Municipalities can **improve equity** in transportation fees, fines, and fares

Our transportation system is a literal route to opportunity, connecting residents to jobs, education, and services. And yet significant transportation inequities exist. In a recent <u>report</u>, the Chicago Metropolitan Agency for Planning (CMAP) detailed how transportation fees, fines, and fares impact residents with low income and people of color — and recommended policy changes to improve equity.

There are a number of challenges that can be addressed at the municipal level. Here's how municipalities can improve transportation equity within their own communities:

Challenge: The cost of driving is unaffordable for many households with low income

Driving is the most expensive form of transportation. This is due to the many costs of buying and maintaining a car, rather than any associated fees or fines. But many residents with low income must drive, due to a lack of other options. As a result, they spend a substantial share of their income on transportation.

Recommendation: Improve mobility options

Municipalities should increase access to lower-cost transportation options, such as biking or walking. By enhancing bicycle and pedestrian infrastructure, communities can offer residents lower-cost transportation options that don't require owning a car or paying fees, fines, and fares. Communities should support alternatives to driving by prioritizing affordable housing and other development in infill locations with transit access.

Challenge: The system of paying transportation fees is complex

Residents must navigate a range of public agencies to pay various transportation fees. Many state vehicle fees — such as driver's license, registration, and title — are paid to the Illinois Secretary of State, while local vehicle license fees are paid to the municipality. Making it easier for travelers to pay fees will increase compliance and may even reduce the incidence of late fees and fines.

Recommendation: Coordinate local vehicle registration with Illinois Secretary of State

Municipalities should explore ways to partner with the Illinois Secretary of State. If drivers could pay local vehicle license fees while registering their vehicles with the Secretary of State, they may be less likely to incur late fees and fines.



The costs of owning a car typically **exceed \$8,000 a year**.





Challenge: Unpaid fines can be financially devastating

An unexpected expense — such as a traffic violation fine — can be devastating to those living paycheck to paycheck. When residents with low income cannot pay their fines, they may experience bankruptcy, tax garnishment, vehicle impoundment, employment restrictions, and credit score damage.

Recommendation: Implement fine reform

Assess appropriateness of fine amounts

Municipalities should review fines at least every five years. Traffic and parking fine amounts should be set to meet safety goals — not generate revenue. Municipalities should also assess and potentially reduce late fees, as well as introduce caps to prevent debt from snowballing.

Improve collection practices

Local governments should expand eligibility for payment plans. Payment plans should be based on a person's ability to pay, and down payments should be reduced or eliminated.

Municipalities should also make notification policies more clear and include information for residents who lack the ability to pay. Municipalities should consider reducing the use of collection agencies.

Report and analyze ticketing data

Local governments should improve reporting on the incidence of fines. This would allow for analysis on how traffic and parking violation fines impact households with low income.

Make paying for parking more feasible

Municipalities should provide options to pay for parking with cash, which would help reduce the incidence of parking fines among unbanked drivers. This could include payboxes that allow for cash payments or parking cards that can be loaded with cash but do not have surcharges or restrictions like prepaid debit cards. Municipalities should also reduce or waive transaction fees for short-term parking. These fees — typically between \$0.25 and \$0.50 — can be a relatively large proportion of the cost of short-term parking. This would improve compliance and reduce parking ticket fines for short-term parkers and delivery drivers.



73% of tax refund garnishments in Chicago were for **unpaid parking tickets**.



Learn more at cmap.is/fees-fines-and-fares

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