CLEARING THE ROAD FOR OHIOANS WITH SUSPENDED LICENSES:
A Look at Ohio's Reinstatement Fee Amnesty Program

OHIO POVERTY LAW CENTER

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A valid driver’s license offers the freedom of mobility and the ability to work, which is an essential piece of everyday life in Ohio. But, Ohioans can lose their licenses for more than 30 reasons—many not related to unsafe driving. It is no surprise that more than one million drivers have a suspended license, and each driver can have more than one suspension on their license. Suspensions are administered by the Ohio Bureau of Motor Vehicles (BMV), which levies and collects fees for every suspension. These fees can create huge financial barriers that prevent lower-income drivers from legally driving simply because they cannot afford to.

Recognizing that many lower-income Ohioans were faced with the choice to drive illegally to get to work or lose their ability to provide for their families, Ohio’s lawmakers created a program that provides relief from reinstatement fees. On December 13, 2020, the Reinstatement Fee Debt Reduction and Amnesty Program (Amnesty Program) began. An analysis shows that the Amnesty Program provided relief and helped clear the road for more than 200,000 Ohioans to get their licenses back.

Key findings:

- **222,716 Ohioans** received help with reinstatement fees through waiver, reductions, and payment plans.
- Lower-income Ohioans participating in the program **saved an average of $612** in reinstatement fees.
- For Ohioans that had fees reduced, **the state collected $23 million**—an amount that might not otherwise have been collected without a payment plan.
The ability to drive is fundamental to participating in Ohio’s economy. According to the 2021 U.S. Census, 74% of Ohioans drive alone to work and only 8% carpool, with an average commute of about 23 minutes. Furthermore, the Bureau of Labor and Statistics reports that 30% of jobs required a driver’s license in 2016. Driving is so essential for day-to-day living that a 2021 study by the American Association of Motor Vehicle Administrators found that approximately 75% of people with suspended licenses say they continue to drive and risk a criminal conviction or more fines.

In 2021 alone there were a total of 443,545 new driver’s license suspensions in Ohio resulting in a total of 336,131 drivers temporarily losing their license. Many of these suspensions are caused by or extended due to a driver’s inability to pay a fine or a fee. Debt-related suspensions substantially burden Ohio communities with an average outstanding total debt each year of over $920 million. One source of this debt is driver’s license reinstatement fees, which accounted for over $390 million owed to the BMV on January 1, 2023.

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The BMV charges fees set by the Ohio Revised Code to reinstate a driver’s license after the conditions of a suspension have been met. They are a separate fee from court costs or fines stemming from the underlying offense that caused the suspension and range from $15 to $600 each. The fees are intended to compensate the BMV for the administrative costs of reinstating licenses.

Although reinstatement fees are distinct from punitive fines, they have many characteristics of a fine. For example, they vary by the type of offense or increase in amount for repeated offenses, and they can be extremely burdensome. One particularly punitive reinstatement fee is for non-compliance suspensions, which occur when a driver does not show proof of insurance at a traffic stop or at the time of an accident. These non-compliance suspensions carry reinstatement fees of $100 for the first offense, $300 for the second offense, and $600 for the third and any subsequent offenses within a five-year period.

Fees disproportionately hurt lower-income Ohioans

For many Ohioans, reinstatement fees are burdensome but not insurmountable. But a minimum wage employee in Ohio would need to work two full days to pay off the reinstatement fee alone for a first-time non-compliance suspension—assuming they can get to work without a driver’s license. For the more than 1.5 million Ohioans living in poverty, one offense can set off snowballing financial obstacles that prevent them from legally participating in the economy. Recognizing the importance of driving and the disproportionate harm that high reinstatement fees have on lower-income Ohioans, the legislature has taken some steps to provide relief.

Non-compliance suspension fees:
Costly and punitive

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<tr>
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<td>Non-compliance first offense</td>
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</tr>
<tr>
<td>Non-compliance second offense*</td>
<td>$300</td>
</tr>
<tr>
<td>Non-compliance third offense*</td>
<td>$600</td>
</tr>
<tr>
<td>Non-compliance non-voluntary surrender</td>
<td>$50</td>
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</tbody>
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*Within five years
In 2018, the Ohio General Assembly passed House Bill 336 with overwhelming bipartisan support to create the Reinstatement Fee Amnesty Initiative, a pilot program allowing the BMV to reduce or waive eligible driver’s license reinstatement fees for lower-income Ohioans. During the six-month pilot program, 76,669 Ohioans participated and saved a total of $63 million, with an average of $789 in reinstatement fees reduced per person and an average of $1,270 waived per person who submitted proof of indigency. During this time, the BMV collected $3.6 million in fees.

The Reinstatement Fee Amnesty Initiative was so successful that the Ohio Legislature extended the program for two months as part of the 2019 state budget before making the program permanent in 2020. With near unanimous support in both chambers, the legislature passed House Bill 285, making the initiative a permanent program when Governor Mike DeWine signed the bill into law in June 2020.

The BMV has been administering the Reinstatement Fee Debt Reduction and Amnesty program since December 13, 2020. In 2021, the Ohio Legislature granted the BMV increased discretion in granting waivers of reinstatement fees with the passage of Senate Bill 68. The bill gave the BMV the authority to waive reinstatement fees for indigent drivers and granted them broad discretion for setting the rules and procedures of the program.
Program Overview

Under the Amnesty Program, reinstatement fees are eligible for a fee reduction or complete waiver. There is no application necessary. The BMV automatically sends drivers notices of eligibility. If the driver submits the required documentation, the BMV processes either a fee reduction or waiver.

A suspended driver may be eligible for a reduction of reinstatement fees if their fees do not stem from offenses involving alcohol, drugs, or deadly weapons and at least 18 months have passed since the end of the suspension for at least one of the eligible offenses. If a driver eligible for a reduction sends in proof of insurance, the BMV will activate their plan and reduce their fees. Drivers who owe a reinstatement fee for a single offense will have half of the fee waived, and drivers who owe reinstatement fees for multiple offenses will have to pay the lowest fee owed or 10% of the total amount owed, whichever is greater. Remaining reinstatement fees after the reduction is applied are placed on a payment plan of at least $25 every 30 days.

The Amnesty Program also has a path for income-eligible Ohioans to receive a complete waiver of their reinstatement fees. If a driver submits proof of insurance and proof of indigency by showing they are enrolled in the Supplemental Nutrition Assistance Program (SNAP), Medicaid, the Ohio Works First Program (OWF), Supplemental Security Income Program (SSI), or Veteran’s Affairs Pension Benefit Program, they will receive a 100% waiver of the eligible reinstatement fees. Unlike Amnesty Reductions, there is no 18-month waiting period for Amnesty Waivers. However, the list of eligible underlying offenses for Amnesty Reductions and Amnesty Waivers is the same.

Program Cleared the Road for Thousands of Drivers

Since the start of Amnesty Program on December 13, 2020, the BMV has sent notices of eligibility to approximately 747,687 drivers and 222,716, or 30% of those eligible, responded with the documentation to activate their plan. In the first two weeks of the Amnesty Program, 309,705 suspended drivers were determined to be eligible, and 71,682 fee reductions and waivers were activated. Since then, the program has averaged 452 newly eligible drivers, 271 fee reductions activated, and 10 fee waivers activated every week. Since the Amnesty Program began in December of 2020, approximately 222,716 Ohioans have participated and have saved a total of $136,330,155 in reinstatement fees, for an average savings of $612.12 per person.
Amnesty Reduction

Most program participants have their fees reduced, not waived. These reductions totaled $124,143,596. Especially encouraging is that 167,313 drivers, or 79% of all Amnesty Reductions, paid their remaining balances to the BMV in full and are presumably able to drive legally again. These drivers had $72,199,366.30 in fees reduced for an average of $431.52 per driver and paid the BMV $23 million in remaining reinstatement fees, money that otherwise may not have been collected.

There are an additional 16,033 Amnesty Program participants who have activated an Amnesty Reduction and are still making regular payments to the BMV on their remaining balance. Over the life of the program, less than 15% of participants have activated an Amnesty Reduction and had it terminated for failure to continue making payments.

There are an additional 522,613 drivers the BMV have found to be eligible for the Amnesty Program who could have an estimated $334,112,141 in fees reduced but have not responded to the BMV. The estimated amount that could potentially be reduced does not account for how many of the unactivated plans might be eligible for a full waiver of fees. These unactivated plans are likely the result of either inaccurate contact information or other financial hurdles in the way of getting vehicle insurance, such as high rates and SR-22 insurance certificates that are required after a non-compliance suspension.

Amnesty Waiver

Participants in the Amnesty Program who have submitted documentation necessary to activate an Amnesty Waiver have had $12,186,558 in reinstatement fees completely waived, for an average of $1,180 per person. Only 5% of the 222,716 Ohioans who have participated in the Amnesty Program submitted proof of indigency to activate a full waiver. Furthermore, 28.5% of drivers who activated an amnesty waiver still had remaining fees owed for offenses that were not eligible for the Amnesty Program. These drivers had an average remaining balance of $897 in reinstatement fees for those offenses not covered by the program.

### AMNESTY REDUCTION VS. AMNESTY WAIVER

**Amnesty Reduction Plans pay fees in full**

- 85% Amnesty Reduction Plans activated and paid in full*
- 15% Amnesty Reduction Plans terminated for non-payment*

*2021-2022
1). Standardize Reinstatement Fees at $25

The Amnesty Program is providing some relief to lower-income drivers, but it is only mitigating the effects of the underlying problem of high reinstatement fees. Average Amnesty Reductions of $431 per driver and average Amnesty Waivers of $1,180 per driver saved Ohioans money but are also indicative of the high costs drivers must pay to reinstate a suspended license. Reinstatement fees should be administrative, not punitive. The high percentage of program participants who have been without a driver’s license for at least 18 months, submit proof of insurance, have their fees reduced, and then pay off their balance demonstrates how significant a burden the reinstatement fees truly are. When the fees are affordable, Ohioans are taking the steps needed to get their licenses back.

2). Eliminate Debt-Related Suspensions

Ohio drivers face over 3 million debt-related suspensions and carry an average outstanding debt of $920 million. Non-compliance suspensions, which can include reinstatement fees as high as $600 per offense, accounted for 66% of all debt-related suspensions in 2020. Reducing reinstatement fees is needed in Ohio, but reducing fees alone would not eliminate the unfair financial hurdles that can prevent lower-income Ohioans with suspensions from driving legally. Driver’s license suspensions should only be imposed for dangerous driving, not for a person’s inability to pay a fee. The Ohio Legislature should pass legislation that removes government authority to impose or extend a driver’s license suspension for failure to pay a fine or a fee.

3). Expand Eligibility

As the legislature has developed this program over the years, they have continuously expanded who is eligible for an Amnesty Waiver and what could be used as proof of indigency. House Bill 336 only allowed SNAP recipients to qualify for a full waiver. House Bill 285 expanded eligibility to include OWF, SSI, and Veterans Pensions. An estimated 13.9% of all Ohioans are living in poverty but only 4.6% of Amnesty Program participants were able to submit the proof of indigency necessary to qualify for an Amnesty Waiver. Ohio should continue to expand who is income-eligible for Amnesty Waivers and what they can submit as proof.

In addition to requiring proof of indigency, Amnesty Waivers differ from Amnesty Reductions in that there is no 18-month waiting period before a driver becomes eligible. One motivation for the waiting period is to ensure that only drivers who truly cannot afford to pay their reinstatement fees will avail themselves of the program, and drivers who can afford to pay them will just do so immediately rather than waiting 18 months for the reduction. Unfortunately, this policy holds hostage those who cannot afford their reinstatement fees to encourage good behavior by those who can afford to pay reinstatement fees. Substantially reducing the waiting period would allow drivers who have already served their suspension and secured motor insurance to qualify for a reduction, pay their remaining fees, and get back on the road sooner without reinstatement fees holding them back.