

The Significance of a Driver's License in the Modern Urban Economy

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Summary

The front lines of poverty change over time. Barriers to workforce and economic development can be insidious and the solutions to overcome them elusive. In order to reduce poverty in urban areas, it is critical that community leaders and decision-makers understand the interrelated nature of the conditions that affect one's economic status. So much of achieving this understanding lies in knowing which questions to ask.

This report will explore the issue of driver's license suspensions and revocations among low-income residents in Milwaukee County as a non-traditional, but relevant, variable in the modern urban economy. The lens is that of the director of Center for Driver's License Recovery and Employability, a program of Justice 2000, the first of its kind in the country.

In the past six months, the program been part of the Governor's Milwaukee Cabinet Roundtable on Driver's License Issues, the Wisconsin Department of Transportation (WisDOT) I-94 Labor Development Committee, Menomonee Valley Business Association (MVBA) Advisory Committee, Mayor Tom Barrett's Community Development Committee in conjunction with the Urban Economic Development Association (UEDA), the "Common Ground" initiative to reduce gang activity in high-crime neighborhoods, and the planning committee of the Milwaukee Fatherhood Initiative's Second Annual Fatherhood Summit. It has issued a report for the Governor's Commission on Reducing Racial Disparities in the Wisconsin Justice System and been featured in various broadcast and print media.

Identifying the Problem

The problem of grossly disproportionate driver's license suspensions and revocations among the poor went unnoticed for years, even in industrial, Midwestern cities that were designed to be traveled primarily by automobile.

The WisDOT first began to pay attention to the problem in 1997, as part of a task force commissioned by then Governor Tommy Thompson, which consisted of law enforcement officers, prosecutors, public defenders, legislators, and law school professors¹.

The group determined that the laws in this area were “confusing”; that the manner in which offenses that involved only the act of driving with an invalid status were being charged by police officers in the field was not clear and uniform, resulting in some persons being charged civilly and some criminally for the same offense; and that the majority of license revocations (51.5 percent) were for non-traffic offenses. Perhaps the most telling finding by the task force was that people who were suspended or revoked continued to drive because they felt they needed to, which suggested a collective belief that possessing a valid driver's license was less important than it once was.

Of the 3.8 million licensed drivers in Wisconsin at the end of 2002, there were 411,617 driver's license suspensions, about nine percent of all drivers². Currently in

¹ Mutschler, C.A. At Issue: Reconsidering the Ramifications of Revocation (September 1997). *Wisconsin Lawyer*, Vol. 70, No. 9.

² Drivers' License Suspension Policies: Milwaukee (June 2007). *Brookings Institution Welfare Reform & Beyond Initiative*.

Milwaukee County, 89,489 residents, or about one out of every six drivers, are under driver's license suspension or revocation³, the majority of which are poor and young.

In the metropolitan area of Milwaukee County, persons who are under suspension or revocation are disproportionately people of color. Only 26 percent of African Americans and 34 percent of Latinos in Milwaukee County between the ages of 18 and 24 have a valid license compared to 71 percent of young white adults. Less than half of Milwaukee County African-American and Latino adults have a valid driver's license compared to 85 percent of white adults.

Conditions That Cause the Loss of a Valid Driver's License

Contrary to common perception, the vast majority of driver's license suspensions and revocations among low-income residents is not the result of unsafe driving; rather, these sanctions result from failure to pay fines ("FPF"), driving without a valid license, or from infractions unrelated to driving like failure to pay child support or truancy as a juvenile (Brookings Institution, June 2007).

"Failure" to pay fines, when concerning low-income residents, often means an inability to pay. Other stand-alone factors, or a combination of them, contribute to persons who are low-income not paying fines to re-obtain driving privileges. These factors include lack of familial financial support, lack of knowledge about the justice system, lack of access to resources to navigate the justice system, and apathy toward being in violation of the law that can often occur among those who have a variety of other serious concerns.

³ Driver license revocations and suspensions (Retrieved August 15, 2007). *Wisconsin Department of Transportation Facts & Figures*: www.dot.wisconsin.gov.

There are several onerous federal and state laws that contribute to the large number of suspensions for non-traffic violations. One is 23 United States Code 159, a federal law that imposes a mandatory six-month to a maximum three-year suspension of one's driver's license upon any drug-related conviction. After the period of incarceration is complete, a person must reapply for his or her license to begin the suspension ONLY IF the person is otherwise eligible for licensure. This mandatory sanction removes the discretion of judges, resulting in a majority of judges issuing the minimum suspension and rendering the sanction arbitrary. As of August 2007, over thirty states have opted out of this federal law by virtue of a joint resolution by the governor and state legislature, a requirement so that federal transportation funds to the acting states are not decreased.

Similarly, under municipal code, when a juvenile in Wisconsin receives a citation for any number of offenses, including truancy, disorderly conduct, loitering, and curfew violation, and does not appear in court or fails to pay the forfeiture, his or her driver's license will be suspended by the court for up to two years from time of application, at whatever age the person applies, *not* from the time of eligibility (15.5 years of age).

This policy's gravity is compounded by the removal of state aid in 2001 through the Department of Public Instruction (DPI) to school districts due to budget cutbacks. Because driver's education in Milwaukee County is now significantly less subsidized, Milwaukee Public Schools (MPS) students have to pay \$275 for classroom instruction and behind-the-wheel training plus the cost of the probationary license. This amount is prohibitively high for low-income students, which has resulted in many students either waiting until age 18 to apply when the instruction is not necessary as long as one passes

the knowledge and driving tests, or driving without a license and incurring fines that obstruct their ability to eventually obtain their driving privileges.

The Connection of a Valid Driver's License to Other Systems

A valid driver's license is both a legal determination and a personal asset that is often a requirement for education and training, employment, and other endeavors, like opening a personal bank account.

Criminal Justice System: As of August 2007, Operating After Revocation ("OAR") is the most frequently charged crime in the Milwaukee County Circuit Court, the same court where serious crimes like theft, rape, and murder are charged. An invalid driver's license can provoke increasingly severe legal problems that can lead to jail time, regardless of the 1972 Wisconsin Supreme Court precedent *State of Wisconsin v. Pedersen*, in which it was determined that a persons cannot be jailed for being too poor to pay a fine, so that the state does not in effect become a "debtor's prison".

Another adverse effect of not having a valid driving status is that jury candidates are generated primarily from the Wisconsin Department of Transportation list of valid drivers and supplemented by voting records, high school graduation records, telephone directories, and property tax rolls⁴. Because people of color (i.e. racial minorities), are underrepresented in all of these categories, a disproportionately low number of African Americans and Latino Americans is called to serve on juries as compared to Anglo (White) Americans. This inherent flaw calls into question the reliability of the jury selection process.

⁴ Hurley, P. Juries in Wisconsin: An Overview (December 2005, retrieved August 15, 2007). *Governing Wisconsin, From the Wisconsin Legislative Reference Bureau Volume No. 10.* www.legis.state.wi.us/lrb/GW.

Employment: Persons can lose their driving privileges for an extended period directly due to low or no income, and a lack of a driver's license can directly impact one's ability to gain and sustain employment. It has become standard practice for employers in Milwaukee County to request a job applicant's driving status to use as evidence of reliability. In fact, possession of a valid driver's license and a vehicle in the household by female welfare recipients were found to be better predictors of sustained employment success than even a high school diploma⁵.

Where jobs are located in the Milwaukee Area and the quality of the Milwaukee County Transit System also play significant roles in the larger matter of workforce development. Three-fourths full-time and part-time job openings in the metro area are located in Milwaukee County suburbs and exurban counties, areas to which the county public transportation system has dramatically downsized its travel. In the communities of color in central city Milwaukee, job seekers outnumber full-time job openings by an alarming gap of 7 to 1 (Employment and Training Institute, University of Wisconsin Milwaukee, pg. 24).

The decentralization of urban areas in the United States, what many refer to as "urban sprawl," has resulted in the relocation of the majority of jobs from the center of a city to the surrounding suburban areas.⁶ This "spatial mismatch" means that people who live in cities find it increasingly difficult to find jobs near their residence and places an emphasis on

⁵ Employment and Training Institute, University of Wisconsin Milwaukee. An Analysis of Job Openings in the Milwaukee Region: Job Supply and Demand (September 2006). *Private Industry Council: A Workforce Development Board*.

⁶ Gale, W.G., Rothenberg Pack, J., and Potter, S. (June 2001, retrieved August 15, 2007). The New Urban Economy: Opportunities and Challenges, Conference Report # 7. *The Brookings Institution*. www.brookings.edu.

the ability of residents to commute by public transportation or private vehicle in order to become and remain employed.

A focus of this area of research is car ownership. Economists at the University of California (Gale et al, 2001) have found that White families in the United States are 12 to 19 percent more likely to have personal vehicles than Black or Latino families, respectively. The researchers found a positive relationship between owning a car and being employed, controlling for other factors. In Milwaukee, 1990 census data demonstrate that 42 percent of single parent women with children six years or younger who had a car were employed full-time and 16 percent were employed part-time, compared to only 12 percent employed full-time and 11 percent employed part-time for those without a car⁷.

Solutions

In order to reduce the severity of this problem to a substantial degree in Milwaukee County, a public-private partnership was formed in March of 2007: the Center for Driver's License Recovery and Employability, a program of Justice 2000, Inc. ("Center" or "program"). The program is the first of its design and size in the country to focus on 1) direct service through case management and legal services to persons with suspended or revoked licenses; 2) public policy changes that address both legislation and court policies; and 3) reinstatement of driver's education to low-income high school students.

Direct service includes a process by which low-income residents are referred to the Center by a variety of partners, including the Municipal Court of Milwaukee, the public

⁷ Pawasarat, J. and Stetzer, F. (July 1998). Removing Transportation Barriers to Employment: Assessing Driver's License and Vehicle Ownership Patterns of Low-Income Populations. *Employment and Training Institute, University of Wisconsin-Milwaukee.*

defender and district attorney offices, community based organizations that provide employment services, job placement agencies through the State of Wisconsin Department of Workforce Development (DWD), and limited release correctional facilities. The referrals are triaged to determine the complexity and estimated time involved in recovering a valid license, after which a case manager, and sometimes an attorney, assist clients in a recovery plan.

A board of directors and a broader steering committee, both of which include representatives from the courts, district attorney and state public defender offices, the mayor's office, employment service and training agencies, and asset-building community based organizations guide the Center's decisions.

The program works closely with the Department of Motor Vehicles (DMV) section of the WisDOT on jointly-proposed legislative changes, including opting out of the aforementioned 23 USC 159 federal drug law; preventing the fourth Operating While Suspended ("OWS") charge from automatically turning into a revocation, which is more expensive and often lasts longer; and other changes that begin suspensions at time of eligibility not application for a license and clarify the use of community service as an alternative to payment of fines for persons who are too poor to pay.

The reinstatement of driver's education for low-income students in Milwaukee Public Schools, and statewide, is a basic public safety measure. In 1999, 93 percent of driver's license suspensions were given to teens who never had a driver's license⁸. Over half of the 89,489 Milwaukee County residents currently under suspension or revocation

⁸ Pawasarat, J. Removing Transportation Barriers to Employment: The Impact of Driver's License Suspension Policies on Milwaukee County Teens (February 2000). *Employment and Training Institute, University of Wisconsin-Milwaukee.*

never had a license in the first place, meaning that they missed fundamental lessons related to driving at the statistically highest-risk period of one's driving history.

While there is no study that establishes a statistical significant association between the completion of driver's education courses by young drivers and the number of traffic accidents caused by young drivers, it is an area that is being more closely examined on both the federal and state levels. Because funds cannot be supplanted by another government agency to replace the loss of financial aid to school districts, champions of this issue are looking at adding a surcharge to moving violations like "exceeding posted speed limit", to generate revenue to pay for driver's education for 16 to 18 year old students.

The Center has become a major polity player in its advocacy and has worked to win the consideration of judges, who are known for their independence, to change differing court policies on reopening old cases, filing fees, indigency hearings, community service, and payment plans in order to help residents move closer to clearing their driving records.

Recommendations

Specific recommendations have resulted from the decade-long analysis of the problems associated with driver's license suspension and revocation in Wisconsin. Beyond the necessary continuation of the direct service component, the circumstances that must change to improve this problem remain clear.

The Milwaukee Journal Sentinel Editorial Board recently made the following proposals based on the work and input of key persons involved in this issue⁹: "[that]

⁹ Stanford, G. (2007, June 17). DRIVER'S LICENSES; The poor take a big hit if a license becomes a club. *The Milwaukee Journal Sentinel*.

Gov. Jim Doyle and the [Wisconsin State] Legislature follow the lead of most other states and opt out of a federal mandate that Wisconsin suspend for six months the driver's licenses of convicted drug felons; the Milwaukee Common Council bar the use by municipal judges of license suspensions for failure to pay fines; lawmakers in Washington, Madison, and municipal halls end penalties calling for the suspension or revocation of driver's licenses for offenses that have nothing to do with driving; employers require driver's licenses only if driving is necessary to do the job or to get to the job; and the state bring back driver's education to schools.”

There is little doubt that the urban economy has changed as decentralization has resulted in spatial mismatch, growing unemployment, an increase in crime, decrease in high school graduation rates among students of color, widening achievement gap between white students and students of color, and the disproportionately high number of persons of color who are incarcerated. Rather than regarding the task of reducing the number of people whose driver’s license is suspended or revoked as a minor variable in this labyrinth, Milwaukee community leaders have the unique foresight to see it as an attainable solution that will have a far-reaching and lasting impact.

