PRESS RELEASE: TREASURER JOSÉ CISNEROS AND SUPERVISOR JANE KIM ADVANCE FIRST IN THE NATION EFFORT TO ALLEVIATE THE INEQUITABLE BURDEN OF FEES AND FINES ON LOW INCOME COMMUNITIES AND PEOPLE OF COLOR

San Francisco Fines and Fees Task Force—a collaboration of the City, County, and Debt Free SF—releases initial findings and recommendations

May 17, 2017—Treasurer José Cisneros and Supervisor Jane Kim today released the recommendations of the Fees and Fines Task Force. The Task Force was created by the Board of Supervisors, and led by the Financial Justice Project in the Office of the Treasurer, to recommend reforms to reduce disparate impact of fees and fines on low-income communities.

"I launched the nation's first Financial Justice Project because I believe we can right-size fines and fees so they don't disproportionately impact poor people and people of color, while protecting our City's financial health," said Treasurer José Cisneros. "It is only fitting that the City that provides free MUNI, champions universal healthcare, and provides free City College is now the first to champion these types of reforms. We need consequences for breaking the law, but one ticket shouldn't cost someone their job, wreck their credit, or hurt their ability to find a job or a place to live."

"San Francisco should not be in the business of impoverishing poor and working class families. We are impoverishing poor and working class families because they made a mistake," said Supervisor Jane Kim, the sponsor of the Fees and Fines Task Force legislation. "Our heavy fines have become the difference between paying for rent and being evicted for many San Francisco families and often lead to driver license suspension, incarceration or bad credit ratings because they cannot afford to pay."

"We are grateful for San Francisco's leadership on these issues, starting with Debt Free SF's great organizing. San Franciscans have been <u>calling for reform</u>, and we are eager to see the Board of Supervisors fully implement the Task Force's recommendations." Elisa Della-Piana, Legal Director of the Lawyers' Committee for Civil Rights of the San Francisco Bay Area.

The Board of Supervisors held a hearing in 2016 to listen to diverse perspectives on how fines, fees, tickets, and financial penalties impact low-income San Franciscans. Following the hearing, Supervisors Kim and Avalos created the Fees and Fines Task Force with leaders from the City and community organizations. The task force was coordinated by Anne Stuhldreher, the Director of Financial Justice in the Office of the Treasurer and Tax Collector.

The Task Force finds that and fees are spreading when people can least afford them. A recent Federal Reserve study found that nearly half of Americans would be unable to cover a \$400 emergency expense. In California, traffic fines and fees are among the highest in the country. Uncollected court-ordered debt for traffic and criminal offenses add up to an estimated \$12.3 billion, according to the California Legislative Analyst's Office.

In San Francisco, the burden of these fines and fees falls heavily on the African-American Community. In San Francisco, African-Americans make up less than 6 percent of the population, but over HALF of people who are in the County jail, and 45 percent of people arrested for a "failure to pay/appear" traffic court warrant.

"Steep fines and fees can be a "lose-lose", for citizens and for government," said Stuhldreher. "Research shows that fines and fees levied on people with modest incomes are often high pain--hitting poor people particularly hard--but low gain, bringing in less revenue than expected."

The Task Force developed recommendations to:

- 1. Base fine and fee amounts on an individual's **ability to pay,** to ensure consequences do not place an inequitable burden on low income San Franciscans.
 - Specific recommendations include: offering options including community service for people who have a complete inability to pay, offering flexible payment plans, allowing individuals to verify inability to pay by showing enrollment in public benefits, and using the same process across all City/County/Court proceedings.
- 2. End the practice of **suspending people's driver's licenses** when they are unable to pay traffic citations.
 - Specific recommendations include: making permanent the San Francisco Superior Court's policy to not refer failures to pay to the Department of Motor Vehicles, supporting and advocating to pass SB185, which would eliminate this process statewide, and to create an ability to pay process throughout the traffic court proceedings.
- 3. Ensure that **Quality of Life citations** do not punish people for being poor or create barriers to employment and housing for people struggling with homelessness.
 - Specific recommendations include: to stop adding a \$300 civil assessment fee to quality of life violations, streamline the process to allow individuals who receive these citations to resolve them through receiving social services, and to prioritize written admonishments rather than citations when possible.
- 4. Ensure consequences for **transportation violations** hold people accountable but do not pose an inequitable burden for low income San Franciscans.
 - Specific recommendations include: expanding community service and payment plan options and making them more accessible; lowering fare evasion tickets and options to clear them; expanding towing and boot fine relief; and adding information about alternative payment options to the initial citation.
- 5. Reform our local system of **bail** to ensure decisions to keep someone in jail are based on the risk they pose to the community, not the amount of money in their bank account.
 - Recommendations include: exploring the creation of a community revolving bail fund, increasing oversight of the local bail bond industry, increasing the use of current alternatives such as the Pretrial Diversion Project, and engaging in statewide advocacy for reform.
- 6. Relieve the inequitable burden of **child support debt** owed to the government by low income parents when they cannot afford to pay.
 - Specific recommendations include: developing and piloting a program to erase delinquent child support debt owed to the state if they can pay a portion of the delinquent debt, increasing referrals to nonmonetary payment options, and to continue to seek realistic child support orders that allow parents to make manageable payments.

The findings of the Fees and Fines Task Force will be presented at a hearing of the Government Audits and Oversight Committee of the San Francisco Board of Supervisors on May 17th, 2017.

Media Contact: Amanda Fried, Treasurer's Office (415) 554- 0889