

Cars for Jobs and Diplomas

The Ohio Department of Development's Office of Community Services and Finance Fund introduced the "Cars for Jobs and Diplomas" program in February, 2009. The program is an effort to provide affordable used car financing and consumer assistance to low-income participants across the state, giving them the opportunity to purchase a vehicle and retain employment and/or education.

"Inadequate transportation is a major obstacle to finding and keeping a good job," said Lieutenant Governor Lee Fisher. "We believe that the Cars for Jobs and Diplomas program will serve as a helping hand in giving Ohioans the opportunity to save for a car, access quality education, and travel to and from work."

The structure of the program operates on a matching rate of 2:1. So, for every dollar saved in the participant's qualified savings account, it will be matched with two dollars into a reserve account. Eligibility for this program is determined by the local case management agency. All participants in the program are actively trying to get ahead and move forward with their lives—by going to school, working or both.

Before individuals can be eligible for the program they are required to participate in a minimum of six hours in various educational classes, including the importance of car insurance, how to find the right car, and financial literacy.

Lorain County Community Action Agency (LCCAA) on the Right Track

The Cars for Jobs and Diplomas program is a valuable resource available to community action agencies, and it's important they stay engaged. LCCAA has put an infrastructure in place to handle the program and has been successful.

Diana Marrero-Pinto, Assistant Director, Housing & Community Development for LCCAA, formed partnerships with local banks, mechanic shops, insurance companies, and car dealers before marketing the program to her clients. She also leveraged Finance Fund's contribution with local banks who offered grants to help the clients pay for insurance and other related costs that the program doesn't cover.

The partnering companies offer free or discounted services and special perks to program participants. For example, mechanics offer free inspections and discounted services, and insurance companies provide \$100 gas cards for new clients signing up with their business. Local car dealerships were also contacted and educated on the program. All of the partnering organizations were more than willing to get involved, because they knew these cars were going to strong, motivated individuals.

The new infrastructure proved to be very successful and has helped the LCCAA take full advantage of the Cars for Jobs and Diplomas program. A single mother is now able to drive both



to school and to her part time job. A young man that lives in a different city than the school he attends now has more mobility. A single father of three, recently incarcerated, is back on track and attending Cleveland State. He is now able to drive to school to get his college degree.

Not only have the participants in the program received cars to help better their lives, but they have received valuable education and life lessons. They are more confident because of the knowledge they've gained during the process. They understand the importance of having insurance and the high costs that could result with no coverage. Credit clinics have helped them understand their credit to be better prepared when they are ready to upgrade or buy a new car on their own. They also know what to look for when buying a car, including predatory lending signs.

LCCAA, along with the Ohio Department of Development and Finance Fund, has high hopes for the duration of the program. They are optimistic that more individuals will have the opportunity to take advantage of the program benefits in order to move their lives forward.