

Sharing the Road: Licensing all drivers, regardless of immigration status, boosts safety and the economy

By Monique Ching, Senior Policy Analyst

Every time Alberto mentioned his son, his face lit up.

His 13-year-old son, who dreams of becoming a professional cellist, recently played at an event in Harvard Square and at a concert abroad, in Portugal.

“He’s very good in school, his grades are always A+,” said Alberto, with a smile. The 38-year-old, soft-spoken Brasileiro became more animated whenever he spoke about his son, and added, “I tell my son, ‘We’re here to be the best and the brightest.’ I want him to be the example.”¹

Unlike many 13-year-old Americans, however, Alberto’s son faces a constant fear that his father could get pulled over by state police, arrested, and deported from the country because of his immigration status.

“He knows that it’s a possibility,” Alberto said. “He says, ‘When I turn 16, I can take all the responsibility.’”

Living in a small city outside Boston — and beyond the reach of its subway system — Alberto has no choice but to drive between home and his two jobs. Daily, he assumes the risk of being stopped by police but is unable to obtain a state driver’s license.

Every day, Massachusetts residents without documents go to work, take their children to school, care for family members, buy groceries, and contribute to their communities in myriad ways. These contributions would be enhanced if residents without status were able to obtain state driver’s licenses. A bill before the Massachusetts Legislature could enable all drivers — regardless of immigration status — to obtain state driver’s licenses. Sixteen other states, Washington D.C., and Puerto Rico already have laws allowing all drivers to obtain licenses.

Allowing all drivers to obtain licenses ensures all people can access basic necessities and contribute to the economy without living in fear. It also helps ensure safe roads and generates revenue for the state.

Key Takeaways

- About 182,000 immigrants without status live in Massachusetts. Preventing them from accessing driver’s licenses hinders their families’ ability to get good jobs, access basic necessities, and participate in the economy.
- Allowing all drivers to access licenses, regardless of their immigration status, could generate about \$5 million in initial revenue for the state within the first three years of implementation.
- If all drivers could obtain licenses, insurance-holders could also see a modest decrease in their premiums — about \$20 per year — enough for flowers on Mother’s Day.

(Note: MassBudget is not using the full names of immigrants without status who have shared their stories with us.)

Barriers to licenses hinder workers from accessing jobs, employers from accessing workers

If not for international immigration, Massachusetts would likely have lost population — and workers — in recent decades.² Immigrants propel our economy by supporting local businesses, contributing to our communities, and forming an integral part of our workforce. By barring immigrants without status from access to state drivers' licenses, we are putting up obstacles to their achieving full inclusion, economic stability, and dignity.

“Some people, they want to punish undocumented people forever,” Alberto said. “I just want them to understand, give me a path to do the right thing. Let’s solve the problem together.”

Alberto has tried many times to obtain documented status. After speaking with four lawyers, all of them told Alberto that changes to federal immigration law by the Bush Administration left him without any options. Even when his mother tried to apply for a U.S. visa from Brazil, she had to apply five times — paying hefty fees each time — before she was approved.

“There are no visas for poor or poor-educated people,” said Alberto. “They think poor-educated people are lazy. Poor-educated people are the people who are willing to work hard.”

Getting to work: A challenge for the unlicensed

Alberto works two jobs that are about eight miles apart. In what spare time he has, Alberto also screen-prints and sells T-shirts — a family trade. Initially, he tried to rely on public transit. He took two trains and a bus to one of his jobs.

“It took way too much time,” Alberto said. He was falling asleep on the bus, because he had to wake up so early to get to work on time. And this was assuming the buses ran on time.

He also tried getting to work by bicycle, but navigating the traffic was stressful and precarious.

In parts of Massachusetts, it’s nearly impossible to live without access to a car and the most transit-accessible areas in the state tend to be more expensive.

Like Alberto, most adults without immigration status in Massachusetts — 80 percent — are employed or actively seeking paid work. More than half of those in the labor force work in either the service sector or in a managerial or professional field. More than a third of adults without status hold a bachelor’s degree or higher.

Enabling businesses to access qualified workers — by allowing them to drive — helps support the economy.

“As the state’s unemployment rate has continued to fall, it is becoming increasingly difficult to find qualified workers,” write economists Mark Melnik and Robert Nakosteen. “The state has long had a slow-growing labor force. This inescapable demographic reality has increased the state’s dependency on the in-migration of workers.”³

In Massachusetts, the technology, hotel, and restaurant sectors are particularly dependent on immigrant workers. They note further that international migration is a key source of qualified workers for Massachusetts employers. COVID-19 pandemic may have changed the picture described by Melnik and Nakosteen in 2019, but it is not yet clear how.

“With an unreliable flow of domestic workers into the state, what stands out is the relative stability, as well as the growing magnitude, of international in-migration,” write Melnik and Nakosteen.⁴

Part of our fabric: Immigrants’ contributions to the common good

Almost two-thirds of Massachusetts’ 182,000 immigrants without status have lived in the country for five years or longer. Like Alberto, many are integral members of their communities.

By working multiple jobs each, Alberto and his wife were able to save up and buy a home. Alberto has lived in the country for 18 years and his family is so embedded in the community that people greet him when he walks into local restaurants.

Common occupations among immigrants without status in Massachusetts		
Occupational sector	Workers without status	As a % of all workers without status
Services	41,456	32.2%
Management, business, science & arts	39,980	31.1%
Production, transportation & material moving	16,794	13.0%
Sales and office	14,426	11.2%

Source: The Center for Migration Studies of New York, 2018.

On his way home from work one day, Alberto was pulled over by police in another city. Police towed his car and he later had to go to court. The officer was somewhat apologetic for towing Alberto’s car and said he had no choice but to follow the law. Following this incident, Alberto decided to drive a moped instead of a car, because there would be less liability driving a moped. Police have given him much less trouble since then. Alberto now rides his scooter between home and work — even during the winter. To mitigate the effects of inclement weather Alberto added a windshield to the moped and his wife bought him a heated jacket to wear during frigid days.

“I have to feed my family,” he said.

When immigrants can legally drive, they are more likely to secure good jobs and also see increases in their earning potential.⁵ Unemployed people who have driver's licenses are better able to find jobs and employed workers are more likely to secure jobs with higher wages. Some states that enabled all drivers to obtain licenses have seen that when more people are able to enter the workforce and workers are able to earn higher wages there are increases in economic activity and tax revenue.⁶

When Alberto and his wife bought their home, they had to jump through many hoops to prove they had paid all their taxes. His wife had to obtain a tax transcript from the Internal Revenue Service (IRS) and said that the IRS officer was astonished by how much they paid in taxes.

"We have to pay our fair share. Undocumented people, we're willing to pay what we have to pay to be compliant with the law," Alberto said.

In Massachusetts, immigrants without status contribute about \$184.6 million per year in state and local taxes (in addition to federal taxes).⁷ Despite their contributions to public benefits like Social Security and Medicare, those without status will never be able to receive benefits from these programs because of their status.

Alberto and his wife hope in the next decade to buy another home that will serve as their nest egg.

"It will be my retirement. We pay Social Security, but we cannot benefit from it," Alberto said. "As undocumented, you do your responsibilities, but you have no benefits."

Licensing all drivers boosts safety, revenue, and economy

Roads are safer when all drivers have been tested, licensed, insured, and willing to report crimes and collisions.

"People are willing to go to the RMV, give their fingerprints, (and have their photos taken)," said Alberto. "It's people who have nothing to hide."

He added that barring drivers without immigration status from obtaining licenses makes them more nervous and distracted when they pass by a police officer on the road.

"This system you have in place is way more dangerous," he said.

Increases in state revenue and boosts to the economy:

In addition to safer roads, opening up the door for more drivers to obtain licenses can mean more state revenue. If Massachusetts chooses to issue driver's licenses to all drivers, regardless of immigration status, an estimated 45,000 to 85,000 drivers would obtain new licenses within three years. This could generate \$2 million to \$4 million just in initial license fees collected by the Registry of Motor Vehicles (RMV).⁸

Some newly-licensed immigrant drivers will likely purchase cars — which require titles, registrations, and regular inspections. All these combined with the estimated revenue from new driver's licenses could generate \$5 million in initial revenue within the first three years of allowing all drivers to obtain licenses.

This does not include revenue estimates from increased car-related spending or general increases in spending when people are better able to get around. *(See Appendix 1 for the methodology.)*

Better access to driver's licenses also means better access to car insurance. Unsurprisingly, rates of uninsured motorists tend to be higher in states that bar drivers without immigration status from obtaining licenses.⁹ Allowing all Massachusetts drivers to access licenses — and, therefore, insurance — could generate more revenue for insurance companies — about \$75 million. Insurance-holders in general could also see a decrease in their annual premiums by about \$20¹⁰ — enough to buy some flowers on Mothers' Day. *(For the methodology behind the increased revenue to insurance companies, see Appendix 2.)*

Because state-issued driver's licenses are so commonly used as a form of identification, lack of a license can hinder immigrants' ability to participate in myriad activities that are important to a vibrant economy and to their quality of life. They can face difficulties opening bank accounts, renting housing, obtaining public library cards, and picking up their children from school.

Alberto added that, when he tried to buy allergy medicine the other day, the pharmacist couldn't accept his Brazilian driver's license because the system wouldn't recognize it.

Improvements to public safety:

Offering driver's licenses to all Massachusetts drivers also allows police to focus scarce resources on ensuring community safety rather than questioning and arresting individuals who otherwise are safe drivers but cannot obtain licenses under current law.

Forcing drivers without status through the court system and into jails also can be costly to taxpayers. In Lake County, Illinois, for instance, 28 percent of motorists booked at the county jail for traffic offenses in one year were immigrants who couldn't get driver's licenses.¹¹

"The question is an economic one for police, because every time we stop someone who has no identification, it takes a lot of manpower to identify that person," said Art Venegas, former police chief in Sacramento, California. "An officer will spend up to two or three hours to determine who an arrestee is."¹²

Many law enforcement officers recognize that licensing all drivers not only enables them to use their resources more efficiently,¹³ it also helps them build trust with community members. In Massachusetts, Salem Police Chief Mary Butler said enabling all drivers to obtain licenses makes officers' jobs simpler and helps make roads safer.¹⁴

If all drivers could access state licenses, it would ensure all drivers have access to the same foundation of knowledge about the rules of the road, Butler said. Further, a state-issued license allows law enforcement to more easily identify someone and check their driving history.

Immigrants without status tend to be especially careful drivers and they are even safer when they have access to driver's licenses.¹⁵ Unlicensed drivers involved in crashes are more likely to leave the scene because they are afraid of coming into contact with police. After California passed its law enabling all drivers to obtain licenses, regardless of immigration status, the state saw an annual decline in hit-and-run crashes by up to about 10 percent (4,000 incidents) and not-at-fault drivers avoided an aggregate \$3.5

million in out of pocket expenses for car repairs.¹⁶ Similarly, Connecticut found a 9 percent decrease in hit-and-run crashes in the few years after it enabled drivers to obtain licenses, regardless of their immigration status.¹⁷

Even more important than ensuring a basic knowledge of road rules is building trust between the police and the community, Butler said. Her department has a policy of not asking a driver's immigration status when they stop them on the road so as not to stoke fear amongst members of the community.

If people are fearful of police, Butler said, they might be afraid to report when they have been robbed, abused, or fallen victim to other crimes. This makes it more challenging for police to help keep their communities safe.

Those without immigration status "would be a very vulnerable population if they're not able to report anything," she said. "It's really important to have people not on edge. They have to be able to go about their business. We have to be able to work with our community."¹⁸

Victims of domestic violence, for instance, are at particular risk when they don't possess documentation and are unable to access state driver's licenses. A national survey of law enforcement officers, judges, and prosecutors found that — amid increasingly hostile federal immigration policies — immigrants have become more reluctant to report domestic violence, human trafficking, and sexual assault. 82 percent of prosecutors reported that domestic violence has become more difficult to investigate or prosecute.¹⁹ This makes it difficult for public safety officials to do their jobs and leaves victims in dangerous circumstances.

A growing trend around the country

At a time when life for immigrants in the U.S. can be fraught with uncertainty,²⁰ allowing all people to obtain state licenses is one way Massachusetts can allow people to engage in basic, necessary activities — like going to work, taking children to school, shopping for groceries, and going to the doctor — without fear.

To counter some of these federal restrictions, states around the country are amending their laws to allow people to obtain driver's licenses, regardless of immigration status — as a common-sense way to both support their community members and to allow them to participate in the economy.

Immigrants are a key factor in Massachusetts' economic strength. Increasingly restrictive federal immigration policies are pushing out qualified, foreign-born workers, which has been particularly harmful to the state's hotel, restaurant, and agricultural sectors.

"Policies that make it easier for workers to move into Massachusetts, and stay, have high importance," write economists Melnik and Nakosteen, particularly policies aimed at improving quality of life.²¹

The people of Massachusetts have two options, said Alberto. They can either ignore the "elephant in the room" — the presence of immigrants without status in their state — or they can acknowledge it and figure out how the "elephant" can help them build a strong community, together.

"We have a perfect opportunity. The market needs these people who are already here," Alberto said. "These undocumented people, they are working already."

Marcus Giang contributed to this report.

Appendix 1: initial revenue estimates

The table below summarizes the methodology for estimating initial revenue generated, if immigrants without status are able to obtain drivers licenses.

Licensing undocumented drivers, initial revenue generated			
Projected number of additional licenses (36.5% take-up rate)			66,347
Projected number of additional vehicles (36.5% take-up rate)			8,896
	One-time fee	Recurrent fee (annualized)	Initial revenue
Licenses (class D)	\$50		\$3,317,339
Certificate of title	\$75		\$667,170
License plate registration (passenger car)	\$60		\$514,436
License plate registration (motorcycle)	\$20		\$5,957
Car inspection		\$35	\$300,088
Motorcycle inspection		\$15	\$4,468
TOTAL INITIAL REVENUE			\$4,809,458

Source: MassBudget analysis of data from the Center for Migration Studies of New York, 2018 ; the Federal Highway Administration, 2018; and the Massachusetts Registry of Motor Vehicles. This analysis assumes a 36.5% take-up rate within the first three years of implementation.

Previously in the report, we projected the number of new licenses issued, depending on the “take-up rate”. We used a range from 25 percent to 47 percent take-up within three years, based on the methodology described in [this report](#) from the Fiscal Policy Institute (which is also cited in the relevant endnote). For the purpose of estimating initial revenue, we selected the midpoint of that range — 36.5 percent.

The projected number of additional vehicles was derived from data from the Center for Migration Studies of New York (CMS), which provides estimates based on U.S. Census microdata. The CMS provided estimates for vehicles per adult in households with an adult without immigration status and for other immigrant households. We assume that those rates would equalize if adults without status are able to obtain driver’s licenses. Using the 36.5 percent take-up rate, we were able to estimate the number of additional vehicles purchased.

Using data from the U.S. Department of Transportation 2018 Highway Statistics, we were able to project what proportion of those additional vehicles will be cars, trucks, or motorcycles — assuming those proportions will be consistent with what is currently registered in Massachusetts. We also excluded publicly-owned vehicles.

Using these starting points — projected number of additional licenses and projected number of additional vehicles — we estimated the initial revenue that could be generated from newly licensed drivers. We used the fee for class D licenses — as those are the most common. Trucks are included in the calculation for registrations and inspections for passenger cars. This is because registration and inspection fees can

vary widely for trucks. Including them as passenger cars can provide a baseline — the actual additional revenue generated will likely be higher than what is shown in the table.

Note that these revenue estimates do not include additional revenues in taxes from cars or car-related purchases.

Appendix 2: increased insurance revenue estimates

Licensing undocumented drivers, estimated additional insurance expenditures	
MA insured rate	96.5%
New licenses (36.5% take-up)	66,347
Number who will purchase insurance	64,025
MA average insurance expenditure	\$1,167
Increased insurance revenue	\$74,727,002

Sources: *The Center for Migration Studies New York, 2018; Insurance Research Council, 2019; Insurance Information Institute, 2019.*

This analysis assumes that newly-licensed drivers without status will purchase insurance at the same rate as other drivers in Massachusetts. It also assumes that drivers without status do not currently hold automobile insurance, because they are not able to obtain state driver’s licenses.

Endnotes

¹ Alberto, in-person and telephone interviews with MassBudget, July 23, 2019 and August 16, 2019. *Note: All subsequent quotes from Alberto were taken from these two interviews.*

² Mark Melnik and Robert Nakosteen, “Looming Challenges Accompany Statewide Prosperity,” *MassBenchmarks Journal*, Volume 29, Issue 1, University of Massachusetts and the Federal Reserve Bank of Boston (July 2019), p.6, http://www.donahue.umassp.edu/documents/MB_072919_low-re.pdf

³ Mark Melnik and Robert Nakosteen, “Looming Challenges Accompany Statewide Prosperity,” *MassBenchmarks Journal*, Volume 29, Issue 1, University of Massachusetts and the Federal Reserve Bank of Boston (July 2019), p.6, http://www.donahue.umassp.edu/documents/MB_072919_low-re.pdf

⁴ Mark Melnik and Robert Nakosteen, “Looming Challenges Accompany Statewide Prosperity,” *MassBenchmarks Journal*, Volume 29, Issue 1, University of Massachusetts and the Federal Reserve Bank of Boston (July 2019), p.7, http://www.donahue.umassp.edu/documents/MB_072919_low-re.pdf

⁵ Sarah E. Hendricks, “Living in Car Culture Without a License”, *American Immigration Council* (April 2014), <https://www.americanimmigrationcouncil.org/research/living-car-culture-without-license>

⁶ Clare Speer, “Driver’s Licenses Associated with Increased Earnings and Can Boost Economy”, *Minnesota Budget Project* (October 2016), https://www.mnbudgetproject.org/docs/default-source/default-document-library/drivers_licenses_associated_with_increased_earnings_and_can_boost_economy.pdf?sfvrsn=3a59a8a7_2 ;

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⁷ Lisa Christensen Gee et al., “Undocumented Immigrants’ State & Local Tax Contributions,” Institute on Taxation and Economic Policy (March 2017), p.9, <https://itep.org/wp-content/uploads/ITEP-2017-Undocumented-Immigrants-State-and-Local-Contributions.pdf>

⁸ This analysis assumes a “take-up rate” ranging from 25 percent to 47 percent, based on other states’ experiences with similar policies over three years. See methodology in: David Dyssegaard Kallick and Cyierra Roldan, “Expanding Access to Driver’s Licenses”, Fiscal Policy Institute (January 2017), p.6, <http://fiscalpolicy.org/wp-content/uploads/2017/01/FINAL-Drivers-licenses-report-2017.pdf>

⁹ Note: This has been adjusted for inflation to 2019 dollars. The cited report provides a number in 2009 dollars. See: Mauricio Cáceres and Kenneth P. Jameson, “The effects on insurance costs of restricting undocumented immigrants’ access to driver licenses,” Southern Economic Journal (February 2015), <https://onlinelibrary.wiley.com/doi/full/10.1002/soej.12022>

¹⁰ Mauricio Cáceres and Kenneth P. Jameson, “The effects on insurance costs of restricting undocumented immigrants’ access to driver licenses,” Southern Economic Journal (February 2015), <https://onlinelibrary.wiley.com/doi/full/10.1002/soej.12022>

¹¹ Highway Safety Coalition, “Driver’s Licenses for ALL: Economic and Safety Benefits,” (2012), <https://www.nilc.org/wp-content/uploads/2015/11/Driver-Licenses-for-All-Highway-Safety-Coalition.pdf>

¹² Police Executive Research Forum, “Voices from Across the Country: Local Law Enforcement Officials Discuss the Challenges of Immigration Enforcement,” (2012), p.15, https://www.policeforum.org/assets/docs/Free_Online_Documents/Immigration/voices%20from%20across%20the%20country%20-%20local%20law%20enforcement%20officials%20discuss%20the%20challenges%20of%20immigration%20enforcement%202012.pdf

¹³ National Immigration Law Center, “Why it Makes Law Enforcement Sense for All California Drivers to be Eligible for Driver’s Licenses,” (August 2013), <https://www.nilc.org/wp-content/uploads/2015/11/CA-DLs-law-enforcement-sense.pdf>

¹⁴ Salem Police Chief Mary Butler, telephone interview with MassBudget, August 5, 2019.

¹⁵ Deborah Gonzalez et al., “A Legal and Policy Analysis of Driver’s Licenses for Undocumented Rhode Islanders,” Latino Policy Institute at Roger Williams University School of Law (June 2016), pp.21-22, https://www.rwu.edu/sites/default/files/downloads/lpi/drivers-license_report-legal.pdf

¹⁶ Hans Lueders et al., “Providing driver’s licenses to unauthorized immigrants in California improves traffic safety,” Proceedings of the National Academy of Sciences of the United States of America (April 18, 2017), p.4115, <https://www.pnas.org/content/114/16/4111>

¹⁷ Chris Burrell, “Licensed Undocumented Immigrants May Lead To Safer Roads, Connecticut Finds,” New England Center for Investigative Reporting, <https://www.npr.org/2019/05/24/719959760/licensed-undocumented-immigrants-may-lead-to-safer-roads-connecticut-finds>

¹⁸ Salem Police Chief Mary Butler, telephone interview with MassBudget, August 5, 2019.

¹⁹ American Civil Liberties Union, “Freezing Out Justice: How immigration arrests at courthouses are undermining the justice system,” (2018), p.2, <https://www.aclu.org/report/freezing-out-justice>

²⁰ Hamutal Bernstein et al., “Adults in Immigrant Families Report Avoiding Routine Activities Because of Immigration Concerns,” The Urban Institute (July 24, 2019), <https://www.urban.org/research/publication/adults-immigrant-families-report-avoiding-routine-activities-because-immigration-concerns> ; Nancy Wagman, “A Chilly Reception: Proposed Immigration Rule Creates Chilling Effect for New Immigrants and Current Citizens,” MassBudget (November 14, 2018), http://massbudget.org/report_window.php?loc=A-Chilly-Reception-Proposed-Immigration-Rule.html ; Wendy Cervantes et al., “Our Children’s Fear: Immigration Policy’s Effects on Young Children,” CLASP (March 2018), https://www.clasp.org/sites/default/files/publications/2018/03/2018_ourchildrensfears.pdf ; Ashley Fetters, “When Fear of Deportation Keeps Families From Help After a Shooting,” The Atlantic (Aug. 4, 2019), <https://www.theatlantic.com/family/archive/2019/08/after-el-paso-shooting-fear-deportation-persists/595441/> ; Caitlin Dickerson and Zolan Kanno-Youngs, “Thousands Are Targeted as ICE Prepares to Raid Undocumented Migrant Families,” The New York Times (July 11, 2019), <https://www.nytimes.com/2019/07/11/us/politics/ice-families-deport.html>

²¹ Mark Melnik and Robert Nakosteen, “Looming Challenges Accompany Statewide Prosperity,” MassBenchmarks Journal, Volume 29, Issue 1, University of Massachusetts and the Federal Reserve Bank of Boston (July 2019), p.7, http://www.donahue.umassp.edu/documents/MB_072919_low-re.pdf