



MetroHartford Alliance Statement

**Connecticut General Assembly
Transportation Committee
March 3, 2017**

The MetroHartford Alliance serves as the region's economic development leader and the City of Hartford's Chamber of Commerce. Our investors include businesses of all sizes, health care providers, arts and higher education institutions as well as the municipalities of North Central Connecticut. Our mission is to ensure that the region competes aggressively and successfully for jobs, capital, and talent so that it thrives as one of the country's premier places for all people to live, play, work, start and grow a business, and raise a family.

The Alliance urges the members of the Planning and Development Committee to **oppose**:

H.B. 7097 - AN ACT CONCERNING THE LICENSING OF NEW AND USED CAR DEALERS.

Connecticut's motor vehicle franchise model promotes competition and safety, protects consumers, and ensures that automobile repairs are accessible at convenient locations throughout the state. Importantly, automotive retailers are significant employers, supporting tens of thousands of jobs in Connecticut. The Alliance counts a number of automotive retailers among its investors and we are not only proud of our relationship with these businesses, but also the many contributions they make to their communities. We support the current franchise laws and strongly oppose H.B. 7097 as its passage would seriously jeopardize the future of the franchise model and its attendant benefits.

Auto dealerships throughout the state employ over 14,000 people in well-paying jobs that often include benefits, job training, and career advancement. In addition to providing jobs to Connecticut residents, these dealerships pay significant property taxes, which is of great importance to local communities and the state.

The Alliance embraces innovation in both technology and transportation, and salutes the efforts of manufacturers, including Tesla, to bring new products to the marketplace. Now, more than ever, manufacturers are deploying cutting-edge automobiles that offer safety, performance and efficiency, and this kind of forward thinking benefits both the industry and consumers. It is important however that all market participants operate on the same level playing field, and in that regard, Tesla currently has the option to work within Connecticut's franchise system. By allowing Tesla to sell directly to consumers, H.B 7097 bypasses the franchise laws that all other auto dealerships must follow, a change that risks jobs and tax revenues.

The retail auto industry in the metro Hartford region delivers numerous economic benefits including jobs, substantial state and local tax revenues and community engagement. In contrast, California-based Tesla conducts sales online, outsources repair work and may only open a small display store. Their business plan - unlike Connecticut auto retailers - clearly offers minimal local economic commitment.

For all of these reasons, the MetroHartford Alliance respectfully urges you to oppose H.B 7097.

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