

South Florida Driver License Exchanges Rose 18% in 2023 Due to International Migration

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The number of out-of-state and foreigners who exchange their driver licenses for a Florida license is an indicator of the number of people moving into the area. By Florida law, a person with a driver's license from another state or another country needs to obtain a Florida driver's license within 30 days of establishing residency.¹

In the first half of 2023, the total out-of-state and foreign driver licenses exchanged for a Florida license in the counties of Miami-Dade, Broward, Palm Beach, and Martin rose 18% to 82,302 from the same period in 2022. The increase is due to the number of foreign driver license exchanges which rose 54% to 45,214 in the first half of 2023.

The large increment in foreign driver license exchanges more than offset the 8.4% decline in out-of-state driver license exchanges to 37,088 in the first half of 2023, following a pandemic-induced surge in 2020 through 2022.

Despite the downtrend, the number of out-of-state driver license exchanges at 17,049 in 2023 Q2 is still 7% higher than the quarterly average of 15,873 in 2016 Q1 through 2019 Q4. South Florida's strong economy and a low tax environment are arguable sustaining the migration from out-of-state job seekers and retirees. As of May, total nonfarm employment rose 3.2% year-over-year in the Miami-Ft. Lauderdale-West Palm Beach metro area compared to 2.7% nationally. The rate of unemployment is lower in Miami-Dade (2.6%), Broward (2.4%), Palm Beach (2.2%), and Martin (2.5%) compared to nationally (3.7%). With no personal income tax, Florida had an effective tax rate of 9.1% in 2022 which is lower than states like California (13.15%), New York (15.9%), New Jersey (13.2%), and Illinois (12.9%), according to the Tax Foundation.²

In Miami-Dade specifically, out-of-state driver license exchanges fell 4% in the first half of 2023 from the prior year's level but were still 24% higher than in the first half of 2019; in Broward, down 3% in 2023 but up 19% from 2019; in Palm Beach, down 15% in 2023 but up 16% from 2019; in Martin, down 13% in 2023, but up 4% from 2019.

Miami-Dade County is Top County Recipient of Driver License Exchanges

In the first half of 2023, 288,901 out-of-state and foreign driver licenses were exchanged for a Florida license. Miami-Dade, Broward, and Palm Beach (Tri-County area) accounted for 34% of total Florida driver license exchanges, 22% of out-of-state driver license exchanges, and 61% of Florida's total foreign driver license exchanges.

Miami-Dade County was the largest recipient of out-of-state and foreign driver licenses, with 36,543 driver license exchanges in the first half of 2023, or 13% of total driver license exchanges in Florida. About 7 in 10 driver license exchanges in Miami-Dade were foreign driver licenses.

¹ Residency can be proven by providing documents such as a Florida vehicle registration, deed or mortgage, rental agreement, utility hookup, school transcript, bank statement, letter from a homeless shelter, medical or health card, and the like. See [Florida Drivers License Identification Requirements \(dmvflorida.org\)](https://www.dmvflorida.org/Florida-Driver-License-Identification-Requirements). This information is provided for educational purposes only and does not constitute legal advice.

² [Tax Burden by State: 2022 State and Local Taxes | Tax Foundation](#)

New York, New Jersey, and California Licenses: 42% of South Florida Out-of-State Driver License Exchanges

About 42% of out-of-state driver license exchanges in the counties of Miami-Dade, Broward, Palm Beach, and Martin in the first half of 2023 were from New York (24%), New Jersey (10%), and California (8%).

Driver license exchanges from these states decreased in the first half of 2023 compared to one year ago, but they are still up strongly from the levels in the first half of 2019 (pre-pandemic period). In Miami-Dade, New York driver license exchanges were down 10% year-over-year but were 51% higher than the level in the first half of 2019; New Jersey license exchanges were down 16% in 2022 but were 3% higher than the level in the first half of 2019; California license exchanges were down 27% from the level in 2022, but up 57% from the level in 2019 during the same period.

Cuba, Colombia, Venezuela, and Haiti: 56% of South Florida Foreign Driver License Exchanges

About 56% of foreign driver license exchanges in the counties of Miami-Dade, Broward, Palm Beach, and Martin in the first half of 2023 were from Cuba (30%), Colombia (9%), Venezuela (9%), and Haiti (8%).

Driver license exchanges from Cuba have increased to about ten-fold (12,674) compared to the level in the first half of 2021. Miami-Dade took in 87% of Cuban foreign driver license exchanges in the counties of Miami-Dade, Broward, Palm Beach, and Martin.

Driver licenses issued in Haiti increased to nearly five-fold of the level in 2021. Haiti was the largest source of foreign driver license exchanges in Broward, a 14% share of 11,444 foreign license exchanges. Haiti was also largest source of foreign driver license exchanges in Palm Beach, with an 18% share of 5,151 foreign license exchanges. Haiti has been facing increasing gang violence since 2021 after the assassination of President Jovenel Moïsse in July 2021.

Venezuela was the largest source of foreign driver license exchanges in Martin, at 18% of 152 foreign driver license exchanges. However, Miami-Dade was the largest recipient of Venezuelan foreign driver license exchanges in the first half of 2023, accounting for 65% of foreign driver licenses exchanged in the counties of Miami-Dade, Broward, Palm Beach, and Martin.

On May 8, 2023, Florida Governor Ron DeSantis signed into law Florida Senate Bill SB 264 (FL 264), Interests of Foreign Countries. The law, which became effective on July 1, 2023, prohibits foreign principals from seven “foreign countries of concern” (China, Venezuela, Syria, Russia, Iran, North Korea, and Cuba) from owning or acquiring agricultural land in the state or owning or acquiring any interest in real property within 10 miles of any military installation or critical infrastructure in the state.³ MIAMI REALTORS® will continue to monitor the impact of this bill on real estate transactions.

Download the attached report for county level data.

³ [AILA - Florida Enacts Law Imposing Significant Nationality-Based Restrictions on Ownership of Property by Individuals from “Foreign Countries of Concern”](#)