

FINDINGS FROM THE JEFFERSON COUNTY EQUITABLE FINES AND FEES PROJECT



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Kasey Eickmeyer, and Ellie Wilson*

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OVERVIEW

Every year, courts across the United States impose millions of dollars in fines, fees, and restitution on people convicted of traffic violations, misdemeanors, and felonies. Collectively, monetary sanctions and other criminal justice fees are referred to as legal financial obligations or simply court debt. Ostensibly, court debt is intended to sanction offenders, recover the costs of running a court system, raise revenue, and compensate victims of crime. In most jurisdictions, however, court debt is assessed without considering an individual's ability to pay, and much of what is owed goes uncollected. Estimates suggest that there are approximately \$27.6 billion in outstanding obligations.

In addition to being an unreliable source of revenue, court debt can have severe and long-standing consequences for those who owe, exposing them to increasing debt, future incarceration related to unpaid debt, and the suspension of voting rights, among other collateral consequences. In jurisdictions across the country, court debt also has a disproportionate effect on the economically disadvantaged, as well as Black and Latino individuals and communities. Many of the equity and collateral consequences described above hold true for court debt assessment and collection in Jefferson County and across Alabama, as documented in a 2018 survey with over 800 Alabama residents who owed court debt. This research attracted the attention of judges in the Tenth Circuit Court in Jefferson County (home to Birmingham) who worked with Leah Nelson, lead researcher on the 2018 survey, and MDRC to develop the Jefferson County Equitable Fines and Fees (JEFF) Project, a multidisciplinary study of the scope and consequences of court debt in the county.

With funding from Arnold Ventures, the JEFF Project began in 2022. The findings in this report reflect multiple lines of inquiry, including descriptive and inferential analyses of five years of case-level court data, in-depth interviews with court practitioners, and focus group discussions with individuals who have direct experience with court debt in Jefferson County. Taken together, these analyses point to a system that is neither effective in generating revenue for the court, nor fair, given its outsized impact on Black and indigent people living in poor communities. Over the five years of the study, just under half of the individuals who owed court debt paid in full, with many seeing their debt burden grow over time. The research team also isolated some of the major factors that contribute to debt growth, which include race and economic disadvantage, in addition to factors related to how debt is collected, most notably the practice of assessing a 30 percent late fee on those who do not submit a payment within 90 days. Both court practitioners and individuals who are directly affected viewed the current system as broken, with the latter describing serious financial, emotional, and collateral consequences.

Findings from the JEFF Project have already prompted the reconsideration of current practices in Jefferson County, including a pilot project to reduce debt burdens and encourage payments, and the creation of a statewide task force that will examine fines and fees across Alabama. Finally, given that Jefferson County is home to a midsized city situated in a fiscally and socially conservative state, its social and geographic characteristics make it a useful reference for many cities and counties looking to make changes in their fines and fees systems.

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The Authors

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Introduction

The Jefferson County Equitable Fines and Fees (JEFF) Project examines the trends and consequences of court fines and fees in Jefferson County, Alabama through the lenses of fairness and efficiency. The goal of the project is to draw on detailed data regarding court fines and fees and work with stakeholders from the Jefferson County court system, local community-based organizations, and people who owe such debt in Alabama to produce robust, policy-relevant findings regarding the scope and consequences of court fines and fees in Jefferson County.

BACKGROUND ON COURT FINES AND FEES

Every year, courts across the United States impose millions of dollars in fines, fees, and restitution on people convicted of traffic violations, misdemeanors, and felonies. Collectively, monetary sanctions and other criminal justice fees are referred to as legal financial obligations or simply court debt. Fines, or financial sanctions as a form of punishment, predate the founding of the United States.¹ Fees, on the other hand, are levied with the purpose of raising revenue for public services (including but not limited to the services provided by courts), and have proliferated in recent decades as lawmakers seek alternative means to cover costs that do not present the political and constitutional challenges posed by tax hikes. In most jurisdictions, the cumulative debt for individuals is the sum of both fines and fees – therefore, this report groups fines and fees together and refers to them as court debt.²

In most jurisdictions, court debt is assessed without consideration for an individual’s ability to pay, and much of what is owed goes uncollected. According to recent estimates, there are approximately \$27.6 billion in outstanding obligations.³ Despite the limited revenue generated from court debt, many jurisdictions continue to impose court debt and engage in collection activities, particularly where weaker tax bases result in a greater reliance on fees to fund public services.⁴ Reliance on fines and fees to fund the administration of justice has the

1. Patil and Pierrette (2025); *Timbs v. Indiana* (2019).

2. Boddupalli and Rueben (2022).

3. Hammons (2021).

4. Robinson (2022); Martin (2023).

potential to create misaligned incentives for courts and agency leaders and to exacerbate instability in the lives of the individuals who owe these debts.⁵

Like many aspects of the criminal legal system, court debt has a disproportionate impact on Black and Latino individuals and communities. A recent national survey tracked racial disparities in court debt across both traffic and criminal cases and found that Black and Latino families owed more than White families on average.⁶ These trends become more marked for nontraffic offenses as the distribution of court debt for misdemeanor and felony offenses reflects longstanding racial and economic inequities in criminal arrest and conviction rates.⁷ A recent study of more than 9,000 cities in the U.S. found that the percentage of Black people living in a municipality was a strong driver of revenue from fines and fees. This finding suggests that municipal budgets that rely heavily on fines and fees are more common in predominantly Black towns and cities. Recent media coverage of the heavy enforcement of low-level citations as a major source of revenue in the largely Black cities of Ferguson, Missouri and Brookside, Alabama also supports these findings.⁸

For individuals and families who owe court debt, the financial and collateral consequences are far-reaching. Nonpayment can result in additional financial penalties, including late fees and interest accrual, along with credit damage. Additionally, many states permit the suspension of drivers' licenses, the issuance of bench warrants, short-term incarceration, and felony voter disenfranchisement as sanctions for nonpayment.⁹ Restricted mobility and repeated incarceration can limit employment and economic progress over the long term. Studies also show that the responsibility for paying court debt is routinely shouldered by the family members of those who incurred the debt, especially during periods of unemployment and incarceration.¹⁰

Many of the equity issues and collateral consequences described above hold true for court debt assessment and collection in Jefferson County and across Alabama. For example, previous analyses of Jefferson County data, specifically of racial and economic disparities among individuals with felony marijuana charges in Jefferson County, found that middle-aged Black men were 9.8 times more likely to be assessed fines and fees at the high end of the spectrum when compared with other demographic groups.¹¹ With respect to the consequences of this debt, a 2018 survey of over 800 Alabama residents with court debt found that nearly half (48 percent) believed they would never be able to satisfy their obligations. Nonetheless, to stay current on payments, 83 percent of respondents reported forgoing payments for ne-

5. Tallon et al. (2025); Mai and Rafael (2020); Harris and Smith (2022).

6. Boddupalli, Nembhard, Karpman, and Morris (2024).

7. Foster (2020); Huoy (2022).

8. Sances and You (2017).

9. Martin (2023).

10. Boddupalli, Nembhard, Karpman, and Morris (2024); Alabama Appleseed, UAB-TASC, Greater Birmingham Ministries, and Legal Services Alabama (2018).

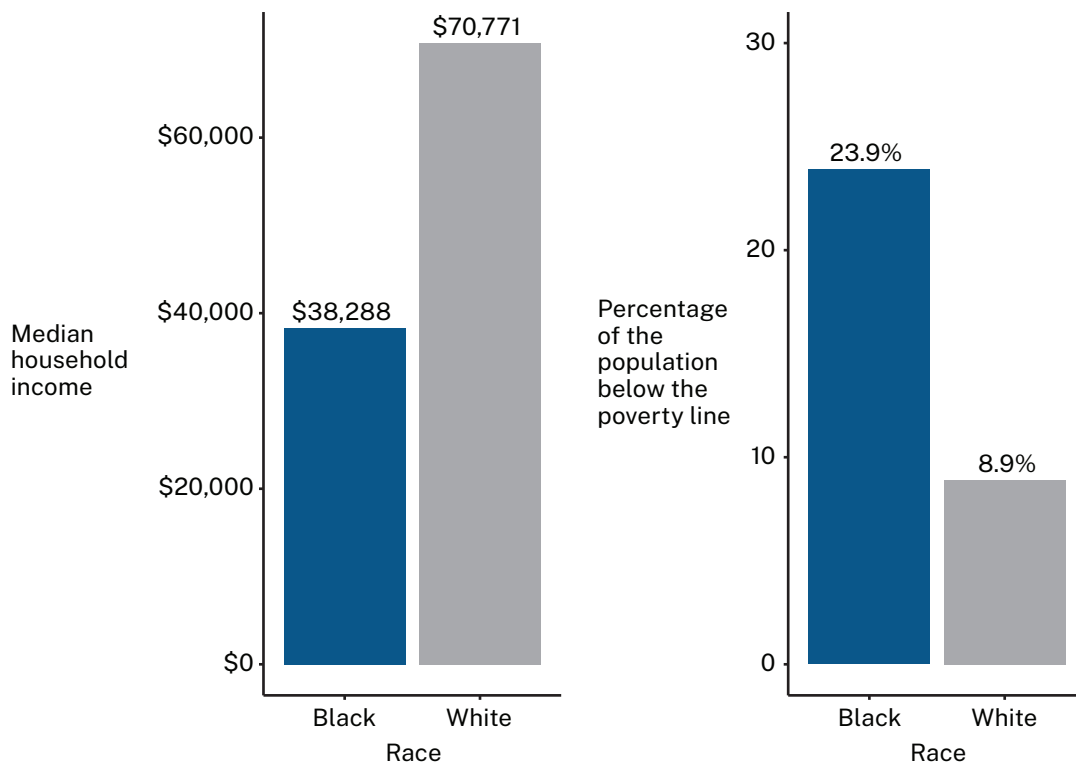
11. Yejas et al. (2024).

cessities such as housing, food, medical care, transportation, and child support; 38 percent engaged in unlawful behavior; and 44 percent took out a payday or title loan. Despite these efforts, half of the survey respondents were jailed in connection with missed payments.¹² Taken together, these findings align with those from earlier qualitative studies of people who owe court debt in jurisdictions across the country.¹³

PROJECT SETTING

Jefferson County is the most populous county in Alabama with 664,744 inhabitants. The population is largely concentrated in Birmingham and the surrounding suburbs. Most Jefferson County residents identify as White (48 percent) or Black (42 percent). Black residents fare worse than White residents with respect to household income and poverty, as shown in Figure 1.1.

Figure 1.1. Income and Poverty in Jefferson County, by Race



SOURCE: U.S. Census Bureau, American Community Survey 2015-2019.

12. Alabama Appleseed, UAB-TASC, Greater Birmingham Ministries, and Legal Services Alabama (2018).

13. Harris and Smith (2022).

Geographically, the racial and economic distribution of the population shows how race and neighborhood disadvantage overlap. (See Figure 1.2.) Income disparities are extreme across Jefferson County, with wealth concentrated in the suburbs and poverty concentrated in either the urban center of Birmingham or in clusters scattered across the rural regions of the county.

Figure 1.2. Jefferson County Race and Economic Characteristics

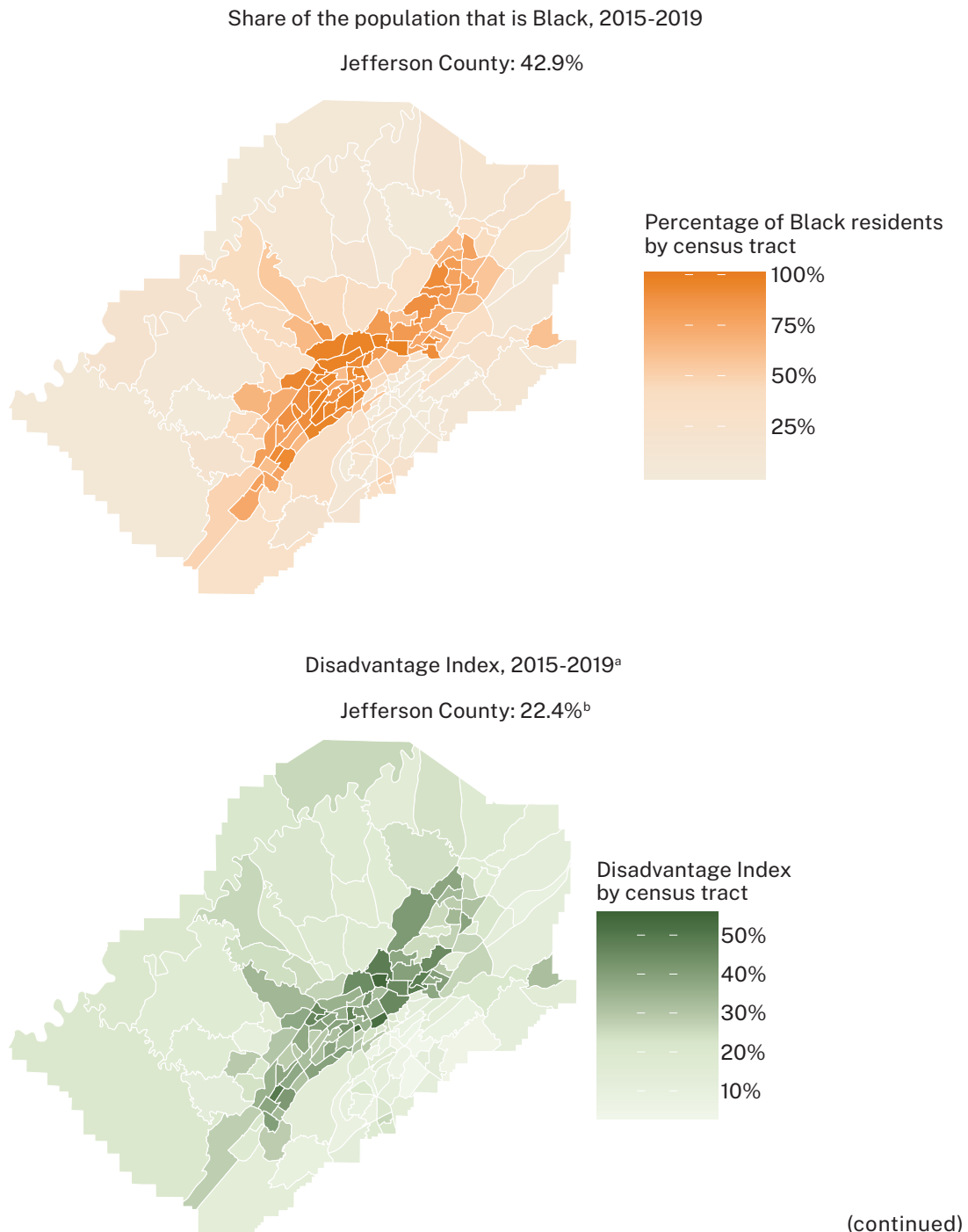


Figure 1.2 (continued)

SOURCES: U.S. Census Bureau, American Community Survey 2015-2019.

NOTES: Darker shades represent higher values at the census tract level.

^aThe components of the socioeconomic disadvantage measure are: the percentage of families living below the federal poverty level, the percentage of families receiving public assistance, and the percentage of families with income below \$50,000, which represents the lowest quartile of the national income distribution. The composite measure is calculated by averaging the three components for each Census tract. A higher value indicates higher disadvantage, with a range from 0 to 60 percent.

^bThe percentage noted refers to the disadvantage index for Jefferson county, which is 22.4%.

Within the city of Birmingham, wealth and race are strongly correlated. For example, Table 1.1 shows the three census tracts where more than half of the residents live in poverty are 93 percent, 98 percent, and 64 percent Black, respectively. In contrast, in census tracts where poverty rates are lowest (all less than 3 percent), White residents make up more than 85 percent of the population. These sociodemographic characteristics are significantly correlated in Jefferson County.

Table 1.1. Census Tract Poverty Rankings, 2015-2019

Poverty Rank	Census Tract Identifier	City	Poverty Rate (%)	Black Residents (%)
1	51.01	Birmingham	62.2	93.3
2	7.00	Birmingham	52.0	98.2
3	20.00	Birmingham	51.3	63.8
161	129.05	Vestavia Hills	2.3	1.2
162	108.04	Vestavia Hills	2.2	0.8
163	127.04	Leeds	1.5	11.6
Overall for Jefferson County			15.9	42.9

SOURCE: MDRC calculations using five-year estimates from the U.S. Census Bureau's 2015-2019 American Community Survey.

NOTES: Census tracts are ranked from highest to lowest poverty rate. Rankings are calculated within Jefferson County.

Rankings exclude census tract 45. This census tract encompasses the University of Alabama at Birmingham campus.

Based on the median age and median income of this census tract, which indicates a college-aged population, this tract was excluded as an outlier in the poverty rankings.

Birmingham was once known as the most segregated city in America. Over the course of the 20th century, Black residents organized to demand equal rights and treatment under the law, and currently, the city’s municipal government is largely led by Black residents.¹⁴ Nonetheless, racial segregation, economic inequality, and the disenfranchisement of poor neighborhoods in terms of infrastructure and collective financial resources remain features of broader Jefferson County. This disparity is due in part to the incorporation of well-resourced, majority-White municipalities with their own school districts and police forces, which to varying degrees perpetuate patterns of wealth- and resource-hoarding that have long defined the area.¹⁵

The inequalities documented in Jefferson County and the city of Birmingham are reinforced by public revenue provisions in Alabama’s Constitution. Crafted in 1901, Alabama’s constitution severely limits property taxes, protecting the wealth of the White landowning class and leading to a perennial shortage of public money. In short, it “set Alabama on a course as a low-tax, low-service state that had not even enough money for essential state services much less enough left over for adequate state parks, theaters, museums, and other cultural amenities.”¹⁶ In place of property taxes or other more progressive forms of taxation, Alabama came to rely on bonds, vice taxes, and court fines and fees to fund basic services and projects.

HOW IS COURT DEBT IN JEFFERSON COUNTY ASSESSED AND COLLECTED?

The system by which revenue from court debt is collected and distributed presents many administrative challenges. When an individual is adjudicated guilty, a predetermined set of fines, fees, and costs is automatically assessed depending on the type and severity of the offense. Restitution may also be ordered if the crime victim incurred a financial loss. It is not unusual for people to be assessed so much court debt that they are unable to pay it all at once. In such instances, many jurisdictions authorize payment plans, sometimes with the expectation that the debtor will appear in court at regular intervals until they are finished paying. In Jefferson County, where payment plans are common, payments may occur online in limited circumstances, by money order, or in person. Cash payments must be made in exact change.

Once the clerk’s office receives payment, the money is disbursed according to a default priority system built into the State Judicial Information System, the case management system that is used by most Alabama courts. Within this system, hundreds of codes denote the specialized funds to which revenue may be allocated according to state statutes. These funds are divided into five priority levels, with dozens of funds each sharing priority at a given level in the hierarchy. The highest priority is court costs, which are split proportionately across

14. Livengood and Diaz (2022).

15. Livengood and Diaz (2022).

16. Flynt (2004).

multiple categories such as clerk, solicitor, and docket fees. The lowest priority is restitution owed to victims. Under the default priority system, all court costs must be satisfied before a single dollar is allocated to the victim. See Box 1.1 for additional information.

BOX 1.1

How Is Revenue Disbursed?

Revenue from fines and fees is intended to be distributed among hundreds of state-supported entities, ranging from the Crime Victims Compensation Commission, which pays for emergency expenses like funerals after homicides, to the American Village at Montevallo, an educational theme park for schoolchildren. Restitution that is owed directly to victims (for instance, reimbursement for financial losses in the instance of theft) is also included.

Many people who owe court debt are on payment plans and do not pay the total amount they owe all at once, necessitating the creation of a system for distributing revenue received over long periods of time to the entities that are entitled to it. To that end, when a person who owes court debt makes a payment, a clerk logs the amount into the State Judicial Information System, a docketing system, that automatically designates how much money from the payment is to be disbursed to each entity that is entitled to a cut. The order in which the entities receive money is determined by a priority system built into the docketing software on the authority of the Alabama Administrative Office of the Courts, which is overseen by the Chief Justice.

Under this system, entities with higher priority must be fully satisfied before entities with lower priority receive any revenue. The default system sets the docketing fee as the top priority, while restitution owed to victims is the last account to be satisfied. In practice, that means if a person owes \$1,000 in fines and fees plus \$100 in restitution, they have to pay \$1,001 before a single dollar is allocated toward restitution. However, judges can (and often do) issue orders reconfiguring disbursement arrangements so that restitution is paid out first.

If a payment is more than 90 days late, a collections fee is assessed, which increases the balance by 30 percent. Once assessed, the collections fee becomes the highest priority, and any money collected until it is paid down completely is by default distributed such that 75 percent goes to the District Attorney's Office and 25 percent goes to the Office of the Circuit Court Clerk. The latter office is responsible for docketing, maintaining case files and evidence, and collecting and disbursing revenue from fines, fees, and forfeitures. Judges can, and often do, issue orders to override the default priority system and put victims first. See Box 1.2 for additional details.

BOX 1.2

What Is the Collections Fee?

In 1995, Alabama lawmakers authorized the creation of “restitution recovery units” within district attorneys’ offices and tasked them with enforcing the collection of unpaid fines, fees, costs, and restitution. The units were authorized to charge a 30 percent “collections fee” on top of the total outstanding court debt owed, meaning that if the outstanding debt is \$1,000 and a collections fee is assessed, the total due would rise to \$1,300. The collections fee is usually (but not always) assessed just one time in each case, and only if payments are more than 90 days late. Revenue allocated to the collections fee is split, with 75 percent of what is collected going to the District Attorney’s Office and 25 percent going to the Office of the Circuit Court Clerk.

PROJECT DESIGN AND METHODS

Research Questions

To capture the complexity of the current administration of court debt in Jefferson County and the variety of perspectives of the people who are affected, the research team employed quantitative and qualitative methods to answer the following research questions:

1. What is the geographic distribution of court debt in Jefferson County?
2. What is the demographic profile of groups and individuals who owe court debt in Jefferson County?
3. What drives debt accumulation over time?
4. What are some of the financial and other consequences of outstanding court debt for the Tenth Judicial Circuit and for the people who owe such debt?
5. From the perspective of court system actors (including judges, clerks, prosecutors, and public defenders) and people who owe court debt, how effective is the current system and what improvements can be made?

The analyses included in this report draw on three data sources: (1) case-level administrative data provided by the Alabama Administrative Office of the Courts; (2) census data drawn from the 2015-2019 American Community Survey; and (3) interviews, focus group discussions, and ongoing communication with court practitioners and people who owe court debt in Jefferson County.

For findings related to debt distribution, payment patterns, and the drivers of court debt (Research Questions 1, 2, and 3), the research team drew on a sample of 8,753 Jefferson County residents who were assessed fines and fees associated with 11,905 criminal cases between January 1, 2015, and December 31, 2019. These individuals lived in one of 163 census tracts within Jefferson County and had cases in Jefferson County District or Circuit Court. Descriptive analyses draw on person-, case-, or charge-level data, depending on the research question and goal of the analysis. Growth curve analyses were also conducted to assess the drivers of cumulative debt over time and to account for debt assessed and payments made over time.¹⁷

To further understand the human costs associated with the county's debt assessment and collection practices (Research Question 4), the research team conducted quantitative studies on two topics: (1) the loss of voting rights among individuals with specific felony charges ("felony disenfranchisement"); and (2) inequities and disproportionate financial consequences among those individuals charged with writing worthless checks. Each of these topical analyses relied on descriptive analyses of a subgroup extracted from Alabama Administrative Office of the Courts data, as described above. More specifically, the felony disenfranchisement analysis drew on a sample of 8,918 cases charged with crimes of "moral turpitude" that allow for voting rights to be suspended until court debt is satisfied, and the analysis of worthless check cases drew on both the original sample of 8,753 individuals and a sample of 344 cases where detailed information on demographics, types of worthless checks written, and trends in debt assessment and payment could be examined.

Finally, to gain a nuanced understanding of the human impact of court debt from multiple perspectives, the team also conducted a series of interviews and focus groups with court stakeholders and people who owed court debt at the time of the interview (Research Question 5). In May 2023, researchers presented early findings from the quantitative analysis to judicial leaders and local court practitioners, including three judges, a clerk, a prosecutor, and two defense attorneys. The presentation was followed by semistructured interviews with the judges and court practitioners to discuss their perspectives on the findings and the Jefferson County fines and fees system as a source of revenue and a tool for administering justice. Nine months later, the research team conducted 60-minute focus group discussions with 27 individuals who owed court debt at the time the focus groups met or had ever owed court debt, including a group that had spent significant time in prison and a group in residential treatment. Interviews and focus group discussions from both rounds were recorded and transcribed. Qualitative researchers used an inductive approach to develop an initial set of themes based on the researchers' broad understanding of major concepts and experiences described by subjects. The researchers independently read and coded the transcripts by theme, then reconvened and discussed themes based on their independent review. Convergent

17. A growth curve analysis is a longitudinal regression-based statistical analysis used to examine change over time. For these analyses, the research team drew on data encompassing monthly observations of 5,038 individuals between 2015 and 2019, including only those individuals who made at least one payment over the sample period and were not missing data on any of the key covariates used to identify the drivers of cumulative debt.

themes are the basis for the findings in this report regarding the perspectives of stakeholders on the meaning and effect of court debt on their experience of the criminal legal system.

ROADMAP TO THIS REPORT

Chapter 2 presents findings from each of the analyses described above: the geographic distribution of debt in Jefferson County, the differences in cumulative debt, and the consequences of court debt. Chapter 3 discusses the policy and practice implications of the project, both for Jefferson County and jurisdictions around the country.

2

What Does Court Debt Look Like in Jefferson County?

This chapter describes the research team’s findings in three areas: (1) the geographic and socioeconomic distribution of court debt; (2) the profile of groups and individuals who owe court debt and the drivers of outstanding court debt; and (3) the human consequences of court debt for the court system and the individuals who owe debt.

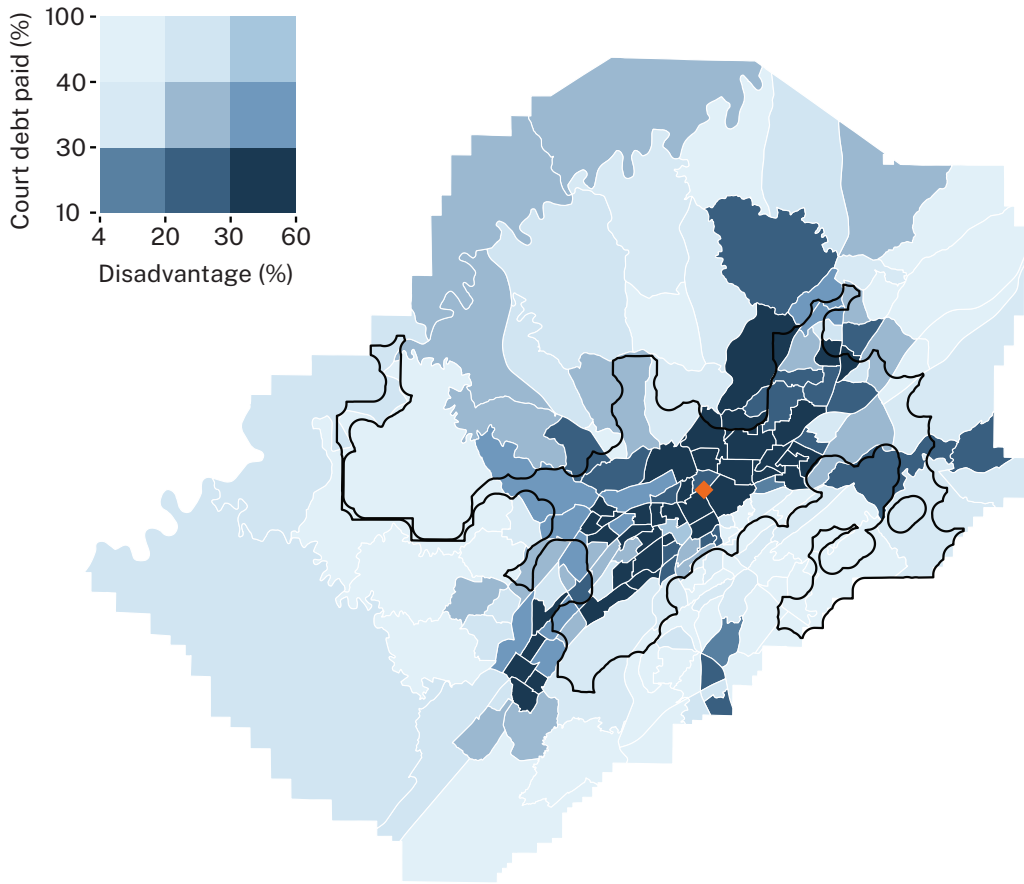
THE GEOGRAPHY OF COURT DEBT IN JEFFERSON COUNTY

To contextualize the research team’s findings regarding the impact of the current system on individuals, their families and their communities, the team used maps to visualize the relationship between court debt across the county and patterns of economic disadvantage. The measure of disadvantage at the census tract level is drawn from the National Neighborhood Data Archive, using 2015-2019 American Community Survey data. The components of the socioeconomic disadvantage measure are: the percentage of families living below the federal poverty level, the percentage of families receiving public assistance, and the percentage of families with income below \$50,000, which represents the lowest quartile of national income distribution.¹ The composite measure is calculated by averaging the three components for each census tract. A higher value indicates higher disadvantage, with a range from 0 to 60 percent.

Figure 2.1 is a choropleth map, or a map that uses colors to represent the variation of disadvantage and court debt paid across different census tracts in Jefferson County, with darker areas representing higher disadvantage and lower amounts of debt paid.² The map shows that a majority (86 percent) of census tracts where residents have paid off less than one-

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1. The lowest quartile of median family income in Alabama was examined to ensure that the family income distribution was representative of the state’s family income distribution. According to 2015-2019 American Community Survey data, the lowest quartile of family income (calculated across all Alabama counties) was \$49,668.
 2. The map divides both percentage of debt paid and the disadvantage index into quartiles and associates each quartile with a shade of blue.

Figure 2.1. Tract-Level Disadvantage and Percentage of Court Debt Paid



SOURCES: U.S. Census Bureau, American Community Survey 2015-2019 and MDRC calculations based on 2015-2019 data provided by Alabama Administrative Office of the Courts.

NOTES: The boundary of the city of Birmingham is overlaid in black; the Birmingham city centroid is denoted in orange.

Tract-level disadvantage and the percentage of court debt paid are measured in terciles.

third (0 to 30 percent) of their court debt have above-median disadvantage. Conversely, 87 percent of the census tracts in Jefferson County where residents have paid off most of their court debt (over 60 percent) are characterized by low rates of disadvantage. Put another way, fewer individuals living in areas characterized by higher rates of disadvantage paid down their debt, compared with individuals in more financially secure areas.

To more rigorously explore the association between tract-level disadvantage and the percentage of court debt paid, the research team used regression modeling to estimate the effect of tract-level disadvantage rates on the percentage of court debt paid, controlling for the percentage of Black residents and the tract population. (See Appendix A.) The team found

that tract-level disadvantage rates are significantly associated with the percentage of debt paid at the census tract level, such that a one-percentage point increase in disadvantage corresponds to 13 percent less debt paid, on average.

Details about income and disadvantage rates at an individual level were not available to the project team, so it is impossible to say with certainty that people living in these highly disadvantaged areas are less likely to pay down their court debt *because* their personal financial circumstances limit their ability to pay. What can be said is that residing in a disadvantaged area makes it more difficult to pay, and as discussed in Chapter 1, Blackness is strongly correlated with living in an area of high cumulative disadvantage in Jefferson County.

The fact that Black residents are so starkly overrepresented in cumulatively disadvantaged census tracts is driven, at least in part, by historical practices such as redlining, school segregation, lending discrimination, and the many other legal and structural barriers that have served to exclude Black Jefferson County residents from opportunities to build and keep wealth across generations. By contrast, White residents of Jefferson County have not faced the same barriers to accumulating wealth. All of these barriers have existed within the lifetimes of people currently living in Jefferson County. Although much has changed, these barriers remain relevant to understanding the connections between (dis)advantage and race in the county. In sum, the finding that cumulative disadvantage is the factor that is most associated with disproportionate effects from fines and fees, together with the finding that cumulative disadvantage is also associated with being Black, reflects historical practices in Jefferson County that continue to amplify the negative consequences of court debt for disadvantaged and Black communities.³

WHO OWES FINES AND FEES?

This analysis examined trends in the amount of debt assessed, payment patterns, and cumulative debt for all individuals who were assessed court debt between January 2015 and December 2019. The research team found that Jefferson County's fines and fees system had a disproportionate effect on Black men and those with fewer economic resources. As Table 2.1 shows, a majority of the sample identified as Black (67 percent) and male (75 percent), with an average age of 35. Nearly 80 percent of the sample members were assigned a public defender, meaning that they were judged indigent, or unable to pay for their own counsel, by the court. Most individuals in the sample lived in majority-Black neighborhoods (64 percent) and areas with lower-than-average median incomes (71 percent) when compared with county residents overall. On average, the poverty rate in areas where sample members lived was 19 percent compared with 16 percent for the county overall.

3. Ford (2001); Matthew and Reeves (2017).

Table 2.1. Jefferson County Sample Summary

Characteristic	Total
Individual demographics	
Race	
Black (%)	66.57
White (%)	33.43
Average age (years)	35.43
Male (%)	75.45
Charge and case characteristics	
Average number of cases	1.36
Felony charges (%)	49.00
Misdemeanor charges (%)	46.04
Traffic charges (%)	2.14
Assigned public defender (%)	79.76
Median court debt assessed (\$)	982.00
Median court debt paid (\$)	60.00
Assessed restitution (%)	24.22
Assessed a collections fee (%)	62.50
Census tract demographics	
Black residents (%)	59.70
Living in a majority black tract (%)	64.18
Median income (\$)	44,771.54
Median income below county median (\$53,901) (%)	71.24
Living below poverty line (%)	18.91
Average disadvantage index (%)	29.54
Sample size	8,753

SOURCES: Alabama Administrative Office of the Courts data for 2015 to 2019 and U.S. Census Bureau, American Community Survey 2015-2019.

The amount of court debt assessed at sentencing is determined by state statute. Initial debt assessed, amount paid, and cumulative balances all varied by race, as shown in Table 2.2. Differences in the amount initially assessed were statistically significant, with White sample members averaging \$1,148 compared with \$1,307 among Black sample members. The reasons for initial assessment differences are unclear at the descriptive level but could be related to the total number of cases, differences in statutory fines or fees related to the type of charge, or charge severity. More substantial differences between the Black and White groups were observed in the amount paid (\$128 lower for the Black group) and the accumulation of debt, with Black individuals owing an average of \$356 more and more frequently incurring the 30 percent collections fee (66 percent of Black people compared with 55 percent of White people in the sample).

Table 2.2. Case Characteristics, by Race

Characteristic	Total	Black	White
Average initial amount charged (\$)	1,253.52	1,306.62	1,147.76
Average initial amount paid (\$)	55.63	42.57	81.63 ***
Average amount paid (\$)	397.17	354.55	482.06 ***
Average cumulative balance (\$)	1,725.66	1,844.86	1,488.28 *
Collections fee received (%)	62.44	66.38	54.58 ***
Collections fee assessed (\$)	313.08	339.63	260.21 **
Collections fee paid (\$)	35.92	38.86	30.06 **
Sample size	8,753	5,827	2,926

SOURCE: Alabama Administrative Office of the Courts data, 2015-2019.

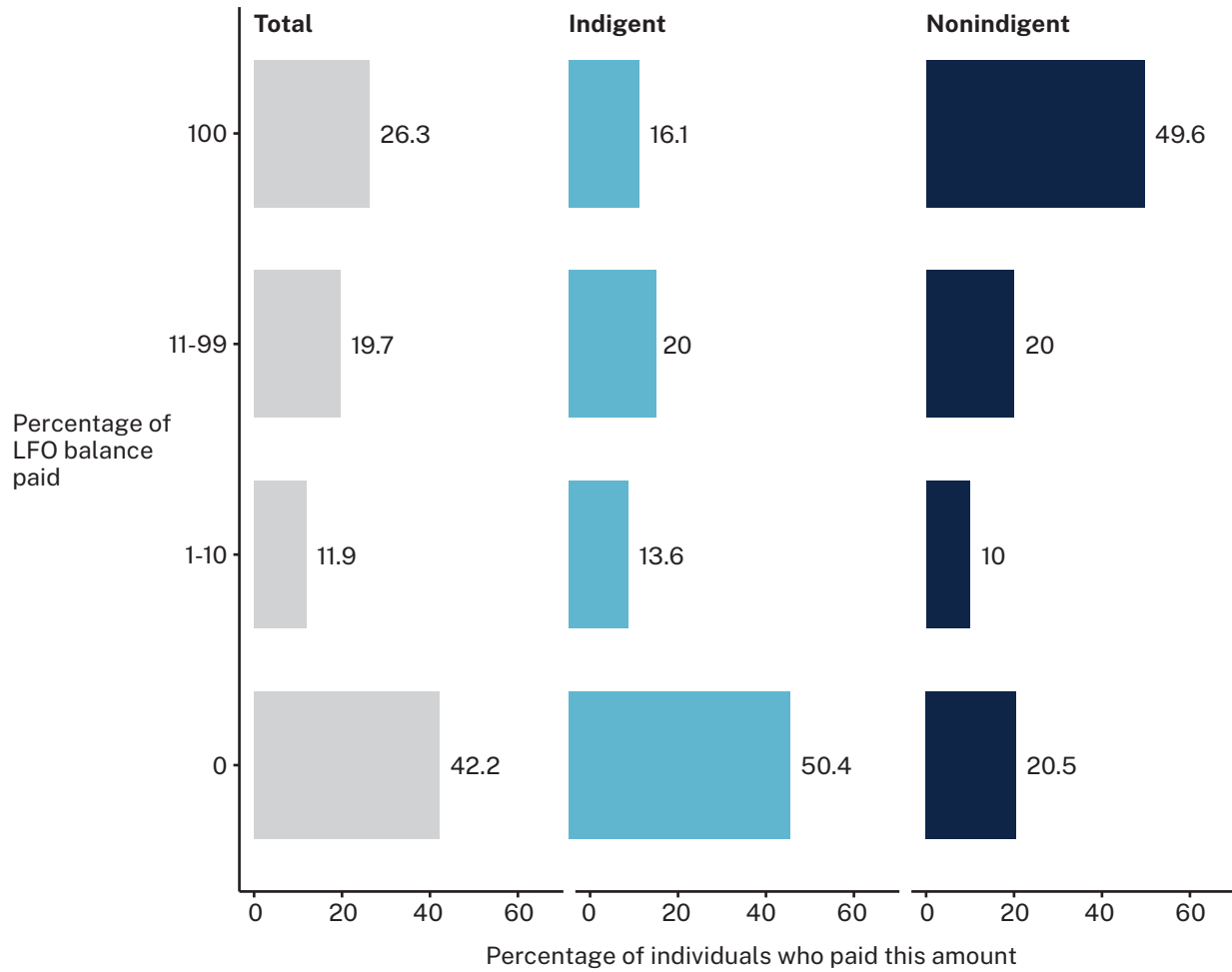
NOTE: Statistical significance levels are indicated as: *** = 0.1 percent; ** = 1 percent; * = 5 percent. Stars denote a statistically significant difference between Black and White individuals.

WHAT DRIVES DEBT?

Several themes emerged from the research team’s examination of payment patterns and debt growth. In terms of overall payment trends, 42 percent of people pay nothing toward their fines and fees, with only 16 percent of people determined to be indigent paying off their full debt, compared with 50 percent of those who were not found to be indigent (as shown in Figure 2.2). Over time, this payment pattern has resulted in a cumulative debt level that, on average, increased by the end of the five-year period. As illustrated in Figure 2.3, those in the lowest twenty-fifth percentile in terms of the amount of debt owed at the point of debt assessment, who carry a median debt of \$121, saw their debt decrease over time, with 48 percent fully satisfying their debt. The median debts of those in the seventy-fifth percentile, with the greatest initial assessment at a median of \$1,827, saw their debt nearly double over the five-year period. Put differently, this figure illustrates that the individuals with the least amount of debt are, on average, more likely to pay off their debt, while those with the highest amounts of debt see their balances grow.

To fully understand how cumulative debt grows and has a disproportionate effect on some groups, multivariate growth curve modeling was used to examine the effect of individual and community-level variables on debt accumulation. (See Appendix B.) These models control for charge type, charge severity, and the type of payment made toward court debt (for example, a fine, fee, or restitution payment). These factors respectively drive some of the initial amount assessed in keeping with state statutes, and may affect debt growth as more severe and specific charge types may have varying fee structures, payment allocation schedules, and enforcement mechanisms. The results in Appendix B show that race, indigence, living in an area of high concentrated disadvantage, and the 30 percent collections fee drive a pattern

Figure 2.2. Percentage of LFO Balances Paid, by Indigence



SOURCE: MDRC calculations based on 2015-2019 data provided by the Alabama Administrative Office of the Courts.

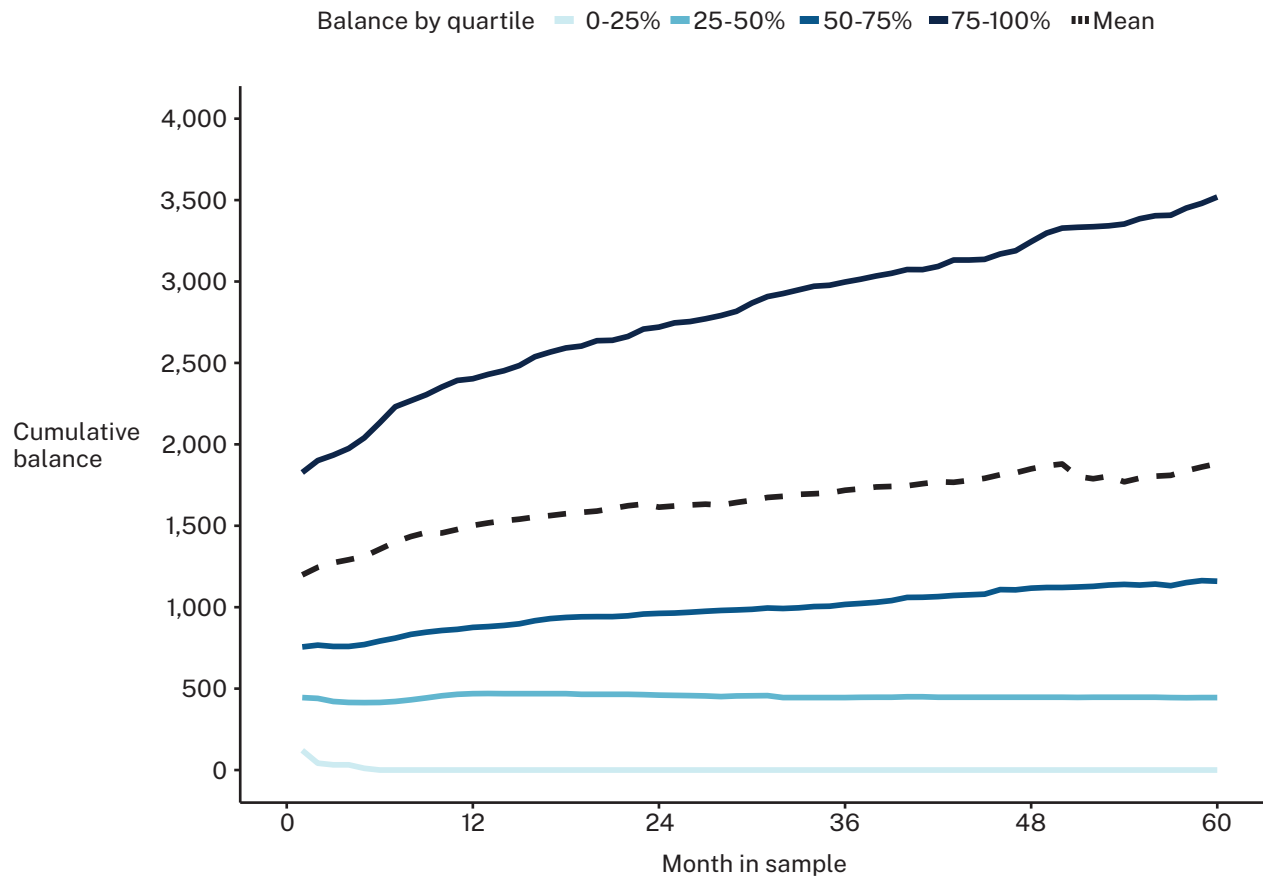
NOTES: LFO = legal financial obligations. The total sample is 8,753 individuals. The sample contains information on indigence for 7,627 individuals: 6,083 were identified by the court as indigent (unable to pay for private legal representation); 1,544 were identified as nonindigent. The percentages of individuals who paid this amount among those identified as indigent or nonindigent are calculated among those 7,627 individuals for whom indigence information is available.

Median balance for the total sample: \$949 | Mean: \$2,123.

Median balance for indigent sample: \$1,103 | Mean: \$2,219.

Median balance for the nonindigent sample: \$1,022 | Mean: \$2,442.

Figure 2.3. Cumulative Balance over Time by Initial Assessment Amount



SOURCE: MDRC calculations based on 2015-2019 data provided by the Alabama Administrative Office of the Courts.

NOTES: The sample starts at the first month an individual receives a charge and includes 8,753 individuals. At month 60, the sample includes 4,220 individuals. The sample decreases due to the varying times at which individuals do or do not pay down their balances.

Median balance in first month by initial debt quartiles: 0-25%: \$121 | 25-50%: \$445 | 50-75%: \$756 | 75-100%: \$1,827 | Mean: \$1,198.

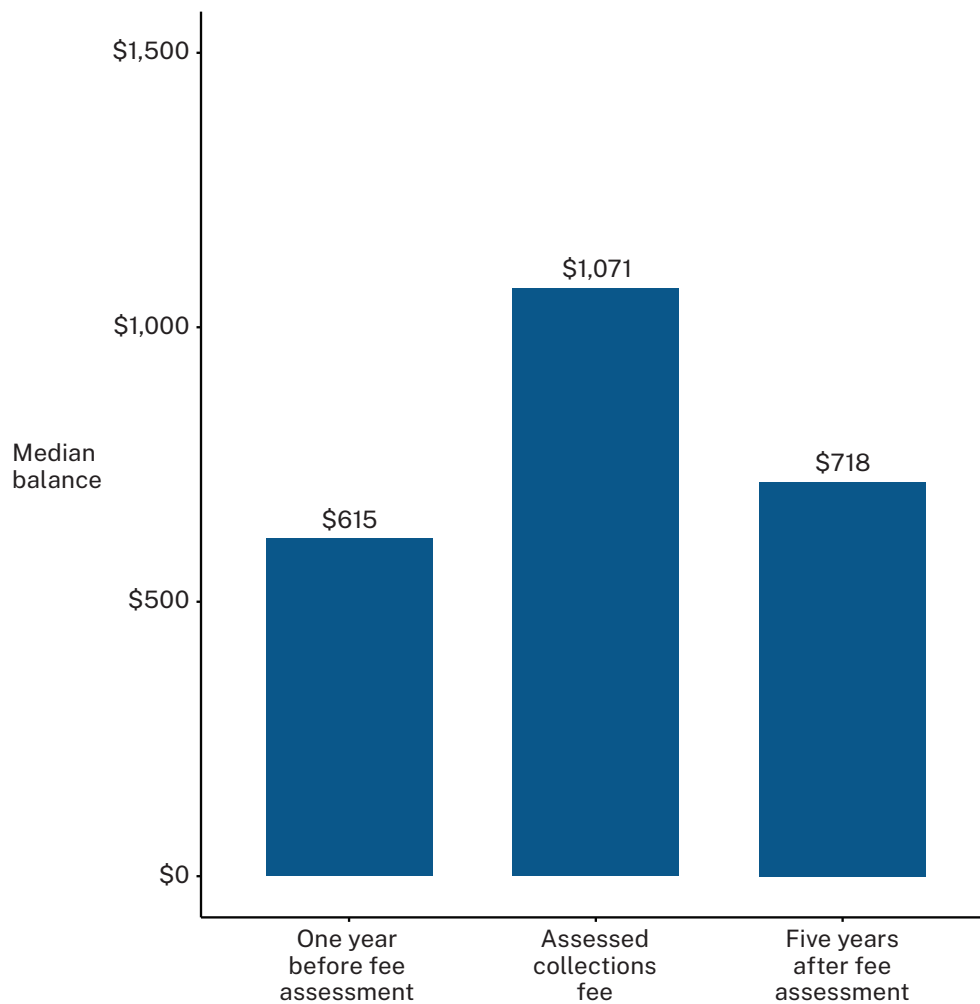
Median balance in last month by initial debt quartiles: 0-25%: \$0 | 25-50%: \$445 | 50-75%: \$1,160 | 75-100%: \$3,519 | Mean: \$1,882.

where the most vulnerable people shoulder the highest debts. Unsurprisingly, the assessment of the collections fee was the strongest predictor of higher unpaid balances, resulting in 70 percent higher unpaid balances for those with a collections fee compared with those without a collections fee. After accounting for the type of payment made toward court debt, charge severity, and charge type, the regression results indicate that Black people carried cumulative balances that were 57 percent higher than their White counterparts, along with those judged indigent (48 percent higher than those not judged indigent), and men (23 percent higher than women). With respect to the neighborhood or community context, the analysis showed that a one-unit increase in the concentrated disadvantage index led to a

27 percent increase in cumulative balance. This finding means that, on average, living in a highly disadvantaged neighborhood is associated with debt accumulation over time.

Given the finding that the 30 percent collections fee predicts the largest magnitude of unpaid debt at the end of the study period, the research team felt that a closer look at its effects was warranted. More than 60 percent of the sample was assessed the collections fee. On its face, the goal of the collections fee is to incentivize debt payment, as it is accompanied by a letter reminding recipients of the amount owed and the potential consequences of non-payment. As Figure 2.4 illustrates, however, while the collections fee was associated with a

Figure 2.4. Cumulative Balance Before and After Collections Fee Assessment



SOURCES: MDRC calculations based on 2015-2019 data provided by the Alabama Administrative Office of the Courts.

NOTES: The sample includes 1,424 individuals, starting one year before the assessment of the collections fee. At month 60, the sample includes 1,020 individuals. The sample decreases due to the varying times at which an individual receives the collections fee assessment and the varying times at which an individual does or does not pay down the balance.

temporary increase in payments following the imposition of the fee, this increase did little to reduce balances. Specifically, the collections fee was associated with an average \$827 increase in unpaid balances, and an average of \$262 in payments over the period after the fee was imposed. Notably, after the assessment of the collections fee, balances on average remained higher than what was initially assessed, and individuals who were assessed this fee were less likely to fully satisfy their debt and were often unable to reduce their principal amount over the five-year period.

THE HUMAN CONSEQUENCES OF COURT DEBT

The research team took two approaches to understanding the consequences of court debt in Jefferson County beyond the accumulation of largely uncollectible debt. First, the team conducted descriptive analyses of two types of cases that have severe nonmonetary consequences on people in Jefferson County: (1) a subset of charges that jeopardize voting rights for many who do not pay off their fines and fees; and (2) a subset of charges related to negotiating with a worthless negotiable instrument, or passing a worthless check, that generates additional debt for crimes related to poverty, disproportionately affecting women of color who wrote checks for necessities.

Second, the research team conducted a series of interviews and focus group discussions with two groups of stakeholders: individuals who owe court debt and court leaders and practitioners (judges, prosecutors, defense attorneys, and clerk personnel) who are directly affected by the system of fee assessment and collections. For both groups, the team sought to gain nuanced perspectives on the consequences of fines and fees that are not captured in quantitative data, and to understand what should change to make the system fairer and more effective.

Felony Disenfranchisement

In 48 states, disenfranchisement laws restrict the voting rights of people with felony convictions, and in more than half of these states, the restoration of voting rights is contingent on the payment of legal financial obligations.⁴ To explore the intersection of court debt and felony disenfranchisement in Jefferson County, the research team examined the extent to which individuals in the sample were ineligible to vote due to unsatisfied court debt. In the state of Alabama, felony convictions for charges referred to as “crimes of moral turpitude,” are disenfranchising and result in the loss of voting rights until all terms of the sentence are completed, including the completion of the terms of incarceration, community supervision, and the payment of court debt. For disenfranchised people who *do* complete the terms of their sentences, an application process known as a Certification of Eligibility to Vote must be submitted to regain their rights. In a narrower set of more serious charges, judicial pardon is required.

4. Uggen et al. (2024); Fredericksen and Lassiter (2016).

A quarter of the people in the sample were convicted of at least one disenfranchising crime, the most common of which was property theft (54 percent), followed by robbery (15 percent), and drug trafficking (8 percent). There were modest racial disparities in the rate of disenfranchisement, with 28 percent of Black people charged with a disenfranchising offense relative to 21 percent of White people in the sample. The vast majority of individuals with disenfranchising charges were eligible to have their rights restored via a Certification of Eligibility to Vote (93 percent), though a small portion (8 percent) would need a judicial pardon, which could mean that the completion of all terms of their sentence might not actually result in restored voting rights. Finally, while this analysis was conducted on all individuals with at least one disenfranchising charge, only about half of these individuals had a recorded release-from-incarceration date and the research team was unable to determine which individuals in the sample were on probation or parole. As a result, the team was unable to determine whether those who did not pay their debt were disenfranchised *solely* because of unpaid debt.

Despite data limitations, the analysis showed that the requirement that individuals settle their court debt before regaining their voting rights means that nearly everyone with eligible charges remained disenfranchised over the five-year study period.⁵ Indeed, less than 1 percent of individuals with disenfranchising charges (63 cases) had paid their court debt in full. The exceedingly low rates of repayment, taken together with a high likelihood that court debt is the most enduring condition associated with a person's criminal conviction, suggest that Alabama's current statutes amount to near-permanent disenfranchisement for those individuals who are affected.

Writing a Worthless Check

In conducting the full sample descriptive analyses, the research team noted individual- and neighborhood-level demographic differences in terms of charging patterns, as well as patterns of payment and cumulative debt over time. One common charge with a unique demographic profile was Negotiating a Worthless Negotiable Instrument (NWN), colloquially known as “writing a worthless check.” Just under 7 percent of the sample had a worthless check charge, with Black women — who made up 3 percent of the full sample but 19 percent of the NWN population — being disproportionately affected. Individuals with these charges were also three years older than the sample average, making them 38 years old on average. For a subsample of these cases (344), the research team had additional information, including the amount of the initial checks and what the checks were written for, that allowed for a nuanced understanding of how court debt affects people with worthless check charges. The team was also able to calculate the total court debt owed for these cases and how the funds from these debts were distributed. On average, this group wrote checks for low amounts to satisfy basic needs. Most checks were written for groceries (85 percent) or government-related services, such as public library fees (17 percent). The rest were written for other basic needs, such as medical expenses and automotive repairs.

5. Since individual cases entered the sample at different times, the period of documented disenfranchisement could vary from one month to five years.

At the same time, the amount of court debt related to an NWN case was substantially higher than the amount of the original check due to additional court fees, including an 85 percent “enhancement” fee, a \$160 docket fee, and the 30 percent collections fee for those cases where a payment had not been made within the first three months. So, for example, an individual who paid the median check amount of \$107.00 but could not make a payment in the first three months following assessment would ultimately owe \$769.59 — over seven times the value of the original check. Importantly, the default priority payment system would mean that whatever could be paid would go to cover court and solicitor costs before reimbursing the victims for their losses.

The analysis of NWN cases indicates that fines and fees related to worthless check cases disproportionately affect Black women with low incomes who are writing checks for basic expenses. This finding adds to the evidence from the full sample that cumulative debt is driven by factors related to economic disadvantage, and this debt serves to exacerbate economic precarity in many cases. Additionally, the finding shows how race, gender, and economic disadvantages can intersect with court debt to create further instability for some of the county’s most vulnerable groups.

Stakeholder Perspectives

Interviews and focus group discussions with stakeholders showed that fines and fees had emotional, social, and legal impacts on respondents’ lives. Both individuals who owed debt and practitioners described feeling burdened by the ongoing monitoring that follows debt assessment for most people. Practitioners’ concerns were related to the impact of the current assessment and collections process on the fairness and efficiency of the court system and the morality of using money collected from poor people to fund government services. Meanwhile, people who owed fines and fees said that owing unaffordable debt jeopardized their financial security and health. Due to the potential of incarceration for nonpayment, they were inclined to avoid police, courts, and other administrative bureaucracies, adding that because of this fear the systems in place to protect the public and enhance wellbeing were not meaningfully available to them. Explaining that he avoided calling police due to fears related to outstanding court debt, one focus group participant said, “They make you stop being a good citizen because they want you to be a citizen that pay[s] them something you [don’t have].”

In early conversations with the research team, court practitioners said that the current system of collections needlessly alienated people who owe court debt. The practitioners understood that consequences for nonpayment, such as driver’s license suspensions, can hinder community members’ ability to work or otherwise live productively and they were also aware that some of the court’s own collection practices, such as, for example, requiring exact change from people who pay in cash, are a source of annoyance. One judge said that as he walks through the courthouse lobby, people sometimes ask him if he has change to break large bills so they can comply with the exact-change rule. This example is a low-stakes illustration of how arbitrary rules create inconveniences for everyone who interacts with the

system routinely, including debtors and judges alike. Cumulatively, these inconveniences and administrative burdens jeopardize trust in and goodwill toward the system, undermining its legitimacy.

Practitioners also talked about conflicting feelings regarding the decisions they have to make when people failed to pay or missed court hearings related to nonpayment. On the one hand, practitioners felt that it was important to hold individuals accountable, particularly in cases involving restitution. For that reason, some issued warrants in connection with missed payments. On the other hand, they recognized that warrants are a blunt instrument, and many people miss court for legitimate reasons such as lacking childcare, transportation, or because they are incarcerated elsewhere. Practitioners also described the magnitude of the fines and fees, particularly those for felonies, as “excessive” and expressed distress at their role in imposing and collecting those fines and fees. The practitioners questioned both the legitimacy and the morality of seeking to fund services by taking money from people who are poor, with one practitioner describing court debt as a “gimmick” used to “fund the courts off the backs of poor people.”

Some practitioners connected low collections and failure to pay with their perception that people in debt might feel that the system is unfair or that their situation is hopeless. For instance, one judge spoke of a childhood friend who got in trouble when he was young and has been paying monthly installments toward his court debt for decades. The judge observed that such steady compliance with payment orders is rare, and hypothesized that people assessed large amounts of debt might give up on paying because they cannot imagine ever being done. This hypothesis aligns with research showing that about half of people who owe court debt do not expect they will ever finish paying it off.⁶ It also aligns with the finding, illustrated in Figure 2.3, that people with the least amount of debt at assessment were far more likely to pay what they owed, while people with the highest amount of debt at assessment would see their balances grow over time. Taken together, these insights became useful in developing an intervention aimed at improving compliance, which is discussed in Chapter 3 of this report.

Administrative tasks related to fines and fees consume a substantial proportion of practitioners’ time. Judges, clerks, and prosecutors reported that they have all received questions from individuals who are owed restitution but have not yet received payment. Judges — particularly in lower courts where fines and fees are sometimes the only sanction — may have entire dockets dedicated to tracking compliance with payment plans. Staff members from the clerk’s office reported devoting substantial resources to processing and docketing payments and mailing notices to people who are not in compliance with payment plans. It is common for people who owe fines and fees to experience housing instability, meaning that the mailing addresses on file with the court are often outdated, and because every action in a case must be documented officially, court staff members spend hours each week scanning and docketing mail that was returned as undeliverable. One practitioner noted with exasperation that people who are deceased may still have open cases related to their court debt, and

6. Alabama Appleseed, UAB-TASC, Greater Birmingham Ministries, and Legal Services Alabama (2018).

there is no straightforward way to quickly identify and close those files. While they almost universally agreed that improvements were necessary and the system as it currently exists is excessively time-consuming, practitioners worried that spending time developing and implementing processes to improve the system would distract from the day-to-day work of resolving cases involving more serious crimes.

For those who owe court debt, however, the ongoing emotional, economic, and legal consequences of unaffordable fines and fees can be devastating. Several respondents described feeling traumatized and persecuted by the assessment and collections process. “It’s like drawing an X on your back and I got you forever,” one person said. People who owed debt described the deleterious effects on their family relationships, as many relied on family members to help them pay off their court debt. Many said they felt forced to make risky choices to pay fines and fees and that pressure to come up with money sometimes prompted them to consider unlawful behavior, such as stealing or selling drugs. Women, in particular, talked about approaching men with more resources (described as “sugar daddies”) who, in exchange for intimacy, gave them money to stay current on their debt and avoid reincarceration or other negative consequences.

People who owed court debt explained that the trauma of that debt extended beyond the immediate stress of making payments. Because unpaid court debt can result in warrants, some people said they tried to avoid interactions that they feared could lead to being referred to the police. One person described a local landlord who would call the police if a background check on a prospective tenant indicated they had a warrant. Many people believed that hospitals entered patients’ names through a system that alerted law enforcement to the presence of patients who had warrants. The specter of warrants made people who owed court debt wary of calling for help even in dire emergencies. One woman shared a story of calling 911 because a friend needed urgent medical care, only to see her friend taken to jail due to an outstanding warrant. Most said they avoided calling the police.

Finally, people who owed court debt almost universally saw fines and fees as an illegitimate means of funding courts, jails, or other public services. People who owed or recently owed fines and fees expressed an understanding that the money was technically meant to pay for government services but also believed that the money was misallocated by a corrupt system. Payments that did not reach victims who were owed restitution added to respondents’ concerns that their payments were not being used properly. For example, one person said, “The person that I owed [restitution] to, he never got anything. I had paid on it...I never got it paid off, but I did pay on it.” People who owed court debt also noted poor jail conditions and crumbling public infrastructure and concluded that revenue generated by fines and fees was not being used to improve those things either. Speculating about how the revenue might be used, one person said, “It might go to their little barbecues they have [among] themselves.”

Practitioners and people who owed debt had similar recommendations regarding how to improve the system’s efficacy, balance accountability with compassion, and improve legitimacy. Both groups believed it would be an improvement to consolidate cases for the purpose of reducing the amount of debt (fees and costs in particular) imposed at sentencing. They sup-

ported the idea of creating a single online platform that would allow people to see everything they owed, for what reason, and to whom, and then to consolidate all their payment plans. There was also an agreement that law enforcement and the court system should do more to connect indigent people who owe court debt with the services and support they need. Finally, there was a consensus that the collections fee is counterproductive and unjust. Practitioners believed that the revenue court debt generates should be replaced with a more equitable funding stream designated by the legislative branch, while people who owed court debt were unlikely to worry about the fiscal consequences of eliminating it. Both practitioners and people who owed court debt suggested that rather than punishing nonpayment with more debt, the courts should instead incentivize payment by rewarding compliance. With respect to legitimacy, practitioners were determined to ensure restitution was the top priority in allocating revenue. Practitioners also began investigating what authority they might have to systematically reduce the amount of debt imposed in common charges to an amount that would better match defendants' ability to pay.

3

Implications for Policy and Practice

The findings from the Jefferson County Equitable Fines and Fees (JEFF) Project tell a story that is both specific and widely relevant. Jefferson County is a unique place, where historic, legal, and governmental characteristics all play a role in laying the groundwork for the findings presented in this report — but every jurisdiction has distinct contextual characteristics, idiosyncrasies, and legal frameworks that strongly affect the administration of court debt. At the same time, most, if not all, U.S. jurisdictions have some degree of racial and economic disparity — including racial wealth gaps and disparities in criminal conviction rates — that create conditions where a fines and fees system that is insensitive to an individual’s ability to pay could create disparities like those seen in Jefferson County. Because all 50 states impose some court debt and face challenges with respect to collections and human consequences, the findings hold relevance for jurisdictions across the country. Moreover, because Jefferson County is home to a mid-sized city situated in a fiscally and socially conservative state, its social and geographic characteristics may make it a more useful reference for many cities and counties looking to make changes in their systems of court debt when compared with larger coastal cities that have historically led the charge on policy change in this arena (for example, San Francisco).

Ostensibly, fines and fees are intended to sanction offenders, recover the costs of running a court system, raise revenue, and compensate victims of crime. But evidence from the quantitative research presented in this report, coupled with extensive conversations with practitioners and people who owe court debt, indicate that the system as it exists in Jefferson County is missing that mark. In fact, JEFF Project findings demonstrate that the existing system, constructed to assess and collect court debt, is neither efficient nor equitable. For example, the finding that in many cases, including those where payments are made, debt grows over time is indicative of inefficiency, as is the finding that the 30 percent collections fee designed to motivate payment is associated with increased debt and yields little additional revenue. Additionally, the finding that Black individuals and indigent individuals carry higher cumulative balances than their respective White and nonindigent counterparts, along with the concentration of higher balances in economically disadvantaged areas, strongly indicates that the system is not equitable. In sum, the system as it exists disproportionately burdens people who, for individual and structural reasons, are not equipped to pay, and sanctions them for nonpayment by increasing their debt.

POLICY IMPLICATIONS

Findings from the JEFF Project have already prompted reconsideration of current practices in Jefferson County and have led to the creation of a statewide task force that will examine fees and costs across Alabama.

Within Jefferson County, judges who were presented with interim results demonstrating that many people remain burdened with court debt for years, that those who owe more debt are less likely to pay, and that people who are indigent are assessed larger sums, took swift action to improve their processes. With support from the research team, they decided to test an intervention that would reduce overall debt in exchange for timely payment. Over a nine-month period during 2023 and 2024, Circuit Court judges offered to waive fines and fees (except for restitution) for individuals charged with nonviolent offenses who paid the court \$100 within a day of being sentenced.¹ Early results show that compliance and revenue both increased when indigent defendants had the opportunity to pay a more affordable amount over a shorter time frame. However, the pilot also surfaced the limitations of any intervention that relies on discretion. Judges, prosecutors, and defense lawyers are bound by an ethical duty to consider and respond to the specific facts of the case before them, making it difficult to fully standardize what happens in individual cases and individual courtrooms.

Interim findings were presented to the Circuit Judges' Association during an annual conference in August 2024 and shared with policymakers and the public through a series of articles, opinion pieces, and television appearances, as well as on social media. In early 2025, Alabama lawmakers established a multistakeholder task force to examine court costs statewide and make recommendations for improvement. A Jefferson County judge sits on the task force in an *ex officio* capacity, and a Montgomery-based member of the JEFF research team will attend and participate in task force meetings, which are open to all members of the public. It is impossible to forecast the outcomes of political processes with any precision, but potential changes likely fall into three categories: legislative, administrative, and within the culture of the courts and the judiciary.

Legislative change: If politics were not a consideration, the most straightforward way to reduce the likelihood of excessive assessments would be to overhaul the legislation that authorizes the assessment of fines, fees, and costs. In Alabama, that amounts to hundreds of individual acts that are written into the state constitution. Given the high rates of nonpayment, growth of debt over time, evidence that debt is inequitably distributed, and counterproductive collateral consequences, lawmakers could repeal some or all current legislation authorizing fines, fees, and costs, and replace it with a plan aimed at rightsizing debt and encouraging more equitable distribution. Ideally, this plan would include measures to standardize assessments across all Alabama jurisdictions and eliminate local fees that have accumulated in

1. Public defenders were trained to alert their clients of the intervention ahead of time and request it, and prosecutors agreed to countenance this use of judges' discretion.

counties and municipalities over the decades to pay for special projects such as law libraries and the capital costs of new jails.

To guard against the imposition of excessive debt, lawmakers could also mandate meaningful ability-to-pay determinations at the time financial sanctions are being imposed, for instance limiting total assessments to a certain percentage of a person's monthly income.² In light of the finding that people with less debt are more likely to pay and finish paying, such a reform might be expected to increase the likelihood that people will literally "pay their debt to society," allowing individuals to move on after doing so and lifting an enormous administrative burden from the courts. Lawmakers could reconsider the utility of sanctions that further punish nonpayment, particularly the 30 percent collections fee, which JEFF research shows is more associated with increased debt than increased revenue. Other sanctions for nonpayment could be reconsidered, such as the practice of suspending drivers' licenses in connection with unpaid debt, a counterproductive measure that focus group participants said made it difficult for them to find and keep jobs. Debt-based voter disenfranchisement, which is inequitably applied and makes access to wealth a prerequisite for participating fully in the democratic process, is also ripe for reconsideration. Instead of sanctions punishing nonpayment, lawmakers could pass legislation aimed at positively reinforcing compliance, an approach requested by focus group participants who owed debt and which demonstrated some promise in the \$100 pilot.

Lastly, to the extent that promoting the fair administration of justice and maintaining broad public trust in public safety and the court systems is a public policy goal, the role of fines and fees in undermining trust and eroding legitimacy should also be a consideration for lawmakers. Public officials and practitioners view the collection of revenue for court costs as necessary, but feel that under the current system, the debt burden is unfairly placed on those who are least able to pay. Meanwhile, people who owe court debt suspect their payments are being diverted for corrupt purposes. Moreover, those who have paid in cases where restitution is owed but know their victims are not receiving payments can see that the system is not making the financial wellbeing of crime victims in their communities a priority. Many also feel unsafe engaging with public services and safety resources, including but not limited to police and first responders, because they know or fear that calls for help will result in the execution of warrants related to unpaid fines and fees. These findings regarding legitimacy indicate that there could be social value in legislative or other reforms aimed at (1) reducing the likelihood that people will be assessed excessive debt; (2) improving transparency with respect to what happens to revenue from fines and fees; and (3) reducing the administrative burden associated with payment.

Administrative change: The Alabama Constitution grants the Chief Justice broad administrative authority to take actions "necessary for the orderly administration of justice within

2. Over the last decade, states and localities have made efforts in both of these areas. For example, Montana judges are required to waive or modify fines and fees to align with a person's ability to pay; in Illinois, people whose incomes fall below a certain threshold can request full waivers of fees; and New York State has reversed a law that suspended drivers' licenses for failure to pay court debt.

the state,” including making decisions about the system by which revenue from fines, fees, costs, and restitution is disbursed.³ For example, in response to reductions in funding from the State General Fund, the Chief Justice in 2011 directed programmers to distribute the 30 percent collections fee to district attorney and clerk funds, rather than proportionally to costs, fees, fines, and restitution.⁴ Findings from the JEFF Project demonstrate this decision about the distribution of the collections fee is perceived as unethical and illegitimate by practitioners and people who owe money to the courts. The findings also show that the collections fee is more associated with growth in debt load than with increased payments. Functionally, the decision to make payment of the collections fee the default highest priority resulted in the denial of funding in many instances to lower-priority funds, including victims who are owed restitution, at least in Jefferson County. The Chief Justice could direct a cash-flow study using statewide data to investigate how revenue flows from individuals who pay court debt to the various entities meant to receive those funds. Results from that study could be used to reconsider the utility of the current priority system and model the likely outcomes of various changes. They could also be used to develop public-facing materials to improve transparency and the public’s understanding of the role of court debt and associated revenue in public budgeting.

Culture change and judicial discretion: The JEFF Project uncovered significant social downsides to the system as it exists, including heavy administrative burdens on both court personnel and people who owe debt, and widely shared skepticism about the system’s fundamental fairness. Perceptions were nuanced. Among people who owed debt, many agreed that financial penalties were appropriate in certain circumstances, especially as an alternative to incarceration. What they objected to was the *amount* of debt and the fact that their court debt lingers so long in their day-to-day lives. Meanwhile, court staff members felt that the system is a “gimmick” that unfairly burdens people who lack access to wealth. Many also expressed frustration at the essentially endless nature of such cases, which creates an ever-accumulating administrative burden for judges, clerks, and other staff members who are expected to take steps to collect court debt as long as it is outstanding. One outcome of the JEFF Project is that these concerns have now been voiced, documented, and shared around tables in focus groups, in the media, and at the judges’ conference. Alabama judges possess almost unlimited discretion to reduce or waive fines, fees, and even restitution.⁵ And clerks and other court staff members make choices about how they exercise their power. Although there are limits to the scope and predictability of reforms that rely on discretion and choice rather than on more formal mechanisms, such as legislative or administrative rule changes, discretion combined with new knowledge about the negative effects of the system as it exists may prompt small, practical changes that would improve the system as experienced by court staff members and people who owe debt alike.

3. AL Code § 12-2-30 (2024).

4. Correspondence between Chief Justice Sue Bell Cobb and Hon. Thomas M. Smith, District Attorney (March 9, 2011).

5. Discretion is granted via Rule 26.11 of the Alabama Constitution.

APPENDIX

A

Tract-Level Regression of
Percentage of Court Debt Paid

Appendix Table A.1. Tract-Level Regression of Percentage of Court Debt Paid

Measure	Model 1	
	Coefficient	Standard Error
Intercept	3.62	0.03 ***
Census tract characteristics		
Disadvantage Index	-0.14	0.04 **
Percentage of the tract population that is Black	-0.07	0.04 +
Total tract population	0.04	0.03
Number (census tracts)	163	

SOURCES: Alabama Administrative Office of the Courts data, 2015-2019; U.S. Census Bureau, American Community Survey 2015-2019.

NOTE: Statistical significance levels are indicated as follows: + = 10 percent, * = 5 percent, ** = 1 percent, *** = 0.1 percent. All variables are measured at the tract level.

APPENDIX

B

Growth Curve Regression Models

Appendix Table B.1. Growth Curve Regression Models

Variable	Model 1		Model 2		Model 3		Model 4		Model 5	
	Co-efficient	Standard Error	Co-efficient	Standard Error	Co-efficient	Standard Error	Co-efficient	Standard Error	Co-efficient	Standard Error
Intercept	4.03	0.05 ***	3.24	0.07 ***	4.02	0.05 ***	3.24	0.07 ***	3.32	0.13 ***
Month	-0.66	0.02 ***	-0.66	0.02 ***	-0.66	0.02 ***	-0.66	0.02 ***	-0.19	0.00 ***
Individual demographics										
Black (comparison: White)			1.22	0.08 ***			1.22	0.08 ***	0.45	0.12 ***
Male (comparison: female)									0.21	0.10 *
Age									-0.03	0.05
Census tract characteristics										
Disadvantage index									0.24	0.05 ***
Charge type (comparison: misdemeanor only)										
Felony only									1.20	0.20 ***
Both misdemeanor and felony									2.40	0.15 ***
Neither misdemeanor nor felony									-2.95	0.27 ***
Case characteristics										
Public defender (comparison: no public defender)									0.39	0.17 *
Total number of payments (by month)									-1.49	0.05 ***
Has collections fee assessment (comparison: no collections fee assessment)					0.32	0.02 ***	0.37	0.04 ***	0.53	0.03 ***
Is Black and has collections fee assessment (comparison: is White and has collections fee assessment)							-0.07	0.04	-0.06	0.04

(continued)

Appendix Table B.1

Variable	Model 1		Model 2		Model 3		Model 4		Model 5	
	Co-efficient	Standard Error	Co-efficient	Standard Error	Co-efficient	Standard Error	Co-efficient	Standard Error	Co-efficient	Standard Error
Payment type										
Fine									0.16	0.06 **
Fee									0.60	0.03 ***
Administrative									-0.36	0.03 ***
Collections									-0.33	0.03 ***
Restitution									0.33	0.05 ***

SOURCES: Alabama Administrative Office of the Courts data, 2015-2019; U.S. Census Bureau, American Community Survey 2015-2019.

NOTE: Statistical significance levels are indicated as follows: + = 10 percent; * = 5 percent; ** = 1 percent; and *** = 0.1 percent. The sample size at the person-month level is 291,535. The sample size at the observation level is 5,038. The sample size at the census tract level is 163. Analyses are conducted with robust standard errors. Model 1 includes both a random intercept for individual observations and random slopes for time (month). Model 2 builds on Model 1 to include individuals' race. Model 3 builds on Model 1 to include whether an individual had a collections fee assessed. Model 4 includes both a random intercept for individual observations and random slopes for time (month), individuals' race, whether an individual had a collections fee assessed, and an interaction term between race and the collections fee assessment. Model 5 includes the same specifications as Model 4, with the inclusion of the following covariates: age, census tract disadvantage, type of charge, case characteristics, and type of payment made.

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