



TESTIMONY

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Bree Easterling

Testimony to the Homeland Security Committee on Senate Bill 37

Chairman Ghanbari and members of the Homeland Security Committee, thank you for the opportunity to provide testimony in support of Senate Bill 37. My name is Bree, and I am a Social Justice Outreach and Organizing Specialist at Policy Matters Ohio. At Policy Matters Ohio, we believe in working collaboratively to create innovative policy change that improves the lives of Ohio families and strengthen Ohio communities.

Current Ohio laws allow the state to suspend a license if an individual is unable to pay certain fines or fees. In fact, Ohio drivers face over 3 million debt-related suspensions annually.¹ Over 60% of these suspensions are for debt-related reasons, like a missed parking ticket.

For many Ohioans, having a valid driver's license provides them with access to work, healthcare, education, and the ability to visit and connect with loved ones. For instance, 75% of Ohio workers drive themselves to work.² Having a valid driver's license is a crucial component in Ohioans' ability to thrive.

Debt-related license suspension has caused substantial damage to many Ohioans. This law is, for obvious reasons, particularly harmful to poor and working-class communities, who risk losing their access to work and community because they are not earning enough to pay off fines or fees. Black, brown and indigenous Ohioans are at increased risk as they are, in aggregate, paid less than their white counterparts and are more likely to be over-policed. This law and those like it, that increase penalties due to an inability to pay, keep people stuck and drains communities.

Debt-related suspensions cost residents of Ohio's highest-poverty zip codes an average of \$7.9 million each year and Ohio zip codes with the highest percentages of people of color foot the largest portion of the debt, costing residents an average of \$12 million each year.³

Many drivers who are already balancing income affordability and financial obligations like rent and energy bills often find themselves caught in an even more challenging financial crisis when a ticket goes unpaid. The tendency for this situation to spiral quickly into a driver's license suspension places many financially vulnerable Ohioans in positions where they must choose between missing work, losing access to healthcare, childcare, food and other necessities that impact social determinants of health.

¹ <https://laslev.org/roadtonowherereport/>

² <https://data.census.gov/table/ACSST1Y2023.S0802q=ohio%20means%20%20of%20transportation%20to%20work>

³ <https://laslev.org/roadtonowherereport/>

The other option – driving on a suspended license – makes involvement with the criminal legal system even more likely. Many people have no choice but to continue driving and ultimately risk harsher punishments doing so, including more fines and fees, criminal conviction, and incarceration.

Suspending a license not because of dangerous driving – but simply because of someone’s inability to pay is a counterproductive practice to attempt to collect fines and fees. Courts have a variety of other tools at their discretion to collect debts that are owed. This practice also imposes financial harm on individuals without any improvement to public safety.

Senate Bill 37 will reduce the impact of state-imposed financial harm that prevents Ohioans from having their license reinstated and returning to the road. Senate Bill 37 would improve and provide immediate relief to many Ohioans currently impacted by debt-based driver’s license suspensions for inability to pay by:

- reducing the window in which non-compliance offenses are considered repeat offenses from 5 years to 1 year so less drivers are subject to the escalating reinstatement fees (\$40/\$300/\$600)
- reducing the time required to maintain an SR-22 certificate from up to 5 years to 1 year
- eliminating driver’s license suspensions for inability to pay
- eliminating driver’s license suspensions for discontinued BMV noncompliance random selection policy

Policy Matters Ohio supports the passage of Senate Bill 37 but the committee should also consider engaging in meaningful dialogue with communities and individuals who have experienced the impact of these debt related suspensions to better understand all the downstream barriers it creates, including access to affordable auto insurance and the steep costs of license reinstatement. Many studies show that income-related indicators like zip code and credit score increase auto insurance rates, subsequently making auto insurance the most expensive for drivers who can least afford it, even if they have no accidents or traffic violations on their driving record.⁴ Studies also show that unaffordability is the main reason people drive without valid insurance.⁵

Policymakers who expect the current penalty structure to improve compliance with insurance requirements could gain valuable insights by hearing directly from drivers who have experienced these penalties firsthand. State-required auto insurance becoming increasingly unaffordable should be addressed through public policy solutions rather than by burdening low-income individuals with additional debt.

⁴ <https://consumerfed.org/wp-content/uploads/2020/01/Summary-of-Auto-Insurance-Research.pdf>

⁵ <https://www.bankrate.com/insurance/car/uninsured-motorist-statistics/#how-do-uninsured-motorists-impact-me>