



JERRY PETROWSKI

WISCONSIN STATE SENATOR

Senate Bill 462

January 14, 2016

Mr. Chairman and members of the committee, thank you for the opportunity to testify today on Senate Bill 462, which reduces the suspension of an individual's operating privilege for failure to pay monetary judgements from 2 years to 1 year.

Currently, individuals whose license is suspended for failure-to-pay violations can have their license suspended for up to 2 years. Two-year failure-to-pay suspensions are not safety related, yet they are longer than suspensions for much more serious safety-related violations. A suspension for OWI can be anywhere from six months to a year. Suspension due to demerit point accumulations can be anywhere from three months to a year. But at the same time, a person who has not committed a safety-related violation but may not be able to afford to pay a monetary judgement can have their license suspended for 2 full years.

Additionally, a prolonged license suspension negatively affects an individual's ability to repay the original monetary judgment. Without a driver's license, many people facing failure-to-pay suspensions find it difficult if not impossible to get to work and earn the necessary income to pay the forfeiture and get back their license.

This bill establishes a much more appropriate penalty than what exists under current law. It simply reduces the maximum time a license may be suspended from 2 years to 1 year. The bill also takes into account the fact that an effective system already exists to ensure full collection if an individual still owes forfeiture after the one year suspension. The Tax Refund Interception Program (TRIP) through the Department of Revenue allows the court to intercept an individual's state tax refund in order to pay overdue forfeitures.

Simply put, Senate Bill 462 reduces the undue burden a failure-to-pay suspension has on those who are unable to pay these monetary judgments for reasons beyond their control.

Again, I would like to thank members of the committee for the opportunity to speak today on this topic. I would be happy to answer any questions the committee may have at this time.

29TH SENATE DISTRICT



STATE REPRESENTATIVE
CORY MASON

WISCONSIN STATE ASSEMBLY
66TH ASSEMBLY DISTRICT
REPRESENTING THE RACINE COMMUNITY

To: Members, Senate Committee on Transportation and Veterans Affairs
From: Representative Cory Mason
Date: January 14, 201
Re: Senate Bill 462/Assembly Bill 604, suspension of operating privilege for failure to pay monetary judgment.

Chairman Petrowski and Members of the Committee, thank you for holding this public hearing today on Senate Bill 462, which reduces suspension of driver's licenses due to a failure to pay forfeiture from two years to one year. I am pleased to cosponsor this bipartisan bill with Senator Jerry Petrowski, Representative John Spiros, and Senator Nikiya Harris Dodd. I was also pleased to cosponsor similar legislation, 2013 Assembly Bill 829/Senate Bill 653, last legislative session with then-Rep. Garey Bies and then-Sen. Glenn Grothman. This legislation is critically important to the Racine community I represent, which has many low-income drivers subject to suspended licenses due to a failure to pay a forfeiture.

The number of licenses suspended for failure to pay forfeiture is staggering; in 2014 there were 221,362 licenses suspended in Wisconsin for this reason alone. Individuals who have their licenses suspended due to a failure to pay traffic forfeiture lose the ability to drive for two years. This inhibits the ability of working Wisconsinites to travel to a job, attend to urgent medical needs, and fully participate in our state's economy and society. Many more significant infractions, such as fleeing a law enforcement officer or operating a vehicle while intoxicated, carry a significantly shorter license suspension than failure to pay forfeiture. This bill reduces the suspension from two years to one.

While many outstanding not-for-profit organizations are working in southeast Wisconsin to help lift the burden of a suspended license off of working-class motorists, the disproportionate sanction for this offense remains a significant barrier to employment and safety for many. Too many in my community go from being unable to pay traffic tickets, to being unable to drive and therefore unable to work. Senate Bill 462 is a step in the right direction to begin to alleviate this growing problem.

Thank you again for the opportunity to testify on this legislation. It is my hope that this bipartisan legislation is adopted soon.



Testimony in favor of 2015 SB 462
Senate Committee on Transportation
Nichole Yunk Todd representing Wisconsin Community Services (WCS)
January 14, 2016

Good Morning Chairman Petrowski and Distinguished Members of the Committee:

My name is Nichole Yunk Todd and I represent Wisconsin Community Services, better known as WCS, the state's oldest and largest non-profit provider of services to individuals who are involved in the justice system. WCS is the operating partner of the Center for Driver's License Recovery and Employability.

I am grateful for the opportunity to come before you today in support of SB 462.

I would like to thank Senators Petrowski and Dodd, and Representatives Spiros and Mason, for authoring this bill. It has a considerable list of bipartisan co-sponsors, which is a testament to its merits.

There are many compelling reasons why the legislature should reduce the driver's license suspension for Failure to Pay a Forfeiture, or "FPF", from two years to one. I am going to highlight only a few for you this morning.

First, FPF suspensions affect more drivers than any other driving-related penalty on the books. **Six out of every ten Wisconsin drivers** who are suspended or revoked are **suspended for failure to pay a forfeiture**.

Second, FPF suspensions are **not related to safety**. If two drivers are pulled over for the same safety-related violation, like speeding, and one can afford to pay within 60 days of the judgement, and the other cannot, the driver who cannot pay within this timeframe is suspended, while the driver, who can pay, can continue to drive.

Even though FPF suspensions are not safety-related, they run for up to two years—that is **twice as long** as the suspension for an **uninsured auto accident** or for **losing over 31 demerit points** for unsafe driving in **just one year**. FPF suspensions are **more than twice the length** of a first-time offense for **drinking and driving**.

Third, the second year of the suspension has proven to not be effective a way to coerce payment. We have analyzed seven years of payment history in the state's largest municipal court. **About 80% of what is ever collected is collected in the first year of the suspension.** The second year is purely punitive with no positive result, and is counter-productive, as it keeps people from being able to drive to work legally.

The state's Tax Refund Intercept Program (TRIP) is an **effective and cost-effective way to collect payment after one year of suspension.** For only five dollars per case, which is passed along to the person who is suspended, the Department of Revenue intercepts outstanding forfeitures from tax refunds until they are collected in full. The program even intercepts the Homestead tax credit for persons who have extremely low incomes. Each year for the past several years, **DOR has collected over \$20 million just for the courts.**

Fourth, FPF suspensions waste our limited system resources. If law enforcement and others have to devote time to drivers who are suspended only for non-payment, we are **shortchanging their more important work to keep us safe.** It is for this reason that so many justice system stakeholders have endorsed this change.

Driving is a privilege, but for most people in Wisconsin, we all know that it is also a necessity. We need to revise this law so more workers can get to work with a valid license, so they can pay any fines they owe, maintain their vehicles properly, and purchase auto insurance.

WCS and the Center for Driver's License Recovery and Employability strongly encourage you to support this bill in the current session for the **many drivers in your district who will be positively impacted** by a more reasonable and effective suspension period.

Thank you for your time; I am happy to answer any questions.

END

TESTIMONY IN SUPPORT OF SB 462
ATTORNEY JAMES A. GRAMLING JR.
SENATE COMMITTEE ON TRANSPORTATION AND VETERANS AFFAIRS
JANUARY 14, 2016

Chairman Petrowski and Members of the Committee:

I am Jim Gramling, a volunteer attorney at the Center for Driver's License Recovery and Employability in Milwaukee. In my former life I was Judge James Gramling, serving in the Milwaukee Municipal Court, for over 21 years, until my retirement in 2007. Based on my experience as an advocate and judge, I appear before you today to urge you to support enactment of SB 462, a bill which, by changing the word "two" to "one," will bring a measure of justice to our state's driver's license laws.

A bit of explanation. Two sets of courts in Wisconsin hear traffic cases. Tickets for speeding and running a red light and failure to yield, when written by local police officers, typically are sent to Municipal Court to be processed. Similar tickets written by Sheriff's Deputies and State Patrol Officers are sent to the State Circuit Courts. In either instance, most defendants are found guilty – usually when they don't show up for court – and they are ordered to pay forfeitures. If they do not pay the forfeitures as ordered, the judge has a number of options to enforce payment: order them to do time in the county jail; order their Wisconsin income tax refunds to be intercepted by the Department of Revenue; or order their driving privileges suspended for 2 years. Most judges, I would say somewhere around 97%, order the 2-year license suspension. Now, for people who are interested in protecting their license and who have the ability to pay the forfeiture, it's a no-brainer. They pay it. On time.

Many people do not pay on time, and they are suspended. For 2 years. Many people. In 2014, according to DOT's statistics, there were 221,362 suspensions for Failure to Pay Forfeitures on time. Commonly known as FPF. In 2014, DOT says there were 93 ways to lose your driver's license. **FPF was Number One.** In fact, FPF suspensions constituted over 56% of all suspensions, 5 times the number for demerit point accumulations, 8 times the number for drunk driving convictions and 50 times the number for Operating While Suspended.

And these are not even suspensions for bad driving. They are suspensions designed to force people to pay their traffic forfeitures, nothing more than a collection mechanism for the courts. Now I do not say that lightly, for I used to be "the court." But let's look at what that 2-year

suspension actually accomplishes. We have talked with judges, we have studied the payment histories in the largest traffic court in the State, Milwaukee Municipal Court where I used to work. Over 80% of what is paid on traffic forfeitures is paid in the first year. The 2nd year of suspension is ineffective in getting people to pay. Those who are going to pay will pay within the first year. So the reason for this suspension – to enforce payment of forfeitures – is only meaningful for one year. Plain and simple.

And that is why we seek this small change in the law. You might ask: what about the 20% that doesn't get paid in the first year? Courts throughout the State make use of the Department of Revenue's Tax Refund Intercept Program - TRIP. This allows the courts to sit on defendants' tax returns for years and capture any unpaid forfeitures painlessly. Even defendants with marginal incomes are subject to tax intercepts since refunds from homestead tax credits can be intercepted through TRIP. And we're talking about a lot of money here. The amount seized from individual taxpayers through the TRIP program, for traffic fines, has grown to over ²¹\$82,000,000 a year. The courts will get their money.

So, will the courts grind to a halt if you approve this common-sense change? Hardly. The 250 Circuit Court judges in Wisconsin, the ones who sit in every one of our 72 counties, have gone on record supporting this shorter suspension period. There are even courts in Wisconsin that do not immediately order driver's license suspensions but instead wait through a tax refund season to see what will be collected through TRIP. These are courts which understand all the negative collateral consequences of license suspensions and seek to minimize harm by using suspensions as a last resort.

Court systems are a bumpy ride for low-income defendants. They cannot pay their way out; they don't have the resources. So they often default and take what comes, usually a 2-year suspension. The statutes permit municipal judges to offer community service on traffic cases; but we know from experience that many courts do not permit this, including Milwaukee. If defendants do end up in front of a judge willing to work out a payment plan solution, they still need to pay back the full judgment, and if they miss a payment their license is suspended again. Is the debate here all about the money? I hope not. It should be about what's fair. A one-year suspension is penalty enough.

Members of the Committee, your support for SB 462 will indeed bring a measure of justice to our driver's license laws. Thank you.



To: Members, Senate Committee on Transportation & Veterans Affairs
 From: Vicky Selkowe, Legislative Director, Legal Action of Wisconsin
 Re: SB 462, Reducing Length of Drivers' License Suspensions for
 Failure to Pay Forfeitures
 Date: January 14, 2016

Legal Action of Wisconsin is a nonprofit law firm. Our attorneys and staff provide free civil legal services to low-income people in 39 Wisconsin counties, across a territory that extends from the southeastern corner of the state up through Brown County in the east and La Crosse County in the west. For nearly 20 years, we have helped to restore driver's licenses in Milwaukee. We have also represented clients in driver's license restoration cases in Madison, Green Bay, Racine, Stevens Point, and Wausau at various times. As well, since 2007, we have partnered in a highly successful collaborative project (the Center for Driver's License Recovery & Employability, CDLRE) with Wisconsin Community Services.

Since 2007, the CDLRE has helped more than 3,000 low-income Milwaukee residents restore their driver's licenses, and has provided legal advice and information to more than 4,300 additional Milwaukee residents.

We support Senate Bill 462 and appreciate Senator Petrowski, Senator Harris Dodd, Representative Spiros, and Representative Mason's leadership in authoring this bill. SB 462 will help more Wisconsin residents obtain and maintain employment, and will redress a longstanding inequity in our state's driver's license penalties.

According to the Wisconsin Department of Transportation (DOT), in 2014 alone, there were 221,362 suspensions for failure to pay forfeitures. (Forfeitures, in this context, result from traffic tickets.) **In fact, nearly 60% of all suspensions and revocations in Wisconsin in 2014 were due to failure to pay forfeitures.** This number far exceeds any other suspension or revocation.

Under current law, when your license is suspended for inability to pay a traffic forfeiture, you lose your license for two full years, leading to the result that those who cannot afford to pay traffic tickets have their licenses suspended for far longer than drivers who have committed safety-related violations.

As the table below illustrates, the current two-year suspension for failure to pay a traffic ticket is longer than many safety-related suspensions and revocations:

Violation	Is This a Safety-Related Violation?	Length of Suspension or Revocation
Failure to pay forfeitures	NO	Two years
Accumulate 12 demerit points	YES	2-6 months
Fleeing an officer	YES	6 months
Operating While Intoxicated (First violation)	YES	Maximum 9 months
Accumulate 31+ demerit points	YES	One year
Fleeing an officer and causing bodily harm or property damage	YES	One year

The table above, as well as the table below from the *Milwaukee Journal Sentinel*, provide examples of punishments for poor driving. **Failure to pay forfeitures is not a safety-related violation, yet it is currently punishable by a license suspension that is at least two times longer than the suspensions for safety-related violations. SB 462 would address this current injustice and reduce the length of the suspension for failure to pay forfeitures to one year.**

SB 462 does not impact any safety-related suspensions; those convicted of serious, safety-related violations will still have their licenses suspended or revoked. Nor does this legislation eliminate a driver's responsibility and obligation to pay forfeitures owed: **Drivers will still be subjected to a one-year suspension of their licenses if they do not pay on time. It is important to note that the Wisconsin Department of Revenue's Tax Refund Intercept Program (TRIP) collected more than \$21 million in 2014 for our state and municipal courts from state income tax refund intercepts. This means that our courts can still collect these forfeitures – if necessary, well after the suspension is over.**



This legislation will simply reduce the length of time Wisconsin's low-income drivers will have their licenses suspended if they are unable to pay their tickets. The current two-year suspension for failure to pay forfeitures seriously harms Wisconsin's low-income drivers. A one-year suspension, as proposed in SB 462, is a more reasonable penalty, and is more in line with other Wisconsin driver's license suspensions and revocations.

A valid driver's license is vital for our low-income clients. They need valid licenses to obtain employment, to maintain employment, and to safely and validly get to and from jobs located outside of core urban areas. As the *Milwaukee Journal Sentinel* noted in its August 15, 2015 article, "Ticket to Nowhere: The Hidden Cost of Driver's License Suspensions":

"Without valid driver's licenses, they lose job opportunities and fall deeper into financial straits. Some even end up in jail — a cost to the community — for not paying their traffic fines. In an already deeply segregated city, a disproportionate number of those affected are minorities."

SB 462 will greatly benefit our clients and other low-income Wisconsin drivers throughout our state who are losing their licenses for two years simply due to poverty.

Thank you for the opportunity to testify about this legislation. Please do not hesitate to contact me if you have additional questions. I can be reached at (608) 620-2011 or vss@legalaction.org.