



GAE Committee Public Hearing Testimony - February 29, 2016

Opposition to SB 256, AA Establishing a Task Force to Study the Performance of certain Limited Department of Motor Vehicle Functions by Town Clerks.

Good evening, Chairman Walker, Chairman Bye and Members of the Appropriations Committee. My name is Gene Bove. I am speaking for the union local that represents rank and file department of Motor Vehicle employees and is part of Council 4 AFSCME, a union of 34,000 public and private employees.

Our union urges you to reject laying off DMV employees or privatizing out our work, as House Bill 5055 suggests. Our members recognize that these are challenging economic times. Yet, layoffs and privatization will make matters worse, rather than better.

Those of us who work in DMV are proud of the work we do and the public that we serve. We have had to do this under the most trying circumstances since the installation of a failed computerization system. The system was installed by privatized workers of the 3M Corporation out of Minnesota at a cost to state taxpayers of \$26 million. How we wish that we had kept the old system that worked far better and was maintained by actual state employee computer techs, who we could speak to and who the state had direct control over.

I listened to a legislator praise AAA for their speed in customer service as opposed to DMV. Of course, what was not said is that AAA operates under the old computer system instead of the new 3M disaster that state employees are working under. Also, AAA only does licensing. The biggest computer problem is with registration.

As we have seen time and again, privatization yields poor results. Outsourcing state employee work has yielded shoddy work, unbelievably long and tortuous waits for the public, the unfair fining of members of the driving public, towing of their cars and a stain on Connecticut state government. How sad to see that the remedy put forth now is to privatize even more and lay off state workers.

OPM Secretary Ben Barnes testified before you last week that a substantial part of Connecticut's revenue problem has been the loss of middle income jobs and the growth of low wage jobs. This has cut into state revenue because low wage workers pay little tax and are unable to stimulate the economy through normal spending. Secretary Barnes power point presentation showed this.

All privatization is, is an attempt to drive down costs by seeking an ever lower wage and benefits. This chokes the consumption based economy that drives economic health for small business, big business and government. Also, most privatizations actually wind up

costing more money than they are supposed to save. We will see this with the 3M – DMV fiasco. This is just more of what is putting Connecticut’s current and former middle class working families into an economic “death spiral.” Again, I urge you to reject layoffs and privatization of DMV workers and work. Thank you. I would be happy to answer any questions.