



# ***Making Pennsylvania's Undocumented Immigrants Mobile: Enacting Driver's Licenses Expansion Policy That Works for Everyone***

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Driving is such an essential part of basic mobility that most of us take it for granted. Many of us see no risk in simply getting in our cars and driving to a doctor's appointment or to pick up groceries for our families. The right to free mobility, however, is not afforded to our undocumented immigrant population. In Pennsylvania, proof of legal residency is required for a driver's license.

This policy is problematic in multiple ways. First it makes it difficult for immigrant families to freely navigate their day-to-day chores, secure employment, and provide for their families. Second, it hurts our state's economy by making it difficult for undocumented immigrants to fill jobs for which they have the appropriate skills and that might otherwise go unfilled. The undocumented immigrant population makes an important contribution to our economy and could make a greater one if they were not denied access to driver's licenses. Third, allowing undocumented immigrants to secure a driver's license will lead to safer streets and more insured driver which will have some impact on reducing auto insurance costs. Finally, expanding access to driver's license will not only not cost the state anything but lead to increased state revenue from both sales taxes purchase on auto related purchases as well as driver's licenses processing fees.

In the last few years, more states have realized the benefit of giving residents access to driver's licenses regardless of their immigration status. In 2019 the state of New York, which had restricted access to driver's licenses based on immigration status since 2003, delinked access to licenses from the immigration status of its residents. New Jersey and Oregon also recently enact legislation allowing people to have access to driver's licenses irrespective of immigration status. Today there are 15 states and the District of Columbia that have similar policies in place.<sup>1 2</sup>

This paper begins with an estimate of the number of Pennsylvanian's who would seek a driver's license if they were offered to undocumented immigrants. Then we turn to an estimate of the new revenue generated by the policy. Finally we look at some other benefits of the policy.

### How Many Undocumented Immigrant Will Seek Drivers' License?

To estimate the benefits to individuals and the state, we must first know how many undocumented immigrants in Pennsylvania would secure a driver's licences if allowed to do so.

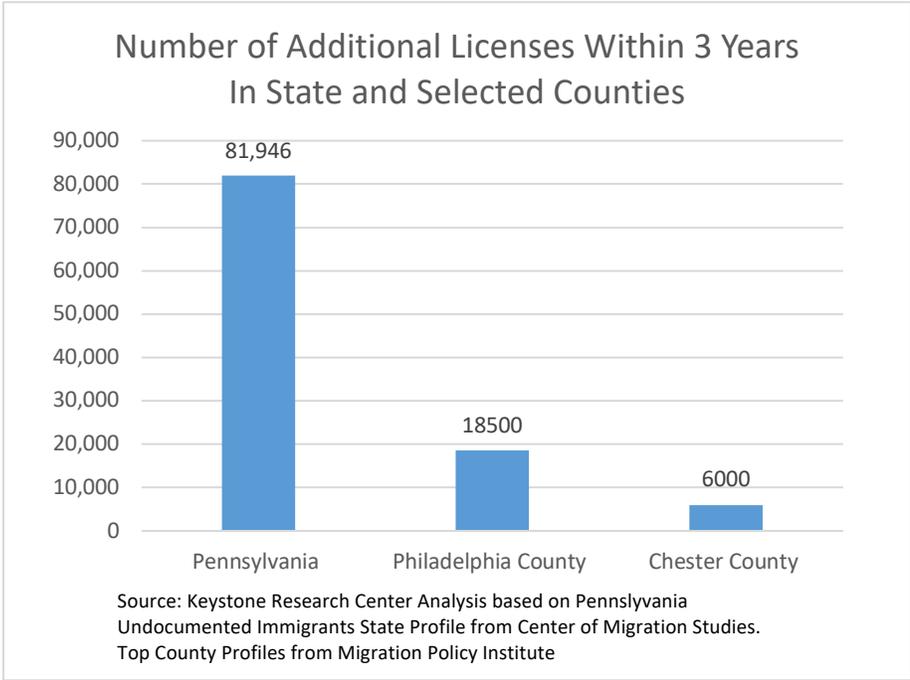
Pennsylvania's population of eligible undocumented immigrants 16 years of age or older is estimated to be 163,892.<sup>4</sup>

Illinois found that within 3 years of changing its laws, about 50% of eligible undocumented immigrants secured driver's licenses when given the chance.<sup>3</sup> If the take-up rate in Pennsylvania were similar, after 3 years, we would expect 81,946 undocumented

immigrants in Pennsylvania will secure a drivers' license, increasing the total number of licensed drivers by about 1%.<sup>5</sup>

Parallel to the state increase in total licenses, we will see similar trends in counties. For example, Philadelphia County and Chester County have an eligible undocumented population of 37,000 and 12,000 respectively. Allowing that population to have access to driver's licenses would result in an additional 24,500 licenses in just those two counties.<sup>6</sup>

While eligible undocumented immigrant estimations are available for Chester and Philadelphia Counties, there are two more counties (Montgomery and Allegheny County) with a total undocumented population of more than 9,000<sup>6</sup> resulting in a significant increase in immigrants applying for licenses.



### More Licenses, More Cars Purchased

Within the first 3 years of this policy being enacted, 20,487 vehicles would be purchased by the immigrant population which is a 0.25% increase in the total number of registered vehicles in Pennsylvania.<sup>8</sup>

<b>Statewide Additional Licenses and Additional Vehicles Purchased</b>					
	Eligible Undocumented Population	Additional Licenses Within 3 Years	Additional Vehicles Purchased	Total Registered Passenger Vehicles in the State	Percent Increase After Enacting Policy for Total Registered Vehicles
Pennsylvania	163,892	81,946	20,486*	8,219,631	0.25%

Sources: Keystone Research Center Analysis based on Center for Migration Studies State Profile.  
 Total Registered Vehicles taken from Department of Motor Vehicles Report PA Report of Registration:  
<http://www.dot.state.pa.us/public/dvsubforms/BMV/Registration%20Reports/ReportofRegistration2018.pdf>  
 \*Take up rate of .25 is taken from FPI analysis of Center for Migration Studies Microdata. For more information: <http://fiscalpolicy.org/wp-content/uploads/2017/01/FPI-Additional-cars-report-2017.pdf>

Based on New York FPI’s and Center for Migration Studies microdata, the difference in ownership rate of cars for households with a documented immigrant adult and households with an undocumented immigrant adult is 0.25.<sup>7</sup> Applying this rate to Pennsylvania’s undocumented adult population leads to an estimate of how many additional vehicles would be purchased.

### Additional Revenue and Costs

An estimation of additional licenses and vehicles purchased allows us to estimate new revenue as a result of expanding driver’s licenses. The cost to the applicant per driver’s license is \$35.50 per person which is a price set to offset the costs of processing the license. While Pennsylvania’s undocumented immigrant population is not as big as New York, California, or Illinois, the expansion policy could lead to hiring more employees to process the additional licenses. According to FPI, “In Illinois, 100 new people were hired to service about the same number of license applicants as anticipated in New York...while the fees from licenses should cover these costs, it would be appropriate to allocate the funding to the agency prior to the fee revenues coming in so that it can staff up to accommodate anticipated demand”.

Given that Pennsylvania’s eligible population is much smaller than New York, we are looking at a smaller increase in additional employees.

**Despite the smaller immigrant population, Pennsylvania could expect a \$13 million increase in revenue from taxes, registration fees, license fees, and vehicles related purchases.** These include both annual increases like the increases in sales tax and one-time license fees that would be renewed once the license expires. Every 4 years an additional \$30.50 in renewal fees would be charged to the applicant which is not included in the total estimation since we are looking at licenses issued within the first 3 years of the expansion.

- **\$3.5 million from taxes on vehicle related consumption and sales.** Based on the Statistical Supplement for the Pennsylvania Tax Compendium on the Department of Revenue website.
- **\$4.6 million from additional liquid fuels taxes.**
- **\$1.9 million from vehicle registration fees.** Based on the vehicle registration and tilting portion of licenses and fees.
- **\$2.9 million from license fees.** Based on number of estimated new licenses and fee per new license (\$35.50).

In the table below, there are estimates for additional revenues from vehicle related consumption and sales, liquid fuel tax, and vehicle registration are based on the total annual revenue from each category (taken from the Statistical Supplement for the Pennsylvania Tax Compendium 2017-2018) and multiplied by the proportional increase in total vehicles (.25%).<sup>9</sup>

<b>Additional State Revenue from Expanding Driver’s Licenses Policy</b>	
Estimated Number of Additional Cars Purchased	20,487
Percentage Growth from Existing Vehicles	0.25%
Tax Revenue from Vehicle Related Consumption and Sales	\$3,471,144.64
Tax Revenue from Liquid Fuels Tax	\$4,601,950.51
Revenue from Registration Fees	\$1,933,010.48
Revenue from Driver’s License Fees	\$2,909,083.00
<b>Total Additional Revenue</b>	<b>\$12,915,188.62</b>

Sources: Keystone Research Center Analysis based on Statistical Supplement for the Pennsylvania Tax Compendium 2017-2018  
 Additional Cars Purchased based on take-up rate and ownership rates used in New York Fiscal Policy Institute Report Expanding Access to Driver’s Licenses How Many Additional Cars Might Be Purchased?: <http://fiscalpolicy.org/wp-content/uploads/2017/01/FPI-Additional-cars-report-2017.pdf>

## Other Anticipated Benefits

Beyond the benefits discussed above, there are many other positives related to making driver's licenses available to undocumented immigrants.

***Better job matching for immigrant families.*** Allowing more immigrant families to drive legally would lead to a wider range of jobs. Employers and employees would be able to take advantage of better job matching given the increase in mobility of undocumented immigrants.

***Better economic contribution through improved local labor market, increased mobility and education of children.*** According to a Driver's Licenses for All campaign organized by New Sanctuary Movement in Pennsylvania, many immigrants list obtaining a license as an important issue to improve their lives. NSM conducted conversations with 200 immigrants in Philadelphia and 59% chose obtaining driver's licenses as a crucial issue for them.<sup>10</sup>

***Increase in the ease of access to basic needs such as grocery shopping.*** As the point above illustrates, having mobility will increase the economic contribution from immigrants by allowing for better job matches, being able to drive to stores and doctor's offices, and driving their kids to school for an education.

***Safer streets when everyone is held accountable.*** Being able to test and teach each of the drivers on the road will make them safer for everyone. New drivers having insurance and licenses makes holding people accountable easier as well. This expansion saves the time and resources of law enforcement as well since it is easier to conduct traffic stops with licensed drivers.

***Insurance Savings.*** The Pennsylvania Immigration and Citizenship Coalition's Driving PA Forward campaign cites insurance savings as one benefit of expanding licenses. Licensed drivers can buy coverage which leads to reducing the cost of covering accidents involving uninsured drivers while reducing rates for everyone.<sup>11</sup>

## Conclusion

Prior to 2002, Pennsylvania allowed undocumented immigrants to apply for driver's licenses through a federal tax ID, or combinations of foreign passport and birth certificates. All the aforementioned fiscal benefits and contributions do make a case for revisiting this policy in Pennsylvania. However, the most vital reason ought to be the availability of a basic human right, i.e., free movement to the immigrant population<sup>10 11</sup>.

Finally, limited mobility changes how people can contribute to the local economy and makes it more difficult to take care of a family. Making Pennsylvania the 16<sup>th</sup> state to expand driver's licenses to undocumented immigrants would show that we are in favor of policies that not only contribute to our state's economy but also defend basic human rights. However, while changing the policy we should

keep in mind having separate marked licenses for the undocumented population (as suggested in some earlier proposed legislation) would insight fears of being deported and would not result in many additional licensed drivers.

The costs of this policy are minimal, and its results in lead to an increased utilization of our labor force along with allowing these families to contribute economically through better job matches, reduced abuse from employers. Expanding driver's licenses will also allow these immigrant families to have mobility and options to be able to drive to stores and take their kids to school or schedule more convenient doctor's appointments. The simple cost of processing more licenses would be nothing compared to all the good this policy does for our local economy and the people in it.

## End Notes

<sup>1</sup> 15 states and District of Columbia have legislation to give access to driver's licenses or permits regardless of legal status. See National Conference of State Legislatures, [ADD TITLE HERE and then hyperlink title to the report, https://www.ncsl.org/research/immigration/states-offering-driver-s-licenses-to-immigrants.aspx](https://www.ncsl.org/research/immigration/states-offering-driver-s-licenses-to-immigrants.aspx) and the National Immigration Law Center, [ADD TITLE HERE https://www.nilc.org/wp-content/uploads/2015/11/drivers-license-access-table.pdf](https://www.nilc.org/wp-content/uploads/2015/11/drivers-license-access-table.pdf)

<sup>2</sup> New Jersey Policy Perspective did a similar report also citing the National Immigration Law Center and a table of existing jurisdictions that allow undocumented immigrants to get driver's licenses. The report outlines the significant benefits of the expansion policy in New Jersey. See: <http://www.njpp.org/wp-content/uploads/2018/01/NJPPLetsDriveJan2018.pdf>

<sup>3</sup> This report is based on analysis conducted by New York's Fiscal Policy Institute titled "Expanding Access to Driver's Licenses: Getting a License Without Regard to Immigration Status" by Cyierra Roldan and David Kallick. The FPI report uses data from the Center for Migration studies and results from states that have enacted the policy beforehand. For full analysis, please see: <http://fiscalpolicy.org/wp-content/uploads/2017/01/FINAL-Drivers-licenses-report-2017.pdf>

<sup>4</sup> The state total estimation of undocumented immigrant population is based on the Center for Migration Studies data profiles for states. The estimate used is from 2017. For more information, please see: <http://data.cmsny.org/>

<sup>5</sup> Number of additional licenses is based on take-up rate of 50% from the FPI report. Total number of licensed drivers in Pennsylvania is taken from PA Department of Motor Vehicles website. For total licensed drivers data please see: <https://www.dmv.pa.gov/pages/pennsylvania-driver-statistics.aspx>

<sup>6</sup> Top counties undocumented immigrant profiles are available through the Migration Policy Institute website. Estimations are based on MPI 2016 data. The same 50% licenses take-up rate is applied. For top counties data, please see: <https://www.migrationpolicy.org/programs/us-immigration-policy-program-data-hub/unauthorized-immigrant-population-profiles>

<sup>7</sup> Estimation of additional cars purchased is based on the methodology from another New York Fiscal Policy Institute report titled "Expanding Access to Driver's Licenses: How Many Additional Cars Might Be Purchased?" FPI used microdata from Center for Migration studies that is no longer available, so their analysis and take-up rates are applied to the Pennsylvania undocumented population for the purposes of this report. For FPI methodology details, please see: <http://fiscalpolicy.org/wp-content/uploads/2017/01/FPI-Additional-cars-report-2017.pdf>

<sup>8</sup> Total number of registered vehicles used in the estimation are taken from Pennsylvania Department of Transportation Report of Registration 2018. For data please see: <http://www.dot.state.pa.us/public/dvspubsforms/BMV/Registration%20Reports/ReportofRegistration2018.pdf>

<sup>9</sup> Based on the Statistical Supplement for the Pennsylvania Tax Compendium 2017-2018. For full tax data please see:

<https://www.revenue.pa.gov/GeneralTaxInformation/News%20and%20Statistics/ReportsStats/TaxCompendium/SatSupplement/Pages/default.aspx>

<sup>10</sup> Driver's Licenses for All in PA is a campaign organized by New Sanctuary Movement of Philadelphia. For more information on the campaign and the conversations conducted by them on this subject, please see:

<https://www.sanctuaryphiladelphia.org/campaigns/drivers-licenses-for-all/>

<sup>11</sup> Driving PA Forward is a movement organized by the Pennsylvania Immigration and Citizenship Coalition. For more information on their partners and strategies, please visit: <https://paimmigrant.org/driver-licenses/>