



CLEARING ROADBLOCKS TO DEVELOPMENT, INVESTMENT, & GROWTH

Fixing Chicago's Cumbersome Debt Check Process

ADDRESSING DEBT CHECK DELAYS AND INACCURACIES

Chicago's debt check process is built on outdated data, disconnected software systems, and manual processes that lead to errors – such as misclassified bills and unrecognized debts. Unlike every other major city, Chicago requires debt checks before issuing permits, business licenses or city contracts, applying them not only to applicants but also to property owners. Small debts and mistakes cause delays, which negatively impacts the small business community and property owners, stalls construction, and stymies the economic development Chicago needs.

REFORMING THE CITY'S DEBT CHECK PROCESS

We fully support collecting the debts owed to the City. These proposed reforms simply streamline operations, improve fairness, and support timely compliance – while still ensuring the City collects what it's owed.

Key provisions of the proposed ordinance include:

- **Applicant-Focused Checks:** Limiting debt checks to the applicant streamlines permitting, avoids delays, and ensures no one is forced to pay someone else's debt.
- **Annual Debt Checks:** Extend debt check clearance certificates to one year, reducing administrative burdens for applicants and the City.
- **Reasonable Look-Back Timeframe:** Limit the debt look-back period to five years (where data is more reliable), creating a more reasonable and consistent standard.
- **Minimum Debt Threshold:** Set a \$5,000 minimum debt threshold before any permit or license application, or contract is delayed on the front end and ensure a method to collect debt below this threshold doesn't hold up the new project, business opening, or city contract
- **Transparent Dispute Process:** Establish a transparent and expedited appeal process to ensure timely resolution of disputed debts.

Together, these updates strengthen the City's operations and better serve the public. Modernizing the debt check process will cut red tape, reduce errors, and enhance revenue collection – clearing the way for stronger economic development, business expansion, and job growth across Chicago.

Endorsements:

Belmont-Central Chamber of Commerce
Edgewater Chamber of Commerce
Greater Englewood Chamber of Commerce
Gladstone Park Chamber of Commerce
Institute for Justice Clinic on Entrepreneurship
Jefferson Park Chamber of Commerce
Lakeview East Chamber of Commerce
Lakeview Roscoe Village Chamber of Commerce
Lincoln Park Chamber of Commerce
Lincoln Square Ravenswood Chamber of Commerce
Logan Square Chamber of Commerce
New Covenant Community Development Corporation
Northwest Side Community Development Corporation
Quad Communities Development Corporation
Rogers Park Business Alliance
Rogers Park Chamber of Commerce
South East Chicago Commission
South Shore Chamber of Commerce
Uptown Chamber of Commerce
Woodlawn Chamber of Commerce