

A P P E N D I X G

**JOB OPPORTUNITY TRANSPORTATION
PROGRAMS: POSSIBLE SOLUTIONS
AND POTENTIAL CONSEQUENCES**

Job Opportunity Transportation Programs: Possible Solutions and Potential Consequences

Introduction

What is lacking in welfare reform? Experts say that the toughest problems that welfare recipients face are lack of transportation, lack of childcare and lack of skills.¹ The problem of transportation involves not only getting to and from work, but also getting to and from adult training or education programs, childcare, doctors, government offices, and children's schools. Bringing home the groceries can be a monumental task for a TANF family that has no car. Experts also say that transportation assistance for low-income workers is complex, expensive, and rife with unintended consequences.²

TANF work requirements pose special barriers for rural states and for rural communities within states having big urban centers.³ These challenges arise from a number of factors including: the nature of the rural economy, the relative isolation of rural areas, the lack of public transportation and the lack of readily accessible support services. Sixty-two percent of the TANF recipients surveyed by the ATR Institute reported that they own a car. The median vehicle model year is 1987. Seventy-seven percent of their vehicles are 1990 models or older. The greatest number of vehicles owned by TANF recipients—43 percent—had a trade-in value of \$100—\$500. Cars are so much a part of the American culture that for many people using a car seems like the *only* transportation option which will allow people to work multiple jobs, work second- or third-shifts, and move from welfare to work. But with only 20 percent of TANF recipients surveyed reporting access to a vehicle four or more days per week, and with the median TANF vehicle valued at \$620, planners and policymaker cannot rely on the private vehicle as a transportation solution for the majority of TANF families.⁴

¹ Bouman, John. "Transportation headache: What About Cars?" The Poverty Law Project. [online].

² Waller, Margy and Hughes, Mark Alan. (1999). "Working Far from Home: Transportation and Welfare Reform in the Ten Big States." [policy report]. A Joint Project of the Brookings Institute and the Democratic Leadership Committee's Progressive Policy Institute.

³ Kaplan, April. (1998, Sept.). "Rural Challenges: Barriers to Self-sufficiency." *Welfare Information Network Issue Notes*, Volume 2, Number 2.

⁴ The ATRI TANF Transportation Survey (1999).

Background

In the early 1990s, Americans found a new use for their older cars that has become increasingly popular—raising money for good causes by donating the cars to charity.⁵ The idea behind car donation programs is simple: used car donations become a giving alternative that result in a handsome income tax write-off for the donor, while also providing a simple way for both individuals and businesses to dispose of unwanted vehicles. The idea proved to be a tremendous moneymaker in large metropolitan areas, bringing in 8,000 to 10,000 donated cars per year—cars which were then resold to bring in a gross of \$4,000,000 to \$5,000,000.⁶

Federal tax law allows people to deduct the “fair market value” of a car that is donated to charity.⁷ The problem is that there is no conclusive way to tell what the fair market value is as auto Blue Books are just the starting point for determining value. The Internal Revenue Service (IRS) says that the full Blue Book price should only be deducted when the vehicle is in perfect condition and has low mileage. The implication of many so called “charity car” promotions has been “fair market value always equals full market value.”⁸ The come-ons for car donation programs often say that people who donate cars will get more cash (via the tax write-off) for their cars by donating them than they would if they sold the car themselves. The come-ons also emphasize that the process is virtually hassle-free. To many, donating an unwanted vehicle sounds like a great alternative to getting stuck with a low trade-in value when buying a new car or trying to sell the unwanted vehicle themselves.

As vehicle donations have become increasingly popular, for-profit businesses have begun to solicit donations for charities, representing the latter for a flat rate or a percentage of the proceeds. In other cases, arrangements have been made in which the businesses keep over half the money, or the charity only receives a flat fee. However, the tax deduction only applies when the donation actually goes to charity, not to a for-profit business. Violations are subject to a \$1,000 fine per transaction for all parties.⁹

⁵ Better Business Bureau, Philanthropic Advisory Service "Tips on Contributing Used Cars to Charity," (1997). <<http://www.bbb.org/about/usedcars.html>>.

⁶ Better Business Bureau, Philanthropic Advisory Service "Tips on Contributing Used Cars to Charity," (1997). <<http://www.bbb.org/about/usedcars.html>>.

⁷ Anderson, Curt. (1999, September 24). "Take That Old Car Donation Off Taxes, But Don't Overdo, Says IRS." *Associated Press*.

⁸ Anderson, Curt. (1999, September 24). "Take That Old Car Donation Off Taxes, But Don't Overdo, Says IRS." *Associated Press*.

⁹ Anderson, Curt. (1999, September 24). "Take That Old Car Donation Off Taxes, But Don't Overdo, Says IRS." *Associated Press*.

Con artists have even developed scams that use fake charity names to sound legitimate.¹⁰ Programs are rife with fraud and abuse. California authorities recently convicted a Sacramento man for fraudulently accepting nearly \$1,000,000 in donated cars for The Foundation for Abused Children—a charity that does not exist. A year ago in Michigan, two unlicensed charities, the National Lung Foundation and the National Cancer Association, were ordered by the state attorney-general to stop accepting donated vehicles because they would only accept the gifts if people paid \$200 towing fees, whether or not the vehicle needed towing.¹¹

The majority of mainstream charities conduct legitimate car donation operations, with great benefit to the charities.¹² But state and federal oversight are practically nonexistent for car donation programs.¹³ Regulators freely acknowledge that they cannot keep track of all of the groups that are involved in car donation programs, much less know where all the money is going. In many states, such as California, virtually anyone can create a charity and offer tax breaks for vehicles without government scrutiny for 18 months and often longer. Even then, authorities rely on an honor system and rarely audit charities. The problems are further compounded by the practice of reselling unsafe donated vehicles without recourse to buyers, because charities are exempt from the regulations policing car dealers. The IRS says that the rampant fraud from some of these programs is potentially costing the US Treasury hundreds of millions of dollars per year. Yet the IRS does not flag donors for audit—even though the agency presumes donors routinely inflate the value of their donated vehicles.¹⁴

Recently, several states have started car donation programs, such as North Carolina's Wheels-To-Work, Tennessee's First Wheels, and New York's Earn-A-Car, as a way of improving mobility and self-sufficiency for people who are transitioning from welfare to work. In some instances, the state or county runs the car donation program. Often charities actually run the programs, but according to criteria set up by the government. These programs match cars that have been donated to charity, for an income tax write-off, to welfare recipients. The cars range from outright gifts to no- or low-interest loans for vehicle purchase. The conditions

¹⁰ Anderson, Curt. (1999, September 24). "Take That Old Car Donation Off Taxes, But Don't Overdo, says IRS." *Associated Press*.

¹¹ Anderson, Curt. (1999, September 24). "Take That Old Car Donation Off Taxes, But Don't Overdo, says IRS." *Associated Press*.

¹² Meyer, Josh. (1999, August 1). "Driving Through a Legal Loophole." *Los Angeles Times*.

¹³ Meyer, Josh. (1999, August 1). "Driving Through a Legal Loophole." *Los Angeles Times*.

¹⁴ Meyer, Josh. (1999, August 1). "Driving Through a Legal Loophole." *Los Angeles Times*.

that welfare recipients must meet to qualify for a donated vehicle and retain possession of it vary from program to program. Many states are still testing and refining their car programs. Results from programs in other states are only now beginning to be reported.¹⁵

The Basics of Car Donation Programs in Other States

- ❖ **Alabama:** In two pilot counties, low-interest loans and loan payments for clients are made to help clients purchase low-cost vehicles. After paying about \$100 per month for two years, the client gets the title to the vehicle.
- ❖ **Alaska:** The State got a donated garage, which the State is renovating so that cars already owned by TANF clients but in need of repairs can be made road-ready. The State uses TANF funds for transportation where no public transit is available. Mileage reimbursement is ten cents per mile, with a maximum of \$85 per month. The State also provides heated garages, mentor programs on vehicle repair, and courses on budgeting and identifying a good car.
- ❖ **Arizona:** Donations from individuals and corporations are made to one state contractor that has six sites throughout the State. Cars are leased on a six-month, \$20-per-month basis. Vouchers are given for car repairs. Cars are given to client after completing a 12-month lease. Insurance is the client's responsibility.
- ❖ **California:** (Ventura County) A nonprofit organization accepts donations from government and corporate fleets. Bank of America in Ventura County has agreed to donate cars to the County's WTW program to help recipients who want to work. Cars are donated to a nonprofit group and leased through a County credit union to TANF recipients over the long term to help reduce monthly payments, which range from \$77 to \$145. Lease proceeds accumulate in a special fund that can be used to buy more vehicles.
- ❖ **Colorado:** Each county has the right to decide on its program. Some counties use TANF funds for car insurance, car repairs, etc. Other counties also provide funds for participants to purchase vehicles.
- ❖ **Georgia:** The State uses oil surcharge money to fund the program. It requires clients to carry full insurance to receive a car, but many cannot afford it. The State would like the cost of insurance to be included in each participant's car payment, but it cannot find an insurance company with which to partner. Sometimes the cars are donated; at other times the State purchases them from a private owner through newspaper ads or from car dealers. The payments are \$100 per month. If clients get a job, or job offer, payments are reduced by 50 percent. The cost of repairs is added on for the life of the loan and is never more than \$35 per month.

¹⁵ The ATRI research on the best practices from other states (1999).

- ❖ **Illinois:** (DuPage County) In this affluent County, citizens often donate cars. The car is free to the recipient, who must be referred by a caseworker. There are 200 recipients on the waiting list. The cost of repairs is covered by a private foundation. Clients pay for the registration, title, insurance, and taxes. Other than the free car and the repairs, no help is provided with regard to transportation. Authorities say that cars have to be part of a comprehensive program; otherwise, clients sit there for two years, saying: “Well, I am waiting for my car.”
- ❖ **Kansas:** A community action agency operates a donated car program. The client selects the vehicle. The program staff determines whether a vehicle is a good value. No cars are donated. TANF funds are used to buy cars under a “special services” provision. The program is allowed to spend up to \$2,500 per client. Sometimes the agency pays the registration, title, and insurance with TANF special services monies. The amount was recently raised to \$5,000 per client. Now the client’s car can be just one element on a list of needed goods to enhance client employability.
- ❖ **Kentucky:** The Big Sandy Development District is working with the State as well as charities to secure auctioned or donated cars for job-ready recipients who can then pool with others in similar straits. There is an annual nonrecurring payment of \$300 that may be used for car repairs, licensure, or insurance.
- ❖ **Tennessee:** (Warren County) The program is funded by a grant from the Middle Tennessee Episcopal Church and donations from the Warren County Families First Council. The program pays the initial purchase cost of the vehicle (not to exceed \$2,500). The participant has no part in the selection of the vehicle. Those who qualify for the program are able to receive a no-interest loan to purchase dependable transportation. The participant repays the program for the vehicle in small monthly payments and must pay for liability insurance. The participant must have a valid Tennessee driver’s license, see a 30-minute video on car maintenance, and be responsible for routine maintenance to be done on the car every 5,000 miles. At completion of education/training and the start of full-time employment, the loan is reassessed to increase payment, reducing the time needed for payoff. The program manager monitors the use and condition of the vehicle and checks for excess mileage once a month. The car will be repossessed if terms are not met.¹⁶
- ❖ **Vermont:** The Vermont Department of Social Services (DSS) operates the program and accepts donated cars come from a variety of sources. Vocational rehabilitation clients donate the labor for repairs. Loans for the cars are made to clients. Local boards assess eligibility criteria and refer clients to a non-profit organization that makes the loans. Payment plans are flexible. About one-half of the applicants are turned down. Clients usually receive \$1,200 to \$1,500 to repay the loan to get the car and insurance. Cars are donated by private individuals through a program run by Lutheran Family Services of Burlington. The client buys the car for the cost of the repairs. The DSS has been able to supply 60 cars per month.

¹⁶ Administrators of the Tennessee car donation program have very generously given the ATRI its entire packet, including templates of all necessary cooperative agreements, forms, requisitions, applications, guidelines, fact sheets, and documents, as well as a program history. Available from the NMSHTD Library at 505.246.6406.

- ❖ **Virginia:** (Fairfax County) The County uses a non-profit agency that will help some recipients buy used cars. State money is used for the down payment, car inspections, and a car maintenance plan. Recipients cover the other car costs.

Comments on Car Programs

Is helping the poor obtain personal transportation through car donation or earn-a-car programs a legitimate way of helping people move from welfare to work in New Mexico? No one can say with certainty. Here are some of the public comments made about other states' car donation programs:

- ❖ “Ultimately, car programs will generate cynicism.”—California State Senator Patrick Johnston (D-Stockton). (Meyer, Josh. 1999, August 1. “Driving through a legal loophole.” *Los Angeles Times*).
- ❖ “Removing the barrier of transportation can dramatically improve a life. The coalition is happy to have found such an innovative way to make a difference.”—John Allcorn, chairman of a coalition, Work and Gain Economic Self-sufficiency (WAGES) that has contracted with Charity Cars Inc. of Orlando, Florida, to provide cars to people moving from welfare to work. (Davis, Amelia. 1999, January 4. “Car gives woman freedom to grow.” *St. Petersburg Times*).
- ❖ “For a lot of car programs, you don’t know how the money is being spent,”—Rick Frazier, a consultant with Charity Motors Inc., a non-profit car donation firm in Detroit. (Anderson, Curt. (1999, September 6). “IRS Warns of Giving Vehicles to Charity.” Associated Press).
- ❖ “Cars can be budget-busters, but without one you can’t get to work. It’s a vicious cycle.”—Nita Laskey, a counselor with a nonprofit credit counseling service which advises applicants for car loans in Fairfax, Virginia. (Reid, Alice 1999, February 2, “On the road from welfare to work.” *The Washington Post*).
- ❖ “We have no illusions about this being easy. We’re on the hook for the loans so there is some risk here. If this does work, it will probably be very gratifying for us”—Ron Cuff, board member of a non-profit agency, Many Mansions, in Thousand Oaks, California, which was founded to help provide affordable housing to low-income residents and which now also supplies cars to welfare recipients in Ventura County. (Johnson, Pamela J. 1999, January 30, “Schillo calls for transfer of car loan program,” *Los Angeles Times*).
- ❖ “Those who are transit-dependent are relatively less successful than those who have cars. Those with a car make about twice as much. From an employer’s point of view, having an employee who is dependable is worth something. If you are on public transit, you are less reliable.”—Paul Ong, UCLA professor and transportation specialist. (Reid, Alice. 1999, February 2. “On the road from welfare to work.” *The Washington Post*).

The Costs of Personal Car Ownership

Driving decisions are often made based on how much gas it will take to get to the destination. According to the national average of costs per mile, the personal cost of owning and operating an automobile is estimated to be ten times the cost of gasoline per mile when all the costs are considered. No matter how frequently or how many miles a car is driven, ownership costs such as taxes, registration, licensure, insurance, depreciation, finance charges, and any car payments are incurred. In addition, gasoline, oil, preventive maintenance and repair, and tire expenditure are all operating costs related to the number of miles driven.¹⁷

These expenses arise from operating any car, old or new. The cost of operating *and* owning a car is expensive when one begins to add up the individual costs. The following charts breakdown of the costs of owning and operating a 1999 Chevrolet Cavalier LS, 4-Cylinder, 4-Door Sedan, and show how expensive car ownership is.

<i>Operating Costs</i>	<i>Costs Per Mile</i>
Cost of Gas and Oil	4.8 Cents Per Mile
Cost of Maintenance	3.1 Cents Per Mile
Cost of Tires	1.3 Cents Per Mile
Total Operating Cost	9.2 Cents Per Mile

<i>Ownership Costs</i>	<i>Costs Per Year</i>
Comprehensive Insurance (\$250 deductible)	\$181
Collision Insurance (\$500 deductible)	\$347
Bodily Injury and Property Damage (\$100,000, \$300,000, \$50,000)	\$484
License, Registration, Taxes	\$175
Depreciation (Based on 15,000 annual miles)	\$2,871
Finance Charge (20% down, loan @ 9.0% over 4 years)	\$603
Cost Per Year	\$4661
Cost Per Day	\$ 12.77
Added Depreciation Cost (per 1,000 miles over 15,000 miles annually)	\$151.00

¹⁷ American Automobile Association (AAA). "Your Driving Costs: Figuring It Out." (1999).

Total Cost Per Mile

	10,000 total miles/year	15,000 total miles/year
Cost Per Mile X # Miles/Year	\$920 per year	\$1,380 per year
Cost/Day X 365 Days, (based on 4-year/60,000 mile retention cycle)	\$3,906 per year	\$4,661
Total Cost Per Year	\$4,826	\$6,041
Total Cost Per Mile	48.3 cents	40.3 cents

The average cost of driving a ten-year old car is about \$5,300 per year. The sum figures to be about 25 cents per mile if one drives 10,000 miles per year, about 45 cents per mile if one drives 5,000 miles per year, and 81 cents per mile if one drives 2,500 miles per year. The cost of owning a ten-year old car was not broken down into specific categories by AAA even though the cost of owning the new 1999 Chevrolet Cavalier sedan is shown in the preceding tables.¹⁸

Based on a salary of \$14,560 and a round-trip commute of 20 miles per day, a low-income commuter would pay 18 percent of his/her salary for commuting costs, assuming that the vehicle was insured. As fewer jobs become available closer to home, welfare recipients will have to travel farther to get to work, so they will incur greater costs. A commuter traveling 50 miles each way to a \$7-per-hour-job would pay an estimated 21 percent of his/her income just to travel to and from that job in an insured vehicle. Welfare recipients are not alone in needing transportation support services. In New Mexico 42 percent of jobs pay less than \$14,000 a year. Most former TANF recipients earn between \$5.50 and \$7 per hour, averaging between \$11,410 and \$14560 per year.¹⁹

Conclusion

No one really knows with certainty whether car donation or earn-a-car programs will reduce poverty in New Mexico, as advocates hope. Car programs could increase waste and dependency, as critics fear. We cannot assume that successful solutions from other states will necessarily work in our State or that an approach proven effective in a particular New Mexico

¹⁸American Automobile Association. "Your Driving Costs: Figuring It Out." (1999).

¹⁹ Working Hard, Earning Less, the Story of Job Growth in New Mexico, A publication of the National Priorities Project, in Collaboration with Jobs with Justice, April 1999.

County will necessarily work in every county. However, we do benefit from knowing what innovations have been tried and have proven successful elsewhere. Local successes in other states have come from adapting and refining pilot programs to suit the needs of each particular area. Unintended consequences may be reduced and programs fine-tuned by the use of pilot studies in New Mexico. Program criteria from the state could be designed for flexibility to empower decision makers on the local level to tailor the best fit for a given community or county.

The total mix of transportation options within a welfare-to-work transportation plan should not rely too heavily on one solution. An excessive use of car donation programs or of heavily subsidized public transit routes in low population density areas may be detrimental to effective long-term solutions.

Policymakers and planners should also be mindful that because transit is perceived as a social service for the disadvantaged, it is often stigmatized and tends to receive limited resources.²⁰ The result is low-quality service, coupled with little concern for user comfort or amenities. When public transit is stigmatizing instead of customer-centered and user-friendly, the issue becomes one of freedom and self-worth, rather than one of mobility. The ultimate goal of welfare reform is not just to find work for the poor and unskilled. The real mission is to strengthen and empower the disadvantaged so that they may taste the goodness of the fruits of their own labors. The most empowering gifts to give the disadvantaged are the ones that remind them of their own worth. While it is no crime to be poor, some TANF recipients have made awful life choices. The assistance offered to them should not deprive them of the opportunity to learn from their mistakes while supporting them in making more life-sustaining choices.

²⁰ "A Forum on the Future of Sprawl," (1996). *The Amicus Journal*. Fall.

EXAMPLES OF CAR DONATION PROGRAMS IN OTHER STATES
(compiled by ATR Institute, Fall 1999)

State/County Organization	Who is eligible	Contractual Rules	Source of Vehicles	Donations to:	Lien Held by:	Loan to Client	Insurance included	Legislation	Insights (pos. & neg.)
Arizona Wheels to Work (7/1/99)			Private citizens & business.	One state contractor with six sites throughout Arizona.		Cars are leased. Six-month lease, \$20/mo. Give car to client after completing 12 month lease.	No, it is client's responsibility.	Wheels to Work was appropriated in HB 2620, 2nd session, 1998.	1. community forums held -who resp. for what 2. all forms through Atty. Gen. 3. Legis. gave eligibility criteria
Alabama Tuscaloosa Wheels to Work Donna Johnson, 334-242-1713 (Based on Georgia's Wheels to Work)	TANF recipients whose major barrier to employment is transp. Candidates referred by local DHR and screened by interagency reps.	Proof every 3 months that car is being maintained Screening process includes: motor vehicle report check, 2 comprehensive interviews, training classes in budgeting & car maint.		Donated vehicles average 100,000 miles; when refurbished sell for approx. \$2500. Private donor gave \$20,000 as seed money to buy cars/repair	Community Service Programs of West Alabama	Participants purchase donated vehicles by making low monthly payments, about \$75/month.	Insurance is purchased through Community Service Programs of West Alabama for first year. After that, insurance is bought by client.	State law says can't purchase vehicles.	US Dept. of Agri.. Res. Conservation & Development Council wrote a proposal to us to do this.
Colorado Larimer County Job Service Lillys Price 970--223-2470	Person must have valid drivers license.		Public donates. They need more ideas to get more cars. Dealer donations didn't work out.		Project Self-Sufficiency. County never wants to own a car but gives \$.	No. County has contracts with several garages for repairs, emission checks, inspections.	County will provide first three months of insurance, temp tags and title (about \$8-9). In three months, client must secure permanent (\$30-40).		They frequently do car repairs between 500-700 dollars. Three classes of clients: Larimer Job Service, Self-Sufficiency Project and persons served by both orgzns. From Oct. '98 to June '99, 10 PSS got cars and 29 Larimer Job Service clients got cars.

State/County Organization	Who is eligible	Contractual Rules	Source of Vehicles	Donations to:	Lien Held by:	Loan to Client	Insurance included	Legislation	Insights (pos. & neg.)
Georgia Wheels to Work 8 counties Goal to get a Wheels to Work program in every county in GA.			Some cars donated; others bought from newspaper or used car dealer		Wheels to Work	\$100/mo If job offer or job, try to reduce payment by 50%. Add on repairs for life of loan, never more \$35 per month.	GA really wants ins. to be included in car payment. Can't seem to find ins. company to partner with.	Had to pass Board of Supervisors, County. of Ventura	Insist clients have full coverage and many can't afford it. AAA gave break on price for roadside emergency system. Wonder How long monies will last; comes from Georgia Enviro. Facility Auth. (oil lease tax money)
Birmingham, Alabama CARS Program Community Auto Resource for Self- Sufficiency Donna Johnson, 334-242-1713	Candidates eligible to receive vehicles are screened and referred by local county DHR, then assessed by CARS Selection Committee. Must be current TANF/JOBS program client; employed full- time min. of 30 days or part-time with other approved activity. There is a critical need for employment transp. that cannot be met through other means. MVD check with more than 4 points is disqualified	Person must maintain steady employment, have the vehicle regularly serviced, attend safety classes and use car only for work and family needs.	Corporate, civic and religious inst. and private citizens. Cars donated which are not suitable for use are auctioned; proceeds used to help fund the program. Also, if car has whole-sale value over \$2000, it's sold at auction to fund program.	Vehicles are donated to CARS	Traveler's Aid. Upon successful completion of the program, lien released to client.	24-month Lease to Own program. Cost is approx. \$109/mo. At end of 24 mos., option to buy car for \$1.	Participants pay the \$109 fee each month which covers maintenance, auto insurance and AAA membership and admin. costs (\$10).		Vehicles are donated to CARS which is a nonprofit program Of Traveler's Aid Society, United Way of Central Alabama & Central Alabama Task Force on Self- Sufficiency Participants are required to meet with Traveler's Aid representative to discuss maintenance issues, confirm employment status and ensure timely payments; meet with insurance rep. to go over ins. and meet with an attorney to go over all terms and obligations. Initial funding for first yr was \$35,000. then prog. self- sustaining. Goal=10 cars/yr

State/County Organization	Who is eligible	Contractual Rules	Source of Vehicles	Donations to:	Lien Held by:	Loan to Client	Insurance included	Legislation	Insights (pos. & neg.)
California/ Ventura County			Will form a non-profit or use already existing non-profit to acquire cars from gov. or corp. fleets as donations	a non-profit	Max loan 3,000. Incl. inspect., repairs, fees, tax, six months of ins. Ventura Cty. Credit Union is lender. Can be \$77-145/mo.	Yes.	Can be included in loan payment.		
Illinois, DuPage County			"folks" donate	Peoples Resource Center		No, car is free. Hopefully, trying to start non-profit garage for low/no cost car repairs.	Client pays reg., title, ins., taxes. No help at all but car is free.		Referral made by case manager. Client can't just call up. Repair money to fix up cars comes from private foundation grant. DuPage Cty. is affluent - can't see source of cars as "drying up." Biggest challenge: Who gets a car? 200 people on waiting list
Illinois, Dept. of Human Services Champagne County			We fund community groups who lease cars	Urban League of Champagne Cty. and Land of Lincoln Legal Partnership teamed up			"Fleet" insurance Looking for group/fleet insurance.		Also, give client basic training in car maintenance, budgeting/financing, best deal for the \$ - how to shop for car and negotiate bank loans. Idea is that client's lease now, own on their own later. Dept. Human Svs. issued RFP. Got little response. Two groups got \$. "HOW TO" Manual is in the works. "We manage the prog.; we don't do the program."

State/County Organization	Who is eligible	Contractual Rules	Source of Vehicles	Donations to:	Lien Held by:	Loan to Client	Insurance included	Legislation	Insights (pos. & neg.)
<p>Kansas Dept. of Social and Rehabilitation Services – Economic and Employment Support Commission</p> <p>Program name is CARS – Cash Assistance Replacement Source State Vehicle Project Connie Ulmer, 785-296-2465</p> <p>TANF appears to be TAF here.</p>	TAF clients. One vehicle per lifetime.	Special Services allowance is used to buy a vehicle when public transportation is not available and all other trans. options have been fully explored. Vehicle must have 3 rd party inspection.	Client selects a used state vehicle through the Department of Corrections State Surplus Property Division. Staff looks at price - is it reasonable? Price limit of \$2000 must include sales tax. Some cars come from State Surplus Property Division – then \$2000 limit can be exceeded.	No donated cars. TANF Funds are used for clients to buy cars under "special services".	Client selects and buys and owns vehicle. Title of car is in client's name or client and client's spouse's name. Value of car is not to exceed \$2000.		<p>Sometimes, the agency pays regis., tax, tags, title, insurance with special services TANF funds.</p> <p>Six months of insurance coverage must be in place at time of vehicle purchase.</p>	Special services max amount had been \$2500/client. Raised to \$5000 - many more clients now buying cars	With allowance for special services now at \$5000, car can be an item on a list of things clients needs to be employed. When allowance was \$2500, this wasn't possible.
<p>Tennessee, First Wheels Cannon County</p> <p>In Tennessee, temporary assistance for needy families is called "Families First"</p> <p>This is a 3-way collaboration between local Families First Council, Dept. of Human Services and the Hull-York Lakeland RC&D.</p> <p>First Wheels Program Mgr. 615-563-4051</p>	Families First participants in critical need of transportation to attend education and work. Clients referred by case mgrs. based on severity of transp. needs and initiative in Families First program. Committee attempts to select clients most determined to become self-sufficient.	Participant must have valid driver's license, be insurable; must pay at least \$100 of the premium for 6 months liability and uninsured motorist coverage. MVD check, paid by client. Regular maint. receipts must be shown. No one can drive car but client.	Cars donated by people, churches and civic organizations. Grant money (Middle Tennessee Diocese of the Episcopal Church) and cash donations purchase more cars for program. Corps. sell vehicles to the program at less than their value.	Cannon County Families First Council and Hull-York & Lakeland Resource Conservation & Development Council	RC&D Council until participant becomes sole owner when note securing vehicle is paid in full.	Clients sign contract agreeing to payback cost of vehicle at low monthly payment while in school and at higher payment when employed full-time. This also helps reduce time for pay off. No interest charged. No down payment. Program funds cover registration.	Participants must pay at least \$100 of the premium for 6 months liability and uninsured motorist coverage.		

State/County Organization	Who is eligible	Contractual Rules	Source of Vehicles	Donations to:	Lien Held by:	Loan to Client	Insurance included	Legislation	Insights (pos. & neg.)
Vermont, Dept. of Social Welfare			Variety of sources	Vocational Rehab clients donate repairs.		Yes; mostly around \$2,000 Also loans to go to school. 1/2 applications turned down.	Usually \$1,200-1,500 to get car & ins. Then, \$1,000 to \$3,000 more to repair the car.	None.	Partner with Org. willing to do loans and be more flexible w/WTW clients. Local boards do eligibility criteria and refer client to non-profit.
Vermont Good News Garage			Private individuals	Lutheran Family Services of Burlington - folks donate			No, sell car to client for repair cost.	None	Good News Garage is going national. Next will GNG will be in TX and Mass. Doing 60 cars a month.

Noteworthy:

- ILL says space to store cars is difficult to find. Also, car must be part of comprehensive package or client's just stop advancing and sort of sit there for two years thinking, "Well, I'm waiting for my car."
- GA is looking other funding sources. Now a semi-finalist for Ford Foundations Innovations in Government award.