



**AMERICANS FOR
PROSPERITY**

The Impact of Fines, Fees, and Forfeitures on Policing

BY: SHERIFF (RET.) CURRIE MYERS, PH.D., MBA

Executive Summary

Hundreds of law enforcement agencies and local governments across the United States rely significantly on fines, fees, and property forfeitures from citizens to fund their budgets. Reliance on these funding sources to supplant police budgets has a detrimental effect on law enforcement and can drive a wedge between community and police relations.

Problems arise when law enforcement agencies need to rely on this revenue stream to function. In a 2019 study, *Governing* conducted the largest analysis of fine revenues to date and found that fines, fees, and forfeitures are a critical source of funding for government, accounting for more than 10 percent of general fund revenues in roughly 600 jurisdictions nationwide. In some communities, this funding mechanism can exceed 50 percent of all general revenues. For far too many citizens, this results in substantial fines, heavy parking citations, speed enforcement zones, and investment in technology such as traffic cameras and license plate readers to collect even more revenue without a clear increase in safety on our roads. In many cases, this can also result in the unnecessary incarceration of citizens due to unpaid financial obligations and not because of a criminal act impacting public safety.

State and local governments have a responsibility to properly support their police agencies so the relationships between their police and their community is respected and transparent. Not funding them adequately and using instead other “special revenue categories” counters the hard work law enforcement does every day to gain trust and the respect with the citizens in which they serve. Elected officials should eliminate the supplanting of police budgets through fines, fees, and forfeitures and instead fund essential public safety functions through general appropriations.

What is the problem?

Issuing citations, traffic enforcement, and removing ill-gotten gains from those convicted of crimes through forfeiture proceedings serves as an important tool for effective law enforcement. However, problems arise when law enforcement agencies need to rely on such revenue streams to function. Overreliance on fines, fees, and forfeitures force unnecessary interactions between police and their communities, divert law enforcement resources to non-public safety functions, and erode trust for police in the places they protect and serve.

A recent survey performed by the [Institute for Justice](#) shows that individuals hit with citations have significantly lower levels of trust in government, including police. And a 2017 report from the [US Commission on Civil Rights](#) during the Trump administration shows that doling out and enforcing fines and fees falls significantly on communities with significant percentages of Black and Latino populations as well as lower income communities.

This reliance also warps incentives and forces law enforcement to unnecessarily focus on these non-public safety endeavors. [Research](#) suggests that police departments who collect higher shares of their revenue from fines and fees solve crime (both violent and property) at significantly lower rates. According to [Governing](#), high fine revenue generating municipalities were most common in Arkansas, Georgia, Louisiana, New York, Oklahoma, and Texas.

The impact of fines, fees, and forfeitures in policing

Because law enforcement agencies and local governments across the United States rely significantly on fines, fees, and forfeitures from citizens to fund their budgets, this process has allowed the elected officials in the city to pressure their respective police chiefs to fund their budgets by writing more citations. In turn, police chiefs, who rely on such adverse funding mechanisms, often pressure their officers to write more citations by establishing daily ticket requirements and quota systems.

Officers faced with this pressure often disagree with the enforcement mechanism that is being imposed upon them. This negatively affects the officer's relationship with the chain of command, elected officials, and city managers that are responsible for the department's oversight. In Los Angeles, police officers who failed to meet the minimum tickets requirements or raised concerns about excessive fines were reprimanded, denied overtime assignments, given undesirable work schedules, and subjected to other forms of harassment according to a [Police1 article](#).

Some localities get creative with revenue collection in ways that undermine due process, warp the core functions of police, and hit citizens hard in their pocketbooks. Louisiana allows towns and villages to tack on a **\$50 "witness fee"** when officers testify in court, and the costs accumulate if a defendant appeals to a higher court. Additionally in Louisiana, hundreds of so-called **"mayor's courts"** operate in small towns across the state. These courts routinely have the mayor act as the judge (or allow the mayor to appoint the judge) with jurisdiction over any

municipal ordinance and utility debt under \$5,000. As the Louisiana Municipal Association acknowledges in its [Mayor's Court Handbook](#), "state law provides little guidance for the day-to-day functioning of these courts. The money goes right back to the general funds of the jurisdiction, subsidizing the salaries of those operating the court. This is an obvious conflict of interest that makes citizens little more than revenue generators for the local government. [In a lawsuit filed by the MacArthur Justice Center](#) against the Mayor's Court of Gretna, Louisiana, the complaint alleged that in 2000, arrests under the jurisdiction of the mayor's court were just about 10 percent of all arrests by the local police department. By 2014, it was 60 percent of all arrests. By 2015, 13.5 percent of all revenue in the Gretna General Fund came from fines and fees from the mayor's court. The lawsuit further alleged that a quota system for police officers existed, where officers would be reprimanded if they failed to dole out enough citations or execute enough arrests that would fall under the jurisdiction of the mayor's court.

Ohio has similar courts with suspect jurisdiction. "With Mayor's Courts, all the money stays in that city. So there's an incentive to make a finding of guilt, and impose a penalty, a fine, that's going to go right back to that mayor, and pay the mayor's salary, or the magistrate's salary, or the prosecutor's salary, or the police officer's salary," according to Lakewood [Municipal Judge Patrick Carroll](#).

These types of revenue schemes lead to distrust of police, less cooperation from the community to solve crime, and insert unnecessary tension into the interactions between community members and law enforcement when someone owes money to the government and is fearful, they could find themselves behind bars for their inability to pay.

A concerning example of the pressure police face to collect their own revenue came from a [Department of Justice investigation](#) into the Ferguson Police Department in the wake of the unrest that followed the shooting of Michael Brown in 2014. The report concluded: "The city budgets for sizeable increases in municipal fines and fees each year, exhorts police and court staff to deliver those revenue increases, and closely monitors whether those increases are achieved." Emails between city officials and the Ferguson Police Department showed this in action:

"Unless ticket writing ramps up significantly before the end of the year, it will be hard to significantly raise collections next year... Given that we are looking at a substantial sales tax shortfall, it's not an insignificant issue."

[By 2013](#), one-fifth of the municipal operating budget of Ferguson came from court fine collections. It increased ticketing, and the city's [municipal court](#) issued 32,975 arrest warrants for a city of only 21,135 residents. The city's budget reached roughly \$13 million, with the amount coming from citations, fines and forfeitures jumping to about \$2.5 million. In other words, the share of the city's operating budget coming from those fines and fees spiked from 13 percent in 2011 to 20 percent in 2013. Since the report, Missouri [passed legislation](#) limiting fines, fees, and court

costs to a total of \$300 and preventing cities from jailing people simply because they couldn't pay. Missouri also [passed legislation](#) lowering the cap on the percentage of a city's budget that could come from fines and fees from 30 percent to 20 percent.

The high costs of collection and enforcement are excluded from most budget assessments, meaning that actual revenues from fines and fees are far lower than what elected officials expect. In a report done by the [Fines and Fees Justice Center](#), Texas, Florida, and New Mexico alone had \$1.9 billion in uncollected fines and fees. They found the cost of collecting this revenue "consumes more than 100 times more resources than collecting revenue through general taxation."

On March 15, 2021, New Mexico Gov. Lujan Grisham signed [HB 183](#) into law, which ends the practice of charging administrative fines and fees to children involved in the juvenile justice system. Before New Mexico passed legislation outlawing this form of budget supplantation, more than 41 cents of every dollar of revenue raised from fines and fees was spent on in-court hearings and jail costs alone, according to a [Brennan Center for Justice report](#) in 2019.

Civil asset forfeiture

Civil forfeiture allows law enforcement to seize property on the mere suspicion that it is involved in criminal activity. Once seized, prosecutors can then forfeit the property without ever charging its owner with a crime. Research from [The Institute for Justice](#) documents that in 2018, 42 states, Washington D.C., and the U.S. Departments of Justice and Treasury forfeited over \$3 billion. And since 2000, states and the federal government forfeited nearly [\\$68 billion](#) even though many states were unwilling to compile and disclose their data.

To make matters worse, most states allow for law enforcement to keep most or all the proceeds from forfeited property. In [New Jersey](#), law enforcement can keep up to 100 percent of the profits from a forfeiture. A study done by the [Texas Office of Court Administration](#) found that many district attorney's offices in Texas heavily relied on forfeiture funds to fund their offices. In fact, forfeiture funds amounted to more money than their overall general budgets in some jurisdictions. Additionally, [a survey of 770 law enforcement agencies](#) found that nearly 40 percent saw forfeiture funds as "necessary" to their budgets. This creates a perverse incentive for law enforcement and also reduces their time and energy from areas of their jobs that increase public safety and better community relations.

According to Greg Glod, criminal justice fellow at Americans for Prosperity, in his 2020 testimony before the New Jersey Advisory Commission to the U.S. Commission on Civil Rights, "Civil asset forfeiture deprives individuals necessary due process protections, creates perverse incentives within law enforcement that reduces bandwidth for core public safety functions, and has not been an effective crime fighting or drug use prevention tool

as proponents claim it to be. Recent legislative efforts and judicial decisions show that more and more stakeholders across the political spectrum are eager to reform the practice and bring about a more equitable justice system.”

Civil forfeiture not only threatens property rights but also due process rights. In 2017, U.S. Supreme Court Justice Clarence Thomas [questioned](#) whether modern asset forfeiture laws “can be squared with the Due Process Clause and our Nation’s history.” Thomas noted that owners can lose property even when innocent, and that procedural protections common to criminal proceedings usually do not apply.

Civil forfeitures also pose a separation of powers concern. In [Policing for Profit](#), the Institute for Justice opined: “In allowing agencies to self-fund outside the normal appropriations process and with little oversight, it undermines legislatures’ powers of the purse and invites questionable expenditures, such as a \$70,000 muscle car in Georgia, \$250,000 for lavish travel and meals in New York, and \$300,000 for an armored car in Iowa.”

Not only that, but in most states, the property owner, not the government, bears the burden of proof. This flips the American justice system on its head as in almost every other situation, the government must prove their case and not the other way around. [Only 15 states and Washington, D.C.](#) have enacted laws placing the burden of proof requirement on the government regarding civil forfeiture cases.

Contrary to claims that abolishing civil asset forfeiture would increase crime rates, [an analysis](#) across five different measures of crime found no evidence of any negative effect from New Mexico’s civil asset law passed in 2015, which abolished civil asset forfeiture and eliminated financial incentives for law enforcement agencies. And in another [Institute for Justice study](#), researchers found that forfeiture has no meaningful effect on crime fighting, but forfeiture activity does increase when local economies suffer. These results add to a growing body of research suggesting police agencies and local governments require line officers to pursue forfeiture less to fight crime than to raise revenue. Given this evidence and serious civil liberties concerns raised by forfeiture, forfeiture proponents should bear the burden of proof when opposing reforms that would keep police focused on fighting crime, not raising revenue.

Police quotas

Police quotas are formal and informal measures that require police officers to issue a particular number of citations. Police department activity quotas reduce police officer discretion and promote the use of enforcement activity for reasons outside of law enforcement’s legitimate goal to improve public safety. States across the country have recognized these issues, as well as activity quotas’ negative effects on the criminal justice system and community–police relations and have passed anti-quota legislation to address these problems. But despite this legislation, some cities still employ management devices that similarly reduce police officer discretion and reward

departments for enforcement activity that does not further a legitimate law enforcement goal, with the same negative effects on the criminal justice system and community–police relations. According to a [Governing study](#), only about 20 states have acted to discourage practices that pressure law enforcement officers to write tickets and/or make arrests.

Despite the assurances of impartiality, two former police officers described systemic bias when they resigned and filed separate [whistleblower lawsuits](#) against Gretna, Louisiana. They claimed that the small city outside New Orleans was using an illegal quota system and punishing officers who fell behind on issuing citations. In 2013, [The Los Angeles City Council](#) agreed to pay nearly \$6 million to a group of police officers who accused their superiors of imposing a secret traffic ticket quota system. The settlement, approved unanimously, brought more than \$10 million, the amount of taxpayer money spent on payouts and legal fees from the ticket quota cases. The lawsuits alleged that LAPD Command Staff required officers to write at least 18 traffic tickets each shift and demanded that 80 percent of the citations be for major violations.

And quotas adversely affect officer morale. Traffic enforcement is a very vital and proven component to maintain law and order. Imposing traffic quotas on officers to measure performance is an easy way to supervise. However, this is not an effective policing strategy. Some states are trying to combat this controversial practice. For example, Oklahoma’s [SB 1264](#) would outlaw local governments and police departments from requiring officers to issue a certain number of citations within a specific period of time. Additionally, agencies would be prohibited from evaluating personnel based on the number of tickets written or arrests made. Violators would face removal from their position. “It’s an unspoken rule that some jurisdictions may emphasize issuing citations at different times to try and generate more revenue,” State Senator Nathan Dahm, who sponsored the bill, stated: “Our law enforcement officers, justices, and judges should not be pressured by their employers to write additional tickets or collect revenue to keep their jobs.”

Solutions

There are variety of ways that states and local governments can limit the negative effect of current practices surrounding fines, fees, and forfeitures causes.

- 1. End/limit the justice system’s reliance on fines, fees, and forfeitures.** Depending on the state, financial obligations of justice-involved individuals make up a substantial portion of criminal justice actor’s budgets. For example, in Oklahoma, [80 percent of the district court’s funding comes from fines and fees collection](#). A third of all fines, fees, and court costs collected go to [executive branch agencies](#). These are core government functions and should be funded as wholly as possible from the general fund and not on the backs of those experiencing economic hardship. Any revenue from properly structured fines, fees, and forfeitures should go directly into the general fund and no be designated for particular activities.

- 2. Allow for alternatives/waivers of payment.** Allow for individuals with financial hardships to go on payment plans, waive some or all financial obligations, or allow for alternative methods of payment such as program/treatment completion and/or community services. Judges should be empowered to consider someone ability to pay when considering these alternative methods or waivers.
- 3. End quotas.** Elected officials and government leaders charged with oversight of public safety agencies should not establish or mandate a quota system or an expected revenue amount from their public safety agencies. This should apply to both explicit and implicit quotas.
- 4. Transparency.** Jurisdictions should be fully transparent when it comes to the types and amounts of fines and fees they impose, the mechanisms used and costs involved in collections, how the money collected is spent, and the percentage of a municipal budget such sources fund.
- 5. End the practice of suspending driver's licenses for failure to pay fines and fees.** According to a report from the [Fines and Fees Justice Center](#), 22 states in the past five years (10 alone in 2021) have passed laws to limit the negative impact of suspending or restricting a driver's license when someone cannot afford fines, fees, and court costs. More states should advance such policies.

What good looks like

- The American Legislative Council (ALEC) passed a resolution about the use of fines and fees in the criminal justice system. The resolution supports ensuring that fines and fees imposed by the criminal justice system are reasonable, transparent, and proportionate, and not in conflict with the goals of improving public safety, reducing recidivism, ensuring victims receive restitution, and enabling offenders and ex-offenders to meet obligations to their families, especially children.
- [SB 5, Missouri 2015](#)- Lowered, from 30 to 20 percent, a cap on the proportion of a local government's annual general operating revenue received from fines, bond forfeitures, and court costs for minor traffic violations. Lowered cap to 12.5 percent in St. Louis.
- [HB 249, Louisiana 2017](#)- Allowed for fines and fees to be paid through community service and/or be waived/reduced. Has not been fully implemented due to Louisiana's overreliance on fines and fees for government revenue. Task force has been created to solve this issue.
- [SB 219, Nevada 2021](#)- Bars courts from suspended a driver's license for mere failure to pay a fine or fee and automatically reinstates all licenses currently suspended.

Conclusion

State and local governments have a responsibility to back their police agencies so the relationship between their police and their community is characterized by respect, collaboration, and transparency. A failure to provide adequate funding and using other "special revenue categories" directly conflicts with the hard work law enforcement does every day to gain the trust and respect of the citizens they serve. Elected officials should eliminate the supplanting of police budgets through fines, fees, and forfeitures and instead fund essential public safety functions through general appropriations.