



## The Benefits of Allowing All Immigrants Access to Driver's Licenses

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In 2013, the Colorado State legislature passed the Colorado Road and Community Safety Act, which allowed up to six DMV offices to offer driver's licenses to immigrants without documentation residing in Colorado.

However, current funding for this program is challenged. The number of participating DMV offices has been cut from five to three and will eventually be reduced to one office once 66,000 total licenses in Colorado are granted.

Providing driver's licenses to all immigrants generates important economic and social benefits to all Coloradans.

### **Making driver's licenses readily available to eligible immigrants gives them the opportunity to purchase insurance and register their cars while reducing premiums for all Coloradans.**

- With the passage of the Colorado Road and Community Safety Act (SB13-251) in 2013, nearly 160,000 unlicensed immigrants were eligible to receive driver's licenses in Colorado.
- Colorado drivers would save \$59 million in insurance premiums every year if all immigrants are able to get driver's licenses and purchase car insurance.
- Insurance companies could see increased revenue of \$118 million annually, as approximately 138,000 immigrants would be projected to purchase motor vehicle insurance in Colorado.
- As these drivers register their vehicles, state and local governments could see new revenue from the estimated 120,000 new vehicle registrations.

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## Unrestricted driver's license programs have proven economic benefits.

People with driver's licenses are more likely to work, spend and participate more broadly in Colorado's economy, according to a 2011 study from the Oregon Department of Transportation.<sup>1</sup>

- Immigrants without access to driver's licenses spend more time trying to get around, and less time working and putting dollars back into the local economy. In fact, they are less likely to make purchases in general due to a lack of safe access to transportation.
- Licensed drivers are more likely to purchase larger items such as homes, vehicles or household appliances.

A 2017 study by the New York Fiscal Policy Institute (FPI), further demonstrates the economic and unanticipated benefits of unrestricted driver's license programs.<sup>2</sup>

- Access to licenses for all immigrants means more cars are purchased and registered.
- When people are able to drive because they have a license, they have a wider range of job opportunities. When workers can get to every available job, the labor market functions more smoothly, benefiting both employees and employers.
- California's Department of Motor Vehicles saw an increase in the list of potential organ donors after a change in policy allowed undocumented immigrants to have a driver's license.

## Unrestricted driver's license programs help reduce fatalities and decrease rate of uninsured cars.

Currently, 12 other states offer driver's licenses to immigrants, and most of these programs are seeing positive impacts on the states and local communities

- **New Mexico:** Since the state began issuing licenses in 2003, the rate of uninsured vehicles decreased almost 24 percent, from 33 percent in 2002 to 9.1 percent in 2011.<sup>3</sup> Alcohol-related crashes decreased 32 percent and traffic fatalities fell 23 percent.<sup>4</sup>
- **Utah:** The state began issuing licenses in 1999, and in 2005 began issuing Driving Privilege Cards. Of the 50,000 undocumented immigrant motorists in Utah, approximately 42,000 have Driving Privilege Cards (DPC).<sup>5</sup> This caused Utah's uninsured motorist rate to drop from 28 percent to 8 percent.

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<sup>1</sup> Oregon Department of Transportation, Assessment of the Socioeconomic Impact of SB 1080 on Immigrant Groups, June 2011 [http://www.oregon.gov/ODOT/TD/TP\\_RES/docs/reports/2011/sb1080.pdf](http://www.oregon.gov/ODOT/TD/TP_RES/docs/reports/2011/sb1080.pdf)

<sup>2</sup> New York Fiscal Policy Institute, "Expanding Access to Driver's Licenses, January 2017 <http://fiscalpolicy.org/wp-content/uploads/2017/01/FINAL-Drivers-licenses-report-2017.pdf>

<sup>3</sup> <http://www.abqjournal.com/main/2012/07/09/news/effects-on-insurance-unclear.html> (Note: there is some conflicting research from the Insurance Research Council) *see also*: "Effects on Insurance Unclear," Albuquerque Journal, July, 9, 2012, <http://www.abqjournal.com/main/2012/07/09/news/effects-on-insurance-unclear.html>;

<sup>4</sup> University of New Mexico, Division of Government Research, <http://www.unm.edu/~dgrint/reports/annual/annrept02.pdf> and <http://www.unm.edu/~dgrint/reports/annual/ar2010-9-19-2012draft.pdf>.

<sup>5</sup> Illinois Coalition for Immigrant and Refugee Rights, "Determining the impact of unlicensed immigrant motorists in Illinois," 2012