SUPREME COURT OF THE UNITED STATES

RYAN O'DONNELL, ET AL. *v.* CITY OF CHICAGO, ILLINOIS, ET AL.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

No. 25–1098. Decided October 19, 2026

The petition for a writ of certiorari is denied.

Statement of JUSTICE SOTOMAYOR, with whom JUSTICE GORSUCH joins, respecting the denial of certiorari.

In Chicago, a driver who fails to pay as few as two parking tickets risks forfeiting his vehicle to the city. The city then can do as it pleases with the vehicle, with no obligation to pay compensation, offset the unpaid ticket debt, or return any surplus to the owner if the vehicle is sold for a profit. See Chicago, Ill., Municipal Code §§9–100–120(b), (f) (2026). The Seventh Circuit upheld that scheme as consistent with the Fifth Amendment's Takings Clause, reasoning that it is "an exercise of the City's police power to enforce its traffic code." 163 F. 4th 411, 414 (2025). I have serious concerns about that conclusion, which implicates a Circuit split over whether, and under what circumstances, exercises of the State's police power are immune to takings claims. Because that split would continue to benefit from further percolation, however, and because this case is not the best vehicle to resolve the split, I concur in the Court's denial of certiorari.

Chicago's vehicle-forfeiture scheme is vast and lucrative, helping the city generate, according to one estimate, $264 million in traffic-ticket revenue (or 7 percent of the city's operating budget) in 2016. See M. Sanchez & S. Kambhampati, How Chicago Ticket Debt Sends Black Motorists Into Bankruptcy, ProPublica (Feb. 27, 2018), https://features.propublica.org/driven-into-debt/chicago-ticket-debt-

bankruptcy/ (archived at https://perma.cc/K8MU-KVTW). Petitioners Ryan O'Donnell and Michael Goree are two of the many Chicago motorists subject to that scheme. According to the complaint filed in this case, O'Donnell received two tickets for an expired meter and one ticket for time-restricted parking, totaling approximately $524. Goree did not have any tickets himself; rather, a co-signer on his vehicle had approximately $560 of outstanding ticket debt from a different vehicle. After those tickets went unpaid, the city towed and impounded petitioners' vehicles, adding additional boot, tow, and storage fees. It then sold O'Donnell's vehicle for its scrap value of $273 and relinquished Goree's vehicle to the lienholder. Neither petitioner received any compensation for the loss of their cars.

Petitioners sued the city, alleging that its scheme facially violates the Takings Clause, which bars taking "private property" for "public use, without just compensation." They asserted that §9–100–120 empowers the city to take vehicles "without providing any compensation to the owner or even a hearing to determine fair compensation." Complaint in No. 1:23–cv–01192 (ND Ill.), ECF Doc. 1, ¶73. The District Court dismissed the suit, see App. to Pet. for Cert. 16–18; and the Seventh Circuit affirmed, see 163 F. 4th, at 414–415. As relevant here, the Seventh Circuit rejected petitioners' argument that Chicago's vehicle-forfeiture scheme is like the tax-forfeiture statute this Court invalidated in *Tyler* v. *Hennepin County*, 598 U. S. 631 (2023), for failure to return any surplus to the homeowner after a tax sale. The better analogy, the Seventh Circuit reasoned, was to *Bennis* v. *Michigan*, 516 U. S. 442 (1996), where this Court held that the government may seize property used in the violation of the law without providing any compensation to the owner. See 163 F. 4th, at 414–415 (citing *Bennis*, 516 U. S., at 453); see also *id.*, at 452 (forfeitures that

comport with due process do not trigger the duty of just compensation).

Unlike the laws discussed in *Bennis*, however, Chicago does not impound only those vehicles involved in violations of its municipal traffic code. Rather, the city may impound *any* vehicle of a delinquent resident so long as ticket debts remain unpaid, regardless of whether the vehicle was involved in an infraction. §9–100–120(b). Indeed, that is precisely what happened to Goree, who lost his car because a co-owner incurred ticket debt on a different vehicle. After the vehicle is impounded, moreover, forfeiture is a consequence only of the failure to pay, not the antecedent legal infraction. §9–100–120(f). Those features strongly suggest that "the purpose of vehicle impoundments" under Chicago's scheme "is to collect a debt, not enforce public safety laws." Pet. for Cert. 10. If so, then *Tyler* would seem to control, and the city's failure to compensate owners for the loss of their vehicles would likely violate the Takings Clause. The city's practice of surrendering cars to lienholders or selling them for their scrap value, rather than at a fair auction, only amplifies the potential constitutional infirmity. Cf. *Pung* v. *Isabella County*, 609 U. S. 30, 33 (2026) (just compensation is measured based on "fairly conducted" tax sale).

Because of its mistaken reliance on *Bennis*, the Seventh Circuit considered Chicago's vehicle-forfeiture scheme "a 'classic example'" of the State's "police power." 163 F. 4th, at 414 (quoting *Hadley* v. *South Bend*, 154 F. 4th 549, 556 (CA7 2025)). As I have previously written, the lower courts are divided over "the extent to which the Takings Clause applies to exercises of the police power." *Baker* v. *City of McKinney*, 604 U. S. 1035, 1038 (2024) (statement of SOTOMAYOR, J., respecting denial of certiorari). Here, the Seventh Circuit embraced the expansive notion that "exercise[s] of the City's police power to enforce its traffic code" are immune to takings claims. 163 F. 4th, at 414. Some

courts have likewise appeared to adopt a categorical rule that the Takings Clause does not apply when the government acts under any of its police powers. See, *e.g.*, *AmeriSource Corp.* v. *United States*, 525 F. 3d 1149, 1153 (CA Fed. 2008); *Lech* v. *Jackson*, 791 Fed. Appx. 711, 717 (CA10 2019). Others have held, more narrowly, that the just-compensation requirement is subject to a public-safety or necessity exception, see, *e.g.*, *Baker* v. *McKinney*, 84 F. 4th 378, 388 (CA5 2023); *Pena* v. *Los Angeles*, 158 F. 4th 1033, 1035 (CA9 2025), or that no property is taken when it is damaged incident to a lawful search or arrest, see, *e.g.*, *Slaybaugh* v. *Rutherford County*, 114 F. 4th 593, 598 (CA6 2024); *Hadley*, 154 F. 4th, at 554; *Pena*, 158 F. 4th, at 1050 (Friedland, J., concurring in judgment). It is still an "open question" whether these or any other approaches are consistent with this Court's precedents. *Baker*, 604 U. S., at 1038. Few of these decisions likewise explain the source of any such police-power exception to the Takings Clause—whether the common law, the Constitution, or elsewhere.

Such questions thus continue to "benefit from further percolation" in the lower courts before this Court chooses to intervene. *Id.*, at 1039. Petitioners, moreover, have lodged a facial challenge to Chicago's ordinance, which might require this Court to invalidate even those features of the law that have nothing to do with vehicle forfeiture. See, *e.g.*, §9–100–120(a) (providing for immobilization of vehicles). I therefore concur in the Court's denial of certiorari. I nonetheless write to emphasize that courts should carefully and narrowly define the circumstances in which the State's exercise of its police powers are held exempt from the just-compensation requirement, as well as explain the source of any such exemption. Where, as here, a person alleges a "classic taking in which the government directly appropriates private property for its own use" or to pay an outstanding debt, like a tax lien, *Tyler*, 598 U. S., at 639 (internal quotation marks omitted), the talismanic invocation of the

State's "law enforcement authority," 163 F. 4th, at 414, may be insufficient to avoid the requirement of just compensation. I again encourage courts considering this issue to take care that due deference to state police powers does not eclipse constitutional rights.