

(B) BY JUNE 1, 2008, THE ADMINISTRATION SHALL DEVELOP A STATEWIDE CHILD SUPPORT PAYMENT INCENTIVE PROGRAM TO ENCOURAGE PAYMENT OF CHILD SUPPORT IN CASES IN WHICH AN ASSIGNMENT HAS BEEN MADE UNDER ~~ARTICLE 88A, § 50(B)(2) OF THE CODE~~ § 5-312(B)(2) OF THE HUMAN SERVICES ARTICLE BY ENTERING INTO AGREEMENTS WITH CHILD SUPPORT OBLIGORS IN EXCHANGE FOR REDUCTIONS IN THE AMOUNT OF ARREARAGES AS AUTHORIZED UNDER § 10-112 OF THIS SUBTITLE.

(C) (1) (I) TO PARTICIPATE IN THE PROGRAM, THE OBLIGOR'S INCOME SHALL MEET THE CRITERIA DESCRIBED IN § 10-112(B)(1)(III) OF THIS SUBTITLE.

(II) FOR PURPOSES OF DETERMINING THE APPLICABLE FEDERAL POVERTY LEVEL FOR A PROGRAM APPLICANT, THE OBLIGOR'S HOUSEHOLD SHALL INCLUDE THE CHILDREN FOR WHOM THE OBLIGOR IS REQUIRED TO PAY CHILD SUPPORT UNDER A CHILD SUPPORT ORDER THAT IS THE SUBJECT OF THE APPLICATION TO THE PROGRAM.

(2) (I) IN DETERMINING WHETHER TO AUTHORIZE AN OBLIGOR TO PARTICIPATE IN THE PROGRAM, THE ADMINISTRATION SHALL CONSIDER THE FOLLOWING FACTORS:

1. WHETHER THE OBLIGOR HAS A CURRENT ABILITY TO PAY;
2. WHETHER THE REDUCTION OF ARREARAGES WILL ENCOURAGE THE OBLIGOR'S ECONOMIC STABILITY; AND
3. WHETHER THE AGREEMENT SERVES THE BEST INTERESTS OF THE CHILDREN WHOM THE OBLIGOR IS REQUIRED TO SUPPORT.

(II) IF ANY OF THE FACTORS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH ARE MET, THERE IS A PRESUMPTION THAT IT IS IN THE BEST INTEREST OF THE STATE TO AUTHORIZE AN OBLIGOR TO PARTICIPATE IN THE PROGRAM.

(D) UNDER THE PROGRAM, THE ADMINISTRATION SHALL AGREE TO REDUCE THE ARREARAGES IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

- (1) AFTER 12 MONTHS OF UNINTERRUPTED COURT-ORDERED PAYMENTS, THE ARREARAGES SHALL BE REDUCED BY 50% OF THE AMOUNT OF ARREARAGES OWED BEFORE THE AGREEMENT; AND