



TESTIMONY IN SUPPORT OF HB 660

Baltimore City and Prince George's County - Lifeline Low-Cost Automobile Insurance Program

House Economic Matters Committee

February 20, 2020

Submitted by Stacey Jefferson and Margo Quinlan, Co-Chairs

Member Agencies:

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Marylanders Against Poverty

Stacey Jefferson, Chair
P: 410-637-1900 ext 8578
C: 443-813-9231

E: stacey.jefferson@bhsbaltimore.org

Margo Quinlan, Co-Chair
C: 410-236-5488

E: mquinlan@familyleague.org

Marylanders Against Poverty (MAP) supports HB 660, which creates a low income car insurance pilot program for Baltimore City and Prince George's counties.

Research demonstrates that access to transportation, specifically to automobiles increases the financial stability of lower-income individuals and families. Individuals with automobiles are more likely to seek higher-quality housing, utilize health and educational services, and seek higher-paying jobs.¹ However, the price of car insurance is a barrier for many low income drivers. This creates health, education, and economic barriers for individuals who are unable to afford car insurance.

Providing car insurance at an affordable rate, will ensure that more people are covered, and that car insurance payments are not a burden on an individual's budget. When more people are covered with car insurance more people are financially safe, and less people are in the penalty system. Tremendous financial setbacks can happen for low income drivers if they are in an accident with an uninsured driver. Driving uninsured can lead to fines, suspended license, and jail time. These hardships can be subverted by a state sponsored car insurance program for low income drivers. There are many drivers that would decide to pay for car insurance, if it is in an attainable price range.

HB 660 promotes access to transportation, and enables individuals to rise out of poverty. The connection between adequate, affordable personal transportation and the ability to build wealth, is why we support the creation of a low-cost auto insurance pilot program in Baltimore City and Prince George's County.

MAP appreciates your consideration and urges a favorable report for support HB 660.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.

¹http://www.urban.org/research/publication/driving-opportunity-understanding-links-among-transportation-access-residential-outcomes-and-economic-opportunity-housing-voucher-recipients/view/full_report