Fines and Fees Push People Further into Poverty, Exacerbate Racial Injustice in Virginia

New report illustrates problems stemming from court-imposed fines and fees, offers up “first-step” reforms

Richmond, VA -- Fines and fees, which can result in significant court debt even for minor offenses and far exceed the amount intended to serve as “punishment,” can be devastating for Virginia families. Yet for all the hardship caused, they are only a minor source of revenue for Virginia, according to a new report by The Commonwealth Institute for Fiscal Analysis, an economic and policy research organization in Richmond.

“Courts impose excessive fines and fees that many people simply cannot afford to pay. As a result, Virginia squanders resources chasing after uncollectable court debt and imposing fines and fees at levels that lock people into cycles of debt they cannot escape,” said Phil Hernandez, Senior Policy Fellow at the Institute, and primary author of the report. “This is done with unparalleled intensity in Black communities. And the racial injustice underlying fines and fees — present in each of the data sources we analyzed — is an unsurprising byproduct of the broader racial biases in the criminal justice system.”

Police stop, search, and arrest Black people in Virginia at a much higher rate than their share of the population, and Black Virginians also face higher rates of pre-trial detention. Fines and fees are fast to follow, according to the report. TCI’s analysis controlled for factors such as population size and poverty rates to show how race — as opposed to other possible factors — influences fines and fees.

“In the end, the results were clear,” said Hernandez. “As the Black population share increases, fines and fees assessments per capita also increases.”

Across all courts areas in Virginia, an average of $82 was assessed in fines and fees on a per capita basis in the budget year that ended June 30, 2019. That number jumped to $147 (a 79% increase) in courts serving areas with the highest share of Black residents and climbed to $106 (a 29% increase) in courts serving areas with the highest share of people living in poverty.
Court repayment plans and community service programs are meant to help people manage fines and fees, but a lack of uniform statewide standards and harmful barriers means that many people have difficulty navigating and eventually escaping the cycle of debt. And Virginia places additional burdens on people who are reentering their communities following a period of incarceration.

“For families already struggling to make ends meet, existing laws and policies set people up to fail,” stated Ashley C. Kenneth, Senior Vice President for Policy and Legislative Affairs at the Institute. “Virginia’s General Assembly has recently demonstrated that it can deliver meaningful reforms in this area, including ending the suspension of driver’s licenses for unpaid court fines and fees. In 2021, state lawmakers have an opportunity to build on that momentum by passing commonsense solutions that set more people up for success.”

The report offers up a handful of “first-step” reforms, including:

- eliminating poverty penalties,
- collecting and publishing data by race and ethnicity in order to help policymakers understand and address the disproportionate harm to Black communities from fines and fees,
- providing courts clearer power to reduce court debt at the outset, particularly for Virginians who have no means to pay or for whom payment would create an economic hardship,
- and making community service a more viable and consistent option.

The full report, Set Up To Fail: How Court Fines & Fees Punish Poverty and Harm Black Communities in Virginia, is available online at www.thecommonwealthinstitute.org.

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