

## **Driver License Suspension Should Not be a Tool of Debt Collection**

*The American Association of Motor Vehicle Administrators recommends against using license suspension for non-highway safety purposes. Suspension of a license for non-highway safety reasons as a means of debt collection has significant cascading negative consequences, and unfairly punishes people in poverty.*

*Many states have recently taken steps to ban or limit this practice, and litigation over the practice is pending in other states. Below is a summary of the state of the law on this issue.<sup>1</sup>*

### **I. Seven states and Washington, D.C. don't use the suspension of licenses as a tool of debt collection for non-payment of minor traffic violation fines.**

**CALIFORNIA:** In June 2017, California finalized legislation to prohibit the suspension of driver's licenses as a way to induce fine / bail payment for minor traffic violations. The court may still suspend licenses as a sanction for failure to appear. The DMV restored all licenses that were suspended for failure to pay.

[Assembly Bill 103](#) (signed on June 27, 2017)

**IDAHO:** In March of 2018, Idaho passed legislation that repealed the authority to suspend licenses for non-payment of infraction debt. The legislation provided for the immediate reinstatement of licenses upon application and without charge to the applicant.

<https://legislature.idaho.gov/sessioninfo/2018/legislation/h0599/>

**MAINE:** In July of 2018, the Maine Legislature acted to prevent license suspension for failure to pay civil debt.

<http://www.mainepublic.org/post/legislature-votes-drivers-will-not-have-licenses-suspended-failing-pay-fines#stream/0>

**MISSISSIPPI:** In December 2017, in response to potential litigation, the Mississippi Department of Public Safety (DPS) reversed its prior practice of license suspension for debt collection, and reinstated the driving privileges of over 100,000 drivers. Statement from Marshall Fisher, Director of the Mississippi Department of Public Safety – “*The process of discontinuing suspension of licenses due solely to the nonpayment of fines, fees or assessments will remain in place until future significant developments occur, such as a statutory amendment.*”

**WASHINGTON, DC:** Enacted on September 6, 2018, the Traffic and Parking Ticket Penalty Amendment Act of 2018 ends driver's license suspensions for unpaid traffic debt and requires the DMV to restore license suspended on that basis.

[D.C. Act 22-0204](#)

**KENTUCKY, GEORGIA, WYOMING:** There is no specific reform law to cite, but there is no evidence that such suspensions are allowed under state law; also, a secondary report (“Driven by Dollars”) analyzed the state's law and determined as such.<sup>2</sup>

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<sup>1</sup> [file:///C:/Users/Sybil%20Hebb/Downloads/SuspendedRevokedBestPracticeGuide%20\(1\).pdf](file:///C:/Users/Sybil%20Hebb/Downloads/SuspendedRevokedBestPracticeGuide%20(1).pdf); <http://www.civilrightscorps.org/work/criminalization-of-poverty>; <https://www.justice4all.org/wp-content/uploads/2017/09/Driven-by-Dollars.pdf>

<sup>2</sup> <http://www.civilrightscorps.org/work/criminalization-of-poverty>; <https://www.justice4all.org/wp-content/uploads/2017/09/Driven-by-Dollars.pdf>

**II. At least four states require an “ability-to-pay” assessment as a defense to license suspension as a tool of debt collection.**

**LOUISIANA:** Effective August 2018, the court may order license suspension only after the debtor is at least 180 days in arrears, and the court finds that the defendant remains able but has willfully refused to pay the fine.

La. Code Crim. Proc. Ann. art. 885.1 [Effective August 1, 2018]

<https://legis.la.gov/legis/Law.aspx?d=191013>

**NEW HAMPSHIRE:** As of 2015, the court must reinstate a license suspended for non-payment upon demonstration that the defendant is financially unable to pay the fine.

NH Rev Stat § 263:56-a (2015)

<https://law.justia.com/codes/new-hampshire/2015/title-xxi/chapter-263/section-263-56-a>

**MINNESOTA:** Since at least 2000, Minnesota has provided that a court may not suspend a license for failure to pay a fine if the person does not have the ability to pay the fine.

Minn. St. Ann. § 171.16

<https://www.revisor.mn.gov/statutes/cite/171.16>

**ALABAMA:** In March of 2018, Alabama created a hardship license for those whose licenses had been suspended for non-payment. Drivers with non-safety related suspensions may apply for a hardship license if their non-payment of fines was due to an inability to pay.

Alabama S.B. 55, amending Ala. Code § 32-6-12.1

<https://openstates.org/al/bills/2018rs/SB55/>

**III. Pending legislation:** Legislation to limit the use of license suspension as punishment for non-driving related offenses has been introduced in Montana, Ohio, Pennsylvania, New Jersey, Hawaii, Kansas and Illinois.

**IV. Pending Litigation:** There is litigation pending to challenge the use of license suspensions as a means of debt collection for failure to pay fines in Montana, Michigan, Tennessee, Virginia, and Oregon.