

The Impact of Allowing All Immigrants Access to Driver's Licenses

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Providing driver's licenses to all immigrants makes Colorado roads safer and results in greater savings in automobile insurance premiums for all Colorado drivers. Licensed drivers become more knowledgeable about traffic and road laws, purchase insurance, and register their vehicles.

Allowing Undocumented Coloradans Access to Driver's Licenses Saves Money for Insured Drivers

- · Prior to the passage of the Colorado Road and Community Safety Act (SB 13-251) in 2013, 145,000 unlicensed immigrants were ineligible for driver's licenses in Colorado. Since Colorado has begun issuing undocumented immigrants driver's licenses, more than 200,000 undocumented Coloradans have received a driver's license or permit.
- · An estimated 16.3 percent of all Coloradans are driving without insurance. However, unlike other uninsured motorists, unlicensed immigrant motorists lack insurance because they are unable to purchase any without a license in Colorado. Assuming that undocumented drivers obtain insurance at the same rate as all other Colorado drivers, an estimated almost 170,000 undocumented people have purchased auto insurance since SB 13-251 passed in 2013.
- · Colorado drivers save an estimated \$127 million in insurance premiums every year because all immigrants are able to get a driver's license and purchase car insurance.
- · Insurance companies and the state could also experience increased revenue. In order to register a car, an individual must purchase insurance and can only do so with a license. **Insurance companies could see increased revenue of about \$360 million annually.** In addition, undocumented drivers are eligible to register their vehicles, and **state and local governments are able to collect revenue from almost 170,000 more vehicles** because of SB 13-251.

Overall economic benefits of providing driver's licenses to all immigrants

People with driver's licenses are more likely to work and spend—participating more broadly in Colorado's economy—according to a 2011 study from the Oregon Department of Transportation.¹

- · Lack of access to a driver's license means that immigrants spend more time trying to get around and less time working and investing in the local economy. In fact, most people without a driver's license are less likely to make purchases in general due to a lack of safe access to transportation.
- · People who have a driver's license are more likely to purchase larger items such as homes, vehicles, or household appliances.

¹ Oregon Department of Transportation, Assessment of the Socioeconomic Impact of SB 1080 on Immigrant Groups, June 2011 http://www.oregon.gov/ODOT/TD/TP_RES/docs/reports/2011/sb1080.pdf