020 or Section 1-19-030 of the Code.
- (9) “Default” means the non-payment or underpayment of a monthly amount due from an Enrollee.
- (10) “Early Installment Payment Plan” means an Early Installment Payment Plan created pursuant to Section 9-100-160 of the Code and rules promulgated thereunder.
- (11) “Eligible Participant” means:
- (i) any Individual who has a Household Income of 300 percent or less than the Federal Poverty Level, and who meets the eligibility requirements provided by rule; or
 - (ii) any Individual who is currently enrolled in the City’s utility billing relief program provided in Section 11-12-545 of the Code.
- (12) “Enrollee” means an Applicant who is an Eligible Participant and has been accepted into CPR.
- (13) “Enrollment Date” means the date on which an Applicant’s CPR application is approved by the Administrator, or the date on which the Applicant effects a down payment for entering into an installment payment plan under CPR, if applicable, whichever comes later.
- (14) “Fine Waiver Expiration Date” means the date following 25 days after the issuance of a determination of liability (Notice of Determination) for a Violation.
- (15) “Household Income” means Current Monthly Income multiplied by 12.
- (16) “Impounded Vehicle Release Fees” means the towing, storage, boot, and insufficient funds fees associated with the release of an impounded vehicle to an Eligible Participant. The term “Impounded Vehicle Release Fees” does not

include the towing, storage, boot, and insufficient funds fees associated with impounded vehicles that cannot be released to an Eligible Participant or which have been disposed of in accordance with applicable law.

- (17) “Individual” means a natural person. The term “Individual” does not include legal entities, including bodies politic and corporate.
 - (18) “Look-Back Period” means a three-year period immediately prior to an Eligible Participant’s Enrollment Date.
 - (19) “Outstanding Fine Amount” means the total Base Fine Amounts the Applicant owes to the City for all Violations.
 - (20) “Payment Period” means:
 - (i) a 12-month period from the time an Eligible Participant is approved and enrolled in CPR; or
 - (ii) a 12-month period from the time an Eligible Participant continued to participate in CPR after a first or second Default.
 - (21) “Total Fine Amount” means the Base Fine Amount and any associated penalties and fees.
 - (22) “Violation” means any Violation of parking, standing, compliance, or automated speed enforcement system or automated traffic law enforcement system, but does not include a Violation of Section 9-64-190.
- (b) In the event of a conflict between the definition of terms in this Rule 1.01 and those in Section 9-100-170 of the Code, the definitions in Section 9-100-170 of the Code shall prevail.

SECTION II. ELIGIBILITY.

Rule 2.01 Financial Eligibility.

- (a) An Applicant must provide supporting documentation to show that the Applicant meets the income eligibility requirement that the Applicant has a Household Income of 300 percent or less than the Federal Poverty Level. In determining the Applicant’s Household Income, the Administrator shall use the same household size threshold as used in the Federal Poverty Guidelines.
- (b) When calculating and reporting income, an Applicant must include all Current Monthly Income, as defined in Rule 1.01. Types of income and documentation include, but are not limited to, the categories provided in Rule 2.01 (c) (1)-(13) below. If Applicants have multiple sources of income including, but not limited to

the categories listed below, all income types must be reported.

- (c) The City accepts, including, but not limited to, the following income documentation:
- (1) Wages/Salaries/Tips: pay stubs for the last 30-day period prior to application;
 - (2) Cash Income: total cash income received within the last 30-day period prior to application with a brief description
 - (3) Gift Income: total gift income received within the last 30-day period prior to application with a brief description;
 - (4) Self-Employment: self-employed income worksheet;
 - (5) SSI: current SSI award letter/printout;
 - (6) SSA: current SSA award letter/printout;
 - (7) Unemployment Compensation: state award letter and proof of deposit;
 - (8) Temporary Assistance for Needy Families: DHS award letter;
 - (9) Aid to the Aged, Blind, or Disabled: DHS award letter;
 - (10) VA Benefits: current VA benefit award letter;
 - (11) Retirement Reimbursement Arrangement: current statement/benefit letter;
 - (12) Pensions: pension award/benefit letter; and
 - (13) Other: any other income documentation, including but not limited to child support income, alimony income, rental income, and other passive income.
- (d) Current Utility Billing Relief participants and members of their immediate household whose income was included in their Utility Billing Relief application shall be eligible for CPR without providing the proof of income required in this Rule 2.01. Applicants who are eligible for CPR under this Rule 2.01 (d) must provide the household's Utility Billing Relief participation account number and provide proof of residence at that address.
- (e) Enrollees must report ineligibility for Utility Billing Relief program or any change in the Enrollee's income that would make the Enrollee ineligible for CPR by sending an email to the Department of Finance at 744park@cityofchicago.org within 14 calendar days of such ineligibility.

SECTION III. INCOME-BASED DEBT WAIVER.

Rule 3.01 Income-Based Debt Waiver.

- (a) **ELIGIBLE VIOLATIONS.** Only Violations incurred prior to the Enrollment Date may be eligible for an income-based debt waiver as provided in Section 9-100-170 of the Code and these Rules. Any Violation incurred after the Enrollment Date shall not be eligible for an income-based debt waiver. If otherwise eligible, an Applicant may apply for an income-based fine waiver as provided in Rule 4.01 below for Violations incurred after the Enrollment Date.
- (b) **DEBT TO BE PAID.**

- (1) To obtain an Income-Based Debt Waiver the qualified participant must pay:
 - (i) the Base Fine Amounts for all Violations incurred during the Look-Back Period; and
 - (ii) the Total Fine Amount for all violations of Section 9-64-190, including those incurred prior to the Look-Back Period; and
 - (iii) any associated Impounded Vehicle Release Fees. The payment may be made in full at once or through an Income-Based Debt Waiver Installment Payment Plan as provided in this Rule 3.01.

- (c) TERM OF PAYMENT PLAN. An Installment Payment Plan shall have a scheduled duration of up to 12 months. The Administrator may, in his or her sole discretion, modify the terms of repayment, but in no case shall an Income-Based Debt Waiver Installment Payment Plan extend beyond 12 months from the month when the first payment is made.

- (d) MINIMUM DOWN PAYMENT.
 - (1) The down payment to enter into an Income-Based Debt Waiver Installment Payment Plan by an Enrollee whose car is not currently immobilized (booted) or impounded, shall be:
 - (i) \$25; or
 - (ii) Any amount the Enrollee chooses that is greater than \$25.

 - (2) The down payment to enter into an Income-Based Debt Waiver Installment Payment Plan by an Enrollee who is requesting the release of a currently immobilized (booted) or impounded vehicle shall be:
 - (i) \$25, plus the applicable Impounded Vehicle Release Fees; or
 - (ii) \$100, plus the applicable Impounded Vehicle Release Fees if the Enrollee previously had a vehicle immobilized or impounded by the City and has not successfully completed the most recent prior installment payment plan initiated to release a boot or vehicle from impoundment; or
 - (iii) 25% of the Base Fine Amounts of Violations within the Look-Back Period, plus the applicable Impounded Vehicle Release Fees if the Enrollee has previously had a vehicle immobilized or impounded by the City and has not successfully completed the most recent two prior installment payment plans initiated to release a boot or vehicle from impoundment; or
 - (iv) Any amount the Enrollee chooses provided that the amount is more than the minimum down payment in (d)(2)(i)-(iii).

- (3) The down payment specified in subsection (d) of this Rule shall constitute the payment for the first month of the installment payment plan.
- (e) For the rest of the duration of the plan, the minimum monthly payment for an Income-Based Debt Waiver Installment Payment Plan shall be the greater of \$10 or the Outstanding Fine Amounts during the Look-Back Period minus the down payment divided by the remaining number of months in the installment payment plan.
- (f) APPLICATION AND PAYMENT.
 - (1) Application Submission. To enter into an Income-Based Debt Waiver Installment Payment Plan an Applicant must submit an online application to participate in the CPR and to enter into an Income-Based Debt Waiver Installment Payment Plan. The application along with required documentation must be submitted on the City's website. Only Applicants with eligible outstanding Violations may be approved for the CPR and be allowed to participate in an Income-Based Waiver Installment Payment Plan.
 - (2) Income-Based Debt Waiver Installment Payment Agreement. After being approved, an Enrollee who wishes to enter into an Income-Based Debt Waiver Installment Payment Plan must agree to the required terms and conditions.
 - (3) The Income-Based Debt Waiver Installment Payment Plan becomes effective upon the execution of the Income-Based Debt Waiver Installment Payment Agreement and receipt of the initial payment.
 - (4) Payments for Income-Based Debt Waiver Installment Payment Plans may be online, by mail, in person, or at an EZ Pay Station. Provided, however, cash payments may be made only in person.
- (g) ENFORCEMENT STATUS. All tickets currently in an Income-Based Debt Waiver Installment Payment Plan shall not be considered for vehicle immobilization (booting) or impoundment as long as the Enrollee is not in Default. An Enrollee who enters into an Income-Based Debt Waiver Installment Payment Plan may, in compliance with applicable law, redeem the Enrollee's vehicle if that vehicle is currently impounded or immobilized (booted) by the City with required payment.
- (h) WAIVER OF DEBT. Once an Enrollee successfully completes an Income-Based Debt Waiver Installment Payment Plan, the Administrator waives:
 - (i) any penalties and fees associated with the fines paid under the Income-Based Debt Waiver Installment Payment Plan; and
 - (ii) all eligible Debt prior to the three-year Look-Back Period.
- (i) DEFAULT.

- (1) If payment is not received by the date specified in the Income-Based Debt Waiver Installment Payment Agreement, the City may, in its sole discretion, declare the Enrollee to be in Default. The City may provide notice to the Enrollee prior to declaring the Default; however, notice to the Enrollee is not required for a declaration of Default to be effective.
 - (2) If payments under the agreement are not brought current by the thirty-first day after a payment due date is missed, the Enrollee will be in Default, regardless of whether a Default has been otherwise declared or whether notice has been provided to the Enrollee.
 - (3) While an Enrollee is in Default, privileges granted to the Enrollee under an Income-Based Debt Waiver Installment Payment Agreement are suspended, including that the Enrollee's vehicle(s) shall be subject to immobilization (booting) or impoundment, if applicable.
 - (4) Unless an agreement has been terminated under subsection (j)(1) of Rule 3.01, the Enrollee can cure a Default and start a new Income-Based Debt Waiver Installment Payment Plan within 90 days of a Default.
- (j) TERMINATION.
- (1) EVENTS OF TERMINATION. An Income-Based Debt Waiver Installment Payment Agreement terminates, and cannot be reinstated, in any of the following circumstances:
 - (i) The Enrollee has Defaulted three times;
 - (ii) The Enrollee is in Default and CPR has ended on January 1, 2024; or
 - (iii) The Administrator finds misrepresentation or false statements in the Enrollee's application regarding eligibility requirements.
 - (2) EFFECTS OF TERMINATION. If an Income-Based Debt Waiver Installment Payment Agreement terminates:
 - (i) Unpaid fines, penalties, and fees shall not be waived; and
 - (ii) No other Income-Based Debt Waiver Installment Payment Agreement shall be offered under CPR.

SECTION IV. INCOME-BASED FINE WAIVER.

Rule 4.01 Income-Based Fine Waiver.

- (a) ELIGIBLE VIOLATIONS. Only Violations that occurred after the Applicant's enrollment approval in CPR are eligible for an income-based fine waiver. Violations

that occurred prior to the Enrollment Date are not eligible for an income-based fine waiver. If otherwise eligible, an Applicant may apply for an income-based debt waiver, as described in Rule 3.01, for Outstanding Fine Amounts that the Applicant owes to the City for Violations that occurred prior to the Applicant's Enrollment Date.

- (b) **REDUCED FINE AMOUNT TO BE PAID.** For up to 365 days after the Enrollment Date, the Enrollee shall pay 50 percent of the base fine of any eligible Violation. The payment shall be paid in full at once or on an Early Installment Payment Plan. Upon payment, in accordance with this Rule, of 50 percent of the base fine, the remaining 50 percent of the fine amount shall be waived.
- (c) **FULL BASE FINE AMOUNTS.** Full Base Fine Amounts shall be paid in the following circumstances:
 - (1) An Eligible Participant takes no timely action. If an Eligible Participant does not pay 50 percent of the Base Fine Amount of any eligible Violation or enter into an Early Installment Payment Plan as provided in this Rule 4.01 by the Fine Waiver Expiration Date, such Eligible Participant shall pay 100 percent of the Base Fine Amount until the end of CPR on January 1, 2024, after which time penalties may be assessed;
 - (2) An Enrollee Defaults. If the Enrollee Defaults, such Enrollee shall pay 100 percent of the Base Fine Amount until the end of CPR on January 1, 2024, after which time penalties may be assessed.
- (d) **TERM.** An Enrollee may pay the full 50 percent of the Base Fine Amount at once or enter into an Early Installment Payment Plan. The term of the Early Installment Payment Plan shall be up to 24 months. The City may, in its sole discretion, modify the terms of repayment, but in no case shall an Early Installment Payment Plan extend beyond 24 months from the month when the first payment is made.
- (e) **MINIMUM DOWN PAYMENT.** The down payment to enter into an Early Installment Payment Plan by an Enrollee whose car is not currently immobilized (booted) or impounded, shall be:
 - (i) \$25; or
 - (ii) Any amount the Enrollee chooses that is greater than \$25.
- (f) For the duration of the plan, the minimum monthly payment for an Early Installment Payment Plan shall be the greater of \$10 or the Outstanding Fine Amounts minus the down payment divided by the remaining number of months in the Early Installment Payment Plan.
- (g) **APPLICATION AND PAYMENT.** An Early Installment Payment Plan must be entered

into online. Payments for an Early Installment Payment Plan may be made online, by mail, in person, or at an EZ Pay Station. Provided, however, cash payments may be made only in person.

- (h) EFFECT. All tickets currently being paid through an Early Installment Payment Plan shall not be subject to a late penalty and shall not be considered for vehicle immobilization (booting) or impoundment as long as the Enrollee is not in Default.
- (i) AMOUNT. There is no minimum or maximum Outstanding Fine Amount to qualify for an Early Installment Payment Plan.
- (j) NUMBER OF PLANS. An Eligible Participant may enter into additional Early Installment Payment Plans for the payment of additional eligible Violations if the plan is entered into before the Fine Waiver Expiration Date for the additional Violations.
- (k) DEFAULT.
 - (1) No earlier than 25 days after the Enrollee Defaults or becomes ineligible for CPR, the Administrator shall issue a determination of liability entering the full Base Fine Amount unless the Administrator has already issued a determination of liability for the Violation pursuant to Chapter 9-100 of the Code.
 - (2) Upon Defaulting on an Early Installment Payment Plan, the Enrollee shall not be eligible to enter into an Early Installment Payment Plan for any Violation which was included in a prior Early Installment Payment Plan.
 - (3) If the Enrollee does not pay in full 50 percent of the Base Fine Amount or enter into an Early Installment Payment Plan to pay 50 percent of the Base Fine Amount, or Defaults on an Early Installment Payment Plan, no penalty shall be assessed against the Enrollee until January 1, 2024.
- (l) TERMINATION. Unless the Violations are already enrolled in an Early Installment Payment Plan, the Income-Based Penalty Waiver terminates, and cannot be reinstated, in the following circumstances:
 - (i) 365 days after the Enrollment Date or after CPR ends on January 1, 2024, whichever is earlier.
 - (ii) The Administrator finds that the Enrollee has made misrepresentation or false statements in the application regarding eligibility requirements.
 - (iii) The Enrollee fails to notify the Administrator of change in income that would impact the Enrollee's eligibility.

SECTION V. INCOME-BASED PENALTY WAIVER.

Rule 5.01 Income-Based Penalty Waiver.

- (a) **ELIGIBLE VIOLATIONS.** Only Violations occurring after the Applicant's Enrollment Date are eligible for an Income-Based Penalty Waiver. Any Violation that occurred prior to the Applicant's Enrollment Date is not eligible for the Income-Based Penalty Waiver program. If otherwise eligible, an Applicant may apply for an income-based debt waiver, as described in Rule 3.01, for Outstanding Fine Amounts that the Applicant owes to the City for Violations that occurred prior to the Applicant's Enrollment Date.
- (b) **PENALTY TO BE PAID.** After the expiration of CPR, or if the Enrollee becomes ineligible for CPR, as determined by the Administrator, a late payment penalty shall be assessed, as provided in Section 9-100-050 of the Code, against the former Enrollee for the late payment of, or failure to pay, the Base Fine Amount for any Violation that occurs after the former Enrollee becomes ineligible for CPR.
- (c) **TERMINATION.** Unless the Violations are already enrolled in an Early Installment Payment Plan, the Income-Based Penalty Waiver terminates, and cannot be reinstated, in the following circumstances:
 - (i) After CPR ends on January 1, 2024.
 - (ii) The Administrator finds that the Enrollee has made misrepresentation or false statements in the application regarding eligibility requirements.
 - (iii) The Enrollee fails to notify the Administrator of change in income that would impact the Enrollee's eligibility.

SECTION VI. DISPLAY OF WHEEL TAX LICENSE EMBLEM AND REGISTRATION PLATES.

Rule 6.01 Display of Wheel Tax License Emblem and Registration Plates.

- (a) **APPLICABILITY.** Any registered owner of a vehicle that received a Violation notice for failure to display a current City sticker or to display a current license plate per subsections 9-64-125 (a)-(c) and 9-76-160 (b) of the Code may raise as an affirmative defense that he or she has come into compliance with the applicable Code Violation prior to adjudication.
- (b) **LIMITATIONS.** The affirmative defense provided in this Rule 6.01 shall be limited to only one such defense per permanent vehicle license plate number. The subject vehicle must be registered in the name of an individual respondent as a sole or joint owner. The affirmative defense in this Rule applies to Violations that occur between January 1, 2022 and December 31, 2023, inclusive.

- (c) TERMS. The affirmative defense provided in Section 9-64-125 (e) and 9-76-160(e) of the Code, and in this Rule 6.01 shall apply only until December 31, 2023.
- (d) APPLICATION OF DEFENSE. The affirmative defense provided in Section 9-64-125 (e) and 9-76-160(e) of the Code, and in this Rule 6.01 shall apply to all citations issued within a 30 day-period prior to the Compliance Date for the same Violation.
- (e) CONTEST METHOD. Violation can be contested at the Department of Administrative Hearings by requesting a hearing online, by mail, or in person.
- (f) NEW ADJUDICATION. Notwithstanding any other provision of the Code and these Rules, any Individual cited for Violation of subsections (a), (b) or (c) of Section 9-64-125 of the Code or subsection (b) of Section 9-76-160 of the Code may raise the affirmative defense provided in Section 9-64-125(e) or 9-76-160(e) of the Code, as appropriate, at a new adjudication of the relevant citation held after December 31, 2023, if:
 - (i) an administrative law officer has granted a motion to set aside a Default order under Section 2-14-108 of the Code; and
 - (ii) each such citation is issued prior to January 1, 2024; and
 - (iii) the Violation has been corrected before the new adjudication.