

CITY OF CHICAGO . OFFICE OF THE MAYOR

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MAYOR LIGHTFOOT LAUNCHES ADMINISTRATIVE DEBT RELIEF PILOT PROGRAM, PROVIDING ADDITIONAL FINANCIAL RELIEF TO CHICAGO RESIDENTS

The program represents the latest effort in Mayor Lightfoot's commitment to addressing economic inequities through comprehensive Fines and Fees Reform

CHICAGO — Today, Mayor Lori E. Lightfoot and City Comptroller Reshma Soni launched the 2023 Administrative Debt Relief (ADR) Pilot Program. Available immediately, the program provides a course for Chicagoans mired in debt stemming from Administrative Hearing violations — some of which disproportionately impact low-income communities and are associated with higher fees than other municipal debt.

"Like many major cities nationwide, Chicago's fines and fees structure had been historically regressive, but my administration continues to prioritize providing pathways for our residents to get out of debt into economic stability," said Mayor Lightfoot. "The Administrative Debt Relief Pilot Program builds upon the successes of several widely used existing debt-relief programs that helped to lift heavy financial burdens for tens of thousands of Chicagoans. I look forward to the implementation of this program that will move us closer to our ultimate goal of alleviating poverty in our city."

Administrative Hearing debts include but are not limited to those resulting from violations issued by the Departments of Streets and Sanitation, Police, Buildings, and Business Affairs and Consumer Protection. The program builds on the success of the City's ongoing fines and fees reforms and debt relief efforts, including the Clear Path Relief (CPR) program for vehicle tickets and the Utility Billing Relief (UBR) program for sewer and water bills.

"Since Mayor Lightfoot came into office in 2019, the City has implemented a vast array of fines and fees reforms to help individuals come into compliance. The ADR program is yet another way we are providing an opportunity to help ease the financial burden of debt weighing down individuals and small businesses," said City Comptroller Reshma Soni. "Our goal is to help pave a viable road to economic



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stability. This progressive reform offers two options for those seeking to come into compliance but may have distinct needs in order to fulfill their financial obligations."

The Department of Finance is tasked with administering each of the program's two phases. The first, Standard Relief, does not require an application and allows individuals or businesses to pay the original fine amount in full, or enroll in a payment plan. The second phase, Hardship Relief, allows income-eligible applicants to receive a substantial discount on their original debt:

Standard Relief

- January 17, 2023 March 31, 2023
- No application required
- All individuals and businesses are eligible
- Debt holders may pay the original fine amount in full or enroll in a payment plan and subsequently have associated costs including interest, collection costs, and court fees waived

Hardship Relief:

- April 1, 2023 December 31, 2023
- Applications can be submitted at Chicago.gov/adr
- Open to individuals only; businesses are not eligible
- Individuals must be currently enrolled in Utility Billing Relief (UBR), Clear Path Relief (CPR), or have household income less than or equal to 300% of the Federal Poverty Guidelines (visit Chicago.gov/adr for more information on eligibility requirements)
- Debt holders may pay 50% of the original fine amount in full or enroll in a payment plan and subsequently have associated costs including interest, collection costs, and court fees waived

Fines and fees reform has been a priority of Mayor Lightfoot since taking office in 2019. Traditional municipal fines and fees models are regressive and disproportionately burden low-income communities and communities of color, contributing to economic inequity and perpetuating cycles of poverty.

Under Mayor Lightfoot's leadership, Chicago has become a national exemplar in fines and fees reform and was among the first cities to consider the financial capabilities of its residents when assessing fines and fees. Reforms have been made with input from advocacy groups and city departments, as well as the Fines and Fees Access Collaborative, formed in 2018 and led by the City Clerk's Office. Accomplishments include:

 Over 20,000 unique households, to date, have received relief totaling \$33M on water and sewer bills through the Utility Billing Relief program



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- Over 49,000 motorists, to date, have received relief totaling \$28.5M for vehicle-related debt via Clear Path Relief and Fix-It Defense
- \$11.5M of debt forgiven from the 2019 City sticker debt relief program
- Created a pathway to compliance through implementing an affordable \$25 down payment plan on Administrative Hearings related debt
- \$129M in vehicle impoundment storage fees forgiven
- Significantly reduced and capped vehicle impoundment fines
- Eliminated fines at Chicago Public Libraries
- Paused Tax Intercepts for EITC Recipients
- Paused on ticketing for COVID Relief
- Ended all debt-based Driver's License suspensions
- Ended the City practice of water shutoffs due to non-payment
- Reformed the debt check process for new City of Chicago hires and businesses seeking licenses, including promoting access to pre-hire or prelicensure payment plans

Visit Chicago.gov/newstartchicago to learn more about, or enroll, in the Administrative Debt Relief program and other programs.

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