

Decriminalizing Poverty: Fines, Fees & Cash Bail Reform

November 2021

Who We Are: *CEO Action for Racial Equity is a Fellowship of over 100 companies that mobilizes a community of business leaders with diverse expertise across multiple industries and geographies to advance public policy in four key areas — healthcare, education, economic empowerment and public safety. Its mission is to identify, develop and promote scalable and sustainable public policies and corporate engagement strategies that will address systemic racism, social injustice and improve societal well-being. One area the Fellowship will address is the Decriminalization of Poverty, specifically reform around fines, fees, cash bail and debt-based driver's license suspensions.*

Why We Care

We are guided by principles rooted in care & protection, equity, public transparency and accountability. As such, we believe:

- > The primary goal of public safety should be to protect the wellbeing of all citizens and communities, regardless of demographics
- > All individuals deserve to be treated justly without bias or prejudice by our legal and law enforcement systems
- > Laws should be written and enforced in an equitable and racially just manner
- > An inability to pay fines, fees or cash bail should never be the sole reason for incarceration; and justice system fines and fees should not disproportionately punish the poor

Through our efforts, this primarily means:

- > An individual should not serve time in jail only due to an inability to pay cash bail.
- > An individual should not suffer consequences, nor have their driver's license suspended, only because they can't pay a fine or fee levied by the justice system.

Policies that Punish the Poor are Unjust

Current policies around fines, fees, cash bail, and debt-based driver's license suspensions do not support the well-being of the general public, often cost more to collect than any potential revenue generated, and contribute to a cycle of unpayable debt. The consequences of these policies are severe and contribute to job loss, family disruption, and medical or mental trauma. Said simply, these policies make the lack of wealth the determining factor for punishment particularly for the poor—a category in which Black Americans have consistently been over-represented.

Reforms to decriminalize poverty can have an immediate impact to building an inclusive, sustainable economy and workforce. The U.S. is facing a shortage of talent in our highest growing sectors (healthcare, technology, transportation).¹ By continuing the policies and practices around criminalizing poverty that disproportionately impact Black people in the U.S., we are unnecessarily depleting our talent pool by taking people out of the workforce and perpetuating the wealth gap.

What We Are Advocating For

1

Reform Cash Bail: States should reform cash bail and pretrial policies to prioritize personal liberty, pretrial safety, and pretrial fairness.

2

Reform Fines & Fees: States should require courts to assess fines based on an ability to pay. States should eliminate court-imposed fees by allocating appropriate funding to courts from their general funds.

3

Eliminate Debt-Based Driver's License Suspensions: States should eliminate the practice of debt-based driver's license suspensions and Congress should pass the *Driving for Opportunity Act of 2021*.

Your Community Needs Your Help

- On any given day, **470,000** Americans are sitting in local jails², presumed innocent and awaiting trial. The Black community is disproportionately impacted by this problem, as **34% of those in jail are Black**.³
- The national court debt is at least **\$27.6 billion**⁴, and the Black community is disproportionately burdened as 12% of Black families have unpaid court-related debt compared to five percent of white families.⁵
- At least **seven million** Americans have had their licenses suspended for unpaid, court-related debts.⁶

1. "The Case for Inclusive Growth" McKinsey & Company, April 2021

2. <https://www.prisonpolicy.org/reports/pie2020.html>

3. <https://bjs.ojp.gov/content/pub/pdf/j19.pdf>

4. <https://finesandfeesjusticecenter.org/content/uploads/2021/04/Tip-of-the-Iceberg-Criminal-Justice-Debt-BH1.pdf>

5. <https://www.federalreserve.gov/publications/files/2019-report-economic-well-being-us-households-202005.pdf>

6. https://www.washingtonpost.com/local/public-safety/more-than-7-million-people-may-have-lost-drivers-licenses-because-of-traffic-debt/2018/05/19/97578c08-5785-11e8-b656-a5f8c2a9295d_story.html

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