CITY OF CHICAGO
RULES

Administrative Debt Relief Program Rules

CITY OF CHICAGO
DEPARTMENT OF
FINANCE

Mayor Brandon Johnson    Comptroller Chasse Rehwinkel
BY AUTHORITY VESTED IN THE COMPTROLLER PURSUANT TO SECTION 2-32-096 AND SECTION 2-32-1710 OF THE MUNICIPAL CODE OF CHICAGO, THE FOLLOWING RULES REGARDING THE ADMINISTRATIVE DEBT RELIEF PROGRAM ARE ADOPTED HEREIN:

By Order of the Comptroller,

Signed: ____________________________ Date: 12/23/23

Comptroller Chasse Rehwinkel

Published: 12/20/23

Effective: 1/1/24
ADMINISTRATIVE DEBT RELIEF PROGRAM

SECTION I. DEFINITIONS.

Rule 1.01 Definitions.

(a) For purposes of these Rules, the following definitions shall apply:

(1) "Administrative Hearing Violation" means a violation of the Code for which a Fine, Restitution, and Other Costs, have been imposed by the Department of Administrative Hearings, except for:

(i) a tax;

(ii) a violation for failure to pay a debt due and owing the City pursuant to Section 1-20-090 of the Code;

(iii) wage garnishment proceeding conducted pursuant to Section 2-32-392 of the Code;

(iv) a Vehicle Violation;

(v) any violation of Chapters 1-21 and 1-22 of the Code;

(vi) any violation for which the City has: (i) commenced a case in a court of competent jurisdiction for the collection of the debt owed on said violation; or (ii) obtained a judgment from a court of competent jurisdiction within the past seven years for the collection of the debt owed on said violation;

(vii) any violations for which a vehicle was impounded by the City and the City is still in possession of such vehicle; or

(viii) any violation in which there is a pending motion to set aside default before the Department of Administrative Hearings.
(2) "Administrator" means the City Comptroller as established by Section 2-32-020 of the Code or the Comptroller's designee.

(3) "ADR" means the City's Administrative Debt Relief Program established pursuant to the Ordinance.

(4) "Applicant" means an individual with an Administrative Hearing Violation that is applying for hardship relief.

(5) "City" means the City of Chicago.


(7) "Current Monthly Income" means all income of: (i) the Applicant; and (ii) any other individual who is 18 years or older and resides in the same household as the Applicant, that is derived during the 30-day period immediately preceding the date of application for ADR 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) "Default" means either: (i) underpayment or non-payment of a monthly payment on a Hardship Payment Plan within 120 days of the stated due date; (ii) failure to pay in full or enroll in a payment plan within 12 months of being approved by the Department as a hardship debtor; or (iii) a finding by the Comptroller that a hardship debtor misrepresented or made a false statement regarding the hardship debtor's eligibility to enroll in a Hardship Payment Plan.

(9) "Department" means the Department of Finance of the City.

(10) "Enrollee" means a Hardship Debtor who is an eligible participant and whose application for ADR has been approved.

(11) "Enrollment Date" means the date on which an Enrollee's ADR application was approved, or the date on which the Enrollee makes a down payment to enter into a Hardship Payment Plan under ADR, if applicable, whichever comes later.

(12) "FDO" mean a Findings, Decision, and Order entered at the Department of Administrative Hearings for an Administrative Hearing Violation.

(13) "Fine" means the monetary penalty imposed for an Administrative Hearing Violation of the Code, excluding any Other Costs or Restitution.

(14) "Hardship Debtor" means a natural individual debtor, who: (i) is currently enrolled in the Utility Billing Relief Program established pursuant to Section
11-12-545 of the Code; (ii) is currently enrolled in the Clear Path Relief Program established pursuant to Section 9-100-170 of the Code; or (iii) has a household income of 300 percent or less than the Federal Poverty Level. A firm, trust, partnership, association, joint venture, corporation or other legal entity, is not a Hardship Debtor.

(15) “Hardship Payment Plan” means an agreement between the Department and an Enrollee established pursuant to the Ordinance and these Rules during the Hardship Relief Period for repayment of an Administrative Hearing Violation Fine and Restitution.


(17) “Individual” means a natural person. The term “Individual” does not include legal entities, including bodies politic and corporate.


(19) “Other Costs” means any collection costs, attorney’s fees, court costs, towing fees, storage fees, administrative fees, interest, or insufficient funds charges, associated with an FDO.

(20) “Restitution” means an amount of money ordered by the Department of Administrative Hearings to be paid by a respondent as recompense for injury or financial loss to either the City or a third party.

(21) “Underpayment” means payment made that is less than the monthly payment established by a hardship payment plan.

(22) “Vehicle Violation” means a parking, standing, compliance, automated speed enforcement system, automated traffic law enforcement system violation, or tow initiated pursuant to authority granted under Sections 9-92-010 or 9-92-030 of the Code, for which a fine or other costs were imposed by the Department of Administrative Hearings.

(b) In the event of a conflict between the definition of terms in this Rule 1.01 and those in the Ordinance, the definitions in the Ordinance shall prevail.

SECTION II. ELIGIBILITY.

Rule 2.01 Hardship Relief Program.

(a) APPLICATION. It is the Applicant’s responsibility to identify all eligible debt for which relief is sought or to request a debt check from the Department at www.chicago.gov/adr.
(1) Debt check results are limited to FDOs entered at the Department of Administrative Hearings for Administrative Hearing Violations and do not include any other types of City debt.

(2) Under no circumstances does the failure to include a debt in the debt check results constitute a waiver or release of any debt due and owing to the City.

(b) No adjustments will be made due to an Applicant’s failure to identify their outstanding debt, to pay the Fine and Restitution amount ordered in the FDO in full; or to enroll in a Hardship Payment Plan. After an application is approved, no additional FDOs entered after such date shall be eligible for relief. A hardship debtor may only be granted relief for one approved application.

(c) An Applicant must provide supporting documentation to show that they meet the income eligibility requirements of a Household Income of 300 percent or less than the Federal Poverty Level. In determining the Applicant’s income, the Administrator shall use the same household size threshold as used in the Federal Poverty Guidelines.

(1) When calculating and reporting income, an Applicant must include all Current Monthly Income. Types of income and documentation include, but are not limited to, the categories provided in subsection (c)(2)(i)-(xiii) of this Rule 2.01. If an Applicant has multiple sources of income including, but not limited to, the categories listed below, all income types must be reported.

(2) The City accepts, including, but not limited to, the following income documentation:

(i) Wages/Salaries/Tips: Pay stubs for the last 30-day period prior to application.

(ii) Cash Income: Total cash income received within the last 30-day period prior to application with a brief description.

(iii) Gift Income: Total gift income received within the last 30-day period prior to application with a brief description.

(iv) Self-Employment: Self-employed income worksheet.


(vii) Unemployment Compensation: State award letter and proof of deposit.

(viii) Temporary Assistance for Needy Families: Department of Human Services award letter.

(ix) Aid to the Aged, Blind, or Disabled: Department of Human Services award letter.

(x) Veterans Affairs Benefits: Current Veterans Affairs benefit award letter.

(xi) Retirement Reimbursement Arrangement: Current statement/benefit letter.

(xii) Pensions: Pension award/benefit letter.

(xiii) Other: Any other income documentation, including but not limited to child support income, alimony income, rental income, and other passive income.

(3) The following individuals shall be eligible for Hardship Relief without providing the proof of income required in this Rule 2.01:

(i) Current Clear Path Relief Program participants upon providing a valid submission ID number provided to them pursuant to the Clear Path Relief Program.

(ii) Current Utility Billing Relief Program participants, and members of their immediate household, whose income was included in their Utility Billing Relief application upon providing a valid account number and proof of residency.

(4) Enrollees must report ineligibility for the Utility Billing Relief Program or any change in income that would make the enrollee ineligible for the Clear Path Relief Program or ADR to the City within 14 days of such ineligibility.

(d) ELIGIBLE VIOLATIONS

(1) Only FDOs with an outstanding balance entered at the Department of Administrative Hearings prior to application approval are eligible for relief pursuant to the Ordinance and these Rules.

(2) Any FDO entered after the application approval date will not be eligible for the Hardship Relief Program.
(3) In no event shall any relief granted under ADR entitle an Enrollee to a refund for any amounts paid prior to the Hardship Relief Period.

(e) **Debt to be Paid.** To obtain a debt waiver under the Hardship Relief Program, an Enrollee shall pay any Restitution amount owed in full plus fifty percent of the Fine amount ordered in the FDO or initiate a Hardship Payment Plan for that same amount.

(f) **Term of Payment Plan.** A Hardship Payment Plan shall have a scheduled duration of up to 60 months. The Administrator may, in their sole discretion, modify the terms of repayment, but in no case shall a payment plan extend beyond 60 months from the date when the down payment is made.

(g) **Minimum Down Payment.** The down payment for an Enrollee to enter into a Hardship Payment Plan shall be $25 or any amount the Enrollee chooses that is greater than $25.

(h) **Monthly Payments.** For the duration of the Hardship Payment Plan, the minimum monthly payment shall be the greater of either $10; or the Fine amounts owed plus any Restitution owed divided by the number of months in the Hardship Payment Plan.

(i) **Initiation and Payment.**

(1) It is the Applicant’s responsibility to identify all eligible debt for which relief is sought or to request a debt check from the Department at [www.chicago.gov/adr](http://www.chicago.gov/adr).

   (i) Debt check results are limited to FDOs entered at the Department of Administrative Hearings for Administrative Hearing Violations and do not include any other types of City debt.

   (ii) Under no circumstances does the failure to include a debt in the debt check results constitute a waiver or release of any debt due and owing to the City.

(2) No adjustments will be made due to an Enrollee’s failure to identify their outstanding debt and either pay fifty percent of the Fine amount plus one hundred percent of the Restitution in full, or enroll in a Hardship Payment Plan, within 12 months of being approved by the Department as a hardship debtor.

(3) Enrollees who wish to initiate a Hardship Payment Plan must agree to the required terms and conditions.

(4) The Hardship Payment Plan becomes effective upon receipt of the down
payment.

(5) Payments for Hardship 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.

SECTION III. PROGRAM RESOLUTION

Rule 3.01 Waiver of Debt.

Once an Enrollee pays fifty percent of the Fine and one hundred percent of the Restitution in full or successfully completes a Hardship Payment Plan, the Administrator shall waive Other Costs and fifty percent of the Fine amount.

Rule 3.02 Default

(a) **HARDSHIP PROGRAM DEFAULT.**

(1) If an Enrollee misses a monthly payment on a Hardship Payment Plan, the Enrollee shall no longer be eligible to receive a waiver of fifty percent of the Fine and Other Costs and the City shall be entitled to pursue all collection activities without further notice, unless the Enrollee makes the missed payment within 120 days of the stated due date. An Enrollee can reenroll by paying any past due amounts.

(2) An Enrollee who fails to make a monthly payment in full by the due date three times shall no longer be eligible for waiver of the Fine and Other Costs under ADR.

(3) If the Administrator finds misrepresentation or false statements in the Enrollee’s application regarding eligibility requirements, the Enrollee shall no longer be eligible to receive waiver of any portion of the Fine and Other Costs and the City shall be entitled to pursue all collection activities without further notice.

Rule 3.03 Termination

(a) **EVENTS OF TERMINATION.** An Enrollee’s participation in ADR terminates, and cannot be reinstated, if the Administrator finds misrepresentation of false statements in the Enrollee’s application regarding eligibility requirements.

(b) **EFFECTS OF TERMINATION.** If an Enrollee’s ADR eligibility terminates:
(1) Unpaid Fines and Other Costs shall not be waived;

(2) No further benefits under ADR shall be offered; and

(3) Terminated enrollees may not reenroll in a Hardship Payment Plan.