**Section 2835.45 Recoupment Against Equity and Good Conscience**

a) Recoupment will be considered to be against equity and good conscience if the recoupment would cause the individual extreme financial hardship. For this purpose, extreme financial hardship shall mean the inability to meet vital financial obligations that cannot be deferred. These obligations include:

1) Rent, if the individual has received an eviction notice or five day notice from the landlord;

2) Utility bills, if the individual has received a utility cutoff notice;

3) Unexpected medical bills not covered by insurance; and

4) Other debts incurred for essential living expenses, the payment of which cannot be deferred.

b) The decision whether the recoupment would cause an individual extreme financial hardship shall be based on an assessment of the individual's complete financial situation. Factors such as the extent of an individual's savings and his or her eligibility for welfare or other forms of public assistance shall be relevant in making this decision.

c) Notwithstanding subsections (a) and (b), whenever an individual is overpaid a sum as benefits and the payment of that sum was the result of the individual having claimed a dependent, under Section 401 of the Act, when a dependent child of that same parent had already been claimed as a dependent by the other parent who was also entitled to claim the dependent and the individual had responded negatively to the question on this subject on his/her claim application because the other parent who claimed the dependent had returned to work, recoupment of the overpaid sum shall be deemed to be against equity and good conscience.

(Source: Amended at 43 Ill. Reg. 6512, effective May 14, 2019)