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MAYOR LIGHTFOOT INTRODUCES FIRST SET OF COMPREHENSIVE FINES AND FEES REFORMS

Reforms to end harmful enforcement practices, reduce fines and fees and streamline payment plans to remove debt burden and create pathways to compliance for low-income residents

CHICAGO—Mayor Lori E. Lightfoot today introduced a package of reforms to the City Council aiming to address residents' vehicle ticket debt. The new policies will change enforcement practices and provide residents with relief from City ticket debt to create a viable pathway to economic stability for residents with outstanding fines. The legislation will call for ending driver's license suspensions for non-payment of non-moving and vehicle compliance violations, create more accessible payment plans for those experiencing financial hardship and reform city sticker penalties.

For the tens of thousands of city residents who accumulate delinquent debt each year, an inability to pay fines and fees puts them at greater risk of losing their car, and falling into bankruptcy or unemployment. This set of reform measures aims to make enforcement practices for standing, parking and compliance violations more equitable, to allow for more options to enter into payment options, and to ultimately reduce the number of individuals with delinquent debt owed to the City.

"The bold reforms introduced are designed to be the first step in ending the practice of balancing the budget on the backs of those who can least afford it," said Mayor Lightfoot. "By adopting these reforms, Chicago will be able to provide real pathways for residents to pay their debt while also ensuring the City continues to receive revenue that may otherwise remain unpaid."

The City is proposing to move forward with the following reforms:

- **Eliminating driver's license suspensions for non-driving violations:** Updates to the municipal code will end the practice of referring individuals for driver's license suspension to the State of Illinois for non-payment of standing, parking and compliance violations. The City is also publicly announcing support for the proposed state bill known as the License to Work Act (SB 1786), which would end driver's license suspensions for failure to pay standing, parking and compliance violations throughout the State.
- **Reducing City Vehicle Sticker penalties:** End doubling of City Sticker tickets from \$200 to \$400 for failure to purchase within time limit, reinstate the 15-day grace period for City Sticker tickets after expiration, and there will no longer be same-day



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- or consecutive day ticketing for compliance violations. City Sticker tickets will also be capped at a maximum of \$250 for failure to pay on time.
- **Making payment plans more accessible:** By creating a 6-month payment plan for all, lowering down payments and allowing more time to pay for persons experiencing hardship, the City will ensure pathways to compliance for ticket debt. Collectively, these reforms will give Chicago some of the most accessible ticket payment plans of any city in the nation.
 - **Denver boot reforms:** All individuals will be able to request a 24-hour extension to pay their fines in full or get on a payment plan after being booted. The reformed payment plans will also make it easier for low-income individuals to redeem their car after it's been booted.

The anticipated benefits of the fines and fees reforms are two-fold: to address the issue of vehicle ticket debt bankruptcies, and to give residents more affordable payment plan options so they can pay off their debts while retaining their vehicles.

Chicago's system of fines and fees has resulted in Cook County being given the unfortunate title of nationwide leader in Chapter 13 bankruptcies, with roughly two-thirds of Cook County bankruptcies including vehicle debt to the City of Chicago. Mounting vehicle ticket debt has proven to be detrimental for individuals throughout the City, particularly those who face suspended licenses because of ticket debt for non-driving violations putting them at far greater risk for losing their jobs due to difficulties getting to work.

"This is the beginning of something historic," said City Clerk Anna Valencia. "When I started this Collaborative, I knew this had to be more than just a list of policy recommendations. I knew this had to lead to something bigger. As elected officials we have a responsibility to bring people together, to listen to them and amplify their voices but the most important aspect of this is being bold enough to act. Today, we took a monumental step in creating a city that gives all of our residents the opportunity to thrive."

The proposed policies include input from dozens of advocacy groups, city departments, as well as the Fines and Fees Access Collaborative, formed in 2018 and led by the City Clerk's Office.

"I'm proud to have been a part of this process and excited to see the hard work of the Collaborative come to life," said 24th Ward Alderman Michael Scott Jr. "I commend Mayor Lightfoot and City Clerk Valencia for taking the initiative to bring everyone together to get the work done."

This set of reforms is also aimed at reducing overall impoundments by giving residents more opportunities for redemptions through changes like a 24-hour extension for booted cars and payment plans that are accessible at every point in the process.

"As someone who has been working on these issues on the ground with the community and having sponsored legislation, I am excited to see real action being taken," said 36th Ward Alderman Gilbert Villegas. "Mayor Lightfoot understands the detrimental impact this



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broken system has Chicago's families. I look forward to working with the Mayor and my colleagues to create a more fair system."

Other major U.S. cities that have implemented similar measures to reform payment plans and curb driver's license suspension, including San Francisco and Phoenix, have actually seen an increase in revenues generated by non-delinquent collections since reducing or revising their systems of fines and fees. The City of Chicago currently uses revenues raised by fines and fees as one of the ways to fund maintenance of the City's roads and viaducts and other critical infrastructure needs.

"I applaud Mayor Lightfoot for joining the effort to reduce regressive ticketing and collections. Unpaid debt should never prevent people from driving, working or living their lives," said IL Senator Omar Aquino, 2nd District. "This is an important step toward ending aggressive ticketing and collections, especially the suspension of driver's licenses over unpaid debt."

"I'm pleased to have the support of Chicago's Mayor on this pressing issue for our state," said State Representative Carol Ammons, 103rd District. "Illinois is one of very few states to suspend licenses over unpaid parking and compliance ticket debt. This is an important step forward for Illinois, and I look forward to working with the Mayor to pass the License to Work Act during the fall veto session and end license suspension for non-driving violations statewide."

"Mayor Lightfoot's proposed ordinance reflects a commitment to serious and meaningful reform, and her willingness to listen to the community and engage with advocates was a key factor in developing a plan that will bring positive change, said Lisa Foster, Co-Director, Fines & Fees Justice Center. "The City's support for the License to Work Bill, the willingness to end driver's license suspensions for non-payment, and the proposed reforms to the City Sticker program and payment plans are giant steps forward on the long road to dismantling a system that harms residents."

"Mayor Lightfoot's commitment to support the License to Work Act is a long-awaited, strong first step in transforming Chicago's inequitable vehicle ticketing system," said Eric Halvorson of Chicago Jobs Council who leads the Transit Table. "For years, the Transit Table advocates have sought an end to the practice of driver's license suspension as a way to penalize those who cannot pay expensive non-driving tickets. Today's announcement marks a significant victory, and we will continue to push for equity across all Chicago's fines, fees, and debt collection practices."

Under Mayor Lightfoot's leadership, the city will continue to conduct internal reviews to both look for new areas of improvement in compliance, and to ensure the outcomes of the reforms meet their intended goals. The proposed measures will be introduced this week, and if approved, will be implemented upon passage by the City Council.

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