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Legislative Committee

February 22, 2017

Transportation Committee Legislative Office Building, Room 2300 Hartford, CT 06106

Members of the Transportation Committee:

The Middlesex County Chamber of Commerce is a dynamic business organization with over 2,125 members that employ over 50,000 people in and around our service area. Our chamber represents businesses from all industry sectors and of all sizes, from Fortune 500 companies to micro businesses.

The purpose of this letter today is to convey the chamber's opposition to H.B. 7097, An Act Concerning the Licensing of New and Used Car Dealers.

The proposed bill will allow Tesla to sell to consumers directly, therefore bypassing the franchise laws that all Connecticut car dealerships must follow.

Connecticut licensed new car dealers employ 14,000 people directly in our state and another estimated 14,000 people whose jobs are dependent and tied into these local dealers. They offer benefits, job training, and career advancement, while Tesla's business model involves online sales and outsourcing repair work. The retail auto industry in Connecticut, and in this region, provides many economic benefits in the form of jobs, tax revenue and community involvement. These local dealerships purchase hundreds of millions of dollars of products and services from vendor companies, many small businesses that are locally owned, and many are members of the Middlesex County Chamber of Commerce.

This change will risk jobs and property tax revenue in our chamber's area. Tesla could choose to work within the franchise system as it exists today, and be on a level playing field with the dealers in our state.

As a business organization that represents many different members, we respectfully urge rejection of HB 7097.

Thank you for the opportunity to weigh in on this important topic.