



## AAA Mid-Atlantic's Testimony in SUPPORT of SB 234 Vehicle Laws - Suspension of Driver's License or Registration - Unpaid Citations or Judgments

*Sponsors: The President (By Request – Office of the Attorney General)*

- AAA Mid-Atlantic **supports SB 234**, which, as drafted, would repeal the Maryland Motor Vehicle Administration's (MVA) authority to suspend a driver's license for nonpayment of a traffic citation or judgment. Of necessity, this would also include nonpayment of an installment plan agreement made with the District Court or a Circuit Court. Instead, MVA may pursue a civil judgment against a defendant in the amount of the fine.
- Under current Maryland law, the Maryland District Court, or a Circuit Court in the state, may suspend a person's or defendant's driver's license or driving privilege for failure to pay a fine for one or more traffic offenses, including one or more citations for a violation of specified parking ordinances.
- Too often, suspending a driver's license for nonpayment of a traffic citation or judgment will impose the very real risks of job loss and financial hardships on victims of circumstances, and on innocent family members, especially on persons of limited means and resources who cannot afford a lawyer.
- However, the District Court or a Circuit Court in the state could also opt to authorize an individual installment plan agreement for a defendant. As of 2018, more than 40 states allow the suspension of driver's licenses for people with unpaid criminal or traffic court debt. Across the nation, and the state of Maryland, many advocates and economists recognize that unpaid citations or judgments can "threaten the financial stability of lower-income drivers who can't afford to pay those amounts." Now some state officials are acknowledging this, according to *Governing Magazine*.
- During its 2019 Legislative Session, the Virginia General Assembly passed legislation that amended the state budget to end license suspensions for unpaid court costs. That meant as of July 1, 2019, more than a half million Virginia residents with suspended drivers' licenses, and saddled with unpaid court debts, became eligible to get them back.
- The practice of revoking licenses for unpaid court debts created a legal quagmire for low-income drivers in the state who are "disproportionately impacted by license suspensions," notes AAA Mid-Atlantic.
- Despite a strong economy and robust job creation in Maryland, many residents of the state lack emergency savings. In fact, a 2016 Bankrate survey found "almost two in three Americans don't have enough savings to pay for a \$500 car repair or a \$1,000 emergency room bill."
- Moreover, a more recent survey by AAA also shows a third of Americans can't afford unexpected car repairs of just \$500 without going into debt. High traffic fines and fees have a similar financial impact on the working poor. Even so, a wealth of new research reveals "failure to pay a fine on time can lead to a motorist losing his driver license and car, suffer further financial problems and even wind up in jail."
- Reams of research also inform us, driver's license holds and vehicle registration holds put an "undue burden on those who cannot afford to pay." Some opponents of this measure claim it would allow some violators to get off "Scot-free." That is not the case. By reworking the law, we achieve two goals. First, it would increase

the likelihood that the ticket indebtedness would be paid by the driver. Secondly, this measure also ensures that it is more likely the state gets repaid. Otherwise, the offender would face a civil judgment.

- As a policy position, AAA believes “the grounds for issuance, suspensions or revocation of drivers’ licenses should be strictly limited to motor vehicle operating offenses, physical impairments, or other reasons related to motor vehicle operations, as determined by the state legislature.”
- Nevertheless, AAA Mid-Atlantic concurs with the assessment of advocates who explain the current law poses an undue financial burden on low-income individuals, in the state, who lack the funds to pay the fines or the arrearage.
- The current practice in Maryland engenders what *The New York Times* calls a “cycle of debt.” This rule can create what *USA Today* describes as a “vicious cycle.” The newspaper observes, “Despite our best efforts, government policies too often create obstacles that prevent Americans from climbing the ladder of opportunity.” Likewise, other advocates rightly explain, “by cutting people off from jobs, license-for-payment systems create a self-defeating vicious cycle.”
- We also concur with the view of the Maryland Attorney General Brian E. Frosh that such “suspensions criminalize poverty and force low-income drivers to choose between missing work and tempting arrest.” Attorney General Frosh estimates “30,000 Marylanders could be affected by the legislation.”
- SB 234 would allow a motorist with a ticket debt to keep his or her driver’s license and driving privilege and it does so by repealing the suspension authorization. This measure authorizes the MVA to initiate an action seeking a civil judgment against the defendant in the amount of the fine.
- What is more, SB 234 also requires the court to include the amount of the outstanding fine when certifying failure to pay to MVA. In essence, this measure authorizes the Maryland Motor Vehicle Administration (MVA) to “initiate a court action for a certain civil judgment for an unpaid traffic citation under certain circumstances; etc.”
- If enacted and signed into law, SB 234 would take effect July 1, 2020. AAA supports the fact that it would retroactively apply to any driver’s license or driving privilege actively suspended under a provision affected by the bill on that date. Therefore, we **support SB 234**, and we respectfully urge the Committee to render a **favorable** report.

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