



## **Written Testimony to the Maryland House of Delegates Judiciary Committee**

### **House Bill 280: Vehicle Laws - Suspension of Driver's License or Registration - Unpaid Citations or Judgments**

**February 19, 2020**

The Fines and Fees Justice Center (FFJC) thanks the Maryland House of Delegates' Judiciary Committee for scheduling this important hearing on HB280. Debt-based driver's license suspension is a harmful and counterproductive practice, trapping thousands of Maryland residents in a cycle of poverty and punishment. The Maryland Consumer Rights Coalition requested FFJC provide testimony on HB280. FFJC submits this testimony to encourage the Committee to pass HB280 with its amendments, which would be a meaningful first step toward ending this harmful practice and getting Maryland residents back on the road to opportunity and prosperity.

#### **Fines and Fees Justice Center**

The Fines and Fees Justice Center is a national hub for information, advocacy and collaboration for reform of fines and fees. Our mission is to eliminate fees and ensure that fines are proportionate to the offense and the individual. Fines and fees in the justice system hurt millions of Americans – entrenching poverty, exacerbating racial disparities, diminishing trust in our courts and police, and trapping people in perpetual cycles of punishment. Across the country, people convicted of felonies, misdemeanors, and minor traffic and municipal code violations are charged a fine as punishment and then taxed with fees that are used to fund the justice system and other government services. Millions of people who cannot afford to immediately pay the full amount charged face additional fees, license suspensions, and, far too frequently, arrest and jail.

Working with directly impacted communities, FFJC is building broad-based coalitions from across the political spectrum including grassroots organizations, judges, public defenders, prosecutors, legislators, law enforcement, and faith-based and advocacy organizations.

#### **National Momentum to End Driver's License Suspension for Unpaid Fines and Fees**

Driver's license suspensions are a common but counterproductive practice to try to coerce payment for fines and fees. Driver's license suspensions make life almost impossible. Since 86% of Americans drive to work and many jobs require a driver's license, suspensions often cost people their jobs. Research showed that 42% of people lost their jobs after their driver's license was suspended. Without a driver's license, people can't take their children to school, get to the grocery store, access healthcare, or get to court. And, because most Americans require

a car to access basic necessities, many have no choice but to continue driving. When they do, they risk a criminal conviction, more fines and fees, and incarceration.

Perversely, driver's license suspensions often undercut economic growth, limit the workforce, and undermine public safety. People who cannot work or who lose income because their licenses are suspended have less money to contribute to the economy. And the time spent by law enforcement stopping, citing and arresting people for driving on a suspended license could be more productively used addressing serious crime. A study of license restorations in Arizona found that over 50% of people whose licenses were suspended lost their jobs, with a median decrease of \$36,800 to their annual income. Restoring just 7,000 licenses increased GDP by \$149.6 million.

**Recognizing the ineffectiveness of license suspensions, policymakers are taking action.**

In the past three years, Montana, Texas, Virginia, Mississippi, California, Idaho, Maine, and the District of Columbia have enacted legislative reforms to tackle debt-based suspension. In the 2020 legislative session, 12 states have already introduced legislation that would end debt-based driver's license suspensions.

Forty-four states still suspend, revoke or refuse to renew driver's licenses for unpaid traffic, toll, misdemeanor and felony fines and fees, resulting in more than **11 million debt-related suspensions nationwide**. These suspensions not only prevent people from earning the money they need to pay their "court debt," but also undercut their ability to support themselves, their families, and their communities.

To accelerate reform nationwide, FFJC — along with more than 130 ideologically diverse organizations, including Koch Industries, Americans for Prosperity, the American Legislative Exchange Council, Right on Crime, the American Civil Liberties Union, Civil Rights Corps and the Southern Poverty Law Center — joined forces in September 2019 to launch the *Free to Drive* campaign. This national campaign brings together legal, policy, advocacy, grassroots, and research organizations and businesses committed to the principle that restrictions on driving privileges should only be used for dangerous driving, and not to coerce debt payment or to punish people who miss a court appearance.

**Evidence from states that have ended debt-based driver's license suspensions shows that the policy is working.** When California ended its debt-based suspension policy, and in lieu of suspension offered an array of practical alternative collection methods — including an ability-to-pay determination and opportunities for reduced payments, payment plans, or community service — their collection rate for newly issued tickets increased by 8.9%.

Texas also recently passed a statewide law ending debt-based license suspensions, yet many of its local jurisdictions have continued a local license restriction policy. This discrepancy has revealed some telling comparative data. For instance, the Dallas Municipal Court continues to prevent people from renewing licenses unless traffic fines and costs are paid, while the Fort Worth Municipal Court reported that it has not done so for the past three years. Yet there is virtually no difference between the two courts in the revenue per case in the most recent year. The Fort Worth Municipal Court collected \$116 per case and the Dallas Municipal Court collected \$113 per case.

## **Maryland HB280**

HB280 is a positive first step toward ending driver's license suspensions for unpaid fines and fees. The nationally recommended approach to addressing debt-based driver's license suspension is known as "clean repeal." Clean repeal eliminates the authority of jurisdictions to suspend licenses for unpaid debt, both traffic and criminal, under any circumstances. This approach immediately allows law enforcement, prosecutors and all justice system actors to focus their resources on public safety issues. This policy change improves economic opportunities for those who get their licenses reinstated and allows more people to access auto insurance, making the roads safer for everyone. Additionally, clean repeal stops any future harm of this policy, while allowing those with debt-based suspensions to have their licenses reinstated. This approach is consistent with those taken in other states, such as Montana, Idaho and Mississippi, helping to get residents back on the road and access to meaningful employment opportunities.

While HB280 does not follow this approach, still allowing license suspension for non-compliance as well as all criminal fines and fees, it does try to mitigate harms of Maryland's driver's license suspension law, and the new amendments offer additional improvements to the bill. Fines and fees policy should offer as many alternative collection methods as possible to allow residents every opportunity to be in compliance. The proposed amendment lowering the threshold for entering a payment plan to \$150 (from \$300) is a step in the right direction. However, even a \$150 debt threshold will keep harm-reducing payment plans out of reach to many people. FFJC has found that the most inclusive policy is the best policy. We recommend that there should be no minimum debt threshold to participate; that payments be received in multiple forms; that judges and prosecutors use their available discretion to reduce fines and waive fees of low-income defendants; and that monthly payment amounts be permitted to be as low as \$10 or 2% of a person's net monthly income.

Additionally, HB280 and its amendments do not address the lingering issue of reinstatement fees. In Maryland the DMV charges a minimum of \$45 to reinstate a license. FFJC's position is that licenses that become eligible for restoration under this proposed law should also be eligible for waiver of reinstatement fees. This should apply to all licenses eligible for reinstatement under the proposed law, as well as any that return to compliance post-suspension under the proposed law.

While HB280 is a step in the right direction toward ending this harmful and counterproductive policy of debt-based driver's license suspensions, it does not go far enough. The best policy is one which ends debt-based driver's license suspensions, while removing all the barriers that keep Maryland residents from engaging fully in all the prosperity Maryland has to offer.

## **Conclusion**

Ending debt-based driver's license suspension is critical to improving public safety, workforce development, and economic growth. Driver's license suspension should only be used to address dangerous driving and not as a collection tool. If we believe as Thomas Jefferson did, that "the purpose of government is to enable people to live in safety and happiness and exists for those that are governed, not the governors," then we must advance laws that promote these ideals. Debt-based driver's license suspension serves no public safety purpose, while crippling those who are struggling with poverty.

The Fines and Fees Justice Center will continue to work for a more just and equitable system. We know this Committee will, too.

Thank you for the opportunity to submit this testimony.

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