States Should Help DACA Holders Obtain Occupational Licenses

Every state across the U.S. faces skills gaps among middle-skill occupations. Additionally, state laws or regulatory agencies and boards often exclude recipients of Deferred Action for Childhood Arrivals (DACA) from obtaining occupational licenses necessary for those positions. This blog examines which states enacted statewide laws permitting DACA holders to seek occupational licenses for middle-skill professions and the benefits of allowing DACA grantees to work in those occupations. It argues that more states should implement legislation allowing DACA holders access to occupational licenses, and thus help to close the widening skill gaps.

U.S. Skill Gaps Widen

Occupations requiring “middle skills” — a higher level of education than a high school diploma but less than a four-year college degree — currently represent the biggest portion of the U.S. labor market and are projected to grow. With additional education and skills, DACA recipients together with other immigrants, which account for about 17 percent of workforce, could help close the deepening skills gaps in our economy. Jobs such as nurses, paralegals, dental hygienists, electricians and many others require specific education leading to an occupational license or certification. Although DACA permits its holders to work legally in the United States, licensing boards and other license-issuing bodies within many states do not allow DACA beneficiaries to obtain such credentials.

While requirements for obtaining occupational licenses vary for each occupation in every state, an increasing number of state legislatures have recently enacted laws reducing barriers for certain immigrants to receive licenses for some particular in-demand jobs. However, only three states have passed bills allowing specifically DACA holders to obtain professional licenses for any occupations, including the middle-skill professions.

Three States Allow DACA Holders to Obtain Any Occupational License

Only the California, Nebraska, and Indiana state legislatures have addressed the issue of DACA holders and their ability to access occupational licenses. In California, all individuals, regardless of their immigration status, can apply for and receive a professional or occupational license, if they meet all the necessary requirements. In 2014, California's legislature enacted SB1159, a bill directing the 40 licensing boards under the state’s Department of Consumer Affairs by January
2016 to consider all applicants who are able to provide either a federal Social Security number (SSN) or an Individual Taxpayer Identification Number (ITIN).1

Nearly 200,000 DACA holders in California that can apply for SSN or ITIN. Once the law took full effect, DACA holders were able to pursue careers in middle-skill professions that state employers struggle to fill. These include nurses, medical assistants, nursing assistants, teacher assistants, and others. In 2015, middle-skill jobs accounted for about half of the total available positions in California, and the demand has been predicted to stay strong in the years to come. At the same time, only 39 percent of the state’s workers have middle-skills.

Another state that enacted laws allowing DACA holders to obtain licenses is Nebraska. Legislators initiated the bill in 2016 to keep educated and skilled residents in Nebraska as growing numbers of DACA holders started to leave after training to secure their licenses in other states. Nebraska allows only immigrants with employment authorization to receive occupational licenses. Because DACA holders fulfill this requirement, they are eligible to seek certifications and practice these professions in the state. The law became effective in 2016, after the state legislature passed LB947, despite a veto by the governor.

Nebraska’s law allows the state’s more than 3,000 DACA beneficiaries to receive certifications in over 170 professions and fill job shortages in various occupations, including carpenters, electricians, machinists and welders that require middle skills. Middle-skill occupations accounted for 56 percent of the Nebraska’s job market in 2015, while only 47 percent of workers in the state had appropriate training to get those positions. The demand for middle-skills is estimated to remain strong in the upcoming years.

More recently, Indiana passed a law ensuring that DACA holders and other eligible individuals with work authorization, could obtain state occupational licenses. SB419 became law on March 21, 2018, in response to the Indiana Professional Licensing Agency’s decision to add a citizenship question to all of its license applications - a move driven by a desire to screen out DACA holders and other undocumented immigrants who failed to qualify for professional licenses under a 2011 Indiana immigration law.

With SB419 in effect, the more than 9,000 Indiana DACA recipients can seek professional licenses for a broad range of occupations. The state’s employers have been reporting job shortages in a number of middle-skills professions that require such certifications, including welders and machinists, but also licensed practical nurses and nursing assistants. About 58 percent of Indiana’s labor market consisted of middle-skill occupations in 2015, while just 47 percent of its workers had the skills necessary for securing those jobs. Demand for middle-skill workers in Indiana, is estimated to stay strong in upcoming years.

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1 An ITIN is a tax processing number available to individuals who are not eligible to obtain a SSN.
Benefits of Granting Professional Licenses to DACA Holders and Other Immigrants

Granting professional licenses to DACA holders, along with other immigrants, can boost states’ economies and help employers close the broadening skills gaps in a large range of occupations. It would provide states with the opportunity to get a return on their investment of providing public education to many DACA holders and other immigrants. More data, however, is necessary to quantify the positive impact of the state laws allowing DACA holders to obtain professional licenses. Although the California, Nebraska and Indiana laws require agencies to ask about immigration status of applicants for occupational licenses, it is unclear whether the states maintain this data. Even if the states do collect and maintain this information, the newly-implemented state laws may not have been in place long enough to provide meaningful data. In order to evaluate whether these laws have led to DACA recipients helping to close the widening skills gaps in our economy, states must track and report information about the numbers of DACA holders applying for and receiving occupational licenses.

While states gain clear benefits from allowing DACA holders to apply for occupational and professional licenses, many boards and authorities in the other 47 states do not allow DACA holders to obtain them. Many jobs remain inaccessible to DACA grantees, preventing them from fully enhancing our economy and reaching their full potential. State legislatures can solve this problem, just as California, Nebraska, and Indiana have, by taking action to allow DACA recipients and other immigrants to pursue careers that will help our employers, fill middle skill jobs, and boost the economy.