



# Center for Justice & Safety Finance

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## Three Major US Counties Working to Eliminate Criminal Fines and Fees

*Dallas, Nashville-Davidson, and Ramsey (MN) Counties Look to End “Poor Tax” as Source of Revenue for Local Governments*

Philadelphia, PA (JUNE 4, 2019): Today, PFM’s Center for Justice & Safety Finance (CJSF) announced three major U.S. counties (Dallas, TX; Nashville-Davidson, TN; and Ramsey, MN) as partners in an effort to reduce or eliminate their reliance on criminal fines and fees as a revenue source. The three counties were selected through a competitive process to receive technical assistance from CJSF, made possible by a \$1.2 million Arnold Ventures grant to PFM.

“Progressive local government leaders understand that they don’t need to choose between balanced budgets and fairness in the criminal justice system,” said **CJSF executive director David Eichenthal**, a former local government chief finance officer and current managing director with PFM. “Too often, fees and fines can be a form of poor tax – a revenue source that disproportionately hits low income offenders – that is pennywise and pound foolish. Our work with these three counties will show that you can develop policies that are both just and fiscally smart.”

Research has increasingly found criminal justice fines and fees unnecessarily burden lower income individuals while providing no significant benefit to public safety. The March 2015 Department of Justice report on Ferguson, MO detailed the impact of that city’s reliance on fines and fees from the criminal justice system as a source of revenue with federal investigators concluding that Ferguson law enforcement practices were “shaped by the City’s focus on revenue rather than by public safety needs.”

“For more and more people unable to pay, the result can be a never-ending cycle of poverty and a revolving door to the criminal justice system. This not only creates a fragile situation for those residents and their families, it turns our police officers’ focus away from public safety and towards collecting a debt,” said **Chief Ronal Serpas**, a former police chief of Nashville, TN, Washington State, and New Orleans, LA, who serves as CJSF’s senior advisor.

In some cases, revenue from fines and fees may be substantially offset by the cost of collecting fines and fees or other costs in the criminal justice system.

“To continue enforcing a system that has no real benefit just because we’ve always done it that way is simply not good enough. In fact, not only does it have no benefit, it causes harm to Dallas County residents and families already struggling to get by,” said **Dallas County Judge Clay Jenkins**. “If there is a way to relieve that stress without impacting our budget, we should absolutely find it - and that’s exactly what we’re doing today.”

“This is an equity issue. Residents should not be prevented from improving their lives or moving forward because of often inequitable or antiquated fines and fees practices,” said **Nashville Mayor David Briley**. “Thanks to PFM, we will carefully study our current system and propose any needed changes. I believe Nashville can serve as a national example for how cities can have equitable fines and fees structures that do not unfairly penalize their most marginalized residents.”

“Our community is safer when people who have committed offenses can focus on rehabilitation and supporting their families rather than paying off an accumulated debt of fines and fees”, said **Ramsey County Board Chair Jim McDonough**. “We are very grateful to the experts at PFM’s Center for Justice & Safety Finance and Arnold Ventures for choosing Ramsey County and helping us to understand how to eliminate the layered fines and fees system while safeguarding our budget.”

“Governments that rely on fines and fees to generate revenue have an incentive to maximize revenue, often with little regard for either public safety or human cost,” said **Juliene James, Director of Criminal Justice at Arnold Ventures**. “We are excited to partner with CJSF and these communities as they chart a course toward supporting economic stability for their residents and reducing reliance on fine and fee revenue.”

Through the Arnold Ventures grant, CJSF will work with each county to develop a plan to phase out that county’s specific fine and fee obligations without a negative fiscal impact on their operating budget. In doing so, CJSF will assess the financial impact of each county’s current use of fines and fees, help identify alternative revenue sources and opportunities to reduce expenses, recommend policy and statutory changes that may be required to proceed, and engage local leaders, including judges, law enforcement and other criminal justice officials, throughout the process.

Work will be completed in all three counties by the end of 2019.

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### **About the Center for Justice & Safety Finance**

The Center for Justice & Safety Finance (CJSF) brings together expertise in policy, operations, and finance to help build 21st Century criminal justice and public safety systems for cities, counties, and communities across the country.

One of the most significant challenges for city and county governments is the rising personnel, operational and legacy-related costs of keeping residents safe. Criminal justice systems, fire, police, EMS, and the liability and legal realities of providing these critical services represent the most significant budgetary drivers faced by local governments. CJSF experts help tackle these issues simultaneously from the purview of operational practitioners in public safety and justice, as well as budget and finance. Learn more about CJSF at [cjsf.pfm.com](http://cjsf.pfm.com).

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