

(b) (1) In a case in which an assignment has been made under Article 88A, § 50(b)(2) of the Code, there is a presumption that it is in the best interest of this State for the Administration to accept in full settlement of an arrearage in child support payments an amount that is less than the total arrearage if:

(i) 1. the obligor, the individual who has made an assignment under Article 88A, § 50(b)(2) of the Code, and the child who is the subject of the support order have resided together for at least the 12 months immediately preceding a request for settlement under this section; or

2. the obligor and the child who is the subject of the support order have resided together for at least the 12 months immediately preceding a request for settlement under this section, and the individual who has made an assignment under Article 88A, § 50(b)(2) of the Code is deceased, incapacitated, or otherwise unavailable to reside with the obligor and the child;

(ii) the obligor has been supporting the child for at least the 12 months immediately preceding a request for settlement under this section; and

(iii) the gross income of the obligor is less than 225 percent of the federal poverty level, as defined by the United States Department of Health and Human Services.

(2) For purposes of paragraph (1)(i)2 of this subsection, an individual who has made an assignment under Article 88A, § 50(b)(2) of the Code may not be considered incapacitated or otherwise unavailable due solely to a change in legal or physical custody of the child.

(3) (i) If the Administration does not accept in full settlement of an arrearage in child support payments an amount that is less than the total arrearage under this subsection, the Administration shall notify the obligor of the decision and of the obligor's right to appeal the decision to the Office of Administrative Hearings.

(ii) An appeal under this subsection shall be conducted in accordance with Title 10, Subtitle 2 of the State Government Article.

(c) The Secretary of Human Resources, in cooperation with the Office of Administrative Hearings, may adopt regulations to implement this section.

10-112.1.

(A) IN THIS SECTION, "PROGRAM" MEANS THE CHILD SUPPORT PAYMENT INCENTIVE PROGRAM.