Benefits of Ending Debt-Based License Suspension

Many States suspend driver’s licenses for not paying court-imposed fees like traffic tickets or court costs. When we suspend, revoke and cancel driver’s licenses over unpaid debts, we keep people from holding jobs—a decision that hurts local economies and traps families in poverty. When we suspend driver’s licenses for reasons that aren’t connected to public safety, we divert government resources from the activities that actually keep our communities safe.

Public Safety Benefits

- Most States automatically suspend the driver’s licenses of people who accumulate charges for highway safety-related violations, such as driving under the influence. But, as of August 2018, 40 States also suspend driver’s licenses for people who have unpaid court debt. These debt-based suspensions do not promote public safety.

- Debt-based suspension makes police officers and other actors spend time on activities that have no relation to public safety. Studies have found that it takes an average of nine (9) hours for all roadside stop-related activities when someone is caught driving with a suspended, revoked, or canceled license.¹ In 2015, it is estimated that Washington State spent over 70,848 hours addressing license suspensions for non-driving offenses.² These hours represent thousands of hours spent detaining and questioning individuals who pose no risk to public safety and millions of dollars wasted.

- Research shows that collecting more fees, fines and forfeitures may make communities less safe. A recent study found that a 1% increase in debt-based revenues—specifically, money from fees, fines and forfeitures—is associated with a 3.7 percentage point decrease in violent crimes being solved.³

- Life doesn’t stop for people who lose their licenses. Because most people must drive to take care of their families, to go to work, or to receive healthcare, debt-based license suspensions often increase the percentage of individuals who drive without a valid license—and, as a result, the number of uninsured motorists.

Employment & Tax Revenue

- We waste resources by using license suspension as a way to coerce payment from those who do not have the money to pay their debts. As a result, even after license suspension, the underlying debt often remains uncollected. As stated in the California Governor’s 2017-18 budget, “there does not appear to be a strong connection between suspending someone’s driver’s license and collecting their fine or penalty.”⁴
• License suspension financially harms drivers and their families. In New Jersey, 42% of drivers lost their jobs after their driving authority was suspended. Of those drivers, nearly half were unable to find new employment. And, of those that did, nearly 9 in 10 reported a loss in income.5

• In Phoenix, Arizona, policymakers implemented a Compliance Assistance Program (CAP) that helped drivers repay their debts using payment schedules appropriate to their budgets—allowing their licenses to be reinstated.6 More than half of CAP participants had lost their job after losing their license; they had suffered a median annual income loss of $36,800. After regaining their licenses 41.2% of program participants reported an increase in income; the median increase was $24,000.7 Phoenix generated $149.6 million in gross domestic product during the nine-month study of CAP—just by giving people back the ability to drive.8

• When people lose their jobs or miss work the local economy suffers. With less income, families spend less—which hurts local businesses—while also paying the community less in taxes. Often, job loss means that the State must spend more on social programs. When more people work, the gains are real for drivers, their families, State and local governments, and their communities.

• Debt-based license suspension hits certain industries especially hard, like automobile sales, healthcare aides, and the construction trades.9 These industries depend on semi-skilled workers who often must have driver’s licenses as a condition of employment.10 For example, the following professions often require people to drive: 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. In one survey, for example, 80% of respondents reported that they had no access to or were unqualified for job opportunities because of license suspension.11

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4 Id.
8 Id.
10 See id. at 66.
11 MARGY WALLER, JENNIFER DOLEAC, & ILSA FLANAGAN, BROOKINGS INST., Driver’s License Suspension Policies 2 (2005).