

# Widen the Road:

## Removing Barriers to Driver License Eligibility Will Improve Safety, Support Families, and Boost Businesses

November 2018

The current immigration system in the United States is broken, lacks transparency, and is hostile to immigrant families. The birth and prosperity of the United States was largely due to the government opening its arms and welcoming families immigrating in search of a better life. Yet, at present day, the U.S. government and its leaders have been unable and unwilling to create an immigration policy that is humane, efficient, and cost-effective. It is beyond time and absolutely necessary that the United States reimagines this system, which affects as many as 23 million U.S. residents daily.

Instead of doing this work, leadership promotes anti-immigrant rhetoric, zero-tolerance approaches, and inhumane detention and deportation practices that increase the uncertainty and harm facing immigrant families. While immigration policy is mostly controlled at the federal level, there are steps Wisconsin can take to build a safer and fairer state for immigrant families—these steps will also greatly benefit all people by making Wisconsin's communities stronger and more economically robust. One of those steps is allowing undocumented immigrants to get a driver license.

Currently, Wisconsin blocks residents who are undocumented immigrants from obtaining driver licenses. And yet, it is nearly impossible to live in Wisconsin without driving—putting Wisconsin residents who are undocumented in a grim predicament. The prohibition on licenses means that seemingly mundane tasks like giving a neighbor a ride to church or driving to the doctor's office can result in potentially life-altering consequences. For these residents, something as minor as being pulled over for a burned-out headlight can trigger a series of events that results in separation from their families and the loss of their homes and livelihoods. That uncertainty traumatizes children and takes a deep toll on families and communities.

The decision to block undocumented immigrants from obtaining driver licenses was made by Wisconsin state lawmakers, not by policymakers in Washington, D.C. That means that state lawmakers also have the power to reverse this decision, remove the ban, and support families and communities. In fact, lawmakers in several other states have already taken action to end the prohibition on undocumented immigrants obtaining licenses.

The benefits of reducing obstacles to obtaining driver licenses will extend beyond immigrant families. Allowing all immigrants to obtain licenses will make Wisconsin highways safer, result in insurance savings for a broad pool of drivers, and help businesses connect with workers who have skill sets that match employer needs.

All Wisconsin residents deserve safe roads, the ability to care for and protect their family, and opportunities to thrive economically. By expanding access to driver licenses, lawmakers can make sure that Wisconsin is a great place to work, drive, and raise a family—for everyone.



## Undocumented Immigrants Are Neighbors and Community Members

Every day, Wisconsin residents who are undocumented go to work, care for family members, attend school, advocate for positive changes, and connect with other residents in the farmlands, small towns, and cities of Wisconsin. Their contributions help Wisconsin maintain strong, vibrant communities that ensure that the state is an attractive place to live and raise a family. Those contributions will be enhanced if undocumented residents are able to obtain driver licenses.

Undocumented immigrants come to Wisconsin in search of opportunity, looking for safe communities for themselves and their families. In return, they confer a number of benefits to Wisconsin communities, including cultural and economic vibrancy, entrepreneurship, and an expanded workforce for some of the state's most critical industries. Most undocumented residents of Wisconsin have been members of their communities for a long time and are economically integrated into life in the United States. Like other state residents, they have a solid understanding of how U.S. traffic systems work and the rules of the road.

Many undocumented immigrants are long-time residents of the United States. More than half of undocumented Wisconsin residents—57%—have lived in the United States for a decade or more, and 10% have lived in the United States for two decades or longer. The years or even decades that these residents have spent living and working in Wisconsin and contributing to its economy, have made them a vital part of the fabric of their communities.

As undocumented residents have put down roots in Wisconsin, they have made major purchases of cars, appliances, and homes, pumping more money into their communities and bolstering local businesses. In Wisconsin, 23,000 undocumented residents live in the homes they own, or about one-third of all undocumented residents in the state.

Undocumented residents also contribute to communities by paying millions of dollars in state and local taxes, including sales tax, property tax, and income tax. This tax revenue allows communities to make important public investments that help make Wisconsin a good place to live, raise families, and do business. According to the Institute on Taxation and Economic Policy, undocumented immigrants in

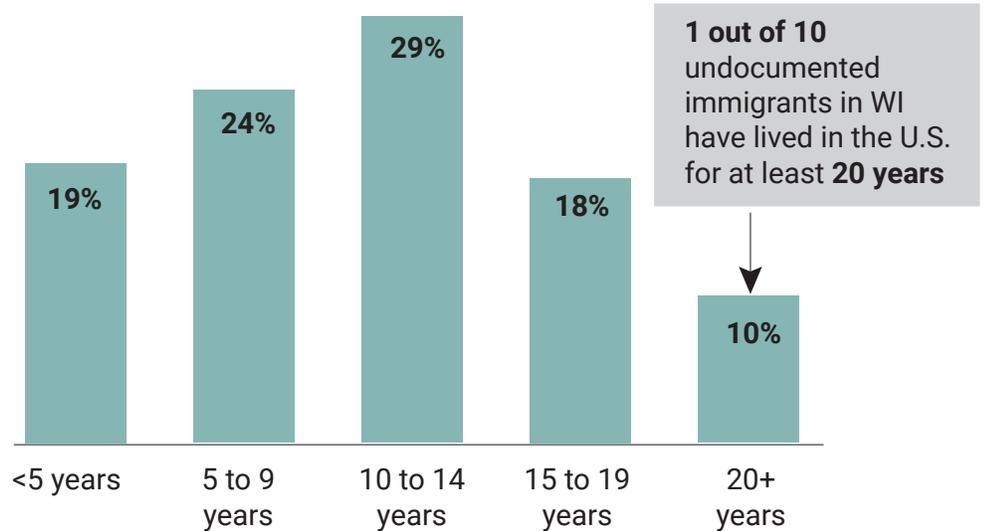
Wisconsin pay \$72 million in state and local taxes each year, including \$36 million in sales tax, \$22 million in property tax, and \$13 million in income tax.

Undocumented immigrants in Wisconsin pay 7.5% of their income in state and local taxes on average, a significantly larger share of income than the 6.2% of income that wealthy Wisconsin taxpayers in the top 1% of income pay in state and local taxes. Undocumented immigrants across the country also pay an estimated \$7 billion a year into Social Security, even though they are ineligible to receive Social Security benefits unless they have a change in immigration status.

In addition to paying more of their income in taxes than the wealthiest Wisconsinites, undocumented residents may also be making communities in Wisconsin safer. A 1% increase in the proportion of the population that is undocumented is associated with 49 fewer violent crimes per 100,000 people, according to a study authored by a University of Wisconsin-Madison researcher.

## Most Undocumented Residents Have Lived in the U.S. for More than a Decade

Length of time living in the U.S. for undocumented immigrants in Wisconsin.

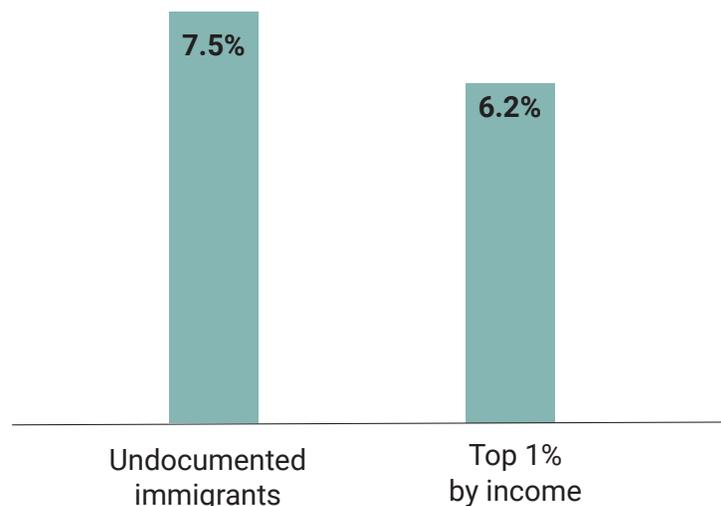


Source: Migration Policy Institute



## Undocumented Immigrants in Wisconsin Pay a Higher Share of their Income in Taxes than Top 1%

Share of income paid in state and local taxes in Wisconsin by undocumented immigrants, compared to taxpayers in the top 1% by income.



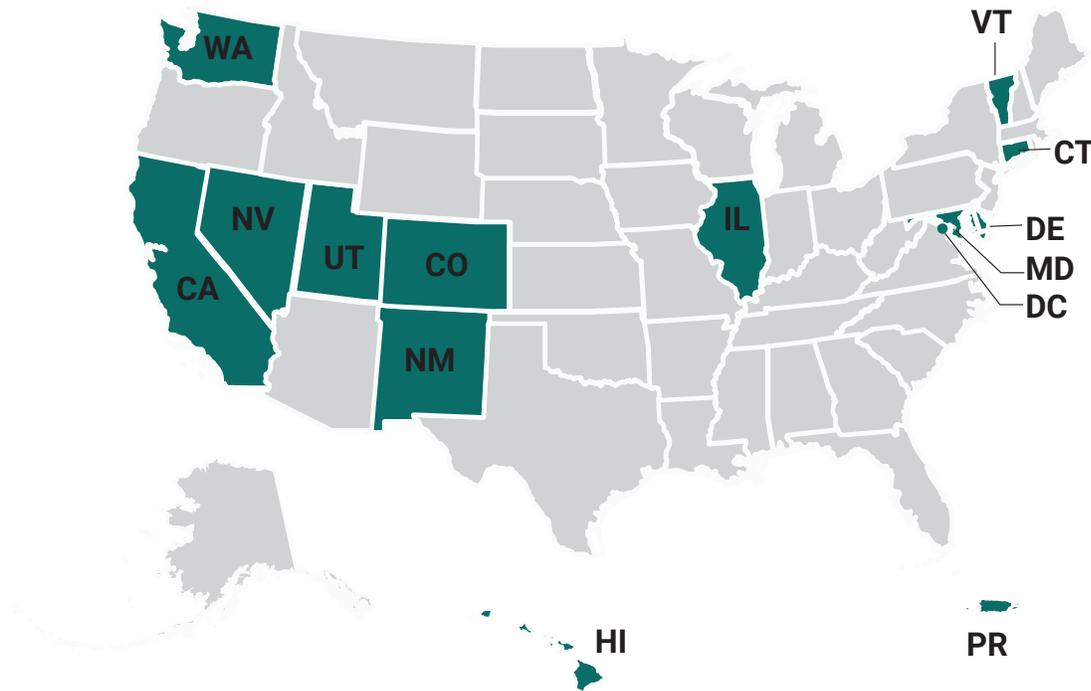
Source: Institute on Taxation and Economic Policy



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## In Nearly a Quarter of the States, Undocumented Immigrants Have Access to Driver Licenses

In twelve states and in Washington, D.C. and Puerto Rico, residents who are undocumented may obtain driver licenses.



Source: National Immigration Law Center



### Plenty of Precedent: Experience in Other States and in Wisconsin Shows Benefits of Allowing All Immigrants to Obtain Driver Licenses

Removing barriers to driver license eligibility can be done safely and can confer important benefits on residents, as shown by actions taken in other states. Twelve states provide access to driver licenses regardless of immigration status: California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Maryland, New Mexico, Nevada, Utah, Vermont, and Washington. Puerto Rico and Washington, D.C. also provide access to driver licenses regardless of immigration status. In California alone, more than a million undocumented residents have obtained licenses since the state removed obstacles in 2015.

There is also precedent in Wisconsin for allowing immigrants who arrived without documentation to

obtain driver licenses. Prior to 2007, undocumented immigrants in Wisconsin could obtain licenses. Only since 2007 has the state required that people provide proof of citizenship or authorized presence when they apply for a license or renew an existing license.

Some Wisconsin residents who were granted immigration relief under DACA, or the Deferred Action for Childhood Arrivals program, became newly eligible for a driver license. DACA gives immigrant youth an opportunity to thrive by allowing them to obtain driver licenses and work authorization during a temporary period when they are granted relief from deportation. An estimated 5,500 DACA recipients in Wisconsin hold driver licenses, keeping roads safe and improving opportunities for youthful immigrants to commute to work, secure jobs that better match their skills, and contribute more to their communities in the form of additional taxes.

Reducing barriers to driver licenses for immigrants who are not eligible for DACA will help them more fully participate in and contribute to their communities the way that DACA has allowed young immigrants to do. Almost two-thirds of DACA recipients bought their first car after their application was approved, according to a 2017 national survey of DACA recipients.

### Expanding Opportunity for Immigrant Families

By blocking some Wisconsin residents from obtaining driver licenses, the state of Wisconsin makes it harder for immigrants to make ends meet and to raise healthy children who are able to reach their full potential. Ending the ban on driver licenses would not only benefit immigrants, but would also improve the lives of thousands of children and other family members of undocumented immigrants, many of whom are U.S. citizens.

An estimated 32,000 residents would gain Wisconsin driver licenses in the first three years if barriers were removed. The methodology section of this report includes information on how this estimate and other estimates were determined.

This estimate is based on the best information available at this time, but it should be noted that decisions around implementation and other factors could have a significant effect on the number of undocumented immigrants seeking licenses. Factors include:

- The level of documentation that the state requires to prove identification and residency. Less stringent requirements, such as a shorter residency period and flexibility in the type of documents that can be used to establish identity, will likely result in a greater share of immigrants being able to seek licenses. More stringent requirements, such as requiring an original birth certificate from the country of origin to prove identity, will likely reduce the number of residents who could meet the requirements;
- The degree of engagement that the state conducts with immigrant populations to spread the word about the removal of barriers;

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### Broad-Based Benefits

Removing barriers to driver licenses can improve the well-being of immigrants and their families:

An estimated 32,000 residents would gain Wisconsin driver licenses if barriers were removed.

Of those residents, 14,000 live with children, and 12,000 of those residents live with at least one child who is a U.S. citizen.

Of those residents who would get licenses, 13,000 live with spouses, 4,000 of which are citizens or lawful permanent residents.

An estimated 22,000 of the residents who would get driver licenses are employed.

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- The level of investment in training and staffing in Division of Motor Vehicles offices to ensure access for applicants of all statuses and language capacity; and
  - The level of confidence that immigrants have that obtaining a driver license will improve their safety rather than put them at greater risk. If immigrants trust that the state is doing what it can to limit information sharing with federal immigration officials, the share of eligible immigrants seeking licenses could be higher. On the other hand, if immigrants feel that seeking a license will increase the likelihood they will be detained or deported, the share seeking licenses will be smaller—and the public safety goals of licensing drivers will be undermined.

Many of the potential new license holders are parents and act as breadwinners and caretakers for their children, including for children who are U.S. citizens. Of the estimated 32,000 drivers who will be able to obtain licenses, 12,000 live with at least one child who is a U.S. citizen.

Removing barriers to licenses will lessen the trauma

for children of undocumented residents, most of whom are citizens. Children who know there is a chance that their parents could be detained or deported due to the lack of a license may struggle with anxiety and insecurity, which can have long-lasting effects on their mental health and ability to function in a family and community.

Furthermore, having a parent with a driver license can have a positive effect on students' academic achievements. If someone in the family has a license, a student's school attendance may improve, as having a license increases the likelihood that someone will be available to safely drive a child to school if she or he misses the bus. Having a license opens up new opportunities for parents to be

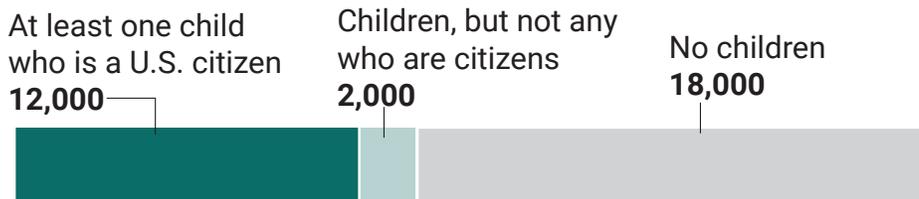
involved in their children's education, by making it safer for the parent to drive to the school to attend parent-teacher conferences or Parent Teacher Group (PTG) meetings. And without a licensed driver in the family, it is difficult for students to participate in school-related activities for which the school does not provide transportation, such as evening band concerts or club meetings.

In addition to providing benefits to children, removing barriers to obtaining a driver license will also expand transportation options and provide other benefits to the spouses of newly-licensed immigrants. Four thousand of the likely new license holders

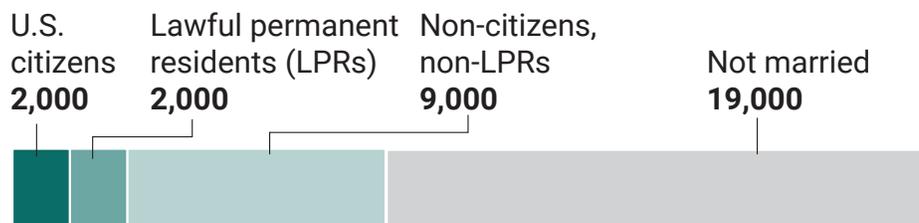
## Removing Barriers to Driver License Eligibility Would Improve Access to Transportation for Families

Estimates of number of potential new license holders in Wisconsin who are undocumented and live with children or spouses. Families of undocumented Wisconsin residents who gain access to a license would benefit from an expansion of transportation options.

Potential new license holders who are undocumented and live with...



Potential new license holders who are undocumented and married to...



Source: Analysis of figures from Migration Policy Institute



are married to U.S. citizens or lawful permanent residents. Another 9,000 are married to individuals who are non-citizens.

Removing barriers to licenses will also expand opportunity for families by promoting connections between and among immigrant communities. These types of connections are especially important in rural areas, where some undocumented immigrants live at the farms at which they work long hours. Isolated from their communities and from workers at other farms, these undocumented workers are vulnerable to exploitation in the form of wage theft and unsafe working conditions. Having a driver license would increase the independence and self-sufficiency of these workers, allowing them to connect to a support network outside of their workplace, and to leave their employer and find another job if desired.

### Connecting Employers and Employees

Removing barriers to obtaining a driver license will strengthen local economies by improving the bottom line of businesses and improving job prospects for workers.

One of the most basic needs of employers is employees who can get to work. Workers without licenses may be reluctant to travel long distances to work, making it hard for employers to get the workers they need, especially in rural areas. Driving is by far the most common way employees get to work, with more than 8 out of 10 workers in Wisconsin using that method to get to work. Half of Wisconsin workers make long commutes to work of at least 25 minutes to get to their place of employment, according to the American Community Survey.

If more Wisconsin residents had licenses and were able to travel longer distances, businesses that have held off expanding due to a lack of workers would be more likely to be able to find the employees they need. That additional economic activity will benefit employers, workers, the businesses at which workers spend their earnings, and the communities in which employees live or work.

An estimated total 22,000 Wisconsin workers who are undocumented would obtain licenses if

obstacles were reduced. Allowing these workers to obtain licenses would improve the match between employers and employees, with workers holding jobs that utilize their full skill set, and employers gaining full access to the flexibility of the labor market. Many industries and occupations require a valid driver license, including those that depend on truck drivers or involve other forms of commercial driving.

The largest share of workers who would gain licenses—8,000 workers—are employed in manufacturing and related industries. The manufacturing sector plays an especially large role in Wisconsin's economy—the state has a larger share of its workers in manufacturing than almost any other state. State policymakers have emphasized the need to provide manufacturers with access to workers who have the necessary skills and qualifications, an effort that would be furthered by increasing the share of manufacturing workers or potential workers who hold driver licenses.

Other industries that would benefit from removing barriers to driver licenses include the leisure and hospitality industry, in which an estimated 7,000 workers would gain licenses, as well as 4,000 workers employed in professional and business services, and 3,000 agricultural workers.

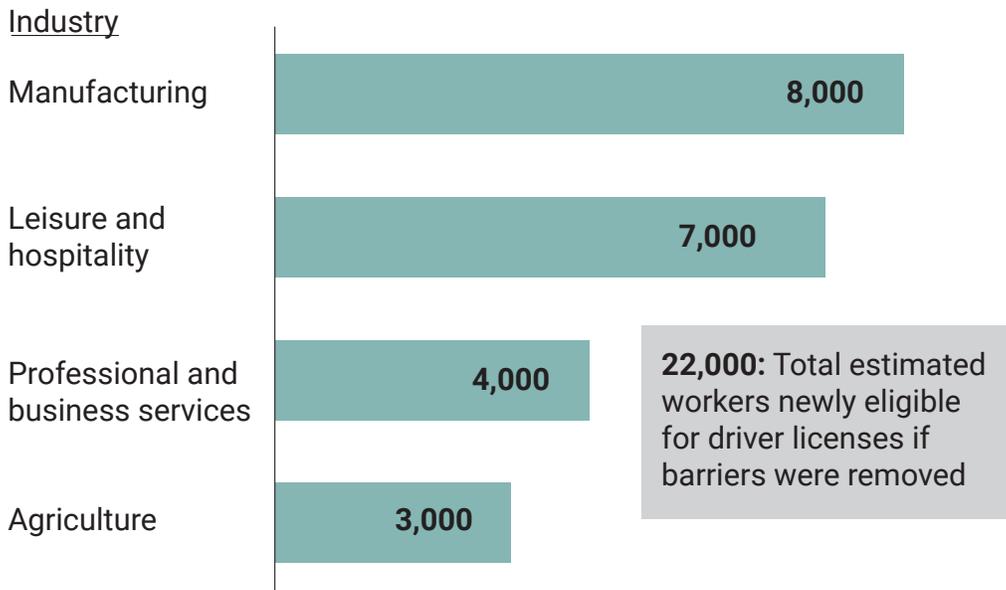
Reaching more potential workers is important for all businesses, but it is especially important to helping Wisconsin's dairy farms thrive. Half of all workers on U.S. dairy farms are immigrants, according to a 2015 survey from the National Milk Producers Federation. A loss of half of immigrant labor would be expected to cause 1 in 17 dairy farms to go under, decrease milk production by 12%, and increase retail milk prices by 45%, according to the federation. While the survey did not distinguish between undocumented and documented immigrant workers, the survey found that only 29% of dairy farmers surveyed had a high degree of confidence in the documentation of their immigrant employees, and that 58% had a high degree of concern about actions by immigration officials.

A significant number of workers at Wisconsin dairy farms do not have driver licenses, with the result

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## Removing Barriers to Driver License Eligibility Would Allow Additional Wisconsin Workers to Obtain Licenses

Estimated number of undocumented workers, by industry, who would obtain driver licenses if barriers were removed.



Source: Analysis of figures from Migration Policy Institute



that they may be unable to drive longer distances to get to work. The barriers to obtaining a license may in essence be limiting the pool of employers for which employees are willing to work, making it harder for dairy farms to find workers. On Wisconsin dairy farms, 70% of workers are Hispanic, and 78% of Hispanic workers arrive at work in their own car—but only 44% have a driver license, a University of Wisconsin-Extension survey of dairy employees showed. That survey suggests that nearly a third of all workers on Wisconsin dairy farms who drive their own car to work lack a driver license. Increasing the share of employees with licenses will give additional flexibility to dairy farm owners in assigning job responsibilities to employees, and make it easier for them to avoid worker shortages, giving Wisconsin dairy farms a boost at a time when tariffs and

declining prices are making it harder for farms to turn a profit.

### Improving Safety for All Drivers

When Wisconsin bars undocumented residents from obtaining licenses, it also prevents them from completing the knowledge and skills assessments required of other drivers. Requiring undocumented workers to demonstrate the same competency as other drivers will increase the share of drivers who have proven their capability to safely drive.

The state of Wisconsin requires all driver license applicants to complete basic assessments that screen for the ability of the applicant to drive safely—assessments aim to protect the safety of both the driver applying for the license as well as other

drivers on the road. Any resident seeking a Wisconsin license must take a vision test and provide proof of identification and residency in Wisconsin. If barriers to licenses were reduced, undocumented residents would complete these same assessments. Residents who do not already hold a valid license in another state—a category that would likely include most undocumented Wisconsin residents—are subject to additional safety requirements, and must demonstrate their proficiency by completing a knowledge exam and a driver skills test.

Reducing barriers to driver licenses will also help if there is an accident. First responders and health care providers will be able to use licenses to identify the individuals they are assisting. And immigrants will be able to provide a proof of identity that is acceptable to law enforcement officials.

Research has shown that allowing undocumented residents to obtain driver licenses does not have an effect on the overall number of traffic accidents or fatalities, either positive or negative. However, removing barriers does reduce the share of accidents that involve hit-and-run drivers. When California expanded driver license eligibility, the number of

hit-and-run accidents dropped by 4,000 compared to what it would otherwise be, as undocumented licensed drivers involved in accidents could remain on the scene without fear of deportation and vehicle impoundment. Reducing the number of hit-and-run accidents improves emergency assistance times, reduces insurance premiums, and decreases out-of-pocket expenses for victims.

### **Lower Insurance Costs and New Resources to Improve Roads**

Removing barriers to driver licenses can reduce the number of uninsured drivers, modestly reduce insurance premiums in a way that is broadly shared among currently insured drivers in Wisconsin, create new customers for insurance companies, and increase insurance company revenue.

Because undocumented residents are blocked from obtaining driver licenses in Wisconsin, they have a very difficult time purchasing automobile insurance. The vast majority—more than 9 out of 10—of uninsured drivers in Wisconsin are documented residents. Still, improving access to insurance for undocumented residents will reduce the number



of uninsured drivers on the road and allow other drivers to share in the cost savings that result from increasing the share of drivers who are insured.

Making it easier for undocumented drivers to buy car insurance will reduce the number of uninsured drivers on Wisconsin roads by an estimated 28,000 drivers, assuming that undocumented residents will buy insurance at the same rate as other residents. This move will reduce the share of drivers who are uninsured to an estimated 13.6%, down from the current level of 14.3%. The methodology section of this report includes information on how this estimate and other estimates were determined.

Under Wisconsin law, all drivers must carry uninsured motorist insurance. That means that when an insured motorist gets in an accident with an uninsured driver, including one who may not be able to buy insurance, the insured driver typically files a claim with his or her own insurance company. Insured drivers in Wisconsin make an estimated \$124 million in insurance claims annually related to accidents with uninsured drivers, of which an estimated \$12 million can be attributed to accidents involving undocumented residents.

Covering the costs of accidents caused by uninsured drivers increases payout costs for insurance policies that cover insured drivers. Insurance companies then pass those higher costs back to their customers in the form of higher premiums. Every marginal dollar of increase in insurance payout yields a \$1.55 increase in premiums for insured drivers, according to an estimation made by Yale Law School. Allowing undocumented residents to buy car insurance will reduce insurance premium costs for already-insured drivers, since they will be making fewer claims for uninsured motorists. Removing barriers to purchasing car insurance will reduce premium costs by an estimated \$16 million for already-insured drivers.

Drivers aren't the only ones who will benefit from allowing more people to purchase car insurance. Insurance companies will gain an estimated 28,000 new customers and \$13 million in revenue annually,

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## Insurance Savings and Better Roads

Benefits to removing barriers to driver licenses include:

Fewer uninsured drivers. The number of Wisconsin drivers who don't have insurance would drop by an estimated 28,000.

Savings for already-insured drivers, reducing premiums by \$16 million across the state.

Better roads. The state would gain an additional \$2 million to spend on improving the state's transportation network.

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even after accounting for reduced insurance premiums for drivers who were already insured. Reducing barriers to driver licenses will also increase the amount of public resources available to spend on improving the quality of Wisconsin's roads and highways.

Currently, undocumented residents who can't get driver licenses or identification cards are blocked from registering vehicles in their names—and from paying the associated \$75 fee to the state. Vehicle registration fees and other transportation-related revenues are spent on improving and expanding the state's transportation network. If all undocumented residents who will gain a driver license each registered one vehicle, the amount of money available to maintain and repair the state's roads would increase by \$2 million a year. State policymakers have said that the state is not collecting enough transportation-related revenues to fund all the desired improvements for the state's transportation network, and removing barriers to paying car registration fees could be part of the solution to addressing the shortfall.

## Five Steps to Move Forward

Wisconsin policymakers should take the following steps to remove barriers to driver licenses for undocumented immigrants and bring broad-based benefits to families, communities, and businesses across the state:

### 1. **Pass legislation specifying that driver licenses will be available to eligible state residents without regard to immigration status.**

Lawmakers need to take action to ensure that all residents have access to the opportunity that is associated with having a driver license.

A group of lawmakers has introduced bills in the recent legislative sessions to remove the requirement to provide proof of citizenship or authorized presence when obtaining a driver license. However, the bills have failed to advance. Given the potential for substantial benefits to Wisconsin families, workers, and employers, legislators from both sides of the aisle should work to remove barriers to licenses.

### 2. **Strengthen protections for immigrants.**

Undocumented immigrants seeking driver licenses must have a high level of confidence that they can safely share their information with state agencies without being targeted for immigration purposes, and that their information will not be shared with federal enforcement agencies. If undocumented residents of Wisconsin are concerned that their information will be shared, they will be less likely to apply for licenses, and Wisconsin residents will miss out on broad-based benefits that come with removing barriers to obtaining licenses.

In order to protect the information of undocumented drivers, Wisconsin should adopt the following policies, recommended by the National Immigration Law Center:

- Require federal immigration authorities to present a judicial warrant or court order in order to obtain

driver information;

- Ensure that federal access to driver information through national or state criminal justice or other networks is limited to the extent possible;
- Restrict Wisconsin Division of Motor Vehicles employees from disclosing driver information through informal means, such as phone calls; and
- Maintain records of all requests for Division of Motor Vehicles information and the responses received, and annually audit compliance with confidentiality and anti-discrimination protections.

Wisconsin officials should adopt the broadest possible confidentiality and anti-discrimination protections and make public what the practices and policies are with regards to sharing driver information.

Even with these protections, undocumented residents will have to individually evaluate the potential risks and rewards of applying for a driver license, and some undocumented residents may make a well-informed decision that the risks outweigh the benefits.

### 3. **Be clear about the scope of benefits.**

Having a license would be an important step towards helping Wisconsin families thrive, but it's also important to know what expanding eligibility won't do. State officials should make the limitations clear.

Having a driver license brings with it a host of benefits that are not related to driving, including making it easier to open a bank account, get a credit card, obtain a library card, or even pick up a child from child care.

On the other hand, holding a valid driver license won't change the immigration status of an undocumented resident, allow the driver to vote, or make the driver eligible for public benefits.

#### **4. Continue compliance with federal REAL ID Act.**

Providing driver licenses to undocumented immigrants is consistent with federal law.

In the REAL ID Act of 2005, the federal government specified the type of documentation that drivers need to provide to obtain driver licenses that can be used for federal purposes, such as passing through airport security or entering a military base. Proof of lawful presence is among the documentation required to obtain a REAL ID license; undocumented residents may not obtain REAL ID licenses, even in states that allow undocumented residents to obtain licenses.

However, states may legally offer driver licenses that are non-REAL ID so long as the licenses are marked as not valid for federal purposes. States that offer licenses to undocumented residents issue them non-REAL ID licenses, and a number of states—including Wisconsin—allow citizens and lawfully present residents to choose between a REAL ID and a non-REAL ID license. This can be helpful for people who may lack the documents needed for a REAL ID license, such as survivors of domestic violence, homeless individuals, seniors, low-income individuals, and transgender individuals. Other drivers may simply prefer to obtain a non-REAL ID license.

Starting in 2020, travelers will no longer be able to use a non-REAL ID license to pass through airport security, although they can use other documentation such as a passport to prove identity. The non-REAL ID licenses will remain valid for state purposes such as driving.

Having a driver license that is non-REAL ID is not necessarily a flag that the holder is an undocumented immigrant, as drivers may choose to hold a non-REAL ID license for a variety of reasons. The U.S. Department of Homeland Security cautions against “assuming that possession of a noncompliant card indicates the

holder is an undocumented individual, given that several states issue noncompliant licenses for reasons unrelated to lawful presence.” Wisconsin transportation officials indicated in a June 2018 email exchange that “about 30% of Wisconsin residents have chosen to enroll in REAL ID, but that percentage is growing higher as the [2020] deadline draws closer.”

#### **5. Improve access to auto insurance by limiting discriminatory pricing practices.**

The benefits from increasing the share of Wisconsin drivers with insurance will be maximized if the greatest number of drivers have access to reasonably-priced auto insurance. Research has shown that insurers routinely set premiums based on factors other than driving record—factors such as credit score, occupation, education level, or zip code. The result is that safe drivers of color or drivers with low incomes may wind up paying more for auto insurance than unsafe drivers who are white or have high incomes.

Discriminatory pricing practices make it harder for undocumented immigrants, low-income drivers, and others to get affordable auto insurance. Wisconsin should follow in the footsteps of other states that have barred some of these practices. For example, some states—California, Massachusetts, and Hawaii—prohibit insurers from using consumer credit information to set premiums. Wisconsin lawmakers should also consider establishing a low-cost auto insurance program like the one in California that provides car insurance at affordable rates to income-eligible drivers, including undocumented drivers.

## Conclusion

The current policy prohibiting undocumented immigrants from obtaining Wisconsin driver licenses is ineffective and costly. It disadvantages Wisconsin families, workers, and employers. As evidenced by the benefits listed in this report, reversal of this failed approach is a route to stronger, safer, and more economically robust communities in Wisconsin. Reinstating access to driver licenses would improve the lives of children and families, help businesses connect to workers, make highways safer, and result in insurance savings and additional public revenue. It is

imperative that Wisconsin take action on driver license legislation and that lawmakers are held accountable on this issue.

Everyone in Wisconsin deserves the opportunity to live, work, raise a family, and contribute to their communities. Removing unwarranted obstacles to obtaining driver licenses will help ensure that all families in Wisconsin can thrive, without regard to their immigration status.

## Methodology and Estimates

Numbers may not add exactly due to rounding.

Estimate for number of DACA recipients in Wisconsin who hold driver licenses: As of January 2018, there were 6,850 DACA recipients in Wisconsin, [according to the Migration Policy Institute. A 2017 survey of DACA recipients by Tom K. Wong](#), an associate professor of political science at the University of California, San Diego, shows that 80% of respondents obtained a driver license for the first time after their DACA application was approved. If that percentage holds true for Wisconsin as well, about 5,500 DACA recipients in Wisconsin obtained their driver license.

Estimate for number of undocumented immigrants in Wisconsin who would obtain a license: There are an estimated 71,000 undocumented immigrants in Wisconsin, [according to the Migration Policy Institute](#). Of those immigrants, 63,000 are age 16 and older and could seek a driver license if eligibility were expanded.

This analysis estimates that half of eligible undocumented residents will obtain a license in the first three years, a figure based on [a 2017 Fiscal Policy Institute review](#) of take-up rates of driver licenses in states that removed barriers. Half of the driving-age population of undocumented immigrants living in Wisconsin is 31,500. That figure was rounded to 32,000 to avoid an overly precise estimate.

Estimate for family members of immigrants who would obtain licenses, and industries in which the immigrants work: Estimates are based on the Migration Policy Institute's [profile of undocumented residents of Wisconsin](#). Given the estimate of 50% of the driving-age population would obtain licenses, the descriptive figures in the profile were multiplied by 50% to obtain figures for the number of immigrants who would obtain licenses who live with family members, and the industries in which the immigrants work.

Share of workers on Wisconsin dairy farms without a driver license: A [2007 Dairy Employee Survey](#) by Paul Dyk at the University of Wisconsin-Extension Fond du Lac County found that 44% of Hispanic dairy farm workers surveyed who arrived at work in their own car had driver licenses, meaning that 56% did not. Multiplying the share of all surveyed workers who were Hispanic (70%), the share of Hispanic workers who arrived in their own car (78%) and the share of Hispanic workers who arrived in their car and don't have a license (56%) suggests that at least 31% of Wisconsin dairy farm employees do not have a driver license.

Reductions in number of uninsured drivers and increase in insurance company customers: There are an estimated 63,000 undocumented residents of Wisconsin ages 16 and older, according to the Migration Policy Institute. The Wisconsin Budget Project determined that among documented residents of the state, 92% of the eligible population holds driver licenses. Multiplying that percentage by the number of undocumented residents

age 16 and older yields an estimate of 58,000 for the number of undocumented residents who would be driving. This analysis assumes that the ratio of undocumented immigrants who drive to the entire undocumented population is the same ratio as the share of drivers licenses to the total driving-age population. The analysis also assumes that all drivers are licensed except for undocumented immigrants, and that no undocumented immigrants have licenses.

According to the [Insurance Research Council](#), 14.3% of Wisconsin drivers lacked insurance in 2015. There were 4,206,770 licensed drivers in Wisconsin in 2016, according to the Federal Highway Administration. Adding the number of licensed drivers and the number of undocumented residents who would be driving yields a total estimate for the number of drivers regardless of license or documentation status of 4,265,000. Multiplying that figure by 14.3% means that there are an estimated 610,000 uninsured drivers in Wisconsin, 58,000 of whom (9%) are undocumented residents. This analysis assumes that no undocumented drivers have insurance.

This analysis assumes that undocumented residents who get driver licenses would get insurance at the same rate as other residents, if allowed to purchase insurance. Assuming that 58,000 of the 610,000 uninsured drivers are undocumented residents means that 552,000 of the 4,206,770 licensed drivers lack insurance, and that 86.9% have insurance.

If 32,000 undocumented residents gain driver licenses and they buy insurance at the same rate as other residents (86.9%), 28,000 drivers will gain insurance and be new customers for insurance companies. The number of uninsured drivers would drop to 582,000 and the uninsured rate to 13.6%.

Reductions in premium costs for already-insured drivers: There were 31,590 crashes in Wisconsin in 2016 with fatalities or injuries, according to the Insurance Research Council, and the average claim for a bodily injury claim nationally was \$16,110 in 2016. There were also 97,461 claims for property damage only claims in Wisconsin in 2016, and the average property damage claim nationally was \$3,683. Combined, this suggests that total claim costs for accidents in Wisconsin are \$868 million annually. Since 14.1% of Wisconsin drivers lack insurance, \$124 million of the \$868 million can be attributed to uninsured drivers.

Taking the total number of undocumented residents of driving age, assuming they drive at the same rate as others, and assuming they are all uninsured, yields a conclusion that 9.5% of uninsured drivers in Wisconsin are undocumented. This analysis assigns \$11.8 million of claimed costs to uninsured, undocumented drivers (9.5% of \$124 million).

In Wisconsin, all drivers must carry uninsured motorist insurance. When an insured driver is in an accident with an uninsured driver, the insured driver may make a claim against his or her own insurance. Every \$1 increase in claims is associated with a premium increase of \$1.55, according to the [Jerome N. Frank Legal Services Organization](#) at Yale Law School, suggesting that \$18.3 million in increased premium costs can be attributed to claims made involving undocumented, uninsured drivers. If 32,000 out of an estimated 58,000 undocumented drivers (55%), obtain insurance once they are allowed to buy it, insurance premiums could decrease by \$16 million annually.

Revenue from vehicle registration fees: The fee to register a vehicle in Wisconsin is \$75. If each newly-licensed driver also registered a vehicle, the total new revenue would be \$2.4 million.

## Acknowledgments

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*Kids Forward aspires to make Wisconsin a place where every child thrives by advocating for effective, long-lasting solutions that break down barriers to success for children and families. Using a research and a community-informed approach, Kids Forward works to help every kid, every family, and every community.*

*The Wisconsin Budget Project is an initiative of Kids Forward engaged in analysis and education on state budget and tax issues, particularly those relating to low- and moderate-income families. The Budget Project seeks to broaden the debate on budget and tax policy through public education and by encouraging civic engagement on these issues.*