



TESTIMONY IN SUPPORT OF HOUSE BILL 1001

Baltimore City - Workforce Development Automobile Insurance Subsidy Program

TO: Members of the House Economic Matters Committee

FROM: Deandre Wiggins, Program Manager

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BetterU Construction Training is a 14-week pre-apprenticeship program for Baltimore residents with a high school diploma or GED. Experienced teachers prepare our students for success in the construction trades with an overview of entry-level plumbing, carpentry, and electrical skills. Students also receive essential safety training, financial coaching, a stipend, and driver's education. More than 70 percent of students are placed in careers that lead to high wages and apprenticeships. BetterU support(s) House Bill 1001 as a means of increasing transit access for jobseekers in Baltimore, Maryland.

Mobility is key in Maryland's regional economy. The Census Bureau reported that [almost 50% of Marylanders travel outside of their county for employment](#). This statistic is more pronounced for lower-income communities in Baltimore, where there is a scarcity of jobs available by public transit. In fact, [only 9% of jobs in the Baltimore region can be reached within one hour, one way by public transit](#). Thus, a vehicle and affordable auto insurance are necessary for economic sustainability.

There are approximately [2700 graduates of Workforce Development Programs in Baltimore City each year](#) (pg.4) in various vocations including construction, tech, healthcare, logistics, business services, and more. The vocational training providers work for months getting trainees- primarily from lower-income communities- certified in hard and soft skills so that they can effectively transition into their chosen profession ready to perform. However, once the job placement has been secured, they often run headfirst into the barrier of unaffordable auto insurance.

We've seen this with our trainees. Back when we partnered with the Association of Builders and Contractors to transition our clients from pre-apprenticeship training to becoming complete apprentices, they could not attend the internships as they were being charged anywhere between \$350 - \$650 per



month in auto insurance alone. We either had to delay them starting in their positions and use grant dollars to cover the insurance costs ourselves, which is far too hefty a price for a modest nonprofit.

HB1001 is a targeted bill that addresses this issue by allowing an auto insurance subsidy to graduates of Workforce Development Programs in Baltimore City. If someone graduates from a vocational or technical training program in Baltimore City, they will qualify for a \$150 monthly reduction in auto insurance costs for their first year of post-graduation employment. This appropriation is a pilot program that will last for exactly five years, giving the General Assembly a chance to study its impact on Baltimore City's workforce. We see(s) this as a step in the right direction toward supporting transit access for workers in Maryland. For these reasons and more, we urge a favorable report on HOUSE BILL 1001.