



**Testimony of Stacy Santin
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**Before the Committee on Transportation and the Environment
Council of the District of Columbia**

Performance Oversight Hearing Regarding the Department of Motor Vehicles

March 8, 2018

The Legal Aid Society of the District of Columbia¹ submits this testimony regarding the practices and procedures of the Department of Motor Vehicles (“DMV”) concerning certain driver’s license suspensions. Under current law, the DMV is required to suspend a driver’s license upon the request of a private insurance company trying to collect on an unpaid civil judgment resulting from an auto accident case. We urge the Council to eliminate license suspension as a debt collection tool for private creditors to collect on a civil judgment. Our testimony today, however, focuses on separate but related issues: deficiencies in the way the DMV notifies drivers of these judgment-based suspensions and provides information regarding requirements for license reinstatement, and the DMV’s imposition of unnecessary and unrealistic burdens on drivers to obtain court orders as a condition of reinstatement.

As we have previously testified, driver’s license suspensions can be deeply damaging to low-income District residents, many of whom depend on the ability to drive for their livelihoods and to meet other needs of their families. In our practice, we have regularly encountered clients and potential clients whose driver’s licenses have been suspended due to civil judgments obtained by insurance companies. Last fall, the Driver’s License Revocation Fairness Amendment Act of 2017 was introduced in the Council to end this practice, and we hope that the Committee will act quickly to ensure its ultimate passage. In the meantime, we urge the Committee to use its oversight power to ensure that the DMV provides accurate information to District residents who are targeted for licenses suspensions, and that the Department removes any unnecessary barriers to reinstatement.

BACKGROUND ON LICENSE SUSPENSIONS

In general, any outstanding civil judgment can result in garnishment of wages and seizure of funds in bank accounts—two powerful enforcement mechanisms that already have a disproportionate effect on those living in poverty. But judgments obtained in automobile insurance subrogation cases carry an additional and potentially devastating consequence: suspension of the defendant’s driver’s license. Once a license has been suspended in this

¹ The Legal Aid Society of the District of Columbia was formed in 1932 to “provide legal aid and counsel to indigent persons in civil law matters and to encourage measures by which the law may better protect and serve their needs.” For more than 85 years, Legal Aid staff and volunteers have been making justice real for tens of thousands of the District’s neediest residents. Legal Aid currently works in the areas of housing, family law, public benefits, and consumer law.

context, it can be lifted only if the judgment is satisfied, if the judgment creditor agrees to lift the suspension (usually in exchange for a payment plan), or if the judgment has expired.²

The use of license suspensions as a debt collection tool causes significant strife in the lives of low-income District residents. Many low-income drivers live and/or work in areas of the District that are not easily accessible by public transportation; therefore, their livelihood depends on their ability to drive to work. People also need to drive to take children to school, go to medical appointments, get to the grocery store, and to take care of other basic necessities of life. Understandably, panic sets in the moment a letter arrives from the DMV stating that the person's driver's license has been suspended due to an outstanding judgment.

OPERATIONAL ISSUES AT THE DMV

Upon receiving notice from the DMV or otherwise learning about the suspension, drivers are often bewildered by the process of trying to understand the basis for the suspension and navigate the reinstatement process. Even before setting foot in the DMV, drivers are faced with confusing and inaccurate information in the "Order of Suspension" notice that is mailed to them. The language of the notice is generally difficult to understand and cites D.C. Code provisions that no longer exist, as well as outdated and obscure regulations.

In the absence of any clear information or guidance in the DMV's "Order of Suspension" notice, drivers often head to the DMV in person with the expectation that they will at least be able to learn why their license has been suspended and what they can do about it. Unfortunately, the repeated experiences of our clients interacting with the DMV in this context raise serious concerns about whether the Department's operational staff have the training and guidance necessary to effectively handle these types of matters. Many drivers leave the DMV with little to no information at all, or even worse, they are given incorrect information about how to lift the suspension.

One common and problematic scenario we see involves the continued license suspension based on a judgment that has already expired. Judgments in D.C. are valid for twelve years³—and unless the judgment creditor has filed a notice showing that the judgment has been revived by the court, D.C. law makes clear that the license suspension "shall be terminated" upon expiration of the judgment.⁴ But all too frequently, license suspensions remain in effect beyond the judgment's expiration date, even though the judgment no longer has any legal force or effect. Moreover, drivers who go to the DMV for help with license suspensions based on expired judgments are often given inaccurate information—including that they need to pay the judgment or get a court order allowing the DMV to lift the suspension.

Even more troubling, drivers who have obtained the advice of counsel (often from a third-party legal services provider, like Legal Aid) and return to the DMV armed with documentation showing that the judgment has expired (e.g., a print-out of the court docket reflecting the date judgment was entered and that there was no revival) are often turned away by

² D.C. Code § 50-1301.45 et. seq.

³ D.C. Code § 15-501.

⁴ DC Code § 50-1301.47.

DMV customer service representatives who continue to repeat the same inaccurate information. Exasperated and desperate to get their licenses back, some drivers then make the trip to the courthouse and attempt to file motions asking for reinstatement of their suspended license, only to later find out that they received incorrect information and instructions from the DMV. Others remain stuck in a cycle of frustration with no end or resolution in sight. This entire process is extremely burdensome, time-consuming and costly, particularly for low-income drivers who may lack the resources to travel repeatedly to and from the DMV and the courthouse—spending money on transportation and court filing fees in the process.

Expired judgments are only one of several situations in which the experiences of Legal Aid clients have revealed serious operational issues at the DMV. Some drivers whose licenses have been suspended were never notified of the underlying court case and had judgment entered against them by default, in which case the most appropriate next step for the driver should be asking the court to vacate the underlying default judgment. Other drivers may have already worked out a payment plan with the judgment creditor in exchange for an agreement that the license suspension would be lifted. Nonetheless, these drivers still encounter problems and receive inaccurate instructions from DMV personnel.

Based on a variety of client experiences in a variety of circumstances, it has become apparent that the DMV either lacks any policies and procedures for judgment-based license suspension matters, or that the policies and procedures in place have substantial deficiencies. Legal Aid has attempted with some limited success to escalate these issues to legal counsel within the DMV on a case-by-case basis, but the problems continue to persist system-wide, with experiences varying from branch to branch and from employee to employee.

I would like to share the experience of one Legal Aid client to highlight the problems inherent in the current system and the urgent need for Department-wide change. The client, who I will call Ms. Smith, was supporting herself and her three children on Supplemental Security Income. Ms. Smith's driver's license was suspended based on a civil judgment that had expired the year prior. Ms. Smith went to court and filed a motion asking for reinstatement of her license. At the court hearing, the judge expressed concern that reinstatement was a matter for the DMV and not the court. So the best the judge could do was to note in a court order that in light of the judgment having already expired, there was no longer a legal basis for the license suspension. Ms. Smith took the court order to the DMV, but she was rejected again—this time, because the DMV representative said the order had to be certified. Ms. Smith had to return to court yet again, pay for a certified copy of the order, and make yet another trip to the DMV. But D.C. law already made clear that the license suspension should have been terminated by the DMV upon expiration of the judgment. Ms. Smith should have never had to go to court to begin with. This is just one example of the misinformation provided by the DMV to drivers seeking license reinstatement, and the financial harms and challenges that flow from that misinformation as a result.

The DMV should take steps to cure these operational issues immediately.

STEPS THE COMMITTEE CAN TAKE TO ADDRESS THIS ISSUE

One of the most important things that the Committee can do to better protect low-income District residents is take up legislation that would address the practice of using driver's license suspension as a debt collection tool head-on. On December 5, 2017, Councilmembers Silverman, Gray, Trayon White, Nadeau, and Bonds introduced the Driver's License Revocation Fairness Amendment Act of 2017. Legal Aid strongly supports the bill, which would bring an end to the DMV's current practice of suspending driver's licenses as punishment for failure to pay civil judgments, as well as ending automatic license suspensions for unpaid parking and traffic tickets.

But while a change in law is necessary, the Committee need not and should not wait to address the urgent issue of how the DMV handles suspensions and engages with drivers under existing law. The DMV's existing (and inconsistent) policies create unnecessary and costly impediments to license reinstatement. These practices only exacerbate the negative effects that a suspended license has on a person living in poverty.

The Committee should use today's hearing to ask the DMV the following questions:

1. What information does the Department provide to District residents in written notices of license suspensions due to unpaid civil judgments? What information does the Department provide to drivers who go to a DMV branch to address such suspensions?
2. What training and oversight does the Department provide to staff to ensure that such information is provided accurately and consistently, and does the Department have written training materials?
3. What systems does the Department have in place to identify civil judgments that have expired and are no longer a valid basis for a continuing license suspension?
4. What has the Department done, or what does it plan to do in the future, to involve stakeholders in the process of reviewing the accuracy of notices and developing training, policies, and procedures on license suspension matters?

Further, the Committee should closely monitor the DMV's handling of civil judgment-related suspensions over the rest of FY18 to ensure that the Department is addressing the problems that our clients have encountered.

CONCLUSION

We urge the DMV to take immediate steps to work with stakeholders on a solution to this widespread problem, and would be happy to be a resource to both the Department and the Committee to resolve these issues.