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www.finesandfeejusticecenter.org

psjones@ffjc.us

1325 G St NW

Suite #500

Washington, DC 20005

**TESTIMONY IN SUPPORT OF HOUSE BILL 0154:
Workgroup to Study the Impact of Court-Mandated Fines and Fees**

TO: Hon. Luke Clippinger, and Members of the House Judiciary Committee

FROM: Priya Sarathy Jones, Deputy Executive Director, Fines and Fees Justice Center

DATE: Monday, January 23, 2023

The Fines and Fees Justice Center (FFJC) thanks the Maryland House of Delegates' Judiciary Committee for scheduling this important hearing and **urges a favorable report on House Bill 154.**

Court mandated fines and fees are imposed in every state across the country, however, very little is known about the details of these fines and fees, such as the amount assessed versus collected and the resources spent to collect them in various courts. At the same time, more and more information is being collected and understood about the consequences and harms of this type of system. There is a wide array of collateral consequences for unpaid court fines and fees, ranging from debt-based driver's license suspensions to barriers to voting rights restoration, to accessing an expungement of records, and even prolonged contact with the criminal legal system. This can trap thousands of Maryland residents in an inescapable cycle of poverty and punishment. The Jobs Opportunity Task Force requested FFJC provide testimony on HB154. FFJC submits this testimony to urge the Committee to pass HB154, which would be a meaningful first step toward understanding Maryland's use of fines and fees, the impact these have on the residents of this state, and most importantly, the best way to move towards practices that create opportunity rather than inflicting additional harms on communities across the state.

Fines and Fees Justice Center

The Fines and Fees Justice Center is a national hub for information, advocacy and collaboration for the reform of fines and fees. Our mission is to eliminate fees in the justice system, ensure that fines are equitably imposed and enforced, and end abusive collection practices. 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, all of which are



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focused on ending the harms inflicted by fines and fees. 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.

The National State of Fines and Fees

While fines and fees are assessed in every state across the country, little is known about the details of this practice. Various organizations have attempted to understand each state's use of fines and fees, but all of them barely scratch the surface on this issue. In one attempt to understand and “rank” states, the National Center for Access to Justice created a [National Fines and Fees index](#) in 2020, with updates in 2022. While the index measures only stated policies and not practices, which can differ substantially from the policies themselves, it is an attempt to understand and explain the various policies that exist across the country. While no state received a passing score (nearly all scoring below 50 out of 100 possible points), [Maryland only scored 35 points](#). Some of the areas where policies particularly fall short are Maryland's lack of policies around conflicts of interest on revenue collected, the lack of standards on ability to pay, a lack of presumptions for those that are determined indigent, and insufficient data collection and reporting, to name a few. However, to Maryland's credit, the state received a perfect score in its handling of juvenile fines and fees, by ending the practice across the state in 2019.

Fines and Fees: Economic Harms and Reduced Public Safety

Understanding the policies and practices of Maryland's use of fines and fees is only one half of the equation. It is also necessary to understand the harms of these practices. Fines and fees assessed by the court disproportionately fall on low income communities and communities of color. As such, they can entrench families and communities in a cycle of poverty, putting jobs, housing, and sometimes even families in constant jeopardy. In a study that interviewed individuals on [probation in Texas](#), half of the income of participants who had full- or part-time



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employment went towards just paying probation fees. We know that those on probation in Maryland are required to pay monthly supervision fees on top of any court-ordered alcohol or drug testing, along with other fees, such as those for electronic monitoring or the cost of defense counsel. **Such fees can account for large portions of an individual's income, reducing their household resources and challenging their financial health. And these fines and fees not only impact a person's current financial circumstances, but can have bearing on future earnings as well.** [One study](#) estimates that the annual earnings loss associated with misdemeanor and felony convictions to be \$5,100 and \$6,400, respectively, and that of a suspended driver's license to be \$12,700. **Fines and Fees are obstacles to record clearing in Maryland, threatening an individual's long-term economic advancement.** An individual who has a criminal record is only half as likely to get a callback or job offer as a result, and **lost wages** for people touched by the criminal legal system amount to **more than \$372 billion annually.**

In addition to individual and community economic harms, fines and fees practices can also jeopardize public safety and contribute to more social harms. A study of misdemeanor assessment fees in Milwaukee, Wisconsin found that a new fee of \$200 on all misdemeanor convictions increased the overall likelihood of re-offense within two years. These [increased fees are linked to increases in both recidivism and its severity](#). A survey of 980 people facing court-related debt, found that [individuals faced with fines and fees admitted to committing new, and frequently worse, offenses to pay off their court debt](#). Other studies have found that using law enforcement to enforce and or collect legal debt can [negatively affect crime solving and case closures](#).

The Scope of Court Debt

In Maryland, as well as nearly all other states, it is incredibly difficult to grasp the full scope of the debt incurred through fines and fees. However, the Fines and Fees Justice Center conducted a [survey of state courts systems](#) and found that, nationwide, the unpaid debt burden for those with **criminal court debt is at least \$27.6 billion**, a figure that is likely far below the actual amount. (Only 14 states provided complete figures responding to FFJC requests, with another 11 providing partial information. Thus, this estimate included no debt figures from the 25 other states.) Maryland was one of the states that did not report their data to FFJC. An August 22, 2019 email from a representative of Maryland's Central Collection Unit stated that their office



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could not provide data concerning criminal court debt and they were unable to locate any other personnel who could provide the requested information.

Maryland HB154

Passage of HB154 would be a positive move toward understanding Maryland's use of fines and fees. While Maryland has previously taken some great steps in trying to address some of its fines and fees issues, this task force can be an impetus to deeper and more meaningful work that can bring about wide reaching and impact reform. Maryland could be a model to other states demonstrating that the government can provide services and essential government functions, without using regressive taxation models such as fees. It can also develop a more equitable fines model, and use standards for ability to pay that are fair and just. The recommendations provided by this task force have the potential to be a powerful catalyst for change.

Conclusion

Maryland's pursuit to understand its fines and fees structure, with an eye towards reform, is inline with the national direction on this issue. More and more states are taking on this issue, with Maryland's neighboring state Delaware currently undertaking its own study on fines and fees. The findings from this task force will provide guidance and direction for the state legislators, and advocates, while creating transparency and accountability of government to its residents.

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

Thank you for the opportunity to submit this testimony. **We respectfully urge a favorable report on HB154.**

Priya Sarathy Jones
Deputy Executive Director
Fines and Fees Justice Center