

Empirical Studies Support Issuance of Driver's Licenses Without Regard to Immigration Status

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Currently, 12 states plus the District of Columbia and Puerto Rico issue “marked” licenses to drivers regardless of their immigration status.¹ Proponents of these licenses have received strong support from law enforcement officials, who argue that the licenses promote public safety. The licenses ensure that drivers are trained and tested and able to obtain insurance. Drivers who have licenses are able to identify themselves and are more willing to interact with police and other government agencies. Officers, who won't need to pursue these residents for driving without a license, can expend their limited resources on other law enforcement priorities.² And researchers argue that expanding access to licenses leads to better job matches and improvements to the economy.³

Implementation of the new driver's license laws offers an opportunity for scholarly research about their impact. As described below, the findings of empirical studies to date support issuance of the licenses. What follows is a summary of recent research reports demonstrating the economic and social benefits of issuing driver's licenses to eligible residents, regardless of their immigration status.

Hit and run and fatal accidents decrease

A 2017 Stanford University study found that a 10 percent decrease in hit-and-run accidents attributable to California's law expanding access to driver's licenses (AB 60) prevented 4,000 hit-and-run accidents, saved \$3.5 million in out-of-pocket expenses, and transferred \$17 million in costs to at-fault drivers (meaning that accident costs were charged

¹ *State Laws Providing Access to Driver's Licenses or Cards, Regardless of Immigration Status* (NILC, May 2017), www.nilc.org/state-laws-providing-dl-access/. The REAL ID Act of 2005 requires states to meet certain requirements, including verifying an applicant's lawful presence in the U.S., if they choose to issue a license that is acceptable as identification for certain federal purposes. States can issue licenses to drivers who cannot prove lawful presence, and/or can set up tiers of licenses. Licenses that are not REAL ID compliant must be distinguishable in appearance and will not be acceptable for official federal purposes. In some states, the “marked” licenses are available to citizens and immigrants (whether documented or undocumented).

² David Dyssegaard Kallick and Cyierra Roldan, *Expanding Access to Driver's Licenses: Getting a License Without Regard to Immigration Status* (Fiscal Policy Institute, Jan. 31, 2017), <http://fiscalspolicy.org/wp-content/uploads/2017/01/FINAL-Driver's-Licenses-report-2017.pdf>, p. 4.

³ *Id.* at p. 4. See also Nicole Rodriguez, *Licenses for Immigrant Drivers in Massachusetts* (Massachusetts Budget and Policy Center, Sept. 15, 2015), [http://massbudget.org/report_window.php?loc=Licenses for Immigrant Drivers in Massachusetts.html](http://massbudget.org/report_window.php?loc=Licenses%20for%20Immigrant%20Drivers%20in%20Massachusetts.html).

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to the responsible party rather than to the victims of hit-and-run drivers and their insurers).⁴

A 2016 Roger Williams University School of Law report found that “states that have allowed undocumented immigrants to apply for a driving document have on average less traffic fatalities than states requiring either documented legal presence or a valid [Social Security number].”⁵

Likewise, the Virginia Commonwealth Institute reported that states that issue licenses to unauthorized immigrants have seen a significantly higher drop in fatal car accidents than states that have not adopted similar laws.⁶

Access to licenses increases the number of drivers who obtain insurance

A 2016 analysis by the California Department of Insurance concluded that California’s law granting driver’s licenses to otherwise-qualified individuals who do not have proof of authorized presence in the U.S. (AB 60) had a positive impact in reducing the number of uninsured drivers. The California insurance commissioner reported that “in 2015, the first year since the passage of AB 60, the number of insured vehicles increased by 200,000 more vehicles than would have been expected” without the new law.⁷

Insurance costs decrease

According to an extensive study of the issue reported in the *Southern Economic Journal* in 2015, the empirical evidence supports cost reduction and public safety arguments in favor of giving undocumented drivers access to licenses. The report concluded that preventing undocumented drivers from driving legally raises insurance rates in general.⁸

When more people have licenses, more people will buy cars, thereby strengthening the economy

The 2017 Fiscal Policy Institute report analyzed the costs and benefits of expanding access to driver’s licenses to New York state residents, without regard to their immigration status. It concluded that an estimated 265,000 immigrants would get a license, and an estimated 97,000 cars would be purchased and registered in the state.⁹

⁴ Hans Lueders, Jens Hainmueller, and Duncan Lawrence, “Providing Driver’s Licenses to Unauthorized Immigrants in California Improves Public Safety,” *Proceedings of the National Academy of Sciences*, Vol. 114, No. 16, Apr. 18, 2017, www.pnas.org/content/114/16/4111.full.pdf, p. 4115.

⁵ Deborah Gonzalez, Peter Margulies, and J. Alejandro Tirado-Alcaraz, *A Legal and Policy Analysis of Driver’s Licenses of Undocumented Rhode Islanders* (Roger Williams University School of Law and Latino Policy Institute at Roger Williams University, June 2016), https://www.rwu.edu/sites/default/files/downloads/lpi/drivers-license_report-legal.pdf, p. 21.

⁶ Laura Goren and Michael Cassidy, *Hands on the Wheel: Improving Safety and Boosting Communities through Removing Barriers to Driver’s Licenses* (The Commonwealth Institute, Jan. 2016), www.thecommonwealthinstitute.org/wp-content/uploads/2016/01/Drivers-Licenses-for-Immigrants_Final.pdf, p. 1.

⁷ “AB 60 Driver Licenses Believed to Cause 2015 Bump in Insured Vehicles,” California Dept. of Insurance press release, Nov. 17, 2016, www.insurance.ca.gov/0400-news/0100-press-releases/2016/release133-16.cfm.

⁸ Mauricio Cáceres and Kenneth P. Jameson, “The Effects on Insurance Costs of Restricting Undocumented Immigrants’ Access to Driver Licenses,” *Southern Economic Journal*, Vol. 81, No. 4, Apr. 2015), <http://onlinelibrary.wiley.com/wol1/doi/10.1002/soej.12022/abstract>.

⁹ *Expanding Access to Driver’s Licenses*, *supra* note 2, pp. 6, 9.

A 2015 nationwide survey of Deferred Action for Childhood Arrivals (DACA) recipients found that

89 percent of respondents have obtained a driver's license or state ID for the first time after receiving DACA. Moreover, 21 percent of respondents report buying their first car after receiving DACA, with 26 percent buying a new car and 74 percent buying a used car... The average cost of car purchases in the sample was \$22,559 for new cars and \$9,607 for used cars. This matters for state revenue, as most states collect between 3 percent and 6 percent of the purchase price in sales tax, as well as registration and title fees.¹⁰

And 96 percent of those buyers bought car insurance. A later survey found an even stronger effect, showing that four in ten DACA recipients reported buying their first car.¹¹

Issuing licenses to eligible drivers without regard to their immigration status generates substantial revenue, which exceeds the cost of issuing the licenses

The 2017 Fiscal Policy Institute report estimated that if licenses were issued in New York, an estimated \$57 million in combined annual government revenue, plus \$26 million in one-time revenue generated from driver's license fees, would easily exceed any costs.¹²

A 2017 report by the Office of New York City Comptroller concluded that increased revenues would generate up to \$9.6 million in driver's license fees, with an additional \$1.3 going to the Metropolitan Transportation Authority, and would boost auto sales by 2.7 percent, with resulting increases in registration and title fees, vehicle use taxes, and gasoline sales taxes. These revenues would offset program costs.¹³

And a 2015 Massachusetts Budget and Policy Center report concluded that "If 60 percent of eligible immigrants apply for licenses, we estimate this could generate an additional 90,000 new drivers and about \$7.2 million in additional one-time revenue from permit and license fees... Also, the state can expect additional on-going revenue from license renewal fees... [W]e can be relatively certain that these fees are well above the actual cost of issuing licenses."¹⁴

Taking licenses away from unauthorized immigrants costs states money

A 2016 University of New Mexico study concluded that "repealing access to driver's licenses for unauthorized immigrants will cost the New Mexico economy \$38.5 million

¹⁰ Tom K. Wong, Kelly K. Richter, Ignacia Rodriguez, and Philip E. Wolgin, *Results from a Nationwide Survey of DACA Recipients Illustrate the Program's Impact* (Center for American Progress, July 9, 2015), <https://www.americanprogress.org/issues/immigration/news/2015/07/09/117054/results-from-a-nationwide-survey-of-daca-recipients-illustrate-the-programs-impact/> (hyperlinks in quoted passage omitted).

¹¹ Zenén Jaimes Perez, *A Portrait of Deferred Action for Childhood Arrivals Recipients: Challenges and Opportunities Three-Years Later* (United We Dream, Oct. 2015), <http://unitedwedream.org/wp-content/uploads/2015/10/DACA-report-final-1.pdf>.

¹² *Expanding Access to Driver's Licenses*, *supra* note 2, p. 2.

¹³ *The Road to Opportunity: Granting Driver's Licenses to All New Yorkers* (Office of the New York City Comptroller, Jan. 2017), https://comptroller.nyc.gov/wp-content/uploads/documents/DL_Report_FINAL.pdf.

¹⁴ *Licenses for Immigrant Drivers in Massachusetts*, *supra* note 3.

annually due to decreased labor force productivity among those impacted by the policy change.” The economic effects of repealing the current law would be felt by all New Mexico residents.¹⁵

Unauthorized immigrant drivers who can obtain licenses contribute to the well-being of their communities by signing up as organ donors

California experienced a surge in the number of drivers signing up as organ donors once AB 60 became law.¹⁶

CONCLUSION

RESEARCH CONSISTENTLY REVEALS the positive impacts of ensuring that all drivers are trained, tested, insured and accountable for their driving records. We will update this summary to incorporate new research as it becomes available.

¹⁵ Joaquín Alfredo-Angel Rubalcaba and Melina Juárez, *The Economic Costs Associated with the Removal of Driver’s Licenses for Undocumented Immigrants in New Mexico* (Center for Health Policy at the University of New Mexico, Feb. 2016), <http://healthpolicy.unm.edu/node/1037023>.

¹⁶ Brenna Lyles, “Surge in Immigrant Driver’s Licenses May Have Spurred More Organ Donors,” *Sacramento Bee*, Oct. 19, 2015, www.sacbee.com/entertainment/living/health-fitness/article39008388.html.