



VFC is a nonprofit organization that provides low-cost automobiles to qualified individuals in Maryland and trains and places individuals with criminal backgrounds to be auto mechanics. We have 21 years of experience working with more than 4,000 unemployed and underemployed families in Maryland.

Transportation is one of the main barriers to employment for individuals living in poverty. The Brookings Institute identified 60,000 low-income households in the Baltimore Metropolitan region who did not have a car and were without access to public transportation to get to a job within a 90-minute ride. In the rural parts of our state, there is typically no opportunity to gain employment, thus escaping poverty, without a car.

Unfortunately, the cost of auto insurance is usually the most expensive part of car ownership for these individuals and the prohibitive factor for them. If they do own a car the high cost of insurance will often put them in a decision dilemma..... do I feed my family, pay my rent or, pay my car insurance. The choice for someone in daily financial survival mode is not a difficult one and one of the reasons we have so many uninsured motorists on the road.

VFC guarantees a loan through Sandy Spring Bank for the minimal fee of \$900 the families pay for their car. Based on their credit score, none of our families would qualify for a loan on their own. So it is obvious that the use of credit scores, as a determining factor in the cost of car insurance will drive the cost, for our families and most all low-income families, to an unaffordable amount!

But this is much more than about providing employment opportunities for those in need in our state. Transportation costs are a major barrier to get Marylanders back to work. This bill will get more individuals back to work, help employers gain access to a whole new workforce, increase the tax base of the state and reduce the number of families relying on state support for survival. This is potentially a Statewide economic revival plan. That is a win-win-win for all the residents of Maryland!

For that reason, Vehicles for Change strongly supports SB552 and urge a favorable report.

Thank you