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TESTIMONY IN SUPPORT OF HOUSE BILL 0531:

Correctional Services – Parole Supervision Fees and Drug and Alcohol Abuse Test Payment – Repeal

TO: Hon. Luke Clippinger, and members of the House Judiciary Committee

FROM: Sarah Couture, Senior Research Strategist, Fines and Fees Justice Center

DATE: Tuesday, March 5, 2024

The Fines and Fees Justice Center (FFJC) thanks the Maryland House Judiciary Committee for scheduling this important hearing and **urges a favorable report on House Bill 0531.**

Justice system-mandated fees are imposed in every state across the country, and the state of Maryland is no exception. These fees frequently attach to a person the minute they come into contact with the criminal justice system. This can trap thousands of Maryland residents in an inescapable cycle of poverty and punishment. The specific fees being addressed in HB0531 are particularly harmful, as they inflict additional economic burdens on individuals reentering society as well as their families. **For people attempting to reengage in their communities, gain employment, and be valuable members of society after serving a time of incarceration, an additional \$50 monthly fee that is tied to their freedom creates a tremendous burden to individuals and society at large.** Jobs Opportunity Task Force requested that FFJC provide testimony on HB0531, and **we urge the Committee to pass HB0531.** This would be a first step toward eliminating at least one very harmful set of fees that will have a meaningful and direct impact on the residents of this state. More importantly, this is the best way to move towards practices that create opportunity rather than inflicting additional harm on our most vulnerable communities across the state.

Fines and Fees Justice Center

The Fines and Fees Justice Center is a national hub for information, advocacy, and collaboration for the reform of fines and fees. Our mission is to eliminate fees in the justice system, ensure that fines are equitably imposed, and end abusive collection practices. Fines and fees in the justice system hurt millions of Americans – entrenching poverty, exacerbating racial disparities, diminishing trust in our courts and police, and trapping people in perpetual cycles of punishment. FFJC convenes the bipartisan [End Justice Fees coalition](#), along with Americans for Prosperity and the ACLU, which supports the elimination of fees, like the supervision fees addressed in this critical legislation, charged in the justice system.¹

Justice Fees: Parole, Drug & Alcohol Testing Fees

While Fines and Fees are experienced together, **fees are distinct from fines; fees are not intended to be punitive and exist only to generate revenue. Fees operate as a regressive tax**, forcing those least able to pay to fund the justice system, or the state budget at large, rather than evenly distributing the burden among everyone that it serves. These fees trap people in a perpetual cycle of debt and punishment when they are unable to pay.

Approximately 1 in every 75 people are under probation or parole in the United States.²

Millions of people are being assessed fees for their supervision and the drug and alcohol testing that may be part of their extended supervision. These costs can total hundreds of dollars every month, a cost that can be nearly impossible for many to pay. In the first few months after being released, formerly incarcerated individuals were earning just 53% of the median US worker's wage.³ After four years of seeking and obtaining irregular employment, the study population was making less than 84 cents for every dollar of the US median wage. When those individuals are Black and Native American, the disparities in earnings seem to grow over time, with the lowest wages for these demographics.⁴ **Fees even as “low” as \$50 a month can be crushing for those barely getting by.** When additional fees for the required drug and or alcohol testing are added, like those in Maryland, to the required monthly parole fee, **the system is setting individuals and their families up for financial stress and likely failure.**

And when people inevitably miss a payment, their liberty is at stake. Maryland provides that when a person fails to pay, parole can be revoked, causing individuals to go back to a state of incarceration, damaging their pathways for opportunity and success, along with those of their family, the larger community, and at an extensive cost to the government. These technical violations have long-term impacts, even making individuals ineligible for future expungement where they may otherwise meet the criteria.

In Maryland, approximately 8,800 individuals are on parole.⁵ A 2009 study by the Brennan Center found **75% of parole supervision fees were referred to the state's Central Collections Unit because they went unpaid at the end of parole.**⁶ The Central Collections Unit then **adds a 17% collection fee penalty, compounding the debt.**⁷ Ending this practice

¹ More information available at www.endjusticefees.org.

² [50 State Survey: Probation and Parole Fees FFJC](#)

³ <https://www.prisonpolicy.org/blog/2022/02/08/employment/>

⁴ <https://www.prisonpolicy.org/blog/2022/02/08/employment/>

⁵ <https://nicic.gov/resources/nic-library/state-statistics/2021/maryland-2021>

⁶ Rebekah Diller et al., [Maryland's Parole Supervision Fee: A Barrier To Reentry](#), Brennan Center for Justice (May 2009). <https://www.brennancenter.org/sites/default/files/legacy/publications/MD.Fees.Fines.pdf>.

⁷ Id.

can not only bring immediate benefits to these individuals, but it also provides a benefit to the government. Given the inconsequential amount of collections, **the fiscal impact of eliminating these fees is not significant to the overall state budget, and when individuals are reincarcerated for these violations the costs of incarceration far exceed the cost of eliminating these fees.**

When Maryland authorized this fee in 1991 it understood that those on parole would be unable to pay the fees, and built-in exemptions that would allow for the fees to be waived. However, what we know is that **even though most people on parole are unemployed, only 7% of them were granted exemptions.**⁸ This fee has been in place for over 30 years, with **collection rates documented at 17%**. Those funds are negligible to the general fund, where they are directed, and a devastating loss and burden to the individuals and the families that pay them.

Economic Harms:

Taking money out of the pockets of lower-income families and individuals takes the dollar out of circulation where consumer spending is the biggest driver for a local economy. The practice of assessing fees, especially these fees, is counterproductive, harming individuals, and communities and being a resource drain on governments and the local economy. A 2023 study by the Fines and Fees Justice Center and the Wilson Center for Science and the Law at Duke University found that **1 in 3 adults in the U.S. had fine or fee debt** in the previous 10 years. Of those with debt, **35% had challenges obtaining food as a result** and **27% reported the debt causing hardships related to housing.**⁹ According to the Federal Reserve, one-third of Americans with a family income less than \$25,000 per year are unable to pay off their monthly bills, even without unexpected emergencies.¹⁰ Eliminating the fees in SB0728 would immediately keep critical, life-sustaining dollars in the pockets of Maryland families who are already struggling financially and stop the accumulation of any further debt as a result of this fee.

Assessing these fees can entrench families and communities in a cycle of poverty, putting jobs, housing, and sometimes even families in constant jeopardy. In a study that interviewed individuals on [probation in Texas](#), half of the income of participants who had full- or part-time employment went towards just paying probation fees. **We know that those on parole in Maryland are required to pay monthly supervision fees on top of any court-ordered alcohol or drug testing, along with other fees, such as those for electronic monitoring or the cost of defense counsel. Such fees can account for large portions of an individual's income, reducing their household resources and challenging their financial health. These fines and fees not only impact a person's current financial circumstances but can have a bearing on future earnings as well.** [One study](#) estimates that the annual earnings loss associated with misdemeanor and felony convictions to be \$5,100 and \$6,400, respectively. **Fines and Fees are obstacles to record clearing in Maryland, threatening an individual's long-term economic advancement.** An individual who has a criminal record is only half as likely to get a callback or job offer as a result and **lost wages** for people touched by the criminal legal system amount to **more than \$372 billion annually.**

⁸ <https://www.brennancenter.org/sites/default/files/legacy/publications/MD.Fees.Fines.pdf>

⁹ Fines and Fees Justice Center & Wilson Center for Science and Justice at Duke Law, *Debt Sentence: How Fines And Fees Hurt Working Families* (May 2023), available at <https://finesandfeesjusticecenter.org/articles/debt-sentence-how-fines-and-fees-hurt-working-families/>.

¹⁰ Report on the Economic Well-Being of U.S. Households in 2022 - May 2023, <https://www.federalreserve.gov/publications/2023-economic-well-being-of-us-households-in-2022-expenses.htm>

Fees and Public Safety:

In addition to individual and community economic harms, fines and fee practices can also jeopardize public safety and contribute to more social harm. A study of misdemeanor assessment fees in Milwaukee, Wisconsin found that **a new fee** of \$200 on all misdemeanor convictions **increased the overall likelihood of re-offense within two years**. These increased fees are linked to increases in both recidivism and its severity. A survey of 980 people facing court-related debt, found that **individuals faced with fines and fees admitted to committing new, and frequently worse, offenses to pay off their court debt**. Other studies have found that using law enforcement to enforce and or collect legal debt can **negatively affect crime-solving and case closures**. **In Maryland, 64 percent of violent crimes were not solved in 2022, 2 percentage points worse than the national average.**¹¹ In 2023 United States Department of Justice explained in Dear Colleague letter, “Unaffordable fines and fees undermine rehabilitation and successful reentry and increase recidivism for adults and minors.”¹²

Maryland HB0531

Passage of HB0531 would be a positive move toward ending harmful fees in Maryland. While many states authorize supervision fees for those on parole, a growing number of states do not. Recognizing the harms of these fees, states are ending these practices, creating better opportunities for those reentering to succeed. In recent years, Delaware, New York, California, Oregon, and Massachusetts ended these fees, joining a handful of other states that do not authorize the use of these fees.¹³

Conclusion

Maryland’s pursuit to eliminate these harmful and regressive fees is in step with the bipartisan movement toward reform and is in line with the national direction on this issue.

The Fines and Fees Justice Center will continue to work for a more just and equitable system. We know this Committee will, too. We look forward to doing it together.

Thank you for the opportunity to submit this testimony. **We respectfully urge a favorable report on HB0531.**



Sarah Couture
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Fines and Fees Justice Center

¹¹ Criminal Justice Data Snapshot Council of State Governments:

<https://csgjusticecenter.org/wp-content/uploads/2023/11/Maryland-Criminal-Justice-Data-Snapshot.pdf>

¹² U.S. Dept. of Justice Office of the Associate Attorney General, Dear Colleague Letter to Courts Regarding Fines and Fees for Youth and Adults (Apr. 20, 2023), *available at*

https://www.justice.gov/d9/press-releases/attachments/2023/04/20/doj_fines_and_fees_dear_colleague_letter_final_with_signatures_0.pdf

¹³ <https://www.brennancenter.org/sites/default/files/legacy/publications/MD.Fees.Fines.pdf>