

**Testimony of**  
**Elliot Matos of Newington, Connecticut**  
**In Opposition to**  
**HB 5310- AAC the Licensing of New and Used Car Dealers**  
**Transportation Public Hearing**  
**Legislative Office Building,**  
**Hartford, Connecticut**  
***Monday March 5, 2018***

Good Afternoon, Senator Leone, Senator Boucher, Representative Guerrera, Representative Carney, and members of the Transportation Committee. My name is Elliot Matos of Newington, Connecticut. I am the Service Manager for Hoffman Audi in East Hartford, Connecticut. I am here today to speak in opposition to HB 5310- An Act Concerning the Licensing of New and Used Car Dealers. The Hoffman family employs **600 people** in nine (9) dealerships in East Hartford, Simsbury and New London, Connecticut. The Hoffman stores and the other CARA new car dealerships in these towns pay \$1,613,000.00 dollars in property taxes because, unlike direct sell model stores Tesla is seeking in Raised Bill 5310, our stores are locally owned and based in the State of Connecticut.

I began my career some 20 years ago with the Hoffman Auto Group and since then I have worked with countless Connecticut residents, all providing for their families, via a tried a true franchise system. A system that supports partnerships with local businesses. A system that supports small business. A system that supports our consumers. Tesla does not offer Connecticut a chance to grow - nor does it support our economy. It is merely a way to plug into it and drain it. Taking our jobs along with our tax dollars elsewhere. Our industry is known for embracing new technology and is often in the forefront of it. This is not an issue of being afraid of change. It's much larger than that. It's about who can keep more of our citizens employed! Shouldn't Connecticut residents be allowed to benefit from the success of partnering with Tesla as they have with all other manufacturers? Their approach amounts to nothing more than greed.

I have committed time and energy to not only my career, but also to those around me. Our customers. Our own employees. Our community. We don't operate in a Silicon Valley bubble. Many jobs here in our state depend on the franchise model - over 14,000 of them. The direct sale model creates an unfair playing field.

As I stated, the Hoffman Auto Group alone employs close to 600 tax paying, locally residing employees. To see the difference this makes one only has to look at what has already happened to see where we are going. The facility Tesla now operates in Connecticut employs 8 people. If in turn our dealer group loses a mere 10% of our employees - that number would represent over 7X what they have added. By comparison, in this direct sell model (which in my opinion is

nothing more than a thinly veiled manner by which to give themselves an unfair business advantage) the consumer loses, Connecticut loses, and our families lose. They simply get LESS. Less service, less access, less choice. Our state officials have always been proud of a record of protecting our businesses and consumers. Here is another chance to do that very thing.

It is also important to note that with these jobs - comes revenue. \$237 million dollars. That is the amount of state and federal income taxes that were paid in 2016 by dealership employees. These jobs aren't just important for the people who have them - they are important for this state. They are important because we are at a crossroads when we cannot turn our backs on what is important and what works. Dealerships create jobs. Dealerships create revenue. Dealerships move our economy forward.

Under the direct sale model, Tesla will outsource jobs out of the state of Connecticut. In reality, they are outsourcing much more. They are outsourcing income taxes. They are outsourcing potential for property taxes. They are outsourcing another Elliot Matos.

My job counts. My job is important. Even more, my job counts for Connecticut.

Thank you for your time and consideration.