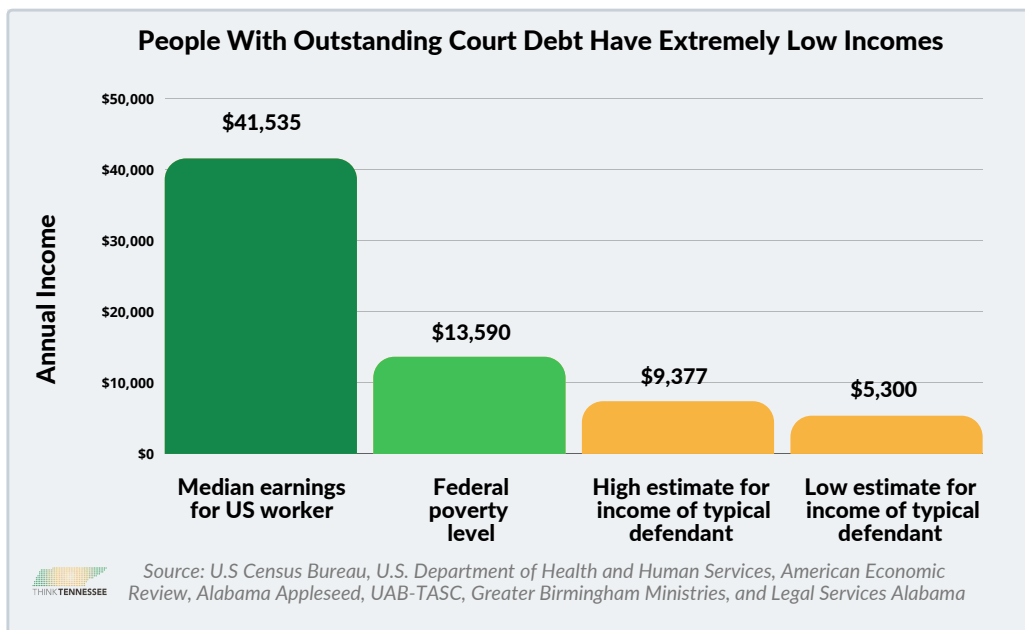


REDUCING THE HARMS OF COURT DEBT: DRIVER'S LICENSE REVOCATIONS ARE AN INEFFECTIVE POLICY FOR INCREASING COURT COLLECTIONS

The criminal justice system in Tennessee is funded in part through the collection of court-imposed fines and fees. Tennessee law currently allows for the revocation of a driver's license for court debt that is overdue. **However, this policy fails to consider that people with overdue court debt may simply lack the financial resources needed to pay these debts, and thus are an ineffective revenue source.**

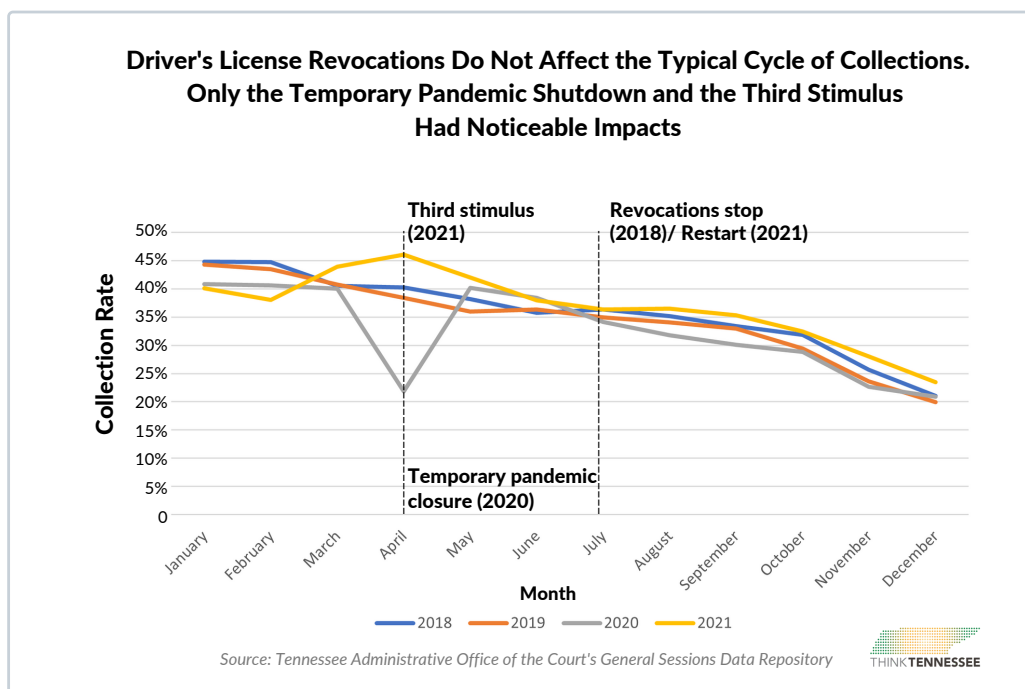
Typical defendants with court debt have incomes between 39% and 69% of the federal poverty level (an income between \$5,300 and \$9,377 annually).(i) By making it harder to get to work and earn an income, driver's license revocations are counterproductive, trapping Tennesseans in a cycle of court debt and poverty.

Using never-before-analyzed, Tennessee-specific data, ThinkTN found that driver's license revocations are ineffective for increasing court collections.



Key Findings

- ▶ **Contrary to their perceived benefits, Tennessee data shows driver's license revocations are not resulting in increased collection rates.**
- ▶ **Income appears to be a key driver for collections, as revealed by both the relatively low incomes of people with court debt and the effect of the pandemic stimulus.**
- ▶ **There is no compelling evidence that the state of the economy impacts court collection rates.**
- ▶ **Ending suspensions would cut government red tape and allow those reentering society to do so more successfully, lowering recidivism rates and boosting economic growth.**



Reforming Tennessee's system of court fines and fees could help remove barriers for returning Tennesseans trying to better their lives. When returning Tennesseans better reintegrate into society, it lowers recidivism rates and increases economic growth, benefitting all Tennesseans.

Additional policy changes could build on the intent of Tennessee's 2019 payment plan law by creating a more equitable fines and fees system.

Tennessee policymakers should consider:

- **Eliminating driver's license revocations for unpaid court debt**
- **Requiring more consistency in ability-to-pay assessments**
- **Targeted elimination of uncollectable fees**
- **Broad fee reform to create a more equitable justice system.**



Tennessee lawmakers should consider eliminating driver's license revocations for unpaid court debt.

- ▶ Our findings show that eliminating driver's license revocations is unlikely to significantly impact state or local revenues. The law has not been shown to be an effective way to collect owed debt. Removing this government imposed barrier would allow greater opportunities for Tennesseans to get back on their feet, earn money, and contribute to the state's economy.

Policymakers could require more consistency in when and how the courts assess or determine a defendant's ability to pay.

- ▶ Tennessee law includes provisions for the consideration of a defendant's ability to pay their court costs. However, a lack of consistency in the law and the broad discretion afforded to judges is leading to unequal outcomes across Tennessee.(ii) More consistency in when and how courts assess or determine a defendant's ability to pay would better target relief towards those most unable to pay their court costs.

Tennessee lawmakers could consider eliminating uncollectable fees.

- ▶ Data shows that eliminating specific fees could remove substantial shares of outstanding court debt. Deleting these fees, which disproportionately impact lower-income defendants and are nearly always uncollectable, would have little negative impact to state and local budgets.

Tennessee needs broad fee reform to create a more equitable justice system.

- ▶ Incremental changes provide stepping stones in the right direction, but in the case of court debt, it is not providing enough relief to the Tennesseans that need it most. A more comprehensive approach to policy reform would not only reduce our government's ineffective reliance on court-cost revenues to fund our state courts, but also help reduce recidivism and empower Tennesseans to improve their economic mobility.

For more details, see our [full report](#).

- (i) ThinkTennessee. (December 2021). Beyond Payment Plans: Breaking the Cycle of Court Debt in Tennessee. See <https://www.thinktennessee.org/wp-content/uploads/2021/12/beyond-payment-plans-breaking-the-cycle-of-court-debt-in-tennessee.pdf>.
- (ii) Pellegrin, Mandy. (December 20, 2021). The Sycamore Institute. How Tennessee Judges Look at Defendants' Ability to Pay Fees and Fines. See <https://www.sycamoreinstituten.org/how-tennessee-judges-look-at-defendants-ability-to-pay-fees-and-fines/>.