TN Department of **Human Services**

Debt Compromise Program for Child Support Arrears

What is this?

"Debt Compromise" is where the custodial parent (CP) and the non-custodial parent (NCP) enter into a legal agreement known as an "Agreed Order of Compromise and Settlement of Child Support Arrears." This forgives some or all of the arrears owed to the CP. Both parties need to be fully aware of their rights and understand the consequences before signing the agreement. Once the Agreed Order is final, it cannot be reversed except under extraordinary circumstances allowed and approved by the Court.

How to get started

To begin the process, the CP must contact the local child support office to set up a time for the CP and NCP to come in and complete the Agreed Order. If family violence issues exist, a separate appointment will be scheduled for each person and both parties will also be required to appear in Court before a Judge. This hearing will be set by the local child support office.

Stipulations and Qualifications

- This agreement is only for the money owed to the CP. Any money owed to the State of Tennessee or other states cannot be forgiven. The NCP must pay his/her full child support obligation each month for a minimum of twelve (12) months before an agreement can be made.

- The CP has to agree to the compromise and participate in the agreement.

- The CP must attest he/she is not being forced to waive the arrears directly owed to him/her, and must sign the Exhibit A: A Written Explanation of Rights.

- The CP can forgive the full arrears owed or part of it in the agreement. However, the receipt of a lump sum payment as settlement for the arrears balance is strongly encouraged. This can also be accomplished by the purchase of a large item such as a car, but the value of same will be included as the credit in the agreement.

- The interest on the arrears can also be compromised in the Agreed Order.

- Debt compromise can only be used once per case.

- Only child support arrears can be compromised. This does not apply to spousal or medical support.