Share the Road:
Allowing Eligible Undocumented Residents Access to Driver’s Licenses Makes Sense for New Jersey

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Allowing all residents the opportunity to drive legally would make New Jersey safer, help its economy and increase the well being of many families. The Garden State should follow the lead of 11 states and Washington D.C., and ensure that all drivers, regardless of their immigration status, are tested, trained, licensed, insured and accountable for their driving records.

About 464,000 of New Jersey’s estimated 525,000 undocumented residents stand to benefit from a change in the state’s policy on driver’s licenses. Of those eligible, between 153,000 and 278,000 are likely to apply for a license during the first three years.¹

Making New Jersey Safer

Permitting all New Jerseyans who meet age and other eligibility standards to drive legally would make New Jersey’s roads and highways safer. Unlicensed and uninsured individuals take more risks when driving than others: unlicensed drivers are five times more likely to be in a fatal crash and nearly 10 times more likely to leave an accident scene as licensed drivers.²

Ensuring that all New Jersey drivers are knowledgeable of traffic laws, have been tested for driving ability and are insured would reduce fatal road accidents and decrease the number of uninsured motorists that flee from accident scenes.
In 2012, 10.3 percent of New Jersey motorists were uninsured. While below the national average of 12.6 percent, it was higher than our neighboring states of New York, Pennsylvania and Connecticut.³

While insurance rates rise or fall for a variety of reasons, allowing undocumented residents to drive legally appears to reduce the share of uninsured drivers in a state. Take Utah, for example, which has had such a policy on the books since 1999.⁴ Overall, the proportion of uninsured drivers dropped by 2 percentage points in the first decade the policy was in effect, falling to 8 percent from 10 percent. Utah switched to a two-tiered system in 2005 that gave undocumented residents a “privilege card,” which allows them to drive legally but looks quite different than a regular license and is unusable for federal identification purposes. By the end of 2007, 76 percent of the residents holding privilege cards also had insurance, just 6 percentage points less than Utahans with a regular driver’s license.⁵

In addition, states that were early adopters of license or privilege card laws for undocumented residents have seen reductions in fatal accidents that exceed the national average. Both Utah and the state of Washington have lower fatality rates than the national average, but that wasn’t always the case. Utah’s fatality rate fell significantly and dropped below the national average after it passed legislation allowing its undocumented residents to drive legally. New Mexico’s fatality rate is higher than the national average, but it has decreased noticeably after the state implemented its driver license law in 2003.⁶ In all three states, there is a positive inclination that granting legal driving status to undocumented residents contributed to the sharper decline in fatalities.
Allowing eligible undocumented residents access to driver’s licenses makes sense for New Jersey

Licensing all eligible New Jerseyans would also make communities safer by improving relations between immigrant communities and law enforcement. It would help to ensure that residents feel more comfortable contacting the police to report accidents or crimes and would allow police to concentrate on pursuing more serious crimes.

Helping New Jersey’s Economy

Allowing undocumented residents to drive legally would help New Jersey’s economy in three ways: reducing the number of uninsured drivers, modestly increasing state revenues and making more employment opportunities available to undocumented workers and others who have difficulty meeting the current requirements.7

Insurance Savings

New Jersey has the nation’s most expensive automobile insurance, with an average cost of $1,184 that greatly exceeds the national average of $797.8 If more people have licenses, more would likely obtain auto insurance. New Jersey requires anyone who wants to register a car and get license plates to provide a driver’s license and proof of insurance. People who drive without a license now often rely on others to register a car and obtain insurance for them, but this would change if all drivers could be tested, licensed and insured.

If half of New Jersey’s estimated 464,000 undocumented adult immigrants obtain a driver’s license and 76 percent of these newly licensed drivers obtain insurance (the same share as Utah), it would generate approximately $209 million in insurance premium payments.9 A larger insurance pool would help existing New Jersey policyholders by holding down premium costs and generating fewer claims that originate with uninsured drivers – claims that insured auto drivers are required to cover.

State Revenue

Like others, immigrants would pay a fee to obtain a license, generating more revenue for the state. Depending on the license fee set for these newly eligible applicants, New Jersey could expect anywhere between $5.2 million and $11.1 million in new revenue from these fees right off the bat.10

In addition, state revenues from vehicle registrations and taxes on insurance premiums and car purchases would also likely increase. The state would also likely collect more money from

New Jersey Stands to Bring in Millions in Revenue from New License Fees

While revenue from newly lawful drivers will depend on how many eligible people sign up and how much the state charges, the state is certain to bring in millions of dollars in license fees alone.

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surcharges on insurance premiums for a fund that protects policyholders in the case of an insurance company’s bankruptcy.

New Mexico has generated an estimated $500 million in new revenue since expanding access to driver’s licenses in 2003.11 And the state of Washington estimates it would lose about $23.1 million through 2017 if it discontinued its license policy.12

The cost of issuing licenses or privilege cards to undocumented residents differs state-by-state, depending on the cost for training, outreach and other administrative costs; the number of new employees hired and number of offices available to new applicants; and the number of potential beneficiaries. Regardless, the experience of states already issuing licenses to undocumented immigrants suggests that New Jersey’s costs would be more than fully covered by the fees.

Economic Participation

Immigrants who can drive legally are more likely to work, find better jobs and contribute more to their local economies.

It’s estimated that about three-quarters of New Jersey’s 525,000 undocumented immigrants work.13 However, their job and income opportunities are constrained by not being able to drive legally.14 Having a license would broaden those opportunities.

Families with both documented and undocumented members would also become more productive if all members of the family could legally and safely complete essential activities that require driving. Undocumented immigrants who are able to increase their earnings through access to better jobs would see an increase in their purchasing power. For example, undocumented adults might become independent contractors or consultants with improved and legal mobility. As a result, their spending on goods, services and housing would increase, with benefits that would ripple through the local economy and boost tax revenues.15

Increasing the Well Being of Families

More than 60,000 tickets are issued each year in New Jersey for driving without a license or without insurance.16 These infractions often require a court appearance and may prompt authorities to raise questions about an individual’s legal status. It is worth mentioning that Latino immigrants in New Jersey have been profiled and issued tickets for everything from driving an unlicensed taxicab when carpooling their kids to school to improperly operating a bicycle.17

Detentions and deportations of immigrants have climbed sharply in recent years, as more local jurisdictions share immigration-related information with the Department of Homeland Security.18 In New Jersey, there have been several high-profile cases in which immigrants without criminal records were pulled over for a traffic violation and then detained once their undocumented status was discovered.
Carlos Oliva entered the country in 2004 as an unaccompanied minor at age 16. In 2014, Carlos was driving without a license when he was stopped in Ocean City for a traffic violation. Once the police ran his name, they found he’d missed an immigration court date in Texas eight years before, making him a “high priority” for detention and possible deportation. By then Carlos had three children between eight months and six years old, all of whom were U.S. citizens. Carlos spent 50 days at the Elizabeth Detention Center, unable to participate in genetic testing necessary to treat his youngest child’s rare pancreatic disorder at the Children’s Hospital of Philadelphia.

Carlos was not deported, but many other families aren’t so fortunate. At the national level, 80 percent of children under the age of 17 born to immigrant parents are U.S. citizens who have at least one undocumented parent. Between July 2010 and September 2012, 23 percent (204,810) of all deportations issued were of undocumented parents with citizen children. One result is that about 5,000 American children are currently in the foster care system due to immigration detentions and deportations, a number that is expected to rise to 15,000 by 2017.

But even if undocumented parents avoid detention, the fear and anxiety of its possibility linger over the entire family. Allowing undocumented parents to drive legally would not only reduce the chance of deportation and family separation, it would also help ease the anxiety that can damage a child’s development. In addition, it would make it more likely that parents would enroll their eligible children in programs like subsidized childcare and Medicaid that can enhance their development. Parents would be able to drive their children to school, doctors’ appointments and conduct other essential activities to increase their families’ well being and productivity.

Two Options for Action

The first way New Jersey can allow all eligible drivers to drive legally is relatively simple: amend the current 6-Point ID Verification regulations in a way that allows all residents of New Jersey to apply for driver’s licenses regardless of immigration status.

The 6-point program requires individuals to verify their identity using a combination of up to three documents: at least one primary document, such as a United States Passport; secondary documents like a marriage certificate; and proof of address such as a lease agreement. In addition, the Motor Vehicles Commission verifies that the name and birth date on the license application matches what’s on file with the Social Security Administration.

Amending the 6-point program to extend driving privileges to all eligible drivers would entail: forgoing the requirement that an applicant be a legal resident, accepting new documents for identification and eliminating the provision requiring driver’s licenses to be suspended or revoked when the holder is no longer lawfully present in the U.S.

Applicants for licenses and non-driver ID cards would still be required to verify their identity and domicile by reaching 6 total points. They would do so by presenting at least three documents: one primary document, such as a consular ID card (known as matricula
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consular), that proves a foreign national’s identity; at least one secondary document like a bank statement or medical record; and a document like a utility bill that proves their address. However, by definition, they would not be required to prove citizenship or lawful presence through these documents.

The second option is to enact new legislation creating regulations governing the distribution of licenses or driving privilege cards to undocumented residents and others. There is currently legislation to do the latter (A-2135).

Analyzing New Jersey’s Proposed Legislation

The “Driving Privilege” bill would allow “applicants who are New Jersey residents, but are unable to prove lawful citizenship in the United States” to obtain a “driver’s privilege card.” This is important legislation that would improve opportunities for undocumented immigrants, improve traffic safety and enhance economic activity. However, lawmakers could make the bill stronger and more effective with some modest revisions.

To avoid confusion, the bill should more narrowly define the target beneficiaries. As written, the legislation suggests that the privilege card would be created for all non-citizens, including two groups – permanent legal residents (green card holders) and undocumented youth who are temporarily protected from deportation under federal deferred action – that are already eligible for driver’s licenses.

Here are some other suggested changes to improve the bill:

Avoid or Minimize Card Design Modifications

New Jersey’s proposed legislation would make the card different in design to distinguish undocumented immigrants from those who are legally in the country. But the creation of a two-tiered “separate and different” driver’s license system opens the door to racial and ethnic profiling and civil rights violations. If the card design must be different, it should resemble the basic driver’s license as much as possible to reduce potential discrimination, since immigrants are already vulnerable and more likely to be profiled because of assumptions about their immigration status.

The two-tiered system is in response to 2005’s federal REAL ID Act, which created standards for state-issued driver’s licenses to be used for purposes such as boarding an airplane and entering a federal building. However, REAL ID suffers from very slow implementation and irregular enforcement nationwide and New Jersey may not need to ever meet these requirements. New Jersey is one of 14 states or territories not currently in compliance with REAL ID requirements; only 19 states and territories have complied so far while the rest have received extensions to comply.
If New Jersey plans to conform to REAL ID’s standards, then it should follow California’s lead in designing a driver’s license with as few design differences as possible. After initially rejecting California’s license design for failing to meet REAL ID standards, the Department of Homeland Security (DHS) recently approved a revised design that notes “federal limits apply” on the front and it includes distinctions on the back of the card (see appendix for full description).

The bottom line is that if New Jersey’s license design must be different, it should be minimally different from a regular license.

*Minimize Additional Costs*

The bill specifies that the cost of a driving privilege card should be higher than the regular cards for the first four years. If the cost of expanding access to driving privileges is to be higher than the state’s $24 fee to current applicants, it should not be too much higher, given that the average annual income for undocumented households is so much lower than for other households.

*Allow Cards to be Used as State ID*

The proposed legislation explicitly forbids any state, county or municipal official from recognizing the driving privilege license as a form of identification, which only encourages the police to take someone into custody to verify identity, run fingerprints and share information with Immigration and Customs Enforcement.

This restriction harshly limits the card’s utility for no apparent reason. The card should be allowed to function as a state ID needed to get a library card or verify identity for other purposes, such as showing proof of age or residence, entering a public building, cashing checks or registering a car.

*Broaden the Kinds of Documents Used to Show Proof of Identity and Residency*

The bill allows undocumented immigrants to use 12 different documents to prove their identity and state residency before obtaining a privilege card. This list should be expanded to include an Individual Taxpayer Identification Number, a copy of tax returns, a lease or rental agreement and a bank statement or record.

*Add Disclosure Regulations to Protect Applicants’ Privacy*

The proposed legislation provides undocumented drivers with the same confidentiality and disclosure protections as other drivers. However, it falls short by not specifically protecting applicants’ records from requests by the government for immigration status. New Jersey should follow the lead of Nevada, which includes specific provisions to protect this private information.

*Increase Civil Rights Reporting*
Instead of requiring the Motor Vehicle Commission to report on civil rights violations – like discrimination and the improper disclosure of information – every four years, the bill should require annual reports. The current version undervalues the importance of the report and discourages action should the report show widespread abuse.

Eliminate Questions About Multiple IDs, Criminal Record

The bill requires that applicants affirm that they do not have a license in another state. This provision is unnecessary, since New Jersey already asks this question on the initial application and has face recognition software that would allow the Motor Vehicle Commission to verify identities to ensure they have only one driver’s record.26 In addition, the legislation requires applicants to affirm that they have no criminal record. This affirmation, which is not asked of legal residents in New Jersey and not present in any other state’s license laws for undocumented residents, should be removed.

Allow a Broad Group to Qualify

Given New Jersey’s existing 6-point rule to obtain a driver’s license, undocumented immigrants are not the only New Jerseyans who could benefit from driving privilege legislation. Ideally, the new law would extend the privilege card to others who may have trouble meeting the 6-point requirements, such as veterans without access to their birth certificates or passports, citizens with low incomes, married women who lack documents with their maiden names and citizens who have lost essential documents. These groups have been shown to be less likely to have readily available proof of citizenship. Nationally, 12 percent of low-income Americans and 18 percent of senior citizens lack proper proof of citizenship.27

States Are Stepping Up on Proactive Immigration Reforms – New Jersey Should Be a Leader

Congressional inaction on immigration reform has led states across the nation to enact sensible immigration reforms, particularly relating to driving or identification. As the state with the fourth-highest share of undocumented residents, New Jersey should take this opportunity to step up as a leader.

In 2013, 8 states and the District of Columbia enacted new laws that would allow a portion of their undocumented populations to drive legally. That brings the total number of states with these policies to 11 (plus D.C.) – though 3 of these 12 policies have not yet become effective.

Of the active states, Washington has the oldest (1993), followed by Utah (1999) and New Mexico (2003). The requirements to obtain a driver’s license vary from state to state. For example, Colorado and Utah require an Individual Tax Identification Number, which is used in lieu of a Social Security number to file taxes. The most common requirements are providing evidence that one resides in the state for a given period of time and proving one’s identity.
New Jersey’s diverse immigrant population, both documented and undocumented, is an asset to the state’s economy. While the state’s recovery from the Great Recession has been noticeably slower than that of its neighbors, it is clear that New Jersey’s economy would be at recession levels without the labor and enterprise of foreign-born residents. Allowing more foreign-born residents, regardless of immigration status, to be tested, licensed and insured would create a safer New Jersey and allow its residents and their families to engage more in the economic, social and cultural life of the state.
Appendix A: State Laws Providing Access to Driver’s Licenses or Cards Regardless of Immigration Status

Source: National Immigration Law Center

**California, Effective January 1, 2015**

Driver’s license for individuals who cannot show proof of authorized presence. DMV, with input from stakeholders, to designate documents required to establish identity & state residence. Distinguishing features on front and back of the card. On the back it will read “This card is not acceptable for official federal purposes. This license is issued only as a license to drive a motor vehicle. It does not establish eligibility for employment, voter registration, or public benefits.” DMV may make other changes to the extent necessary to comply with REAL ID. The law includes anti-discrimination and privacy protections. Additional fee may be required until 2017.

**Colorado, Effective August 1, 2014**

Driver’s license or state ID card for individuals who provide proof that a Colorado income tax return was filed in the prior year and current state residence, or an Individual Taxpayer Identification number with proof of 24 months continuous state residence; and a passport, consular ID card, or military ID document. Driver’s licenses issued under this provision shall be marked “Not valid for federal identification, voting, or public benefits purposes.” Provides licenses to individuals who are temporarily lawfully present in the U.S.

**Connecticut, Effective January 1, 2015**

Driver’s license for individuals who cannot show proof of lawful presence or SSN, if show proof of identity, residency, affidavit promising to legalize when eligible. Excludes those who have been convicted of a felony in Connecticut. License is “for driving purposes only” and cannot be used as proof of identity for voting. The card will include an indication that the license is not acceptable for federal identification purposes. A working group will examine methods of verifying foreign documents.

**District of Columbia, Effective May 1, 2014**

Driver’s license, valid for 8 years, for individuals who have resided in DC for more than 6 months, have not been assigned or are ineligible for an SSN, provide proof of identity, date of birth and residency. “Not valid for official federal purposes” on face of card in smallest font size otherwise on the card. Additional changes only to make the card more similar to other licenses or to the minimum extent necessary to comply with DHS requirements. License cannot be used to consider an individual’s citizenship or immigration status or as a basis for criminal investigation, arrest, or detention. Includes confidentiality provisions.

**Illinois, Effective November 28, 2013**
Temporary visitor’s license for drivers ineligible for Social Security number who do not have proof of authorized presence. Must present an unexpired passport or consular ID. License may not be used for identification and must contain a notice on its face stating this in capital letters.

**Maryland, Effective January 1, 2014**

This ID or driver’s license will be made available to otherwise eligible individuals who do not have evidence of a lawful status or a Social Security number. Applicants must show that they filed Maryland tax returns or resided in Maryland and were claimed as a dependent on tax returns for past two years. The card is not acceptable for official federal purposes, must be distinguishable in color or design from other licenses/IDs and must state on its face and in the machine-readable zone that it is not acceptable by federal agencies for official purposes. It also may not be used to purchase a firearm.

**New Mexico, Effective 2003**

Driver’s license available for individuals who do not have a Social Security number, if they provide an ITIN or other document designated by the department, along with proof of identity and residency.

**Nevada, Effective January 1, 2014**

Driver authorization cards are available for one-year periods for individuals who can present documents establishing proof of identity, age and residence. Cards are distinguishable only in the minimal manner necessary to comply with REAL ID criteria. May not be used to determine eligibility for benefits.

**Oregon, Effective January 1, 2014 (pending referendum)**

Driving cards are valid for up to four-year periods for individuals who cannot show lawful presence. Must present unexpired foreign passport, consular ID or other documents designated by the department. Proof of at least one year of state residency (own/lease property or filed taxes) is required. Cards must contain the phrase “driver card” as well as a distinguishing feature to be determined by the department.

**Utah, Effective March 8, 2005**

One-year driving privilege card for individuals who do not present a Social Security number. Individuals must show documents verifying identity and Utah residence. Driving privilege card is distinguished from driver’s licenses by the statement “FOR DRIVING PRIVILEGES ONLY—NOT VALID FOR IDENTIFICATION.” (Utah issued regular driver’s licenses to all residents from 1999 to 2004 before it changed to privilege cards.)
Vermont, Effective January 1, 2014

Operator’s privilege card or state ID card for individuals who cannot establish proof of legal presence, if they can establish their name, date and place of birth. Foreign passports, consular IDs, and various documents proving Vermont residence accepted. Lawfully present individuals ineligible for a REAL ID are eligible for this operator’s privilege card. Cards will be marked “not valid for federal identification or official purposes

Washington, Effective July 25, 1993

Driver’s licenses are available for individuals who cannot show proof of legal presence, if they can present proof of identity as established by the department. A current list of acceptable documents is posted on the motor vehicle department’s website.
Endnotes

1 To come up with our estimate, we took the total estimated number of undocumented immigrants in New Jersey (525,000) and subtracted New Jerseyans who have been approved for deferred action (16,303), since they are already allowed to obtain a license in New Jersey, leaving us with 508,700. Since only 91 percent of the undocumented population nationally is 18 and older, we then had to reduce the number further, to an estimated 463,000 adult undocumented New Jerseyans without deferred action. Among the documented, 85 percent of New Jerseyans of legal driving age have licenses. However, since undocumented immigrants have many more barriers (economic, language and social) to obtaining a license, we estimate that somewhere between a third and 60 percent of New Jersey’s undocumented population would obtain a driver’s in the first three years. Our estimation of 60 percent is based on Utah’s participation of 33 percent and New Mexico participation estimate of 80 percent; the average between the two is 57 percent.


7 To obtain licenses and permits in New Jersey, you must prove your identity by passing the 6-Point ID Verification process, which requires at least one primary ID, at least one secondary ID, a verifiable Social Security number and proof of address.


9 This estimate assumes all policyholders hold liability coverage only.

10 The estimate range is based on two scenarios. Under the first, the cost of obtaining a license does not change for undocumented residents and remains $10 for an initial permit then $24 for a license, totaling $34. Under the second, the cost for undocumented residents is slightly higher and the total cost for permit and license equals $40.


13 NJPP calculated the percentage of undocumented residents in New Jersey’s workforce using the 8.6 percent share estimated used by the Pew Hispanic Center (2011 and 2013) and New Jersey’s approximate current civilian labor force of 4.5 million.

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18 Under the Secure Communities program, local law enforcement officials share the fingerprints of every person arrested with the Department of Homeland Security to determine if that person is undocumented and, thus, subject to deportation. Meanwhile, the Immigration and Customs Enforcement’s 287 (g) program, allows that agency to enter into partnership under a joint Memorandum of Agreement with a state and local law enforcement to perform immigration enforcement within their jurisdictions.