ASSET PRESERVATION STRATEGIES

How Fines and Fees Strip Wealth from Low-Income Communities

JUNE 19, 2017
1:00PM EASTERN
WEBINAR CONTROL PANEL

PARTicipate

During the presentation – Type your question in the QUESTIONS BOX to be addressed during discussion breaks or during Q/A
Asset Funders Network (AFN) is a membership organization of national, regional, & community-based foundations and grantmakers.

advancing economic opportunity and prosperity for low and moderate income people through philanthropy.
AFN EMPOWERS foundations and grantmakers to leverage their resources to make more effective and strategic funding decisions, allowing each dollar invested to have greater impact.
DISCUSSION AGENDA

➢ WELCOME

MONA MASRI
ASSET FUNDERS NETWORK

➢ ENDING THE DEBT TRAP: STRATEGIES TO STOP THE ABUSE OF COURT IMPOSED FINES AND FEES

ALEXANDRA BASTIEN
SENIOR PROGRAM ASSOCIATE
POLICYLINK

➢ LEADING BY EXAMPLE: CITY OF SAN FRANCISCO

ANNE STUHLTREHER
DIRECTOR OF FINANCIAL JUSTICE, OFFICE OF THE TREASURER CITY AND COUNTY OF SAN FRANCISCO

➢ PHILANTHROPIC PERSPECTIVE

JOSÉ GARCÍA
PROGRAM OFFICER, INCLUSIVE ECONOMIES
FORD FOUNDATION

➢ MODERATED Q/A

Asset Funders Network
INTRODUCTIONS

MONA MASRI
WEST COAST REGIONAL PROGRAM MANAGER
ASSET FUNDERS NETWORK

ALEXANDRA BASTIEN
SENIOR PROGRAM ASSOCIATE
POLICYLINK

ANNE STUHLREHER
DIRECTOR OF FINANCIAL JUSTICE
OFFICE OF THE TREASURER
CITY AND COUNTY OF SAN FRANCISCO

JOSÉ GARCÍA
PROGRAM OFFICER
INCLUSIVE ECONOMIES
FORD FOUNDATION
Ending the Debt Trap: Strategies to Stop the Abuse of Court Imposed Fines and Fees

Alexandra Bastien
Road Map

• Criminalization of Poverty

• Impact on Low-Income People & People of Color

• Impact on Youth & Families

• Ineffective Revenue Strategy

• What States and Cities Can Do

• What You can Do

Fines are, technically, punishment. In other words, you trespass, therefore, you are fined $100. The fees are the way that the criminal system maintains itself...

Those fees are really taxes.....I would locate fines and fees as part of that sort of vicious cycle, a regressive burden imposed on individuals who come into contact with the criminal system.

PROFESSOR ALEXANDRA NATAPOFF
LOYOLA LAW SCHOOL, LOS ANGELES
Impact on Low Income People

• Average post-incarceration debt is approximately $13,000.

• Accumulated debt follows people over time

• Can be subject to wage garnishment

• “Ban the Box” does not affect what appears on credit checks
Impact on People of Color

Cities with High Proportions of African Americans Rely More Heavily on Revenues from Fines and Fees

Average Proportion of the Population That is African American

<table>
<thead>
<tr>
<th>% of Revenues from Fines and Forfeitures</th>
<th>Average Proportion of the Population That is African American</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-1%</td>
<td>8.7%</td>
</tr>
<tr>
<td>1-2%</td>
<td>12.2%</td>
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<tr>
<td>2-3%</td>
<td>12.3%</td>
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<tr>
<td>3-4%</td>
<td>14.5%</td>
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<tr>
<td>4-5%</td>
<td>16.3%</td>
</tr>
<tr>
<td>5-10%</td>
<td>15.7%</td>
</tr>
<tr>
<td>10%+</td>
<td>25.9%</td>
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</table>
Impact on Youth & their Families

- Unpaid court debt can follow into adulthood
- Turned into civil judgement at 18
- 29 states require parents pay some portion
- African American youth most vulnerable, paying up to twice as much than white youth
<table>
<thead>
<tr>
<th>What states can do</th>
<th>What cities &amp; counties can do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cease Warrant Issuance for Unpaid Debt - Ohio</td>
<td>Prohibit Warrants and Jail Time for Unpaid Fees - Leon County, Florida</td>
</tr>
<tr>
<td>Require “Ability-to-Pay” Hearings for All Defendants - Colorado &amp; Michigan</td>
<td>Provide Relief for Indigent Defendants - Montgomery, Alabama</td>
</tr>
<tr>
<td>Eliminate Debt for Juveniles - Washington</td>
<td>Provide Free Public Defender Services for Debt Hearings - Montgomery, Alabama, &amp; Biloxi, MS</td>
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<tr>
<td>Enact Amnesty Periods - California</td>
<td>Eliminate Private Collection Services for Court Debt - Biloxi, Mississippi</td>
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<tr>
<td>In 2015, Governor Jerry Brown instituted an 18-month traffic ticket amnesty program</td>
<td>Connect Indigent Defendants to Workforce Development Programs - Suffolk County, Massachusetts</td>
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Recommendations

• Define the Scope of the Problem

• Analysis: Ensure Fairness and Proportionality

• Restore Financial Security
  o Connect indigent defendants to financial coaching
  o Provide restitution
Resources & Contact Info

Alexandra Bastien  
Alexandra@policylink.org  |  www.Policylink.org
Anne Stuhldreher

Director of Financial Justice
Office of the Treasurer for the City and County of San Francisco
The Financial Justice Project

A first-in-the-nation citywide effort to alleviate the inequitable burden of financial penalties on struggling San Franciscans.

Our goal:
Assess and reform how fines, fees, and financial penalties impact struggling San Franciscans.

• Build our understanding of the problem and potential solutions.
• Advance reforms that work for San Franciscans, the City, and our community.
• Tell the real life stories of how people suffer from financial injustice.
• Share our financial justice agenda for San Francisco with others.
Top Lessons

- Fines and fees are spreading when people can least afford them.
- Steep fines and fees that are beyond people’s ability to pay can dig people into financial holes.
- Steep fines and fees can be “high pain” and “low gain” and a lose-lose for citizens and government.
- Solutions exist that work for both government and citizens.

We are not advocating to get rid of consequences, but the consequence should fit the offense, and not hit the poor or people of color harder.
Policy Areas for Reform

San Francisco Fines and Fees

- Ability to Pay
- Child Support Debt
- Transportation Fines/Fees
- Quality of Life Citations
- Driver’s License Suspensions
- Bail
# Solution: Ability To Pay and Proportional Consequences

<table>
<thead>
<tr>
<th>Population</th>
<th>Proportional Consequence</th>
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</thead>
<tbody>
<tr>
<td>Get help. Fine resolved if person receives X hours of help (counseling, addiction services, health services, etc.)</td>
<td>Perform community service</td>
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<tr>
<td>Fine payment based on ability to pay. Payment plan offered.</td>
<td>Regular fine</td>
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<tr>
<td>Youth under 18</td>
<td></td>
</tr>
<tr>
<td>People struggling with homelessness</td>
<td></td>
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<tr>
<td>Very low-income</td>
<td></td>
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<tr>
<td>Working Poor</td>
<td></td>
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<tr>
<td>Middle-income</td>
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<tr>
<td>Upper-income</td>
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*Draft as of July 5, 2017*
Reports & Media Coverage

@FairFinesFees

WEBSITE: sftreasurer.org/financialjustice
FUNDER PERSPECTIVE

JOSÉ GARCÍA
PROGRAM OFFICER, INCLUSIVE ECONOMIES
FORD FOUNDATION
WHAT’S DRIVING INEQUALITY

We have identified five underlying drivers of inequality—common factors that, worldwide, contribute to inequality’s many manifestations.

- ENTRENCHED CULTURAL NARRATIVES that undermine fairness, tolerance, and inclusion
- FAILURE TO INVEST IN AND PROTECT VITAL PUBLIC GOODS such as education and natural resources
- UNFAIR RULES OF THE ECONOMY that magnify unequal opportunity and outcomes
- UNEQUAL ACCESS TO GOVERNMENT decision making and resources
- PERSISTENT PREJUDICE AND DISCRIMINATION against women, people with disabilities and racial, ethnic, and caste minorities
QUESTIONS & DISCUSSION

MONA MASRI
ASSET FUNDERS NETWORK

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OFFICE OF THE TREASURER
CITY AND COUNTY OF SAN FRANCISCO

JOSÉ GARCÍA
FORD FOUNDATION

QUESTIONS
Click the QUESTIONS box to share a question for the presenters.
Thank you for attending today’s Asset Funders Network presentation

PLEASE FILL OUT OUR SURVEY

The survey will pop up on your screen momentarily and will also be sent to you via email

WE VALUE YOUR TIME, AND YOUR RESPONSES WILL INFORM OUR FUTURE PLANNING
THE WEBINAR HAS CONCLUDED