

How Fines and Fees in the Criminal Legal System Hinder Black Economic Mobility

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After exiting the prison system, Daryl Atkinson reentered the outside world with a criminal record and owing \$50,000 in fines and fees. His record and his criminal legal debt negatively affected what opportunities he and his family could pursue to be economically stable and build wealth. And it took him 24 years to settle his debt.

Fines and fees are used to penalize people who violate the law, recoup criminal legal system costs, and raise revenues for state and local governments. In 2024 nearly one in five working-age adults in the US reported their household had been charged a fine or fee that year (Boddupalli, Karpman et al. 2025).

Monetary sanctions through the criminal legal system have long been used to target Black individuals and families (Blackmon 2008). In the Jim Crow era, for example, Black people were convicted under weak pretexts, such as vagrancy or “speaking loudly in the presence of white women,” then charged penalties they could not afford (Williamson 2020, 7). For some, nonpayment resulted in forced labor, often en masse, in mines or brickmaking or turpentine factories.¹

In this brief, we discuss how fines, fees, and the resulting debts are extracting income and savings from Black individuals and families, hindering their pursuit of financial security and upward economic mobility. We also outline some policy solutions that can mitigate the harms of fines and fees and improve outcomes for all.

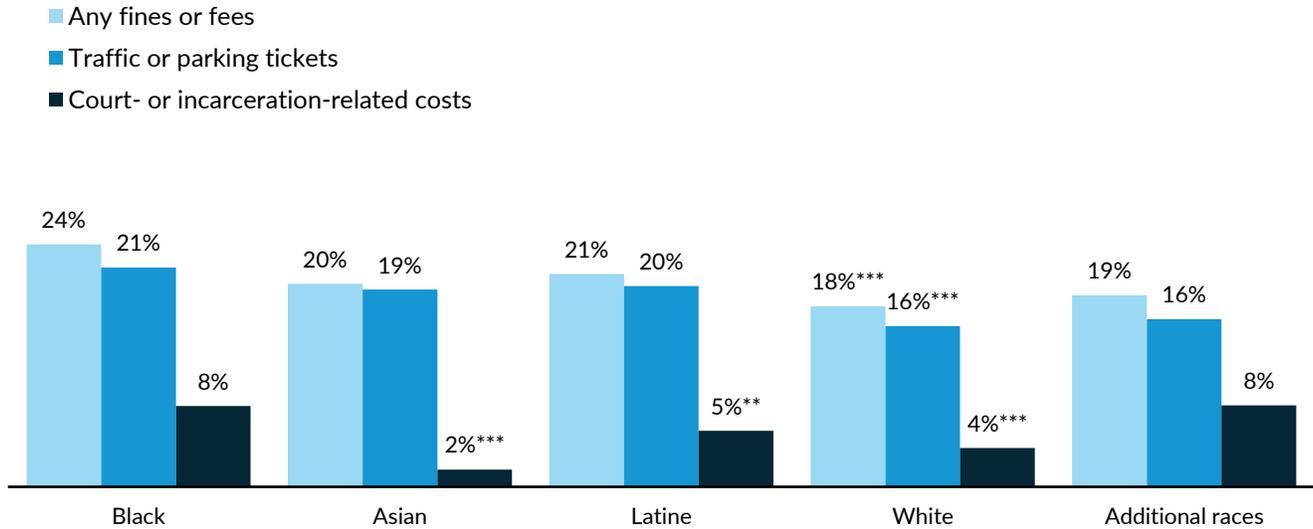
Fines and Fees Disproportionately Burden Black Families

The Urban Institute’s national Well-Being and Basic Needs Survey (WBNS) shows that in 2024, Black adults faced any fines and fees at higher rates than others (figure 1). That year, 24 percent of Black working-age adults said someone in their household had been assessed or owed a fine or fee, compared with 18 percent of White adults. Black adults were also twice as likely as White adults to report having been assessed court- or incarceration-related costs, in particular, which often carry larger financial burdens and severe consequences for nonpayment.

FIGURE 1

Black Households Are Burdened by Fines and Fees at Higher Rates

Percentage of adults (ages 18 to 64) whose households reported fines and fees, by race/ethnicity, December 2024



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Source: Urban Institute's Well-Being and Basic Needs Survey, December 2024.

Notes: Data include respondents or their household members who had been charged fines or fees in the past 12 months or currently owed money for unpaid fines or fees incurred in the past year or prior years. Respondents who are Asian, Black, White, and additional races refer to those who are not Latine. "Additional races" includes Native Hawaiian or Pacific Islander, Native American, some other race, or two or more races. Because respondents could report multiple types of fines and fees, the categories shown are not mutually exclusive.

/ Estimates differ significantly from Black adults at the 0.05 and 0.01 levels, respectively, using two-tailed tests.

Because state and local governments rarely set fines and fees in proportion to people's financial resources, fines and fees often result in court debts for those who cannot afford to pay them, exacerbating families' material hardships (Boddupalli, Nembhard et al. 2025; WCSJ and FFJC 2023). This was certainly the case for Atkinson, and for Kristie Puckett, who was pregnant while incarcerated and was assessed fees for staying in touch with her family and accessing health care. Today, many families burdened by court- or incarceration-related costs report that their households face food insecurity, have difficulty paying medical and utility bills, and have unmet health care needs (Boddupalli, Karpman et al. 2025).

Fines and fees are levied for many types of violations, including traffic and parking violations and criminal offenses, according to Tim Curry, policy and research director at the Fines and Fees Justice Center, a national advocacy organization working to eliminate fines and fees that distort justice. According to Curry, "people of color, particularly Black people, are disproportionately represented in the number of traffic citations and through every touchpoint of the criminal court system, including arrests, processing, prosecution, and sentencing, with new fines and fees added at each stage."²

Previous research has documented the disproportionate impacts of various fines and fees on Black communities. Most notably, in Ferguson, Missouri, a pivotal US Department of Justice investigation concluded that the Ferguson Police Department's actions compromised public safety by focusing on fines and fees revenues, and violated federal laws by imposing disparate harms upon Ferguson's Black residents.³

The Urban Institute found that nearly one in four adults who were charged fines or fees in 2024 reported owing money for unpaid fines or fees from that year or previous years. The percentage was significantly higher among those who had incurred any court- or incarceration-related costs (55 percent), and even higher among those with lower family incomes (71 percent; Boddupalli, Karpman et al. 2025).

Alexes Harris, a professor of sociology at the University of Washington, whose work on social stratification and racial disparities has advanced the field of fines and fees research in recent decades, said that “it is counterintuitive to impose this debt on people who can't pay it. We want to hold them accountable, and we want them to be successful members of our society. But we tether them to the criminal legal system, and we don't allow them to move forward with their lives solely because of their financial standing in society.”⁴

Nonpayment of any fines and fees can have severe consequences, including additional fines and fees and suspension of one's driver's license (Hirsch and Jones 2021). Harris told us that “people burdened by legal debt can face barriers with for example, attempting to lease an apartment, much less buying a home or a car. Some don't have the ability to legally drive right now because of their nonpayment of fines and fees.” To pay their fines and fees and avoid these financially destabilizing consequences, many people withdraw savings, borrow from family or friends, take out loans, forgo paying other bills, and take on credit card debt, potentially harming their financial stability (Boddupalli et al. 2024). All of these financial decisions can drive people deeper into financial precarity and make it more challenging for them to move into or stay in the Black middle class.

For some, serving time in jail is a potential consequence.⁵ “The coercive nature of the court debt system means that, for many jurisdictions, jail is hanging over people's heads, and your liberty is at stake,” said Karin Martin, associate professor at the University of Washington, who examines the use of money in punishment and the harsh trade-offs affected families must navigate. “People just don't have a lot of financial reserves, and failure to pay could have bad consequences for you. So, people are making daily decisions, in a very real and literal sense, of ‘Should I pay money to the court or should I pay rent? Should I pay money to the court or go buy groceries or get gas? Or, do I just risk getting pulled over or going to jail for not paying?’ And, of course, in our country, because wealth and income disparities are what they are, anything I'm saying is magnified for Black populations who are already experiencing the brunt of the criminal legal system.”⁶

Fines and fees also have spillover effects on family members, particularly caregivers who are already responsible for children or elders at home.⁷ Debt repayment after incarceration is often family subsidized, as returning individuals struggle with other challenges of reentry like obtaining a foothold with housing and employment (deVuono-powell 2015). This can contribute to multiyear, multigenerational ripple effects: research has shown that higher incidence of fines and fees in some neighborhoods was associated with higher poverty rates in subsequent years (O'Neill et al. 2021).

Curry said that “families carry the burden of debt together, it is not just the person who accumulates the debt. Debts from fines and fees impact child care, access to food, shelter, and other family necessities. People rally together to avoid the consequences of the criminal legal system for those who don't pay their fines and fees, making serious sacrifices along the way.”

Fines and Fees Can Jeopardize Black Families' Place in the Middle Class

Entry points to the middle class, which have historically included higher-education completion and homeownership, have become harder to afford for Black individuals and families, particularly those whose households are facing fines and fees burdens.⁸

For those who can pay them off, fines and fees may impose minimal financial or logistical burdens. But for those who cannot, fines and fees and their resulting debts can disrupt several economic pathways. “Prior research

shows that people with court debt are more likely to be turned down for credit, and also more likely to be approved for less credit than they were seeking,” Curry said. “Further, wage garnishment from unpaid fines and fees creates problems with people’s incomes and with their employers, it can get harder to get promoted or to retain your job. If you have to sell your house, it can get even harder to get another one. And so people pay their fines and fees to the court at the expense of their other basic needs to avoid the consequences of nonpayment; they prioritize this debt against other debts. It’s a vicious cycle.”

The WBNS asked respondents whose households had been charged fines or fees in 2024 whether they were financially insecure, or not confident they could come up with \$400 for an unexpected expense. One in four said yes, and among them, 27 percent had been charged fine or fee amounts exceeding \$500 (Boddupalli, Karpman et al. 2025).⁹ And among Black adults who owed unpaid fines, fees, or court costs, one in six reported owing \$1,000 or more.

The financial strain of having to make fines and fees payments, paired with harsh repercussions that Black individuals and families disproportionately face if they do not make those payments, squeezes their chances to be financially stable and strive for more. “What is required for upward mobility? Some baseline of health, basic access to resources, awareness of economic opportunities. The risk of incarceration, for those in poverty facing fines and fees, just exacerbates the severity of it all, and makes you less able to achieve any of those things,” said Martin.

In fact, among households with fines and fees burdens in 2024, Black adults were significantly more likely than White adults to report food insecurity (48 percent versus 33 percent) and problems paying their housing, utility, and medical bills.

“We often say, from the life course perspective, key transition points can change the trajectories of people’s success in life: completion of education, marriage, employment, family building, buying a home,” Harris noted. “Fines and fees disrupt all of those transition points that allow people to be successful in their life.”

Reforming Fines and Fees Could Improve the Well-Being of All Communities

Many jurisdictions do not recover the fine and fee amounts they charge (a sign that people facing fines and fees cannot afford the payments), and some research has shown that it can cost jurisdictions more to enforce fines and fees than is eventually collected (Menendez et al. 2019).¹⁰ Curry said that “most courts know that they will never collect the debts imposed from fines and fees.”

Despite this evidence, states and localities may continue to assess fines and fees because they are consistent sources of revenue, especially for smaller cities, towns, and villages.¹¹ And jurisdictions have long been expanding the types of criminal and civil fees they impose, including charging defendants for government services that were once paid for with tax revenues, such as incarceration room and board, drug testing, public defenders, electronic monitoring devices, and payment plans.¹² Unlike income, sales, or property taxes, fines and fees are rarely subject to constitutional or statutory limitations on what amounts may be imposed and how much revenues may be raised from them.

Urban found that in 2024, among Black people who had been charged a fine or fee that year or owed fines or fees from previous years, only 5 percent said court or government staff had asked them if they could afford the costs. In addition, 10 percent or less of Black adults with any fines or fees burdens in 2024 reported being offered *meaningful* options to afford those costs, such as reductions, waivers, community service, or a class or social services program.

To make our criminal legal systems more fair, Curry recommends that “fines should be proportionate to offenses and the person sentencing you should hold ability-to-pay hearings. If you have a public defender, for example, the court has already determined you don’t have enough money, so certain fines or fees should not be

imposed or enforced rigidly. Community service should be expanded to include activities that benefit whole communities, such as substance abuse treatment or financial literacy classes, GED courses, and apprenticeship opportunities.” Harris added that “we should also waive debts if a person is homeless, has had a mental health diagnosis, or is unemployed.”

Offering alleviation or payment alternatives can mitigate hardships without undermining state and local efforts to deter unlawful behavior (Pager et al. 2022). Importantly, for those who cannot afford fines or fees, debt relief can reduce recidivism (Bing et al. 2024). Martin suggested that “we should be thinking much more carefully about who we impose fines and fees on. Having a statute of limitations on how long the government can try to collect something, allowing proof that people can offer for their inability to pay and be excused from their debts, could help to actually foster public safety for everybody.”

Other reforms to improve financial well-being include eliminating some administrative fees levied by courts and offering debt clearance for fines and fees that have been unpaid for many years. Some states and localities, like Montgomery County, Alabama, California, and Washington State, have implemented such reforms in recent years.¹³ And the US Department of Justice has noted that “eliminating the unjust imposition of fines and fees is one of the most effective ways for jurisdictions to support the success of youth and low-income individuals, honor constitutional and statutory obligations, and reduce racial disparities in the administration of justice.”¹⁴

In Atkinson’s words, criminal legal fines and fees can create an “almost permanent underclass.” And, as Puckett reflected, “It’s a huge impact on your family because you feel like you can’t really have the American dream. Can I thrive and survive in an economic structure that doesn’t see me as a whole person?”

Notes

- ¹ See also *Targeted Fines and Fees Against Communities of Color: Civil Rights & Constitutional Implications* (Washington, DC: US Commission on Civil Rights, 2017), and *Reducing Racial Inequality in Crime and Justice: Science, Practice, and Policy* (Washington, DC: The National Academies Press, 2023).
- ² Interview conducted by the authors over video in October 2025.
- ³ “Investigation of the Ferguson Police Department,” US Department of Justice Civil Rights Division, March 4, 2015, https://www.justice.gov/sites/default/files/opa/press-releases/attachments/2015/03/04/ferguson_police_department_report.pdf.
- ⁴ Interview conducted by the authors over video in October 2025.
- ⁵ Tim Curry, “Why Are We Still Sending People to Jail for Being Poor? It’s Time to Truly Abolish Debtors’ Prisons,” *Human Rights Magazine*, April 12, 2023, <https://www.americanbar.org/groups/crsj/resources/human-rights/archive/why-are-we-sending-people-jail-being-poor-abolish-debtors-prisons/>.
- ⁶ Interview conducted by the authors over video in October 2025.
- ⁷ Mitali Nagrecha and Mary Fainsod Katzenstein, “When All Else Fails, Fining the Family,” Center for Community Alternatives, last updated January 27, 2025, https://www.prisonpolicy.org/scans/communityalternatives/criminal_justice_debt.pdf.
- ⁸ LesLeigh D. Ford, Claire Cusella, Leandra Lacy, and Nyla Holland, “Empowering a Thriving Black Middle Class,” Urban Institute, March 24, 2025, <https://www.urban.org/stories/black-middle-class-wealth>.
- ⁹ Aravind Boddupalli, “Increasing Fines or Fees Is Unlikely to Save State and Local Budgets,” *Taxvox* (blog), Urban-Brookings Tax Policy Center, November 3, 2025, <https://taxpolicycenter.org/taxvox/increasing-fines-or-fees-unlikely-save-state-and-local-budgets>.
- ¹⁰ “Tip of the Iceberg: How Much Criminal Justice Debt Does the U.S. Really Have?,” Fines and Fees Justice Center, April 28, 2021, <https://finesandfeesjusticecenter.org/articles/tip-of-the-iceberg-how-much-criminal-justice-debt-does-the-u-s-really-have/>.

- ¹¹ Aravind Boddupalli, “Five Facts About Fines and Fees Revenues,” *Taxvox* (blog), Urban-Brookings Tax Policy Center, December 5, 2024, <https://taxpolicycenter.org/taxvox/five-facts-about-fines-and-fees-revenues>.
- ¹² Joseph Shapiro, “As Court Fees Rise, the Poor Are Paying the Price,” NPR, May 19, 2014, <https://www.npr.org/2014/05/19/312158516/increasing-court-fees-punish-the-poor>.
- ¹³ “Reform Map: States and Localities That Have Repealed Fees,” End Justice Fees, accessed February 9, 2026, <https://endjusticefees.org/reform/>; “Local Policy Guide: Fee Elimination and Debt Relief,” Fines and Fees Justice Center, March 24, 2022, <https://finesandfeesjusticecenter.org/articles/local-policy-guide-fee-elimination-and-debt-relief/>; Rosanna Smith, “Montgomery Mayor Signs Executive Order Absolving Some Unpaid Fines, Fees,” WSFA 12, last updated February 29, 2024, <https://www.wsfa.com/2024/02/29/montgomery-mayor-signs-executive-order-absolving-some-unpaid-fines/>; “Ending Unjust and Ineffective Criminal Fees in California,” UC Berkeley Law, accessed February 9, 2026, <https://www.law.berkeley.edu/experiential/clinics/policy-advocacy-clinic/adult-fees/ending-criminal-adult-fees-in-california/>; Amy Radil, “New Washington State Laws Give Debt Relief to People Exiting Prison,” KUOW, May 26, 2023, <https://www.kuow.org/stories/new-washington-laws-give-debt-relief-to-people-exiting-prison>.
- ¹⁴ “Access to Justice Spotlight: Fines & Fees,” US Department of Justice, 2023, <https://www.justice.gov/d9/2023-11/doj-access-to-justice-spotlight-fines-and-fees.pdf>.

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