



*MEMORANDUM*

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To: Joint Hearing with Senate Special Committee on Public Safety  
Honorable Senator Elgie Sims, Chair

From: Mari Castaldi, Director of Policy, Chicago Jobs Council

Date: September 28, 2020

Re: Recommendations to End Driver's License Suspension for Economic Reasons

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As of 2019, over 600,000 driver's licenses were suspended in Illinois due to Failure to Pay ticket debt and failure to appear in court - amounting to 61 suspended licenses for every 1000 drivers in Illinois. Unfortunately, utilizing driver's license suspension as a debt collection tool is ineffective, counterproductive, and in practice, racist. Furthermore, driver's license suspensions create massive barriers to employment which threaten our state's economic recovery from the COVID-19 crisis.

The License to Work Act, signed by Governor Pritzker in January 2020, ended the practice of suspending driver's licenses due to unpaid parking tickets, unpaid toll violations, and a number of other non-driving related offenses. In passing this bill, a significant bipartisan majority of the ILGA agreed: license suspension should not be used as a debt collection tool. As a result, 75,000 Illinoisians had driver's license suspensions lifted from their record. However, **numerous reforms are still required to eliminate economic suspensions.** As such, Illinois should prioritize reforms which end the practice of suspending licenses for economic reasons in Illinois, including:

- Failure to pay a traffic ticket fine;
- Failure to pay court fines, fees, or costs;
- Failure to pay red light camera tickets;
- Failure to pay automated speed camera tickets;
- Falling behind on child support; and,
- Failure to appear in traffic court.<sup>1</sup>

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<sup>1</sup> Failure to appear is an extension of failure to pay. There are numerous reasons to eliminate them all. First, due to COVID-19, courts are less accessible than ever, creating numerous equitable access issues that could lead to those with fewer resources missing either virtual or in person court dates. Second, because people who know they cannot afford to pay their tickets may not appear in court for fear of facing harsh consequences due to inability to pay. Third, low-income people and communities of color are disproportionately unable to take off work, secure childcare, and make other arrangements to attend court dates. Finally, because taking away someone's access to transportation by suspending their license makes them less able to appear in court at all.

1) **Driver’s license suspensions lead to job loss and missed economic opportunities, undermining our economic recovery.**

Many professions—including automotive technician, cable installation technician, caregiver, construction worker, housecleaner, HVAC technician, landscaping crew member, maintenance worker, plumber, pressure washer, truck washer, unarmed security officer, and warehouse worker—directly require people to drive. Even when the job doesn’t directly require a car, not having driving privileges makes getting to work impossible. 80% of Illinoisans drive to work.<sup>2</sup> A 2007 New Jersey study found that 42% of individuals lost their jobs following a driver’s license suspension, and 45% of those who lost their job couldn’t find another one. Of those who did find another job, 88% reported a decrease in income.<sup>3</sup> In the Chicago Jobs Council’s 2017 [survey](#) of over 500 Illinois residents, we found that **52% of respondents suspended for non-driving violations lost or missed out on a job opportunity because they didn’t have a license.**

Suspensions for economic reasons also burden local employment and training services. Publicly funded employment programs help the un- and under-employed gain skills and find employment. But debt-related suspensions make employment less likely for many participants. Among our survey respondents served by workforce development and adult education programs across the state, 25% have experienced a suspended or revoked license. With one hand, our government services are trying to help get people employed, while with the other, we’re using the Secretary of State’s office to unnecessarily hold them back.

2) **Suspending a license to collect a public debt creates a “Catch-22”: a person can’t pay if they can’t work, and can’t work if they can’t pay.**

Fines and fees can cause crippling financial distress for already struggling Illinois families. Debts often total in the thousands of dollars due to high base fines, mounting add-on fees, harsh late penalties and significant collections costs. Very few mechanisms exist to assess a person’s ability to pay fines and fees, or to structure repayment plans based on a person’s income. Finally, there is no statute of limitations on collections of parking ticket and other fines and fees debt in Illinois, meaning that these debts and the related consequences (like driver’s license suspension and negative credit reporting) may literally follow a person for decades. A Harvard Law School [report](#) called the suspension of driver’s licenses “one of the most pervasive poverty traps for poor people assessed a fine that they cannot afford to pay.”

In fact, the American Association of Motor Vehicle Administrators [recommends](#) that states do not suspend licenses for economic reasons and instead focus limited resources on suspending licenses of people with moving violations who pose a threat to highway safety.

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<sup>2</sup> U.S. Census Bureau, 2015 American Community Survey 1-Year Estimates

<sup>3</sup> (“Affordability and Fairness Task Force: Final Report,” Alan M. Voorhees Transportation Center, 2006, [http://www.state.nj.us/mvc/pdf/About/AFTF\\_final\\_02.pdf](http://www.state.nj.us/mvc/pdf/About/AFTF_final_02.pdf).)

3) **Black communities experience disparate economic harm at every step of ticketing, license suspension, and the record that follows. This multiplies the economic harms of the pandemic and ongoing public disinvestment.**

Ample evidence shows that **police issue more tickets in communities of color**, fueling negative interactions with police, and leaving residents with fewer resources, less safety, and less trust in law enforcement. Suspended driver's licenses for unpaid tickets (still in effect for red light and automated speed camera tickets despite the progress of the License to Work Act) hit Black Chicago particularly hard: [18 of 20](#) Illinois zip codes with the highest suspension rates are majority Black and most are in Chicago. Furthermore, the Chicago region [leads the country in Chapter 13 bankruptcy filings](#), due in part to City tickets piled on Black motorists. In the Jobs Council [survey](#), Black respondents were half as likely to have a valid license as white respondents.

4) **License suspensions create cascading consequences of criminalization.**

When we suspend driver's licenses for unpaid debts, we make our communities less safe. According to the American Association of Motor Vehicle Administrators, 75% of suspended drivers continue to drive, facing further fines, fees, and incarceration if they get pulled over. In Cook County, people arrested because they drove on a suspended license spent, on average, 14 days in jail. Every moment that we spend arresting and prosecuting the poor for unpaid debt is a wasted moment that doesn't promote public safety. A recent study found that cities who over-rely on fines and fees solve fewer violent crimes: a 1% increase in debt-based revenues—money from fees, fines, and forfeitures—was associated with a 3.7% decrease in violent crimes being solved.

Ample evidence also makes clear that people of color are more likely to be stopped by police while driving. Suspending vast numbers of Illinois driver's licenses sets yet another trap for communities of color who are more likely to be caught driving on a suspended license, scooped into the criminal justice system, and face unnecessary consequences for themselves, their families, and their employers.

5) **Cities and counties in Illinois over-rely on regressive fines and fees in the interest of revenue generation.**

[Over 30 municipalities in Illinois](#) generate more than 10% of their general fund revenue from fines, fees, and forfeitures. However, we cannot ignore it when our own state laws push our people off the financial edge, particularly in the midst of an unprecedented economic and public health crisis and an ongoing crisis of excessive policing and punishment that continue to harm Black and Latinx communities. Every day, cash-strapped public agencies take away driver's licenses, vehicles, and already scarce income from low-income Illinoisans who cannot afford to pay fines and fees. This budget pressure is even more dire in the face of pandemic driven budget holes, increasing an already grave threat to economic and racial justice in our state. Of

respondents to our survey who experienced economic license suspensions, 72% report owing more than \$500 and 31% over \$3,000 before they can re-obtain a valid license. These amounts are particularly staggering given that most Americans would struggle to deal with a \$400 emergency.

**6) Numerous other states have ended drivers license suspension due to inability to pay fines and fees. The consensus is bi-partisan.**

Ten states - including blue states like California and Washington and red states like Mississippi and Montana - have reformed their laws to end driver's license suspension for failure to pay fines and fees just in the past five years. In addition, a bipartisan team of United States Senators recently introduced legislation called the [\*Driving for Opportunity Act\*](#) to create incentives to stop debt-based driver's license suspensions.

**7) Ending driver's license suspension for child support debt remains critical for racial and economic equity.**

The child support system in Illinois, much like in states across the country, sorely needs reform to ensure that non-custodial parents who are struggling economically have accessible and affordable payment options, and to ensure that children and custodial parents are the first to benefit from child support payments rather than the state. While federal law requires states to have a mechanism for suspending noncustodial parents' driver's licenses when they are in arrears on child support, states have numerous options to limit the number and impact of these suspensions. Federal law does not stipulate exactly how states should design and implement the suspension policy. Illinois should use this discretion to allow greater flexibility and more paths to license reinstatement for non-custodial parents who have had their licenses suspended due to economic hardship.

**8) There are better ways to promote debt repayment than suspending people's driver's licenses.**

The single most effective way to ensure compliance with debt is to reduce the debt to an amount that people can afford to pay. Jurisdictions that lower fines for people who can't afford to pay them tend to see an increase in collections and a reduction in spending on enforcement. As such, the General Assembly should also consider reforms that decrease the debt burden on Illinois families, and protect hard-earned income and assets from predatory public debt collection. In addition to ending license suspensions for the above reasons, additional reforms could include:

- creating a four year statute of limitations on the collection of debt from municipal ticket fines, fees, and penalties;
- requiring municipalities and counties to adopt affordable payment plans for fines and fees at all levels, including traffic court;

- limiting late penalties, add-on fees, and interest on local tickets and compliance violations;
- restricting the seizure of state tax returns to protect people with low incomes who cannot afford to pay local ticket debt;
- disallowing booting and towing vehicles for failure to pay fines and fees;
- creating incentives for cities to end or limit the practice of police officers issuing parking and vehicle compliance tickets;
- encouraging cities and counties to allow correctable violations as an alternative to paying ticket fines and fees;
- requiring cities and counties to make ticket, fine/fee and collections data public on a monthly basis, including anonymized demographic and zip code data where possible;
- barring cities and counties from creating employment consequences due to unpaid ticket, fine, or fee debt; and
- automatically expunging criminal convictions related to driving on a suspended license when the underlying suspension is due to inability to pay.

## **Conclusion**

When governments can hold peoples' lives hostage with a suspended license and other life-altering consequences, it becomes easier to treat tickets, fines, and fees as an ATM to fund state and local governments. This strategy hits communities of color the hardest.

It will be tempting to use fines and fees to reduce coming budget shortfalls. These policies continue to ruin family finances, devastate job prospects, and increase criminal legal system contact when people drive (often unknowingly) while suspended. With this global pandemic threatening the health and financial wellbeing of the most vulnerable Illinois families more than ever, we cannot afford to continue these harmful, regressive policies.