



1411 K Street, NW
Suite 900
Washington, D.C. 20005
202-525-5717

Free Markets. Real Solutions.
www.rstreet.org

Testimony from:
Alan Smith, Midwest Director, R Street Institute

R Street Testimony In SUPPORT of SB 37, “Regards driver’s license suspension law; financial responsibility”

House Homeland Security Committee
December 11, 2024

Chair Ghanbari, Vice Chair Plummer, Ranking Member Thomas and members of the Homeland Security Committee,

My name is Alan Smith, and I serve as the Midwest Director of the R Street Institute. R Street is a nonprofit nonpartisan public policy research organization. Our policy is to engage in policy research and outreach to promote free markets and effective limited-government across a variety of policy areas, including maintenance and sometimes reform of the criminal justice system. This is why Senate Bill 37 is important to us.

The U.S. Census Bureau tells us that [82 percent](#) of Ohioans drive themselves to work.¹ Recent research detailing the impact of driver’s license suspensions informs us that in an average year, there are over [one million drivers](#) with suspended licenses in the Buckeye state.² These two facts do not harmonize well.

From my time working in this building on legislative staff I recognize that getting people to do what they are required to do is a bigger challenge with every passing year, and the government is asked to shoulder increasing responsibility in this regard, which confronts limited-government public policy organizations like mine with unceasing challenges.

At inception, using the leverage of privilege to drive a vehicle may have seemed appropriate for either denying dangerous drivers the use of the highways or applying pressure to pay up. As you have discussed in previous hearings, offenses for which the driving privilege could be withheld multiplied, and the magnitude of the unpaid fines averages [nearly a billion dollars](#) in these times.³

When the Cleveland Federal Reserve studied the situation and issued its [report](#) earlier this year it found that if only half of the drivers with licenses suspended were to actually stop driving, “the impact statewide could result in a potential loss of over 830,000 working or work-seeking individuals from the labor force.” This is a problem in both rural and urban counties, and the Fed research revealed that 17 zip codes in core urban centers of Ohio are “potentially at risk of losing more than 65 percent of their labor force. Another key finding was that “Lower and middle-wage occupations tend to have the highest rates of job ads requesting a driver’s license.”⁴



1411 K Street, NW
Suite 900
Washington, D.C. 20005
202-525-5717

Free Markets. Real Solutions.
www.rstreet.org

When it has become clear that a solution to an issue is not successfully mitigating the problem a basic requirement of public policy is violated. You have heard several anecdotes about impacts on individual Ohio drivers, but the system itself needs to be reformed considering the empirical results observed.

Senator Blessing and Senator Ingram are to be congratulated for taking on the responsibility of promoting a government response to today's landscape. The government is beginning to recognize that in order to sustain a viable workforce that traditional ideas of punishment which cause collateral damage to retaining jobs and paying off debts by getting to work must be reexamined.

All of us who labor in public policy are disposed to be as helpful as possible in finding alternative solutions to many of the pathologies in our state. As these hearings have illuminated, many of our sister states been prompted to recalibrate their prescriptions in this area, as we are now contemplating.

We support changes to Ohio policy represented by the substitute bill which are aligned with the considerable research now available.

I would be happy to respond to any of your questions.

Alan Smith
R Street Institute

¹ United States Census Bureau, American Community Survey, B08301: Means of Transportation to Work in Ohio (2020: ACS 5-year estimates Detailed Tables), available at <https://data.census.gov/cedsci/table?q=ohio%20means%20of%20transportation%20to%20work&tid=ACSDT5Y2020.B08301>

² Anne K Sweeney, Esq., Michael S. Russell, Esq., Julie K. Robie, Esq., and Dr Brian Mikelbank, Legal Aid Society of Cleveland, "Road to Nowhere: Debt-Related Driver's license suspensions in Ohio," September 20, 2022. https://lasclev.org/wp-content/uploads/Road-to-Nowhere_hirez.pdf

³ Ibid., (page ii)

⁴ Fee, Kyle D., and Brian A. Mikelbank. 2024. "Providing Labor Market Context for Debt-Related Driver's License Suspensions in Ohio." Federal Reserve Bank of Cleveland, Community Development Reports. <https://doi.org/10.26509/frbc-cd-20240228>