ACLU
Minnesota

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Members of the House Transportation Committee,

The American Civil Liberties Union of Minnesota is an organization devoted to preserving the rights and liberties enshrined in our constitution and law.

We are writing this letter in opposition to HF 3106.

While this may not seem like a straightforward ACLU issue, this bill has many implications for Minnesotans' personal rights. Increasing fines for people who drive without insurance will not improve public safety; it instead burdens the poorest Minnesotans.

Individuals do not usually choose to be uninsured, —they often cannot afford skyrocketing insurance rates.

This reality is made even worse when you take into account that auto insurance companies are known to set their premiums with criteria and practices that have discriminatory effects.

Companies set premiums based on zip codes, credit scores, and gender information. There are numerous data points used to determine who receives auto insurance coverage at a reasonable price and who does not. Increasing fines for those who are uninsured exacerbates a fundamentally unfair system. In the current system, there will always be people who have no other option than to drive uninsured. Minnesotans with low incomes still need to drive to work, school, grocery stores, appointments, and more.

Driving uninsured in Minnesota is already a misdemeanor, and unpaid tickets can snowball into financial crisis and potential jail time.

Increasing fines is not an incentive to get insured. It is punitive and overly burdensome. Lawmakers should instead create easier paths to becoming insured.

The ACLU-MN strongly urges you to oppose HF 3106.

While this may not seem like a civil liberties issue it

actually has many implications for Minnesotans' personal rights.

A low-cost auto insurance program would alleviate the widespread discrimination imposed by insurance companies. Companies whose premiums are set by practices that have a discriminatory effect that collect info on your zip code, credit score and gender. These factors will be used by the insurance company to set rates, determine premium costs and decide if you get coverage or not. And criteria like zip code and credit scores have been shown to disproportionately increase rates for Black and Brown people. It's no surprise that these biased practices negatively impact lowincome Minnesotans who are being priced out of the insurance market—even those with excellent driving records. This lack of coverage also leads to a decrease in public safety for all.

Maintaining this fundamentally unfair system of coverage will always lead to a pool of individuals who must risk driving uninsured to keep employment, attend school and go about daily life. This can cause dangerous motor vehicle behavior that puts everyone's safety in jeopardy as well as increase interactions between motorists and police officers that could lead to unjustified use of force. And because driving uninsured in Minnesota is a misdemeanor, the situation can quickly snowball into financial crisis.

Driving uninsured could get your license suspended and usher in an avalanche of tickets that the driver can't afford—perhaps even jail time. The ACLLU-MN has always opposed this two-tiered justice system and wealth-based discrimination.

Being poor or low income should not automatically leave you uninsured and racked with unpayable fines and fees. Put simply, if we are going to impose criminal punishments on people who drive without insurance, we have an obligation to ensure that people have the ability to obtain insurance. It is completely unfair and unjust that the state government would create a whole web of statutes and laws with the steepest penalties and yet not acknowledge that poverty plays a role in people's ability to follow the law. And we want to stress how unbelievably disproportionate and extreme the consequences can be for not having insurance coverage---it could escalate into serving jail time or even more extreme; deportation. Those who are not US citizens could potentially be facing deportation and expulsion from the country. All of this upheaval simply because people cannot afford the ever-rising cost of car insurance .

The ACLU-MN strongly believes an affordable state auto insurance program would improve public safety, alleviate financial hardships and protect all Minnesotans from systemic discrimination. Thank you to Representative Hollins for binging this vital bill and thank you to the community of people w

ILCM is deeply concerned about the impact SF1179 will have on people like our clients and their

communities. Auto insurance rates have seen a dramatic increase over the past year. In Minnesota, the

average increase was 55%, the highest in the country.

1 Auto insurance rates are also based largely on

non-driving factors, so being a good driver doesn't guarantee an affordable rate. Low-income

Minnesotans are increasingly facing the prospect of having to drive uninsured because they simply

cannot afford auto insurance, but getting to work, school, or medical appointments is functionally

impossible if they do not drive.

Increasing fines for driving without insurance, as SF1179 aims to do, will not improve compliance and

will instead cause additional harm to low-income Minnesotans. People who are currently unable to

afford auto insurance will not suddenly be able to afford it if the fine for driving without insurance is

higher. Many will still have no choice but to drive uninsured. If they then receive a ticket for driving

without insurance, they are facing an additional financial burden that they are not able to pay. This can

quickly spiral into a cycle of court debt, license suspension, vehicle impoundment, job loss, and even jail

time.