



TEXAS PUBLIC POLICY FOUNDATION

# RESEARCH

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## On the Road and Back to Work: Reforming Driver's License Regulations in Texas

### Key Points

- While the majority of Americans depend on driving themselves to work, many are burdened by debt-based license suspensions and regulations that make renewing a license difficult.
- When someone faces a driver's license suspension or inability to renew a license, they face substantial challenges to transportation and therefore employment, which provides purpose and self-sufficiency.
- Reforming current driver's license regulations and policies is necessary to help get Texans back on the road and back to work, further helping them achieve self-sufficiency and energizing the economy.

### Executive Summary

While the majority of Americans depend on driving themselves to work, many are burdened by debt-based license suspensions and unnecessary limitations on renewing a license. When someone faces a driver's license suspension or is unable to renew a license due to regulatory measures, this poses a significant barrier to transportation and therefore employment. This burdens the individual and has a broader societal impact on families and the economy, exacerbating unemployment rates and recidivism for those exiting incarceration. Reforming current driver's license regulations and policies is necessary to help get Texans back on the road and back to work, further helping them achieve self-sufficiency and energizing the economy.

### Introduction

Transportation is not only a matter of convenience but also a necessity in today's age. Simple tasks such as grocery shopping, dropping children off at school, and commuting to work heavily rely on an individual's ability to find reliable and affordable transportation. Although individuals have options for transportation, such as public transportation, walking, and biking, these methods can become unreliable or inconvenient depending upon variables such as location, commute time, and weather. Furthermore, most rural areas lack a robust public transportation system, and workers often face a longer commute due to fewer nearby employment options.

These combined factors make driving to work the most convenient and autonomous option. In fact, 86% of Americans choose to drive to work ([Free to Drive, n.d.](#)). As a result, when someone faces a driver's license suspension or inability to renew a license, they face substantial challenges to transportation, and therefore employment, which provides purpose, human dignity, and self-sufficiency. Ultimately, this burdens not only the individual but also the family and economy and is further exacerbated by state policies that use suspensions as a punitive measure for non-driving related incidents, rather than a targeted measure to protect public safety.

As of December 2021, Texas had an unemployment rate of 5%, with more than 700,000 people unemployed ([U.S. Bureau of Labor Statistics, n.d.](#)). Moreover, the formerly incarcerated struggle severely to obtain employment; the Prison Policy Initiative estimated the formerly incarcerated have an unemployment rate of about 27% ([Couloute & Kopf, 2018](#)). A recent study from the Bureau of

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## Similarly to debt-related suspensions that can take years to pay off, especially if payment plans are not offered, arbitrary time restraints placed on renewing an expired license can be a barrier to getting back on the road.

Justice Statistics found that among the over 50,000 individuals released from federal prison in 2010, 33% never found employment within four years post-release ([Carson et al., 2021, p.1](#)). While other factors affect this disparity, such as having a criminal record, many exit incarceration to discover they cannot renew their driver's license due to state regulatory measures, such as arbitrary time limits on renewing an expired license. With no reliable transportation, in combination with a criminal record, opportunities are limited for both the job seeker and the employer. This should be resolved quickly in Texas and beyond by working to speed up the process to get a driver's license for those who were formerly incarcerated, so they are not inappropriately hindered from getting a job and flourishing.

### Driver's License Suspensions and Regulatory Policies

While driver's license suspensions are a legitimate way to protect public safety when used in response to driving-related incidents, states across the nation have historically used these suspensions as a punitive measure for those who have failed to satisfy financial obligations associated with, oftentimes, non-driving related incidents, such as failing to pay fines and fees accrued from tickets, criminal charges, failing to appear in court, or failing to pay child support. One study found that, in New Jersey, among all license suspensions from 2004 to 2018, 91% were for non-driving related incidents—most commonly due to failing to pay a fine ([Joyce et al., 2020](#)).

These types of suspensions only further exacerbate the problem they aim to address by limiting an individual's ability to travel to work or community service—therefore making the individual unable to fulfill the obligation the state imposes upon them to reinstate their driver's license. To help alleviate the negative effects associated with the cyclical nature of debt-based driving restrictions, there has

been a bipartisan push to rescind debt-based suspensions across the nation, and many states have been successful. For example, California saw an 8.9% increase in court collections after eliminating debt-based suspensions and implementing income-based payment plans—bringing in over \$80 million more than the previous year ([Judicial Council of California, 2018, p. 2](#)). Since 2017, 22 states have passed legislation to help eliminate debt-related driving restrictions ([Jones, 2021](#)). Notably, two very conservative states, Kentucky and Mississippi, will no longer suspend, revoke, or prohibit renewal of a driver's license for failing to pay outstanding fines and fees ([Free to Drive, n.d.](#)).

Similarly to debt-related suspensions that can take years to pay off, especially if payment plans are not offered, arbitrary time restraints placed on renewing an expired license can be a barrier to getting back on the road. Renewing an expired driver's license can be onerous, time-sensitive, and time-consuming. While policies vary across the states, many have time limits on renewing an expired license; if that time limit is exceeded, an individual must go through the process of applying and testing for a new license as if they were new drivers applying for their first license. For example, Texas currently prohibits the renewal of a license that has been expired for more than two years—meaning if an individual's license expired more than two years ago, they must go through the process of applying for a new license and retake a driving test ([Gerrick, n.d.](#)). This poses a substantial issue for formerly incarcerated individuals as many exit with excessive court debt. This debt is acquired from any unpaid fines and fees they may have failed to pay prior to their incarceration, in addition to any new fees for parole or victim restitution. This debt, if left unpaid, can lead to a suspended license. If a license expired while incarcerated or becomes expired prior to paying the court fees that lead to the suspension, they only have two years to pay off all of their debt and become eligible to renew their license. This further contributes to unemployment and restricts their ability to complete mandated probation and parole activities such as community service or rehabilitation programming. However, some states have recognized this issue by expanding their time limits or, in some cases, completely eliminating them ([Gerrick, n.d.](#)).

### Areas of Reform in Texas

#### *Suspensions*

As discussed above, driver's license suspensions can be a legitimate way to protect public safety when applied in response to driving-related incidents. On the other hand, suspensions based solely on unmet financial obligations only further exacerbate unemployment and recidivism,

while doing little to nothing to protect public safety. However, following the bipartisan push for reform seen in other states, Texas has begun to reform current policy to reduce debt-based suspensions.

The elimination of the Texas Driver Responsibility Program is one example of reform in Texas. Created in 2003, this program assessed and applied surcharges to individuals with certain traffic convictions—such as driving without insurance, driving without a license, or driving while intoxicated. For each conviction, the individual would pay a yearly surcharge for three years. Depending on the severity of the driving incident or the type of driving-related criminal conviction, these surcharges ranged from \$100 to \$2,000—on top of the base cost of the traffic offense. Additionally, individuals could also encounter surcharges if enough “points” were accrued through moving traffic violations; a moving violation would add two points to a person’s record, and a moving violation resulting in a crash would add three points to the person’s record. If the individual accumulated six points within three years, a \$100 fine would be assessed for each year the driver had six or more points on their record. If the driver failed to pay in full, create an installment plan, or missed an installment payment, their driver’s license would be suspended ([Texas Department of Public Safety, 2018](#)). After wide criticism, in 2019, the Texas Legislature repealed the Driver Responsibility Program, resulting in more than 600,000 Texans having their surcharges waived and becoming immediately eligible for a license reinstatement ([Closson, 2019](#)).

Despite the widespread impact seen after the repeal of the Driver Responsibility Program, many Texans failed to see their fees waived and subsequently failed to have their license reinstated due to many cities and counties choosing to use the state’s Failure to Appear Program. This program, operated by the Texas Department of Public Safety, contracts with a private vendor, OmniBase Services of Texas ([OmniBase Services of Texas, n.d.](#)). Similar to the Driver Responsibility Program, the OmniBase program is designed to issue a “hold” on an individual’s driver’s license, which then prevents the individual from renewing their license; the hold can be issued for unpaid court fines or failure to appear in court—most often related to traffic offenses. Unlike the former Driver Responsibility Program, OmniBase does not remove a “hold” from a license until the entirety of the individual’s debt is paid—even if they establish a payment plan or community service plan ([Texas Appleseed, 2021](#)).

According to [Section 706.002, Texas Transportation Code](#), municipal and county courts have the option to either opt

## One example of reform seen in Texas is the elimination of the previous Texas Driver Responsibility Program. Created in 2003, this program assessed and applied surcharges to individuals with certain traffic convictions.

in or out of contracting with DPS and OmniBase Services of Texas. The goal of OmniBase is to increase revenue and court appearances. However, while approximately 670 cities opt in to using the program, recent research has shown that, on average, the program fails to increase revenue compared to cities that opt out of OmniBase ([Texas Appleseed, 2021](#)). Due to the counterproductive nature of OmniBase, Harris County and the city of Austin chose to opt out of the OmniBase program beginning in 2020.

In 2021, legislation was introduced that would have lifted holds imposed by OmniBase once a driver has entered into a payment plan or community service plan, with the purpose of incentivizing appearance in court and reducing the number of unlicensed drivers on the road ([HB 4191, 2021](#)). However, while the bill passed the House Committee on Homeland Security and Public Safety, the legislation was never voted on by the entirety of the Texas House of Representatives.

### *Expiration and Renewal*

License renewal policies vary depending on the state, specifically in the associated costs and imposed time limits. For example, Wisconsin has an eight-year time limit and a \$5 late fee, while Louisiana has no time limit restriction but a \$15 late fee ([Gerrick, n.d.](#)). Currently, Texas has a two-year time limit for renewing an expired license ([Gerrick, n.d.](#)). However, this poses an issue for those exiting Texas prisons as the average length of stay in FY 2020 was more than four years; this could mean their license expired in prison and has surpassed the renewal period ([Texas Department of Criminal Justice, 2020](#)). Additionally, even for those serving shorter sentences in state jails or with a license that did not expire while incarcerated, some individuals exit with thousands of dollars in court debt due to traffic tickets or failure-to-appear fines that occurred prior to their incarceration. The weight of this court debt creates a barrier as many individuals cannot afford to pay off their

OmniBase license suspension in full immediately upon reentry, leading to limitations on finding employment (Kim, 2019). States that provide greater flexibility remove a barrier for the formerly incarcerated, providing them with more time to pay off court debts and reinstate their driver's license—helping them quickly return to work.

In 2021, the same piece of failed legislation that was intended to improve the OmniBase program also included a provision that would have extended the length of time a person's driver's license can be expired before having to start over with a new license. The legislation extended this time limit to 10 years past the expiration date rather than two years (HB 4191, 2021). The intent was to provide both the formerly incarcerated and those with debt-based suspensions with ample time to renew their driver's license without having to go through the lengthy process of obtaining an original driver's license.

## Recommendation

### *Speed Up the Process to Obtain a Driver's License for the Formerly Incarcerated*

- **Reform the OmniBase Program:** The Texas Legislature should reform the OmniBase program to remove a hold when a driver enters a payment plan or community service plan to pay existing fines and fees. This will help ensure the individual is given the opportunity to legally fulfill the obligations required to renew a driver's license in a timely manner.

- **Extend the Driver's License Renewal Period:** The Texas Legislature should extend the renewal period for an expired license from two years to ten years so that the individual can have more time to avoid going through the process of obtaining an original driver's license.

## Conclusion

Reliable transportation is critical to obtaining employment and the majority of Americans choose to drive themselves to work due to reliability, convenience, or location. With current policies, many have their driver's licenses suspended through the OmniBase program, with no option for those who cannot afford to have it reinstated. Additionally, many individuals exit incarceration to find that their license is expired and cannot be renewed or there is an OmniBase hold on their license due to previous court debts—posing substantial barriers to reentry into society and building a career. Reforming current driver's license regulations and policies is a necessary step to help get Texans back on the road and back to work, further helping them achieve self-sufficiency and energizing the economy. ★

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## ABOUT THE AUTHOR



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