

## 2021 POLICY AGENDA

### STOP THE FINES AND FEES DEBT TRAP

Fines and fees from traffic tickets and minor criminal violations strip assets from low income communities and communities of color. Tacked-on fees and surcharges drive up the cost of a basic traffic ticket to over \$100, which is a hardship for many families. A single unpaid ticket can lead to a driver's license suspension, and a license suspension often causes job loss and mounting debt.



#### Our proposal:

- Stop suspending driver's licenses for unpaid traffic tickets.
- Allow judges to reduce or waive the \$75 state surcharge on traffic and criminal violations in cases of financial hardship or offer a community service option.
- Require judges to consider a person's ability to pay before imposing a sentence that requires payment of fines, fees, or surcharges.

### MAKE AUTO INSURANCE MORE AFFORDABLE

The law requires all drivers to carry liability insurance, but the lowest-income drivers often pay the most for insurance, because factors such as credit score and zip code increase their rates. When insurance is unaffordable, it creates a hardship for low income families, who may have to give up a job because they need to drive to get there. Some states have addressed this issue through solutions like targeted insurance programs with more affordable rates for low income, good drivers.

#### Our proposal:

- Convene policymakers and key stakeholders, including consumer advocates and industry representatives, to find common ground on how to make auto insurance affordable for all Minnesotans, such as more equitable pricing or creating a low-income driver program.

### PROTECT EQUITABLE ASSET BUILDING PROGRAMS

The legislature must pass a balanced budget during the 2021 legislative session, and in light of the projected state budget shortfall for the next biennium, lawmakers will be proposing spending cuts and revenue-raising strategies. Low income Minnesotans rely on the support they get from state programs, particularly during this challenging period.

#### Our proposal:

- MABC will monitor state agency and legislative committee proposals for addressing the budget shortfall and advocate against budget cuts to equitable asset-building programs and other programs that affect low-income communities or communities of color.

## **MABC SUPPORTS THESE CAMPAIGNS LED BY OUR MEMBERS :**

### **TAX CREDITS FOR LOW-INCOME INDIVIDUALS AND FAMILIES**

MABC supports the Minnesota Budget Project's initiative to monitor and respond to opportunities and threats to tax credits that promote economic security and a fairer Minnesota tax code, with a particular focus on the Renters' Credit and the Working Family Credit.

### **UNEMPLOYMENT INSURANCE FOR HIGH SCHOOL STUDENTS**

MABC supports Youthprise's initiative to repeal the current Minnesota law prohibiting high school students from receiving unemployment insurance and to replace it with a statute that permits high school students to qualify for unemployment insurance if they meet certain criteria.

### **AFFORDABLE CHILDCARE**

MABC supports the Kids Can't Wait campaign to increase provider rates using available federal funds and to significantly reduce the number of families on the waiting list for child care assistance, allowing them to work and move into economic stability.

### **PROMOTING ENTREPRENEURSHIP**

MABC supports the Catalyst Group's initiative to support small businesses owned by women, individuals with physical disabilities, members of identified minority groups, military veterans, and those located in economically disadvantaged areas by improving access to the state procurement process and increasing state funding for business technical assistance and access to affordable loans.

### **STREAMLINING ACCESS TO THE K-12 EDUCATION CREDIT**

MABC supports Youthprise's initiative to increase access to the K-12 Education Tax Credit, which helps low-income families afford educational and arts afterschool and summer programming, by simplifying the process for claiming and assigning the credit, updating the income eligibility threshold, and making eligibility adjustments for family size.

**For more information,  
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