

In 2023, the challenges of securing stable housing have intensified, with nearly a fifth of Americans falling behind on their rent payments at some point.⁷ Unpaid legal fines and fees further exacerbate this situation. The uncertainty of employment often translates into severe financial hardship, leading to individuals falling behind on mortgage or rent payments.⁸ These missed payments can lead to damaged credit scores, often used to assess an applicant's candidacy for rental or permanent housing.⁹

Debt-based license holds criminalize poverty and perpetuate a cycle of financial instability. By penalizing individuals for their inability to pay fines and fees, these policies create significant barriers to housing. The current premise of the Failure to Appear/Pay Program is nonsensical, given that there is no significant difference in the amount collected per criminal case between municipal *and* JP courts that participate in the program and those that do not.¹⁰ On the contrary, data from more than 800 municipal courts across Texas shows the average collection rate per case for courts using OmniBase to be \$45.44 less than for courts not using the program.¹¹ **Join us in asking lawmakers to end debt-based license holds statewide and get people back on the road to financial prosperity.**

REFERENCES & ENDNOTES

¹ Biernacka-Lievestro, J., & Fall, A. (2024). *Population Growth in Most States Lags Long-Term Trends*. Retrieved from <https://www.pewtrusts.org/en/research-and-analysis/articles/2024/05/07/population-growth-in-most-states-lags-long-term-trends>

² National Low Income Housing Coalition. (2024). *Housing Needs by State: Texas*. Retrieved from <https://nlihc.org/housing-needs-by-state/texas>

³ Mello, S. (2023). *Speed Trap or Poverty Trap? Fines, Fees, and Financial Wellbeing*. Retrieved from <https://mello.github.io/files/fines.pdf>

⁴ Marsh, A. (2017). *Rethinking Driver's License Suspensions for Nonpayment of Fines and Fees*. *Trends in State Courts*, 2017, pp. 20-26. HeinOnline.

⁵ Tex. Transp. Code § 706.004.

⁶ Marsh, A. (2017). *Rethinking Driver's License Suspensions for Nonpayment of Fines and Fees*. *Trends in State Courts*, 2017, pp. 20-26. HeinOnline.

⁷ Board of Governors of the Federal Reserve System. (2024). *2023 Report on the Economic Well-Being of U.S. Households*. Retrieved from <https://www.federalreserve.gov/publications/files/2023-report-economic-well-being-us-households-202405.pdf>

⁸ Mitchell, A., Mitchell, J., & Nichols, S. (2013). *Consequences of Long-Term Unemployment*. Urban Institute. Retrieved from <https://www.urban.org/sites/default/files/publication/23921/412887-Consequences-of-Long-Term-Unemployment.PDF>

⁹ Kerkhof, T. (2021). *Small Fines and Fees, Large Impacts: Ability-to-Pay Hearings*. *Southern California Law Review* 95 (2021): 447.

¹⁰ In 2021, Texas Appleseed published a Driven by Debt Report which looked at differences in municipal court revenue for courts who opt to use the FTAP program versus those that do not (see Texas Appleseed (2021). *Driven by debt: The Failure of the OmniBase Program*. Retrieved from <https://www.texasappleseed.org/sites/default/files/2023-05/omnibaserevenue-report-aug11-final.pdf>). In 2024, we have expanded this analysis to JP courts and found that there is also no difference in the revenue collected for JP courts who opt to use the FTAP program versus those that do not. The new data is on file with the authors, and an updated Driven by Debt Report is forthcoming.

¹¹ Texas Appleseed (2021). *Driven by debt: The Failure of the OmniBase Program*. Retrieved from <https://www.texasappleseed.org/sites/default/files/2023-05/omnibaserevenue-report-aug11-final.pdf>.