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THE CONSEQUENCES OF A BROKEN REVENUE SYSTEM: Relying on Fines and Fees is Harming Florida's Clerks of Courts

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EXECUTIVE SUMMARY

The collection of court fines and fees, which fluctuates with economic disruptions, natural disasters, and policy changes at other state agencies, is an unstable revenue source for Florida's clerks of courts. Furthermore, the state's use of driver's license suspension as a compliance tool has created barriers to economic mobility and stable employment for Floridians with low income.

Florida Policy Institute (FPI) analyzed the annual budgets of Florida's clerks of courts and county-level data on both driver's license suspensions and fines and fees collections, and found that:

- Revenue from fines and fees has been on a downward trend for the past decade, particularly between (CFY) 2013-14 and CFY 2017-18, when clerks' budgets saw a $63 million cut.

- Fines and fees from traffic citations are the largest revenue stream for the clerks of courts, and a large portion of criminal case expenditures are funded through traffic collections and filing costs.

- Driver's license suspension is an ineffective method of enforcement, with the latest data showing an only 20 percent collections rate statewide. Furthermore, driver's license suspension disproportionately impacts Black and Brown communities.

The report recommends implementing long-term revenue-raising solutions, such as closing corporate tax loopholes and modernizing enforcement of online sales tax collection, to provide alternative sources of revenue to fund clerks of courts' budgets; FPI also recommends eliminating driver's license suspension as an enforcement tool and standardizing payment plan options, which vary greatly across counties.

INTRODUCTION

Throughout the U.S., revenue collected from court fines and fees partially fund various government agencies. Though this practice has been around for decades, recent events—such as the Department of Justice's investigation into the Ferguson Police Department in the wake of the riots that erupted after the horrific death of Michael Brown—have laid bare the perverseness of fines and fees in government.

Despite the oppressive nature of fines and fees and the rising national call for reform, many states are still reluctant to pursue significant changes, mainly due to the budget deficit that would ensue if they were to be greatly reduced or eliminated. Such is the story in Florida, where fines and fees overwhelmingly fund the clerks of courts and contribute significantly to several other state trust funds. As a result, a successful approach to tackling the prominence of fines and fees in Florida's criminal justice system needs to include ways to address and meet the shortfalls in revenue. Court fines and fees should not and cannot be the main revenue source for essential government operations.

This report will explore how court fines and fees as the main revenue source for vital government operations are an unsustainable funding model. Florida Policy Institute will: 1) provide a comprehensive overview of the clerks of courts funding model, 2) illustrate how the current funding model is broken and has harmful implications for Floridians, and 3) propose and discuss other sources of revenue that can be raised to render Florida's clerks of courts less dependent on fines and fees.

THE CLERKS OF COURTS' FUNDING MODEL

The 67 clerks of courts in Florida collect fines and fees from traffic citations, civil and criminal cases, and filing costs to fund court-related services. Fines are the cost paid for an offense as a punishment, and fees are the additional charges levied to assist government operations. Traffic citations can either be civil or criminal. Civil traffic citations include infractions that are not punishable by arrest or right to trial, such as failure to wear a seat belt or improper parking. Criminal traffic citations are classified as misdemeanor offenses and can lead to arrest—for example, driving under the influence or fleeing the scene of an accident with property damage. Clerks of courts collect funds for filling costs and fees for a vast array of county and circuit court services such as foreclosures, eviction notice filings, and civil claims. For example, Miami-Dade County's clerks oversee roughly 79 different court-function services and 26 service charges for the city and court functions.

Although the revenue collected comes from a variety of sources, Florida's clerks of courts' budgets largely rely on revenue from traffic citations to perform constitutionally-mandated duties and tasks. Criminal cases are typically more complex, expensive, and longer in duration than civil cases and traffic. Additionally, the collection of civil traffic citations and filing costs are used to cover the expenses related to criminal cases. Notably, in County Fiscal Year (CFY) 2016-17—which began October 1, 2016, and ended September 30, 2017—actual revenue from criminal cases funded 42 percent of their expenditures, with the remaining 58 percent being covered by traffic collections and filing costs.

Clerks and circuit courts' budgets did not always depend on revenue collected through fines and fees nor were they historically controlled by the state. Before Florida voters approved Revision 7 in 1998, the state court system was funded by the counties. Revision 7—a five-part amendment to Article V that was fully implemented in fiscal year (FY) 2004-05—included language around judicial selection and retention, and terms limits of county judges. Paramount to the clerks' funding model, Revision 7 also shifted funding from the "county only" framework to "county and state," in which court-related services are funded by fines and fees.

THE INTENDED AND UNINTENDED IMPACT OF REVISION 7

The most fundamental goal of Revision 7 was to create a uniform funding model in order to promote equity, efficiency, and accountability. The county funding model had birthed an inequitable system in which smaller circuits and counties, due to their size, often struggled to sufficiently cover their operations, while larger circuits inherently received more funding. Consequently, it was believed that such disparities in funding stifled efficiency, and that this would be reversed by a change in funding structure.

However, Revision 7's benefits came with a heavy cost—the measure helped create a system that is too dependent on court fines and fees and where any significant disruption in fees and fines assessments and collections are eventually felt by the clerks and their operations. The latter has yielded a dilemma where the clerks are constantly facing budget gaps and instability.

Major Changes Since Revision 7

Even with the shift in funding structure, clerks still maintained a level of autonomy over their budgets that was unapparelled to other state entities.For instance, they were allowed to directly use revenue to fund their court-related services, such as case management, court preparation and attendance, and processing appeals, without any legislative oversight However, in 2009, the state passed legislation that would bring the clerks' budget into the state appropriations process, which produced heightened requirements for fiscal accountability and legislative oversight. The law also created the Florida Clerks of Courts Operations Corporation (CCOC) to provide budget-related support for all the clerks. Per statutes, CCOC's role includes: 1) making recommendations to the Legislature on court-related budgetary needs and activities, and 2) reviewing, verifying, and approving all of the clerks' budgets.

Furthermore, that law also designated the amount of the collected revenue to be used by the clerks of courts. Although they have the authority to collect revenue, the amount collected, depending on the type of fines, is distributed to various trust funds and government agencies.
For example, a traffic citation for going six to nine miles per hour over the speed limit has at least 15 statutory base fees that amount to $123, and a $25 base fine that is distributed across 14 state trust funds and departments. It is a similar default for a criminal traffic infraction. For example, revenue collected from a second-degree traffic misdemeanor is distributed to at least nine state trust funds, including the crime prevention trust fund, crime stoppers trust fund, juvenile justice trust fund, child welfare trust fund, and more. In CFY 2017–18, the revenue collected by the clerks of courts was distributed to 38 state trust funds for a total of $93.8 million.

BUDGETING PROCESS

To fully understand the budgetary challenges clerks face, it is important to explain the current budgeting process. Clerks' budgets are not based on need, but on revenue estimate projections from the Office of Economic and Demographic Research's Revenue Estimating Conference (REC), which produces revenue estimates several times throughout the fiscal year. (See Fig. 1 for a budget cycle flowchart.)

Figure 1. CLERKS OF COURTS' ANNUAL BUDGET PROCESS

Revenue Estimating Conference gives a revenue projection

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All 67 clerks submit their budget requests to CCOC

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CCOC executive council reviews recommendation and allows for additional input from clerks

↓

CCOC budget committee reviews and approves, and sends a recommendation to CCOC executive council

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Clerks draft their operational budgets

↓

CCOC executive council approves budget requests

Adapted from: Florida Clerks of Court Operations Corporation, "County Fiscal Year 2017-18 Annual Report," Appendix 3, https://flccoc.org/wp-content/uploads/2019/01/CCOC-CFY-2017-18-Annual-Report.pdf.

A BROKEN FUNDING MODEL

Despite having multiple revenue streams and legislative oversight, clerks' budgets continue to experience severe ups and downs. The urgent need for reliable and sufficient funding has loomed over county clerks for the past few years because their budget heavily depends on an unstable revenue system. In its annual reports, the CCOC referred to their funding structure as "broken." The revenue sources that largely finance the clerks failed to meet various key principles of a high-quality and effective revenue system such as stability, sufficiency, and fairness.

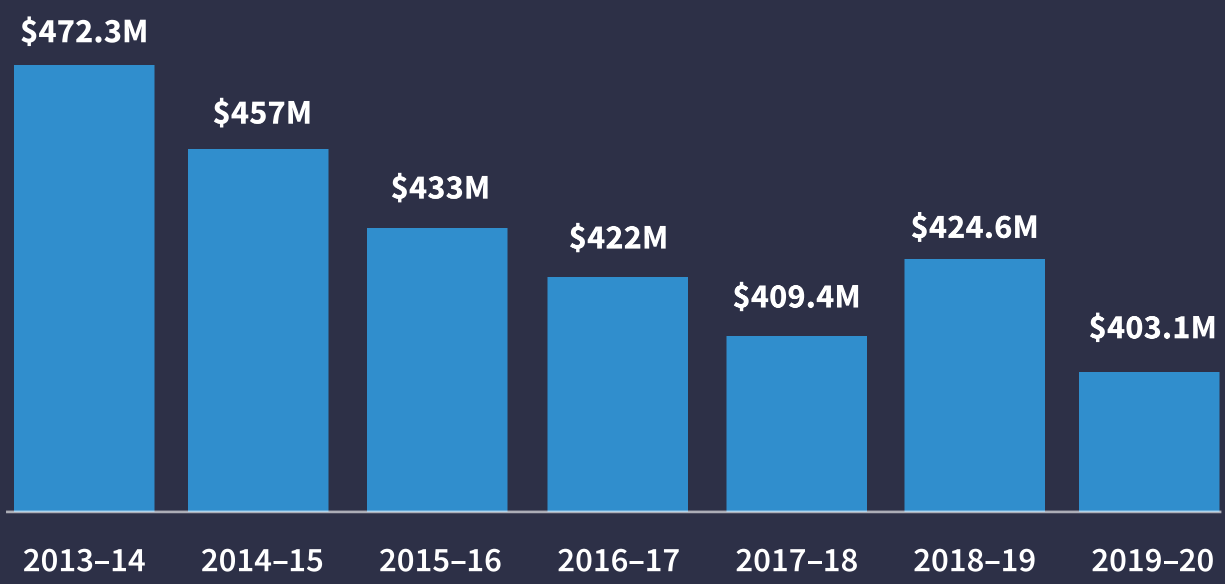
Revenue Collections are Unstable

Clerks operate on a month-by-month finance cycle, meaning that the revenue county clerks collect for the current month is used to fund court-related services for the following month. That revenue system is woefully unstable. A good revenue system must provide a level of consistency in collections over time, without being susceptible to unpredictable changes. Data on annual collections, revenue projections, and response to economic shifts show just how unreliable the clerks' revenue model is.

As mentioned earlier, clerks rely on the REC for revenue collection projections to set their budgets. For approximately 10 years, revenue has been on a downward trend; specifically, from CFY 2013-14 to CFY 2017-18, revenue fell from $472 million to $409 million, and continued to drop through CFY 2017-18. (See Fig. 2.) As a result, from CFY 2014-15 to CFY 2016-17, clerks of courts had to make mid-year reductions to their budgets. Meanwhile, clerks of courts' operational needs continue to increase as Florida's population rises, administrative mandates increase, and other policy changes create new demands.

Figure 2. FINES AND FEES COLLECTIONS HAVE STEADILY DECLINED IN FLORIDA

Clerks of courts' revenue, CFY 2013-14 to CFY 2019-20



Source: Florida Clerks of Court Operations Corporation, "County Fiscal Year 2017-18 Annual Report," https://flccoc.org/wp-content/uploads/2019/01/CCOC-CFY-2017-18-Annual-Report.pdf.

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Revenue collections change with unrelated policy changes, economic disruptions, and natural disasters. Those changes have often demanded the intervention of local or state government and carry massive implications for staff and the public at large.

Revenue Collections are Susceptible to Policy Changes Within Other Agencies

The clerks of courts' revenue system fluctuates with policy changes of other state agencies. A primary example of this is when a series of policies that emerged at the Florida Department of Transportation (FDOT) modified the penalties for toll violations. In Florida, tolls are required to be paid by those who drive through them; and as a means of enforcing payment and deterring malicious violation, the Legislature passed a bill (HB 985) in 2007 that imposed various punishments, including traffic citations, added fines and fees, and even the assessment of points on driver's licenses for people who failed to pay tolls. Often, those with a toll violation failed to pay because they did not receive their citation on time or did not receive it at all due to non-updated mailing addresses or technological lapses. Those changes in the law enhanced punishment for many who were affected by notification failure.

Meanwhile, that policy change greatly benefited the clerks of courts because they were the entity that collected those citation payments and received a designated portion of those funds. Payments from toll violation citations were a modest revenue stream for the clerks of courts.

Those financial benefits did not last long. In 2010, the Legislature requested that FDOT, through its rulemaking authority, explore and implement new technological measures for toll collections, and amended statutes to eliminate some of the penalties the 2007 law authorized. Heeding the Legislature's directives, FDOT improved its operations and instituted alternative measures that would preempt a traditional citation and added fines and fees, but increased collections for toll violation. With an improved toll-per-plate system, FDOT allowed expressway enterprises to first mail out a bill containing the amount of the unpaid toll and the deadline to pay, instead of issuing a citation as the first notification. Payments could be made directly to the highway authority that issued the bill. This new rule brought serious financial ramifications for the clerks of courts, as it essentially removed them from the collection process of those funds. This, in turn, weakened the clerks' budgets.

Revenue Collections Respond Sharply to Natural Disasters

Revenue collections are highly affected by natural disasters, like hurricanes. Florida is the most hurricane-prone location in the U.S. Therefore, hurricanes often gravely affect the expenditures, revenue, and fiscal decisions of certain governmental agencies. However, for the clerks of courts, seasonal hurricanes arguably have more sizable and immediate fiscal ramifications compared to other non-disaster focused departments. When category-4 Hurricane Irma hit the southeast and west regions of the state in 2017 and left historic devastation in its wake, clerks of courts' revenue collections quickly weakened. Many Floridians who lived in the impacted areas became unemployed and lost their housing and personal belongings, which significantly impeded their ability to make payments. In a three-month timeframe, the revenue collected came in at 10 percent less than what was projected and created a $10.7 million hole in the clerks' budget and the possibility of mid-year budget reductions.

Revenue Collections are Hyper-Sensitive to Economic Disruptions

The revenue, which clerks use primarily for financing their court-related services, is strongly influenced by economic crises. In 2008, as the nation was dealing with the financial blows of the Great Recession, the clerks of courts' budget experienced unprecedented fiscal turmoil. In the first year of the recession alone, there was a $38 million budget cut due to falling traffic citation revenue. A more pointed and ongoing illustration of this phenomenon was during the peak of the COVID-19 pandemic, as the state's economy shut down with a statewide stay-at-home mandate. Since Floridians were staying at home, that meant significantly fewer traffic citations were being issued, and fewer fines and fees being collected. From March 2020 to June 2020, the number of traffic tickets declined by 20,000 a week; a roughly 40 percent decrease. Further, the state moratorium on evictions and foreclosures resulted in a decline in filing costs. The steep drop in traffic citations and filing fees led to historic budget cuts; additionally, it exposed the inherent flaws of the clerks of courts' funding model and put on full display how the clerks of courts' operations, staff, and public safety end up being the collateral damage of a broken revenue system.

As a result of the pandemic, during the last quarter of CFY 2019-20, the CCOC administered cuts of roughly $59 million statewide from court-related services, and it is projected to continue with reductions for the upcoming fiscal year. That massive budget deficit translated into a budget freeze, case backlog, delayed services, and temporary office closure. Clerks' offices statewide projected that 57 percent of their staff would receive a pay cut; additionally, 2 percent of staff were permanently laid off and 74 percent temporarily laid off. Clerks' offices throughout the state were forced to leave vacant 8 percent of their open positions for CFY 2019-20. For others, those changes in budgets also meant changes in their workplace. In an attempt to retain their employees, some clerks initiated transfers of staff to other county jobs. For example, the Martin County Clerk of Court transferred 15 of its employees to other county jobs. The Polk County Clerk of Court took on all three options: 20 employees were laid off, 200 furloughed, and others transferred.

Flattened revenue collections have also affected local government budgets. Several local governments had to intervene by providing additional funding assistance to their local clerks despite the fact that court-related services are funded by the state through fines, fees, and filing costs. That type of financial bailout posed additional burdens on already-strained local government budgets, which were having to adjust from the loss of revenue due to the closing of small businesses and the financial impact from declining tourism. A survey conducted by the CCOC revealed that 15 of the state's 67 clerks were able to receive additional funding from their local government. Notably, the Palm Beach County Clerk of Court was granted a $4 million loan by the county, and Dade and Hillsborough county's clerks of courts received $4 million and $2.5 million, respectively.

The drop in traffic and filing collections revenue for the clerks due to the COVID-19 pandemic has critical implications for the general public. With deep budget cuts, reduced staff, and limited services, clerks are having to navigate an uncharted territory that is filled with backlogs and logistical and staffing constraints. Managing increasing demands with reduced capacity has resulted in an immense backlog of criminal and civil cases. For the general public, services were delayed or unavailable, and processing times were lengthened. The CCOC projected that 17 percent of county clerks would have to close their branch office temporarily or close their entire office for one or two days a week. Floridians undoubtedly bore the brunt of those actions, as they infringed on their quality of life and business decisions like marriage licenses and civil claims. A decrease in the revenue that fund court-related services also placed clerks, who are elected officials, in a precarious situation. They are struggling to uphold their commitments of "high quality" and "better service" they have made to their constituents while learning to adjust and protect the integrity of their work against what is beyond their control.

Revenue Collections are Insufficient

A fundamental component of a smart and effective revenue system is sufficiency. The clerks of courts' funding model is built upon revenue collections that have been consistently inadequate to cover budgeted expenditures. Presently, the budget to support court-related services is lower than what was budgeted 15 years ago. While this is due to the sustained effects of COVID-19, the clerks' statewide budget has been chronically underfunded, with mid-year reductions and legislative bailouts frequent occurrences since 2008. Between CFY 2013-14 and CFY 2017-18, clerks' budgets had been cut $63 million.

In CFY 2017-18, the clerks experienced some relief. Though their budgets were still reduced (by $48 million), it was the first time since 2008 that the clerks finally collected enough revenue to fund services and not have a budget shortfall. That fiscal stability persisted into CFY 2018-19. Two things contributed to that relief: one was the Legislature's allocation of $19.6 million in additional funds, and the second factor was the significant rise in filing costs and traffic citations. Current circumstances have essentially reversed all progress—both filing costs and traffic citations have tanked—and without any legislative intervention, clerks are on track to inherit more years of fiscal deficit. Projections made by the clerks of the court budget committee in September 2020 set the clerks' revenue shortage at $38 million for CFY 2020-21, which began on October 1, 2020.

THE REVENUE SYSTEM DOES NOT ENSURE FAIRNESS

Insufficient Revenue Has Led to Harmful Collection Compliance Measures

Fines and fees from traffic citations are the largest revenue stream for the clerks. As stated throughout this brief, revenue fro m civil cases—specifically traffic citations—are used to fund the entire clerks' offices. In order to enforce collection of fines and fees, clerks rely on driver's license suspension.

For years, clerks have relied on driver's license suspensions for failure to pay civil and criminal traffic fines as a collection compliance measure. Although the practice was largely intended to encourage timely payments, driver's license suspension for unpaid court debt has shown to be acutely damaging to those who do not have the ability to pay, and it ultimately has negative ripple effects on the state's workforce. As of 2019, there were roughly 2 million

Floridians with suspended driver's licenses because they failed to pay their court-imposed financial obligation. Most of the driver's license suspensions in Florida are for nonpayment of court-imposed debt, not for reckless driving. Moreover, from 2015-2017, Florida Highway Safety Motor Vehicle (FLHSMV) issued more than 3.5 million notices of suspension.

Presently, a driver with either a civil or criminal traffic citation has 30 days to pay for that violation. Florida's statutes authorize the clerks of courts to notify the Florida Department of Highway Safety and Motor Vehicles (FLHSMV) of the failure and a $25 delinquency fee is added. FLHSMV is required to issue and mail out a notice of driver's license suspension, and the driver has 20 days from the time of mailing to make a payment and avert the suspension. Failure to act within that 20-day period will result in a driver's license suspension.

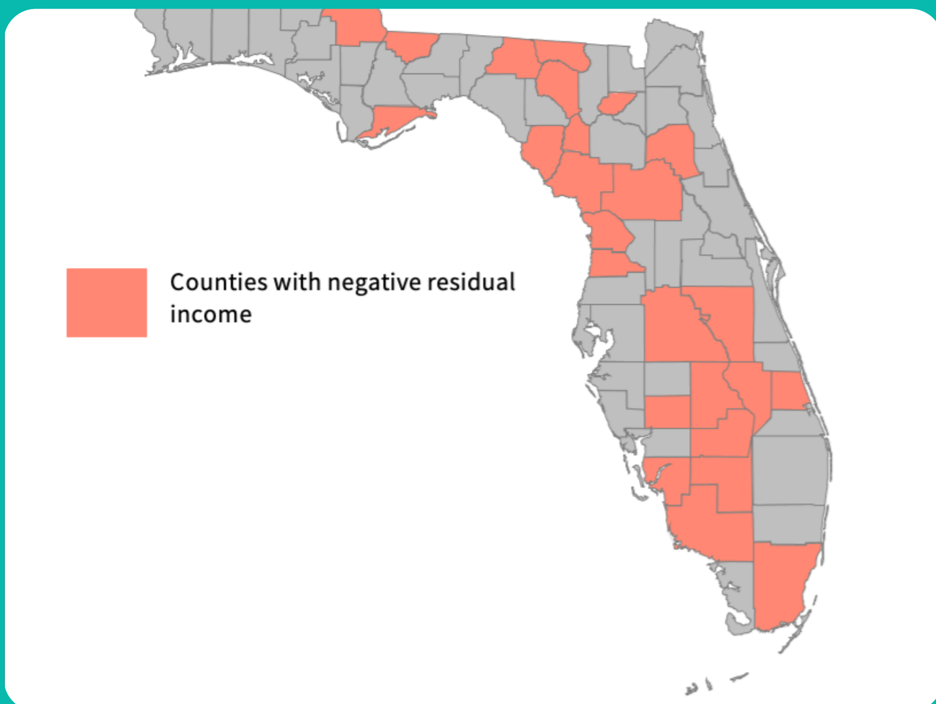
Floridians With Low-Income and People of Color Pay the Heftiest Price

A study by the Fines and Fees Justice Center has revealed that driver's license suspension rates are highest in impoverished areas and communities with a large population of Black and Brown Floridians. Illustratively, Black people are disproportionately affected; on average, their driver's licenses are suspended at 1.5 times the rate of their representation in the state's general population.

While driver's license suspension may incentivize payment for individuals with the means to pay, it is harmful for those who are paid low wages and do not have the ability to make payments. For the people who do not have the means to pay, driver's license suspensions do not yield compliance; on the contrary, they are often the onset of financial turmoil and growing debt. To illustrate, an analysis of driver's license suspension for unpaid traffic citations in Florida counties where families had negative annual residual income revealed that three out of every five notice of license suspensions issued had gone into effect in those counties. (See Figure 3.) Moreover, these suspensions typically last for more than two years. In 2018, 25 counties in Florida averaged a negative residual income, which means that a family of four had no income left over after paying for typical living expenses, or their living expenses far exceeded their earned income.

Suspending driver's licenses as a means to enforce revenue collections for court-related services is ineffective. Even more alarming, that practice severely limits economic

Figure 3. IN COUNTIES WITH NEGATIVE RESIDUAL INCOME, DRIVER'S LICENSES WERE SUSPENDED 60% OF THE TIME THAT A NOTICE OF SUSPENSION WAS ISSUED (2018)



Source: FPI analysis of driver's license suspension in counties with negative residual income (as determined by MIT's Living Wage Calculator).

opportunities for already cash-strapped individuals in several ways. First, it pushes them into amassing more debt by forwarding their dues to private collections agencies. Florida's statutes allow these agencies to impose a surcharge of up to 40 percent of the total amount owed. In CFY 2018-19, there were a total of 111 contracts distributed among 10 collections companies statewide, and they received accounts that totaled $353.9 million. Out of that amount sent to collections agencies, only $69 million, or 20 percent, was collected. That low collection rate was not unique to CFY 2018-19; a similar trend prevailed in CFY 2016-17 and CFY 2017–18, with total collections received only amounting to 17 percent and 23 percent, respectively. These numbers provide strong evidence of how ineffective driver's license suspension is as a collection reinforcement.

Driver's License Suspension Severely Limits Economic Opportunities for Financially Struggling Floridians

With suspended driver's licenses, Floridians who are unable to pay their court debt face enormous challenges, such as limited means of transportation to work and even exclusion from some workforce opportunities. Due to the fractured nature of the state public transit infrastructure, almost 90 percent of Floridians rely on private vehicles to commute to and from work, making a valid driver's license indispensable. Those who are without a license and depend on public transportation often experience unemployment due to their inability to get to work on time, or they are forced to explore and use other alternatives such as taxis or rideshares, which are costly. Moreover, an increasing number of jobs require a valid driver's license as a qualification, creating a barrier for many Floridians with court debt from entering the workforce or securing higher wage opportunities.

In both instances, risk of unemployment and exclusion from the labor market have implications for the state's overall economic growth. Mainly, they affect Florida's unemployment rate and lead to losses in sales tax revenue due to the diminished purchasing power of those who are unable to work because of a suspended driver's license. Driver's license suspension as a compliance tool comes with more substantial harm than benefits. It saddles low-income individuals

BY THE NUMBERS: DRIVER'S LICENSE SUSPENSION IS AN INEFFECTIVE ENFORCEMENT MEASURE

2 Million

Number of Floridians whose driver's license was suspended for non-payment

1 in 5

How many dollars agencies actually collect in fines and fees debt

1.5

The rate that Black Floridians' licenses are suspended compared to the rate of their representation in the state's general population

13

Number of states that are moving away from driver's suspension as a punishment for unpaid court fines and fees

Sources: Fines and Fees Justice Center, "Driving on Empty" and "Introducing Senate Bill 386/House Bill 557: an end to Florida's counterproductive license suspension laws." *See methodology for full citation.*

with debt, impacts their credit, puts their employment at risk, and pushes them out of the workforce altogether.

POLICY RECOMMENDATIONS

Reform the Budget Model for Florida's Clerks of Courts

The most potent change would be a restructuring of the clerks' funding formula. To achieve this, the Legislature needs to shift the funding model to be reliant on revenue streams that are reliable, sufficient, and fair. A recommendation that espouses all these criteria is an alternative source of funding that is independent of fines and fees collections.

A common response from lawmakers in discussions about a new funding stream is that there is a lack of revenue. For example, in the latest effort to eliminate driver's license suspension for unpaid court fines and fees because of its disproportionate impact on low-income individuals, opponents claimed that said reform would result in between $18 million to $33 million in lost revenue for county clerks. That concern can be mitigated with alternative revenue-raising options. Restructuring the clerks' revenue system and stopping the use of driver's license suspension is feasible if the state explores additional revenue-generating strategies.

There are several ways the state can shore up new revenue. A Florida Policy Institute report outlines 21 different revenue proposals that would aid Florida in raising roughly $4.5 billion. The recommendations fall under three broad categories, including closing corporate loopholes, modernizing the sales tax, and revisiting revenue-raising strategies that Florida had previously adopted. An example of updating sales tax policies to 21st-century standards is applying the sales tax on purchases from online marketplaces and out-of-state online purchases.

Presently, Florida levies 6-percent sales and use tax on the sale or rental of most goods and services. Those taxes are collected at the time of purchase, and sellers are required to remit them to the Department of Revenue. However, for marketplace providers and out-of-state retailers with no physical presence in the state, the sales tax on taxable goods delivered in Florida is not collected and remitted to the Department of Revenue. Only seven U.S. states, including Florida, do not require sales tax collections on online marketplaces.

This revenue-raising proposal can potentially bring in $776 million in new revenue. This is just one example of a more stable revenue source that could be used to support county clerks. Reforming the revenue system for the clerks of courts is imperative, especially at a time when both the state and the clerks of courts are projected to undergo major budget shortfalls well into FY 2021-22. Instead of continuing revenue collection practices like driver's license suspension, which has proven to be more detrimental than effective, Florida's Legislature can enact changes that can significantly alleviate the clerks of court's persisting budget concerns, and allow clerks to fulfill their duties to the communities they serve.

Eliminate Driver's License Suspension for Unpaid Court Debt

The Florida Legislature can pass legislation that would end debt-based driver's license suspension for civil and criminal traffic citations. As stated earlier, driver's license suspension as a compliance tool is counterproductive. There are other methods that would promote accountability without the detrimental effects of license suspensions. For example, allowing clerks to waive, modify, or convert outstanding fines and fees to community service. Thirteen states and DC have adopted new policies that allowed them to move away from driver's license suspension as a punishment for unpaid court fines and fees. For example, in 2018, Texas revoked its Driver Responsibility Program, which permitted driver's license suspensions for failure to pay up to $2,000 in annual surcharges that are added to traffic fines. That revenue funded the state's trauma care system. The enacted policy changed the funding model of the trauma hospitals by instituting an alternative and reliant source of revenue. Consequently, the hospitals lauded the change for its stability. Another example is Mississippi's passage of the Criminal Justice Reform Act in 2019 that ended driver's license suspension for failure to pay fines and fees for traffic, misdemeanors, or felony offenses.

Florida can join the list of states that have enacted reforms. Ending this practice and implementing a more effective compliance practice would bring relief to millions of low-income families who have been trapped in a cycle of debt, and whose daily routines have been gravely impacted by a suspended driver's license.

Implement Uniform Payment Plan Options

Policymakers can alleviate the economic burden of court fines and fees on individuals by enacting measures that would standardize payment plans and account for the financial circumstances of individuals. Clerks could, for example, require that a payment plan amount is based on 2 percent of monthly income or $10/month. This would help those with limited financial means to incrementally pay their court fines and fees over time and avoid facing driver's license suspensions.

Florida clerks currently offer payment plans; however, that practice varies widely across counties. Many of those payment plans are unaffordable because they require a sizable down payment or additional fees for each payment installation. For example, under Florida statutes, clerks have the choice of charging two types of administrative fees for payment plans, a one-time $25 fee, or $5 per month. Some clerks use a combination of the two. To illustrate further, a person who owes $400 in court debt and is on a four-month payment plan may end up paying $425, $420, or $445, depending on the county.

These glaring variations in payment plan structure among the counties have created barriers to access, which eroded the impetus for a partial plan option. Standardizing payment plans will prioritize compliance instead of punishment. Further, the benefits would be an increase in debt collections and a lower number of driver's license suspensions statewide.

CONCLUSION

The clerks of courts' revenue system, which relies heavily on fines and fees, has proved to be unequivocally broken, with dire consequences for the public good. The volatility of the county clerks' revenue process has helped to create a system fraught with budgetary deficits, which disproportionately impacts low-income individuals. Identifying and committing to revenue-raising options offers the Legislature the best path forward to provide Florida's clerks of courts with lasting financial stability.

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[18] Mark D. Killian, "Legislature Reaches Agreement on Clerks Budgeting," The Florida Bar (2009), https://www.floridabar.org/the-florida-bar-news/legislature-reaches-agreement-on-clerks-budgeting/.

[19] Killian.

[20] Florida Statutes, Title V, 28.35 Florida Clerks of Court Operations Corporation. (1)(a) The Florida Clerks of Court Operations Corporation is created as a public corporation organized to perform the functions specified in this section and s. 28.36. All clerks of the circuit court shall be members of the corporation and hold their position and authority in an ex officio capacity. The functions assigned to the corporation shall be performed by an executive council pursuant to the plan of operation approved by the members.

[21] The Florida Senate, "Bill Analysis and Fiscal Impact Statement."

[22] The Florida Senate, "Bill Analysis and Fiscal Impact Statement."

[23] The Florida Senate, "Bill Analysis and Fiscal Impact Statement."

[24] Florida Clerks of Court Operations Corporation, "County Fiscal Year 2017-18 Annual Report," https://flccoc.org/wp-content/uploads/2019/01/CCOC-CFY-2017-18-Annual-Report.pdf.

[25] Florida Statutes, Title V, 28.35, 2(f)
Approving the proposed budgets submitted by clerks of the court pursuant to s. 28.36. The corporation must ensure that the total combined budgets of the clerks of the court do not exceed the total estimated revenues available for court-related expenditures as determined by the most recent Revenue Estimating Conference. The corporation may amend any individual clerk of the court budget to ensure compliance with this paragraph and must consider performance measures, workload performance standards, workload measures, and expense data before modifying the budget.

[26] Florida CCOC, "County Fiscal Year 2016-17 Annual Report."

[27] National Conference of State Legislatures, "Principles of a High-Quality State Revenue System," (2007), https://www.ncsl.org/research/fiscal-policy/principles-of-a-high-quality-state-revenue-system.aspx.

[28] Chris Hart, "Budget crisis for Florida's court clerks means changes for everyone," Ocala Star Banner (2020), https://www.ocala.com/story/opinion/columns/2020/09/25/court-clerks-budget-crisis-effects-everyone/3533715001/.

[29] National Conference of State Legislatures.

[30] Florida CCOC, "County Fiscal Year 2017-18 Annual Report."

[31] Florida CCOC, "County Fiscal Year 2017-18 Annual Report."

[32] Florida Statutes, Title VVIII, 316.1001, Payment of toll on toll facilities required; penalties. (1)A person may not use any toll facility without payment of tolls, except as provided in s. 338.155. Failure to pay a prescribed toll is a noncriminal traffic infraction, punishable as a moving violation under chapter 318.

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[36] Florida CCOC, "County Fiscal Year 2017-18 Annual Report."

[37] Florida CCOC, "County Fiscal Year 2017-18 Annual Report."

[38] Gary Blankenship, "Clerks Face short and Long-Term Funding Problems," The Florida Bar (2020), https://www.floridabar.org/the-florida-bar-news/clerks-face-short-and-long-term-funding-problems/.

[39] Julia Manchester, "Florida Governor Issues Statewide Stay-at-Home Order," The Hill (2020), https://thehill.com/homenews/state-watch/490611-florida-governor-to-sign-order-requiring-residents-to-limit-movements.

[40] Florida CCOC, "County Fiscal Year 2017-18 Annual Report."

[41] Crystal Moyer, "Despite Notice, Florida Tenants Can't be Evicted During Governor's Moratorium on Evictions," Click Orlando (2020), https://www.clickorlando.com/news/local/2020/04/10/despite-notice-florida-tenants-cant-be-evicted-during-governors-moratorium-on-evictions/.

[42] Florida House of Representative, "Bill Analysis."

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[45] Click Orlando, "Polk Clerk Laying Off, Furloughing Workers Due to COVID-19 Financial Impact," (2020), https://www.clickorlando.com/news/local/2020/07/10/polk-clerk-laying-off-furloughing-workers-due-to-covid-19-financial-impact/.

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[49] Austin L. Miller, "COVID-19 Budget Woes Hit Courthouse," Ocala Star Banner (2020), https://www.ocala.com/story/news/2020/09/03/clerks-office-and-others-face-budget-problems/5704952002/.

[50] National Conference of State Legislatures, 2007.

[51] Florida CCOC, "County Fiscal Year 2017-18 Annual Report."

[52] Florida CCOC, "County Fiscal Year 2016-17 Annual Report."

[53] Florida CCOC, "County Fiscal Year 2017-18 Annual Report."

[54] Florida CCOC, "County Fiscal Year 2018-19 Annual Report."

[55] Miller.

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[57] Carson Whitelemons, Ashley Thomas, and Sarah Couture, "Driving on Empty," Fines and Fees Justice Center, 2019, https://finesandfeesjusticecenter.org/content/uploads/2019/11/florida-fines-fees-drivers-license-suspension-driving-on-empty.pdf.

[58] Whitelemons, *et al*.

[59] Whitelemons, *et al*.

[60] Fla. Stat. § 322.245

If a person charged with a violation of any of the criminal offenses enumerated in s. 318.17 or with the commission of any offense constituting a misdemeanor under chapter 320 or this chapter fails to comply with all of the directives of the court within the time allotted by the court, the clerk of the traffic court shall mail to the person, at the address specified on the uniform traffic citation, a notice of such failure, notifying him or her that, if he or she does not comply with the directives of the court within 30 days after the date of the notice and pay a delinquency fee of up to $25 to the clerk, from which the clerk shall remit $10 to the Department of Revenue for deposit into the General Revenue Fund, his or her driver license will be suspended. The notice shall be mailed no later than 5 days after such failure. The delinquency fee may be retained by the office of the clerk to defray the operating costs of the office.

[61] Whitelemons, et al.

[62] Whitelemons, et al.

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(6) "…The collection fee, including any reasonable attorney's fee, paid to any attorney or collection agent retained by the clerk may be added to the balance owed in an amount not to exceed 40 percent of the amount owed at the time the account is referred to the attorney or agent for collection…"

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[81] The Florida Senate, "Bill Analysis and Fiscal Impact Statement."

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