



The Financial Impact of Suspended Licenses in Kansas



Kansas is considering legislation to end debt-driven driver's license suspensions for unpaid fines, fees and court costs. It is estimated that over 127,000 Kansas drivers licenses are currently suspended due to failure to appear in traffic court due to unpaid fines, fees, and court costs.¹ These suspensions are often an extension of the debt collection process for traffic tickets.

Suspended licenses are associated with loss of employment opportunities, loss of productivity, and compounded financial loss because driving is essential to daily needs, i.e., obtaining medical care, and accessing the workplace, including commuting to work and earning one's living. As the Supreme Court commented on suspended licenses in *Bell v. Burson*, "[o]nce licenses are issued . . . their continued possession may become essential in the pursuit of a livelihood..."² Thus, debt-based driver's license holds perpetuate socioeconomic disparities and financial hardship.

Earning Loss Associated with Suspended Drivers Licenses For Failure to Appear

To estimate the financial impact of these suspended licenses, we apply the methodology of Chien et al's publication, *Estimating The Earnings Loss Associated With A Criminal Record And Suspended Driver's License*.³ This study relies on the city of Phoenix's "Compliance =Assistance Program" ("CAP") to estimate the impact on earnings of lacking a driver's license.⁴

It first estimates lost annual income for the typical (median) person with a suspended license to be \$36,800 but scales this downward to account for individuals who were not working or whose work

was not disrupted by suspension.⁵ Noting that 36% of the CAP sample was not working at the time of license suspension and 72% experienced disruption due to either job loss or reduction in hours, Chien et al. conservatively estimates that a lost license results in \$12,700 in lost annual earnings per person.⁶

The number of suspended licenses in Kansas for failure to appear is 127,116, according to the Kansas Department of Revenue. The per person annual earnings impact is estimated to be \$12,700, as calculated by Chien et al. above. A mechanical calculation would suggest an aggregate annual earnings loss of \$1.61 Billion to the state.

Quick Facts:

- Estimated number of Kansas suspended licenses: 127,116⁷
- Estimated Annual Earnings Loss Associated with a Suspended License : \$12,700⁸
- Estimated Aggregate Annual Financial Impact of Suspended Licenses Among Kansas Drivers:\$1.61 Billion⁹

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¹ Kansas Department of Revenue. Data from Records Request by Kansas Appleseed. 2023.

² *Bell v. Burson*, 402 U.S. 535, 539 (1971).

³ Chien, Colleen, et al. *Estimating the Earning Loss Associated with a Criminal Record and Suspended Driver's License*. Ariz. L. Rev. 64: 675 (2022).

⁴ Chien et al., at 709.

⁵ *Id.*

⁶ *Id.*

⁷ Note 1.

⁸ Chien et al., *supra* note 7

⁹ Calculation summarized above.