

**James C. Walker**  
**JCW CONSULTING**

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Testimony before the House Judiciary Committee Hearing in Detroit, June 19, 2009

Chairman Meadows and Committee Members, thank you for the opportunity to testify. I speak for the National Motorists Association, a grass roots organization that works for fair traffic laws that contribute to traffic safety. I speak frequently at the two Transportation Committees and my remarks are almost always very similar to those of our State Police. Our goals are the same, traffic laws that genuinely improve safety for all motorists.

**I urge the committee to unanimously support HB4098 to eliminate Michigan's Driver Responsibility Fees, and to ask every member of the legislature to help get it passed.**

I testified at a House Transportation Subcommittee Hearing chaired by Representative Pearce in December 2006. Four judges pleaded with legislators to repeal the law. Judge Buell delayed a murder trial to attend and said we get short term revenue with long term damage by building a new class of poor people. Judge Oakley said many judges won't accept guilty pleas for driving while license suspended when they know the person can't pay the fees. Judge Jarreau (sp?) said many drivers first get caught in the financial web with a simple 5-over speeding ticket they cannot pay. He likened the Responsibility Fees law to a "debtors' prison". He said he won't take most guilty pleas for driving suspended, now the most common item on his docket. He said many people just give up all hope. Judge Kelley said the law is more punitive than the harshest fine and turns the traffic-justice system into a revenue system. He said it is not a bad driver tax, it is a tax on the poor. After several victims of the law spoke, Representative Casperson publicly apologized to them for what the legislature has done with this law.

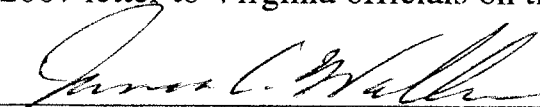
This law has been a disaster in Michigan. In the five year report last July, the state had assessed \$783 million in fees with collections of only \$380 million, or about 48%. About \$403 million was uncollected, most of that from people who simply cannot pay the high fees. If the average uncollected account is between \$1,000 to \$3,000, this means we have between 130,000 and 400,000 suspended license drivers, most of whom must drive to some extent, just to get to work and feed their families. Michigan cannot afford this level of human tragedy.

Before the law passed in Michigan, many groups predicted these terrible results. New Jersey has a similar law with similarly disastrous results. They produced a 49 page report for social workers on how to advise people who get caught in their web with suspended licenses. NJ issued a major report on the adverse mobility, economic and social welfare effects of their bad law. Virginia passed a similar law, but there was such an outcry, the law was quickly repealed.

Michigan needs to repeal this terrible law, and not just pass some partial relief. The state police analysis when the law was new said it would not improve safety, and it hasn't. Most fees are not related to endangerment. The state police and the District Court Judges Association supported a similar repeal bill last year. Please report this bill out and work hard to get it passed.

I attach copies of my 2006 testimony and my 2007 letter to Virginia officials on their new law.

Respectfully submitted, James C. Walker





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Comments for the Driver Responsibility Act Subcommittee Hearing, December 13, 2006

Chairman Pearce and Subcommittee members, thank you for the opportunity to comment. I speak today on behalf of the National Motorists Association, an organization that works for motoring safety and on behalf of fairness for all motorists.

The National Motorists Association believes the Driver Responsibility Act has major problems and should be repealed. It is creating, and will continue to create, a large group of drivers who cannot participate in a legal economy. They face the unacceptable choice of driving without a legal drivers license and probably without insurance ... or depriving themselves and their families of the basic necessities of life to try to pay total fines and penalties they cannot afford.

If I drive stupidly and accumulate eleven licence points over two years, I may have to pay \$600 in court fines and surcharges, \$1,000 in insurance surcharges, and Driver Responsibility fees of \$600 ... for a total of \$2,200. I would be very angry at myself and at the state, but I could pay this amount without bankrupting my family. Any committee member could also pay it.

But, there is a significant proportion of Michigan's low income population that could NOT pay this amount without dire consequences to their families. If I understand correctly, the Secretary of State has billed far more in fees than they have collected and a lot of the shortfall will be from people who simply cannot pay. Michigan's unemployment rate is among the worst in the nation ... and many people who are working are severely underemployed. Many workers who had nice \$23/hour jobs with full benefits are now working for \$8/hour with no benefits. How do these people come up with \$2,200 and still pay for the basic necessities of life for themselves and their families? Many of them cannot pay it, but they also cannot stop driving without losing whatever chance they have to be employed at all. If a driver is caught driving to their job with a license suspended because they could not pay some earlier fees, that costs another \$1,000 that they cannot pay. Do we want these people to end up on welfare at great cost to the state? How does that help all of us?

I should also note that it is quite possible to accumulate eight or ten or twelve points on your license without ever exceeding the safety-optimum 85<sup>th</sup> percentile speed or having any major safety violations. Michigan is working to correct many scientifically improper speed limits, but many roads are still posted with limits at the 30<sup>th</sup> or 20<sup>th</sup> or 10<sup>th</sup> percentile speed so that 70% or 80% or 90% of all cars are arbitrarily defined to be in violation. Under those parameters, a lot of tickets go to safe drivers who are safely going along with the normal flow of traffic.

The impacts of the law are often far out of proportion to the offenses committed.

Regarding the largest Driver Responsibility Fees for major violations like DUI, the system allows no leeway for hardship or a restricted license, even if time payments are made. We believe that these major violations should be individually adjudicated in court by a judge who has the ability to investigate all the facts. Sometimes a very large fine is the right punishment, but sometimes a huge fine might not be appropriate where the person clearly has no ability to pay it, and where the burdens of such fines may fall on innocent family members. It is not proper to have a "one size fits all" penalty schedule for fines of these magnitudes.

When the Michigan Driver Responsibility Act was passed, there was already evidence of problems with it in New Jersey. Their Human Services Departments were already seeing the unintended consequences. I wish that the National Motorists Association and others had been more successful in helping Michigan to avoid these problems, but we were not. The New Jersey Institute for Social Justice now has a 49 page guide for social workers advising them how to help people recover their licenses so they can go back to work. A big report was delivered to Governor Corzine in February of this year which goes into great detail on the negative economic and social welfare impacts of suspended drivers licenses under their law.

We also note that the proceeds of Michigan's Act go to the General Fund, with some for a new Fire Protection Fund. The revenues are not directed at any programs to enhance driving safety.

Michigan needs to immediately repeal the Driver Responsibility Act. We may also need to consider some kind of amnesty to bring suspended drivers back into compliance with the law to be licensed and buy insurance. It is not to Michigan's advantage to have a growing number of drivers who cannot participate in the legal economy because they cannot pay these fees.

I will be happy to answer any questions.

Respectfully submitted,

James C. Walker  
Member – National Motorists Association

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July 4, 2007

Governor Timothy M. Kaine      President Pro-Tem John H. Chichester      Speaker William J. Howell

Gentlemen,

I want to urge you to immediately repeal Virginia's new Civil Remedial Fees law for traffic offenses.

Michigan's similar Financial Responsibility law has created a disaster, even with lower fine levels than Virginia's. New Jersey's similar law has also created a social disaster, as reported to Governor Corzine in a February 2006 report of the New Jersey Affordability and Fairness Task Force detailing the negative impacts of loss of driver's licenses on state families, labor markets, economy, social welfare services and more. That report is available at <http://www.nj.gov/mvc/PressReleases/archives/2006/reportAFTF.pdf>

Attached is a copy of my testimony before a Michigan House Transportation Subcommittee hearing last December, an information-gathering hearing about the effects of Michigan's Driver Responsibility law. Four Michigan judges testified before me and all four urgently asked the legislators to immediately repeal the law. *One of the judges delayed a murder trial to come testify against the Driver Responsibility disaster.* Another judge brought an 18 page list of cases with Driver Responsibility law fees. Several citizens whose financial and personal lives had been ruined by the financial death-spiral these laws can create testified after me. One single mother of three was in tears as she described how the law caused her to lose her home and her job, all starting with a minor speeding ticket that was accidentally not paid. Every legislator on the Subcommittee agreed that something needed to be done to stop the terrible effects of such an ill-advised law. Representative Casperson said: "I apologize for what the legislature has done."

In the hearing, we heard that many judges now simply refuse to accept guilty pleas from persons who will be devastated by this bad law, they require the prosecutors to plead them to a different charge. Two of the judges made that point. Two judges characterized the law by saying "This is a debtors' prison". One judge said the law leads to disrespect for the law overall. He also said "People give up hope". Several of the judges stated the law is severely regressive toward poor people, and has very unfair effects on them. The judges all declared the law as of no value to control drunk drivers. Similar to how judges deal with this, many police officers now will not issue citations that lead to ruining people's lives with this bad law.

If you would like to verify the content of the Subcommittee Hearing, please contact Representative Tom Pearce who chaired the hearing, N1092 House Office Bldg., PO Box 30014, Lansing, MI 48909-7514, [tompearce@house.mi.gov](mailto:tompearce@house.mi.gov), phone 517-373-0218, fax 517-373-5697. If you need to recheck our law, you can find a summary at [www.michigan.gov/driverresponsibility](http://www.michigan.gov/driverresponsibility) Unfortunately, the bill to repeal our ill-advised law is stuck in committee, so the terrible effects of this law continue unabated in Michigan.

Also attached is a copy of an email that I sent to Lon Anderson of AAA Mid-Atlantic, urging him to reverse their support for this new law – due to the extreme problems it will create for many Virginia citizens.

Almost every state needs revenue, but this type of law is not the way to get it. The devastating effects on many of your citizens will far outweigh any revenue gains.

Here is what you should expect in Virginia, if you leave this unfortunate law in place.

1. The collected revenues will be far short of the assessments. Michigan collects 42% and New Jersey 36%.
2. A very significant percentage of drivers assessed will be simply unable to pay, even over three years. They will find themselves in a financial death-spiral with no way to get out of it. The levels of your fees far exceed many people's ability to pay them. Like our poor law, there are no alternatives in your law.
3. Lost mail, changes of address, lost changes of address and similar issues will cause a significant number of people to get caught in the financial death-spiral by accident. They won't realize their license is suspended until they are stopped for some minor violation in the future – and then it is too late.
4. Most of the people who get suspended licenses for non-payment will still have to drive to get to work, so the number of drivers with suspended licenses will increase substantially.
5. These drivers will not be able to buy insurance, yet many will still have to driver to get to work, so the number of uninsured drivers will increase substantially. Even those who get their licenses restored will find that their insurance premiums have increased by large percentages due to their license suspension record, and many will be simply unable to pay the increased premiums. Many will have to drive anyway to get to work. When uninsured drivers have accidents, the problems escalate exponentially for everyone involved.
6. A tiny percentage of suspended drivers may be tempted to evade police to avoid a second charge.
7. Some of the people who do pay the fees will have to do so with the food and clothing budgets for their spouses and their children. Many innocent people will be harmed by this terrible effect on poor people. A four year old child in a poor family should not bear this type of burden, it is not moral of the state to do this.
8. Some people who cannot pay will lose their licenses, then their jobs and finally their dignity. Many of this group will end up on some sort of welfare at great cost to your state, both financially and psychologically. In trying to help the road budget, Virginia will create another group of citizens who have lost all hope.
9. Last, and perhaps most important, Virginia will see NO safety benefits from this ill-advised law. In the long run, it will damage safety with the unlicensed and uninsured drivers it will create.

When Michigan's law was passed, many people and groups testified that the law would not work and would have dire consequences for the state and its citizens. All of this happened. Similar tragedies occurred in New Jersey, despite the earnest warnings in advance of the consequences.

I have relatives in Virginia and my parents lived there for many years prior to their deaths. It is distressing to see Virginia start down this known path to a set of real disasters for your citizens. It is not a question of whether the new law is bad, it is only a question of how long it will take for the state to realize the mistake.

**Your law is brand new, and I urge you to immediately repeal it – before you start destroying lives.**

Sincerely,

James C. Walker

cc: Michigan Representative Tom Pearce  
Lon Anderson, AAA Mid-Atlantic