[2017 Session] Repeal Texas' Driver Responsibility Program to Minimize Debtor's Prisons

Policy Background:

The Texas Legislature created the Driver Responsibility Program (DRP) in 2003. Under the program, the Texas Department of Public Safety levies annual, administrative surcharges on the drivers' licenses of people convicted of certain traffic offenses; some of the funds go towards repaying Texas trauma hospitals, which absorb hundreds of millions of dollars in uncompensated healthcare costs every year.

Despite its good intentions, the DRP has created more problems than it has solved. It has led to more unlicensed, uninsured motorists, with great costs to Texas arising from accidents among these drivers; this also has led to people serving time in jail when later caught driving without a license. Additionally, the DRP has increased courts' caseload backlogs, while raising counties' court and jail costs. And it poses substantial and disproportionate financial hardship on low-income drivers and families.

Texas policy-makers should repeal Texas' Driver Responsibility Program and find alternative funding streams for Texas trauma hospitals.

Key Facts:

- The DRP's failures are of such magnitude that former State Representative Mike Krusee, the original author of the bill creating the program, has called it "a mistake," saying it is "past time to either revise or repeal the program."
- Many DRP violators are unable to pay assessed surcharges, resulting in 60% of surcharges going unpaid.²
 - Not only has the DRP generated less than half of the revenue anticipated, it only partly fulfills its promise to pay for uncompensated care at trauma hospitals: Instead of spending surcharge money as originally intended, the Legislature has withheld tens of millions from hospitals to certify the budget.³
- Unable to pay the surcharges (on top of criminal penalties and court fines), more than 1.3 million drivers now have invalid licenses. Since a valid driver's license

is a requirement to purchase liability insurance, many of those drivers may no longer be able to insure their vehicles. As such, the program has likely increased the number of uninsured motorists on Texas roads – as well as increasing the cost of accidents with drivers lacking liability insurance.⁵

- While overall traffic fatalities have decreased somewhat in recent years, data indicate that the DRP has failed to change driver behavior as it relates to a significant traffic-related offense: drunk driving. From 2003 to 2015, the percentage of fatal automobile crashes in Texas that involve alcohol *increased* from 26.3% to 27.4%.⁶
- Survey data indicate that low-income drivers are more likely to lose their jobs, are less likely to find a new job, and are less able to afford increased insurance premiums after having their drivers' licenses suspended for unpaid surcharges.⁷ As such, DRP surcharges may be posing substantial and disproportionate financial hardship on low-income drivers, increasing unemployment and the public costs associated with it, and hindering the ability of men and women to meet familial obligations.
- Many Texans consider the DRP a kind of backdoor double jeopardy. Levying an
 administrative penalty on top of a criminal one for the same offense violates the
 spirit of the constitutional protection against double jeopardy. So, in addition to
 being ineffective and unfair, the DRP represents a significant expansion of state
 power at the expense of individual liberty.

Relevant Bills:

• Bill Number: HB 67 [White, Jarvis Johnson]

Bill Caption: Relating to the repeal of the driver responsibility program.

• Bill Number: HB 275 [Larry Gonzales]

Bill Caption: Relating to the repeal of the driver responsibility program.

• Bill Number: HB 2068 [Phillips, Wilson, White; Sponsor: Miles]

Bill Caption: Relating to the repeal of the driver responsibility program and the amount and allocation of state traffic fine funds; authorizing and increasing criminal fines.

House Hearing Notice: Homeland Security & Public Safety, April 11, 2017

TCJE House Action: Card in support

Senate Hearing Notice: Transportation, May 17, 2017

• Bill Number: SB 90 [Hall]

Bill Caption: Relating to the repeal of the driver responsibility program.

Senate Hearing Notice: Transportation, April 5, 2017

TCJE Senate Action: Testimony in support

• Bill Number: SB 661 [Huffines]

Bill Caption: Relating to the repeal of the driver responsibility program.

• Bill Number: SB 2185 [Miles]

Bill Caption: Relating to the repeal of the driver responsibility program and the amount and allocation of state traffic fine funds; authorizing and increasing criminal fines.

Other Bills Related to the Driver Responsibility Program:

• Bill Number: HB 459 [Dale]

Bill Caption: Relating to the suspension of a driver's license for the failure to pay a surcharge.

House Hearing Notice: Homeland Security & Public Safety, March 7, 2017

• Bill Number: HB 684 [Wu]

Bill Caption: Relating to the required notice of a surcharge assessed under the driver responsibility program.

• Bill Number: HB 1016 [Krause]

Bill Caption: Relating to the deferral and reduction or waiver of certain surcharges assessed under the driver responsibility program.

House Hearing Notice: Homeland Security & Public Safety, April 4, 2017

TCJE House Action: Card in support

• Bill Number: HB 1430 [Senfronia Thompson]

Bill Caption: Relating to the indigent status of a person for the purposes of the driver responsibility program.

House Hearing Notice: Homeland Security & Public Safety, April 25, 2017

• Bill Number: HB 3376 [Holland; Sponsor: Perry]

Bill Caption: Relating to forms of notice that may be provided by the Department of Public Safety during certain enforcement proceedings and actions.

House Hearing Notice: Homeland Security & Public Safety, April 11, 2017

TCJE House Action: Card "on" the bill

Senate Hearing Notice: Transportation, May 12, 2017

• Bill Number: HB 4019 [Giddings]

Bill Caption: Relating to the collection of surcharges assessed under the driver responsibility program.

• Bill Number: SB 266 [Watson]

Bill Caption: Relating to the driver responsibility program. **Senate Hearing Notice:** Transportation, April 5, 2017

TCJE Senate Action: Testimony in support

• Bill Number: SB 599 [Burton]

Bill Caption: Relating to the deferral and reduction or waiver of certain

surcharges assessed under the driver responsibility program.

Senate Hearing Notice: Transportation, April 5, 2017

TCJE Senate Action: Testimony in support

• Bill Number: SB 779 [Seliger]

Bill Caption: Relating to the indigent status of a person for the purposes of the

driver responsibility program.

Senate Hearing Notice: Transportation, April 5, 2017

TCJE Senate Action: Testimony in support

Other Materials:

- TCJE & Texas Smart-On-Crime Coalition Interim Testimony before House Homeland Security & Public Safety Committee [March 2016]
 Charge: Conduct legislative oversight and monitoring of the agencies and programs under the committee's jurisdiction and the implementation of relevant legislation passed by the 84th Legislature.
- TCJE Interim Testimony before Senate Transportation Committee [January 2016]
 Charge: Evaluate the necessity of the Driver Responsibility Program and make recommendations for alternative methods of achieving the programs objectives.
- Stories of people harmed by the DRP
- TCJE Report: The Driver Responsibility Program: A Texas-Sized Failure [February 2013]

1 Houston Chronicle, "Critics: Law puts drivers on road to ruin," March 21, 2010.

2 El Paso Times, "Reform sought in Texas ticket surcharge program," September 22, 2013. "Since its inception in 2003, the Driver Responsibility Program has collected only \$1.14 billion of the \$2.85 billion of the charges it levied."

- 3 *The Texas Tribune,* "Interactive: Billions of dedicated funds unspent," December 6, 2012.
- 4 Austin American-Statesman, State fees create relentless cycle of poverty, legal case says, August 18, 2016.
- 5 In 2000, a federal study analyzed costs from auto accidents, including medical costs, property damage, etc., attributing \$230.6 billion in costs to 16.4 million auto accidents nationwide, at an average cost of \$14,061 per accident. [See *The Economic Impact of Motor Vehicle Crashes 2000*, prepared by the National Highway Traffic Safety Administration, 2002] Adjusting for inflation, that's \$19,283 in 2014 dollars. Multiplying that figure by the number of estimated crashes with surcharge-owing drivers in Texas, the DRP could be costing Texans \$320 million per year in uncovered damages from crashes, with uninsured motorists unable to obtain or keep insurance simply because those drivers could not or would not pay punitive drivers' license surcharges.
- 6 Texas Department of Transportation, *Total and DUI (Alcohol) Fatal and Injury Crashes Comparison*, 2003, p. 3. Also see: *Total and DUI (Alcohol) Fatal and Injury Crashes Comparison*, 2015, p. 3.
- 7 Motor Vehicles Affordability and Fairness Task Force Final Report, February 2006.