CHAIRPERSON: Representative Edwin Vargas

SENATORS: Duff, Looney, Fassano, Bergstein, Formica, Hartley, Moore, Kushner

REPRESENTATIVES: Davis, Phipps, Perillo, Godfrey, Verrengia, Yaccarino

REP. VARGAS (6TH): Good Morning everyone. I’m calling the Public Hearing of the Executive and Legislative Nominations Committee to order. And at this point I’ll ask our clerk to read the safety information.

CLERK: In the interest of safety I would ask you to note the location of and access to the exits in this hearing room. The two doors to which you entered are emergency exits and are marked with exit signs. In the event of an emergency, please walk quickly to the nearest exit. After exiting the room, go to your right and exit the building by the main entrance or follow the exit signs to one of the other exits. Please quickly exit the building and follow any instructions from the capitol police. Do not delay and do not return unless you are advised that it is safe to do so. In the event of a lockdown announcement please remain in the hearing room, stay away from the exit doors and seek concealment behind desks and chairs until an all clear announcement is heard.

REP. VARGAS (6TH): Thank you Madam Clerk. We have before us six nominees for commissionerships in the
state of Connecticut and three of them, the first three of them are House Resolutions, the second three are Senate Resolutions. For those not familiar with the procedures of the nominating committee, what we do is we hold a public hearing where all the commissioner designees have an opportunity to make an initial statement. Then we ask committee members to ask questions of the nominee and when all is said and done, when we finish with all six, we take a brief recess, then we convene for the action portion of our meeting which, which is where we take the official roll call votes. At the end of the public hearing, after all six nominees have been interviewed by the committee, we allow members of the public that would like to speak either in support or opposition to any nominee an opportunity to address this. There is a three-minute limit on those statements. We also accept written statements from the public which are entered into the record.

Today we do have a few people who have signed up but since this is the conclusion of the six nominees it might be quite a bit of time before we actually get to the public portion so if there’s other things you need to do, you’re probably pretty safe in going ahead and doing them and coming back a little later. I would say that these usually take about a half an hour on average so, there are six of them so you can figure it out from there. Now you’ll also notice that a lot of the committee members are coming in and out and that’s because the place is very busy and most of our legislators serve on more than one committee and they’re trying to spread themselves thin around the building. If they happen to be there in their office, they probably are watching on
closed circuit TV and they’ve pretty much received the resumes of all the nominees and so we also keep the votes open at least until 4PM so that individuals are in other meetings have an opportunity to vote on the nominees too. So, without any further ado, our first nominee for today is Commissioner Joseph Giulietti of Rocky Hill, Connecticut who has been appointed Commissioner of Transportation. Will you please rise and please come forward and before you take the seat, could you please raise your right hand? Do you swear to tell us the truth and nothing but the truth?

COMMISIONER GIULIETTI: I do.

REP. VARGAS (6TH): Please be seated and as is customary we will allow you an opportunity to give us your opening statement before you open it up for questions.

COMMISIONER GIULIETTI: Good afternoon to Chairman Vargas, Chairman Duff, Vice-chairman Looney and Phipps, ranking members Fasano and Perillo. I should say Good Morning. My apologies. And distinguished members of the Executive and Legislative Nominations Committee. I welcome the opportunity to appear before you today and I am grateful to Governor Lamont to put forth my name to serve as Commissioner. I have met with many of you and look forward to meeting with you and look forward to working with all of you. I’m in the fifth week with the agency and I found what former Commissioner Jim Redeker told me is very true. Every day 24 hours a day 7 days a week Connecticut motorists and commuters are served by a selfless team of professionals dedicated to keeping our highways, trains, and buses, and ferries safe and in
a state of good repair. I’d like to start by talking about my qualifications. I’ll be brief and hopefully our shared vision for the success of transportation in Connecticut. From 98 to 2014 I was in the South Florida Regional Transportation Authority. It began as Tri-Rail. We changed it into a regional authority and I helped to lead an initiative known as the double track corridor improvement program, the first design build with the Federal Transit Administration which resulted in major expansion of service and double-digit ridership increase. I won’t go through the rest of my bio, but I would point out while I began my career while still in college at Southern Connecticut State University in New Haven, working as a conductor, brakeman, locomotive engineer at Penn Central. Later worked on the successors of Penn Central, Conrail, Amtrack, Metro-North in various managerial positions. But it was in 2014 that I was called to come back to Metro-North from Florida to help return Metro-North to what I’ll call a culture of safety. That was after several tragic derailments and other serious mishaps. The agency was under five National Transportation Safety Board investigations which had never occurred before in history. It was under the first ever deep dive by the Federal Railroad Administration (FRA) and I honestly believe that my team and I succeeded in the effort to make it safe and retired in 2017 and then went to work as an independent industry consultant. Through all of this I have gained a reputation as a person who can respond, organize, and focus a team to go forward. I am well-known for consistently focusing on safety and working to ensure the safety of the public and the employees who respond to the public’s needs. My experiences have been both small
and large agencies with a need to develop funding strategies and I have been a recipient of the accommodations from the FRA and public support from the National Transportation Safety Board as well as receiving a national award for my work with the Conference of Minority Transportation officers known as COMTO. My history has put me into contract negotiations with multiple unions as well as meeting developers, towns, counties on development plans to leverage public investment with private entities. I have had numerous meetings with the Federal Appropriation staff as well as the Federal Rail Committees and have been called on to testify for the industry on a myriad of transportation issues. I say all of this not to boast but to establish some credibility and context for your consideration as to my qualifications to serve as Commissioner of the DOT. One of the questions I have repeatedly been asked is, Why did you accept the challenge? and I want to reiterate the answer I gave then which ironically is the answer I gave when going back to Metro-North. Now as then I knew the professionalism of the people who have devoted a career to public service. Having worked directly with the Connecticut Department of Transportation over many years, I know that this team has faced many challenges and never backed away from them. We are ready to accept and implement the charge of the Governor and this legislative body gives us going forward. We are focused on safety, communications, and customer service, internal and external transparency, efficiency, and innovation. We heard the Governor say he wants people online not inline and we will focus on that charge. Our department will consistently work to ensure that we are providing the Governor and all of you the
information you need to set the course for this state. And I can say that I am excited about this challenge and we as a team are poised to meet it. Thank you and I will take any questions.

REP VARGAS (6TH): Well, thank you for your introductory statement. I want to, on behalf of the committee to congratulate you on your appointment as Commissioner of Department of Transportation and you know your resume speaks for itself. Your past experience, your educational background all have prepared you for this job. You know I just have a couple of general questions. In terms of our transportation infrastructure I know that our highway trust fund, the federal highway trust fund is less than stable. I know that we are dealing with issues like tolls and others. Do you have any thoughts on any of those issues?

COMMISSIONER GIULIETTI: First off, I would say to you that I have read all the reports on the status of the bridges and the infrastructure here in this state. I am more than acutely aware of the same issues that are going on with the rail systems that are going through and I have enjoyed an opportunity to serve on the Transportation Transition Committee where a lot of these issues were discussed and they were discussed with our fellow, my fellow partners in this state in terms of looking at not only what’s going on with our highways but what’s also happening with our ports, our seaports, our airports and looking at what are some of the possible solutions going forward that we can look in terms of integrating the entire state into a transportation network so that we’re looking at how we best poise our airports, our seaports, our rail systems, the freight rail and whether or not the freight rail can
have better connections going through as well. I’ve also enjoyed many discussions as I have met with almost everybody on your committee to go over what they felt were the compelling issues and where I had knowledge and background on it. So, I will turn and say to you that particularly you brought up tolls. It’s one that I just want to say from the standpoint you seen the reports that were prepared even before I came in here, I stand with the department that it’s our job to bring all that information to this committee and to the Governor so that the best decisions going forth can be made. So, my position is that we have needs, we know those needs, we know some of the limitations of both the federal and, and some of the limitations here at the state end and we’re looking to try and provide as many options for solutions as possible.

REP. VARGAS (6TH): Well, we’ve had the opportunity to talk and I’m impressed with your vision. Seems like you’ve hit the ground running and are well aware of what the challenges are. At this point I open up the committee for questions. Yes sir, Representative Davis.

REP. DAVIS (57TH): Thank you, thank you Mr. Chairman and thank you Commissioner for being here today. We did have the opportunity to meet and I appreciate the outreach on that and discussed many of the issues you’ve already brought up here today. One thing that I think a lot of people, when they’re looking at your resume, they see that you spend a lot of time in the railroad sector of transportation and just wondering what your thoughts or visions are for the critical infrastructure needs for the highway systems and the car based systems.
COMMISIONER GIULETTI: I’m going to say about half the offices that I went into made that same statement that I’m the rail guy and that’s been one of my biggest challenges is that I’ve gone to explain that when you start out you are indicative of the crafts that you’ve chosen and I’ve come right up through the entire rail industry but when you’re gone through running systems like the south Florida systems and then coming back to run the Metro-North system which is the second largest system in the nation and the New Haven line which is the densest corridor you can’t focus on just the rail end of it. You have to be focused on, I had buses, I had ferry services. You have to be integrated with the highway systems because in the end it is the integration of those systems that has to work. It’s not just the rail that works, it’s not just the buses that work. It has to be an integrated system that feeds off of each other so you become very close to the DOTs, the DOT’s in Florida, the DOT’s in New York, the DOT’s here in Connecticut so even when working as the President of Metro-North Chairman, I had to work an awful lot because I had to understand his problems and his needs as well as understanding the needs of the railroad so my answer back is that the first thing that I delved into was again looking at the report on our infrastructure, how that infrastructure laid out. I happen to have been the superintendent on the New Haven line when the Mianis River bridge failed. I know the impacts of that and how it impacted the railroad and how it impacted the highway system. I ‘ve been a resident of you know Connecticut most of my adult life and definitely all of my childhood so I would say to you that I have spent the last, I use the expression feeding at a firehose okay, in terms of I have a tremendous team.
that has a fantastic knowledge base and we’ve been going over all the issue okay, I would say that in some ways Connecticut though, not great, in terms of infrastructure they are ahead of a lot of other states in terms of how they’ve addressed it, but I would also say to you that I look forward to being able to come back to you to express the needs that are there and some of the solutions we are looking at because there’s a lot of work ahead of us in this state.

REP. DAVIS (57TH): Thank you, and one thing that, when we met earlier that I failed to ask you about and get your opinion on is public-private partnerships from some of the potentially rail stations or even bus stations and the transit oriented development and the integral role that the DOT commissioner and the department plays in those kinds of plans and wondering what your thoughts are on improving or expanding that because I think everybody would like to see that done.

COMMISSIONER GIULIETTI: You know we’ve, as an industry, both on the highway side and on the rail side we’ve been faced with, and the fact that it used to be quite, I won’t say easy, but it was much easier to go and get federal money for projects and over time that became harder and harder and we had to look for alternatives and it was at least two administrations before, if not three administrations before where we were challenged into looking into public and private partnerships. When you’re delving into it for the first time in the beginning it’s a little bit difficult because the industry known a lot more about it than the agencies do so you have to learn and that’s where you also have to bring in your, the experts that are in the industry
that you can utilize to help make those decisions. Having said that, yes, I am well aware of the need of public private partnerships. One of the challenges of several of your associates have made is what do you do, okay, and how do you turn around and you go after federal money, you go after state money and you make a capital procurement but how do we sustain that for 20 years, 30 years, 40 years and that’s exactly where these type of partnerships come in because what we have to be looking at because what are the developmental opportunities as we’re making investments, some investments that won’t be there but others there are and there’s an opportunity to sit down with the cities, with the – you know with the developers that are there and look at, how do we then make an investment that we can also have a return on that investment and then again not from the standpoint of taking it away from anybody but to turn around and jointly find funding resources that can sustain the maintenance that needs to be done to these systems going forward so that we’re not just coming up with the capital solutions for taking care of a problem now but looking for sustainable solutions going forward so I’m looking forward to working on the public private partnerships. I’ve also heard, you know, the P3’s as well and my request coming back to you will be, when the time is right, we need to talk about how do we staff up towards P3’s and being able to work with them going forward.

REP. DAVIS (57TH): Thank you, and I know one of the things that the DOT in just, I think in the past year or two have started to do with those rapid bridge replacements where you have prefabricated bridges, you’re able to bring them in. I know we’re
facing the need not only on the highway system but also on the rail system which I’m sure you’re acutely aware of from your time at Metro-North. Is that something we’re going to be able to do a lot more of or are we kind of only able to do that in a few instances across the state?

COMMISSIONER GIULIETTI: I won’t say to you that I have all the information on that, but I have been involved in both the rail side and on the highway side. I have seen the recent deployment of some of those. First off, let me tell I find it fascinating, okay, you set it all up, you’re able to pick, you’re able to drop in and the best part about it is you’ve minimized the impact on the public, all right, so I would call it good public policy, may cost a little bit more but that’s what you’re balancing out is good public policy to keeping those roads open and responding to the needs that are out there. So the answer is, I’m not alerted enough at this point to be able to discuss the actual cost variances, but I will say to you that I would look to come back to is the, what has been done in the past is looking at, what’s the minimum destruction that could be done and what’s the tradeoff towards these different construction methods that are out there that can handle these in a much quicker way.

REP. DAVIS (57TH): And I would say also not just for the highways and rail lines but even for the local, they’re state roads, but within communities where you have the small bridges that, you know, can disrupt a person’s daily travel for extended periods of time if the bridge takes months, weeks to complete when perhaps when we could perform it at maybe an additional cost but a much lower hit to the community so I look forward to those ongoing
discussions as well. I know you had mentioned that you’re looking at all of the different options of tolls and other ways to pay for transportation. Have you had the opportunity to take a look at what has been proposed in the past and what was just re-released with a new version of it at the prioritized progress at the Senate Republicans released a new version of it yesterday? Have you had the opportunity to take a look at that and a possible alternative method of financing projects going forth?

COMMISSIONER GIULIETTI: No, I have not seen that, but I can tell you that I’ve looked at everything that we’ve produced in the department, okay, I’m familiar with that but I’m not aware of what you’re talking about right now, so I would have to get some more information on that.

REP. DAVIS (57TH): I would highly encourage you to take a look at it, in a nutshell essentially rather than looking for new revenue streams to pay for these projects we take existing bonding capacity if you will and use that on the GO side as well as on the special tax obligation bond side to meet those obligations. Of course, it comes with the offset of reducing general obligation bonds, but I think we can all agree the real critical issues for the state seems to be the transportation side of things. With bonding as well, and this will be my last question Mr. Chairman, one thing that we didn’t get to discuss when we met is a few months ago as I’m sure you are aware that the state bond commission approved a new toll study for, I think it was $10,000,000 million dollars this time around. It would have had to go up to our fee. The new commissioner was going to have to presumably be the
one to take this up along with the new governor. Where do we stand on that? Is that something we’re still going to go forward with and what’s the timeline on it if we are?

COMMISSIONER GIULIETTI: So, you asked from several different venues on this in term of the fact that there -- that 10 Million is for more than just doing a study on it. It’s actually for doing the environmental work and everything else that would be associated going forward and in terms of, you know breaching out on the bonding again working with the governors office and this legislature, I think a lot of the answers to that are going to come out when we start looking at the budget and the various ways of going and dealing with that budget. You know, I would say that from the standpoint that when we did the preparation work for going for that 10 Million and again this began before me but I understand it and I understand the need for it and I understand the need for getting the processes going, but I’m also going to turn around and say that we’re right at that critical point where the legislature and the governor comes together. This is a new process for me. As we’re going through it, I will be happy to go and respond as we decide which is the streamline or the avenue that we’re going down and how we are going to accomplish that.

REP. DAVIS (57TH): So as of right now those requests for proposal and other related things for the study and for the environmental studies that has not started, that process has now begun?

COMMISSIONER GIULIETTI: I won’t say that it hasn’t started. I would have to turn around and come back to you on that. I know what we were looking to go
and do with it and I’m not quite sure it is in that process right now. I just know why we are doing and what was involved in those studies that we are looking to have happen.

REP. DAVIS (57TH): I appreciate that answer and thank you Mr. Chairman.

REP. VARGAS (6TH): Thank you, Representative. The Chair recognizes Senator Kushner.

SENATOR KUSHNER: Thank you, Mr. Chairman, and good to you again Mr. Giulietti -- Giulietti.

COMMISSIONER GIULIETTI: Giulietti is fine. JULietti would be the most Italian way of saying it.

SENATOR KUSHNER (24TH): Okay I will try and remember that. But I do want to say that I was impressed with our conversation and your knowledge for our part of the state. You know I mentioned I live in Danberry and represent the 24th Senate district and we have had tremendous challenges with transportation in our part of the state. We don’t have any rail that connects us to east to west or west to east. We do have the rail line that goes to the coastline for us which is critically important to folks getting to work and to and from work and I would argue that it is something that we need to improve and make sure we keep strong for our community being vital. I’m a little bit amazed that you’re interested in taking over transportation for the state of Connecticut because it’s probably one of the most complicated, difficult issues that we all face, and we all agree on that. That’s something that the whole legislature agrees on. But it’s also reassuring to me that you’re someone who absolutely knows Connecticut and knows, seems to me,
knows all the angles of both rail transit and also highways and how we improve our ability to get around the state and its deep connection to economic development, so I know you shared some of your views. I raised with you some of the concerns that I have about being able to get from Danberry to Hartford and from Danberry to Boston which is extremely difficult especially in any hours in rush hour and you should tell me your views on that, I wondered if you could share them with the committee.

COMMISSIONER GIULIETTI: Again I, from my standpoint, I did have a conversation with the Senator. We were talking about the fact that we have to looking at system’s approach and integration on those approaches. I also had a conversation on the fact that the Danberry line was uniquely imposed because even when I came back as the president of Metro-North I got called in, in front of transportation over a number of issues. One of them was why aren’t we electrifying the Danberry line. And as I discussed with you as well, there’s also discussions about whether or not the Danberry line should be connected further to the west to go and connect into Brewster and meet Harlem line since a lot of our commuters are going that way as it was. I also discussed the fact that we have now found other areas that they’ve taken the highway right of ways and they’ve used those right of ways to provide for alternate transit methods. Okay, sometimes it’s rapid transit bus, other times it will also provide a way to put in a commuter rail line and each of them has an associated expense that goes along with it and what I said is that I’m looking forward to be able to sit down and rationalize approaches because in some cases it may be that it’s best to start with
the bus line and a rapid transit bus line that can later integrate into being either commuter rail line or a light rail line going across, but the most important part is looking at where are people now where are they looking to go to and what is the volume that’s going to be part of that as we go forward and then coming up with reasonable solutions that we can afford, that we can sustain and that we can build towards the future on. I particularly found it enjoyable only because we also had the conversation that I used to operate trains out of Danberry going into New York so I’m very, very familiar with it and on top of being the president I was also both a conductor and a locomotive engineer on that line so I hope that covers enough of the conversation to reinforce that we did have quite a dialog.

SENATOR KUSHNER (24TH): Yeah, I thought it was very, that’s very helpful for people to hear. I also, I’m glad you mentioned the fact that you mentioned you worked on the railroad line because I think, we, I know I appreciate when people have worked their way up from, in a system because you know what the work is as well as seeing the big picture of transportation issues. I think that one of the things that is super important to us in the Danberry area is our highway is kind of a mess and you also had some experience with that having to have been through Danberry on, during rush hour is torture and unfortunately when they built the highway they built it in a way that it cuts right through the middle of town so if you want to go from one side of town to the other it’s virtually impossible during rush hour. And then streets, the local streets don’t have capacity to carry all the
traffic and if there’s an accident which I understand there’s an average, there was an average last year of one accident per day in that area in the Danberry intersections and that just makes everything horrific. So I think that you know, looking at the big picture of how do we connect Danberry to Hartford to Boston to New Haven, you know in a more affective and efficient way we also have the problem of how do we solve congestion in, you know in our urban areas and so I would like to hear your thoughts on that as well.

COMMISSIONER GIULIETTI: Again, from the standpoint that what I was trying to emphasize before, we now have the technology out there that tells us patterns and how people are transitioning and moving. We definitely need a focus on our core city areas, okay, because the next generation that’s coming up is truly focused on livable communities, but that livable communities in a state like Connecticut extends to the entire state so my answer again is, yes, I am intimately aware of the Danbury problem because I used to, on a weekly basis travel through on 84 okay, and I know what it’s like to get caught in that traffic jam between 3 and 7 on 84. I also know the city center as well from dealing not only with the college, there’s a rail museum there and there’s on top of that I’ve had to go there for numerous events, so I do know your city. I know some of the problems that are there. I don’t have an answer for all the problems but it’s the same issue that we have throughout this state that we have to be looking at where are we going to make the best investments to deal with these and what are some of the solutions we can come up with? And that’s why I said it’s a combination of highway.
It’s a combination of busing. It’s a combination of rail. That’s the type of answers that we have to come forward with and that’s what I will coming back to this legislature with is what are some of the options that are in front of us that we’re looking to work on and I’ll look for that support then.

SENATOR KUSHNER (24TH): Thank you, thank you Mr. Chairman.

REP. VARGAS (6TH): Thank you, Senator. We’ve been joined by our Senate Co-chair, Senator Duff and by my House Vice-chair Representative Phipps. Anything you’d like to --

REP. PHIPPS (100TH): Good morning Commissioner, how are you? Good to see you and we have, I know a number of different qualified folks today who we’re going to be speaking to. I just want to, we’ve had some conversations in the past and I wanted to thank you for your candor on a number of things that this is, as Senator Kushner said, this is not an easy job for sure running a transportation department on a number of different fields and I apologize if you’ve answered this already because I came in late but, are you, is kind of the focus with what you’re trying to do and with the governor trying to do is integrate a transportation network where the highways and the buses and the trains and everything kind of connect, and is there really a path to do that, is that part of the 30-30-30 plan. Is there, you know what’s, how do we do that in the 21st century because when we think about how we can expand our tax space and bring businesses to the state that always is the one thing that is such a difficult thing to do because it takes a lot of
money but is that something that’s in your vision for the department?

COMMISSIONER GIULIETTI: From the standpoint that 30-30-30 is just one factor of what has to be looked at going forward. The governor has given us that as a charge going forward. I understand that I was approached on it even when I was president of Metro-North in years past and I would say the best part about it is again looking at what has to go into the investment in not only in the Hartford corridor but the New Haven to Stanford and the Stanford to New York corridors. In order to make those systems more efficient than they’re operating today. And I would say that it’s one facet of again having had the experience of sitting down with the transition teams and hearing that we have to look at our airports, our seaports, where are we connected, does it make sense to make mass transit connections into those airports and seaports and can we do it also will provide a revenue stream investment to set us for operation beyond the capital investment so I would say to you, though I’ve heard a number of times here a big challenge, okay. It’s also a great department. I started off by talking about I have a tremendous backing of people that have been experts for 20 and 30 years. I’ve built the highway side, the rail side, okay, the bus side, and we’re also a state that I’ve used the expression you can get your arms around it. All right. It’s different in a number of ways than, than New York and Florida, but it’s very similar in the fact that the challenges are the same. We’re looking at the best way to expend money that is logical and also that takes in the needs of a balance around the state because the other end of it becomes the same argument you’ll
hear, is everybody focused just on getting into New York, okay you know, when I started as a superintendent where every train went into New York and dead ended back.

Now, Connecticut has grown. There’s a tremendous amount of people that want to come into Connecticut for employment, for coming into the opportunities that are here in Connecticut, and that’s what we have to be looking at and balancing as we go forward. I happen to know that a lot of the work that’s going on even on the western end is to look at not only how to get into New York, but how do we draw the populations that are there into our employment centers and our work centers. So I would say to you that we’re poised to meet the challenge. It is a big challenge, but not a challenge that this department can’t take on. Thank you.

SENATOR DUFF (25TH): Yeah I appreciate that. Thank you. We have a number of challenges as we discussed them in trying to get the trains to run faster and more often and not have the delays that they have had in any infrastructure that we know is, needed to continue to be fixed like the Lock Bridge and others. So I appreciate that. I also just want to mention to you because you had keyed it up well when you talked about the department in general. There are a lot of hard working folks in that agency who, whether they’re in the office there on the Berlin Turnpike or in the district offices, you know, and, and work really hard for us day in and day out and with a number of infrastructure projects that are happening right now. So I just wanted to take this moment to thank them as well, because it is a bid department with a lot of work. We get frustrated at times because we get caught up in the traffic and
the delays, but they, for a lot of us, they are very responsive and they try to help the best that they can with some of the issues that we have throughout the state. So just wanted to mention that to them and thank you for, for serving and congratulations on your nomination, sir.

COMMISSIONER GIULIETTI: Senator, I can’t thank you enough for recognizing the department, okay. It means an awful lot, you know, even through the snow storms and everything else, between the legislature and governor recognizing that we’ve got a lot of hardworking people. It means a lot to the people. I reiterate this when I get to go out there and talk to them and we usually send comments like this around so that they know that the work is appreciated, but, thank you.

REP. VARGAS (6TH): Representative Yaccarino, you’ve got the floor, sir.

REP. YACCARINO (87TH): Thank you, Mr. Chairman. Thank you, Commissioner for being here. Mr. Giulietti, we had a nice meeting last week. I was very impressed with your overview of what we should do and could do as a state. We did speak about rail and a dedicated rail to Bradley. I believe we should, for me, we should do this. I don’t know if you want to elaborate on that or, the importance of it.

COMMISSIONER GIULIETTI: The discussion that we had, and it stemmed out of the meeting and the transition committee as well, you know, the airport director, Kevin and I had the opportunity to talk about the fact that there needs to be a rationalization of the airports. What is Bradley going to become? What is New Haven going to become? What is Secoursey going
to become? Right? What are the opportunities that are sitting there and as we sat there and talked, what I also expressed was that, watching what happened in Florida when they took the highway and dedicated a portion of that highway to provide for high speed rail connection to go from the east side of the state to the west side of the state. It means that today you can do what was only thought about in years past in terms of the ability to go and layer those new systems in to make it work. Bradley is unique in the fact that there’s already a rail connection that goes into Bradley. There is also an opportunity to along route 20 into Bradley. There’s a lot of things that we can do, but it has to be done in the right way. As I said before we have to decide, I’ve heard some discussion that, you know, people like having a small easy-to-use airport and I’ve also had discussions where there’s, there’s talk about this is an economic generator and this is a way that we can grow and we attract more people, not only within our state, but within other states to come and use our airports going forward because they may be that much more friendlier, and especially if we can put mass transit connectors right in. So it’s part of what I look forward to talking about because again there are decisions that we have to lay out, what are the costs, what are the benefits and is this the way that we want to go and that’s a decision for the legislature and the Governor that will be happy to take on that work as we look forward.

REP. YACARINO (87TH): Thank you for that answer. I think it’s a healthy discussion because it’s an economic driver that takes traffic off the highways. We have only so much we can do with our
highways. It really is honestly, and it takes people off the road. When I hear, I was rank in commerce for years, so the the biggest complaint from folks in New York that want to come to Connecticut or Massachusetts, is a dedicated line. I know we have Amtrak, but dedicated Metro-North line that goes right to New Haven from New York City, or to Boston. I know that’s a large undertaking, but I think you have to have vision. The short time we met, I can see that in you and I don’t know how you feel about that.

COMMISSIONER GIULIETTI: [laughter]If you catch it, he’s smiling. This is such a, such a what I’ll call a potential, you know, angst for a number of reasons. When you talk about a dedicated, line and we’ll have this same discussion on highways. When you turn around and you talk about whether or not you can tunnel through an area. All right, it’s how do you do that and also provide for the local access well. One of the big issues that I always had on the New Haven line was that every city would like to have a train initiate from its city so they’re not waiting to be the second or third pickup along the way. Now when you put a dedicated line in from New York to New Haven, okay, I won’t have to tell you, you’ll have many representatives who will say wait a minute, that really needs to stop at my city, it really needs to stop. So that one requires a lot more finesse as we talk about, you know that part of it.

What I think you’re also getting at is that is there an opportunity, and there’s been a lot of studies on that, for putting in an additional line going down. Not on the existing lines, okay. Is there enough right of way to go and do it and again that’s going
to require a lot more conversation as we talk about what are some of the costs to go and do that and what is the overall goal. Because if we can basically increase all the speeds now with some investment, and get it to better speeds now, all right, maybe that’s the first term solution to it while we’re looking at what I’ll call the long-range vision of how do we make those high speed connections that go along and can provide much quicker service from one area to another.

REP. YACCARINO (87TH): My apologies. I actually meant a new line, not the existing lines because I know there would be problems with towns and cities, so a new line. I think it’s, from my view, you’re the expert, but it would be much less costly than trying to widen the road and have eminent domain for billions and billions and billions, if not trillions of dollars. That’s all. Thank you. So Massachusetts has solar panels for when the state has the right of way. I don’t know how you feel about us utilizing something of that nature.

COMMISSIONER GIULIETTI: From the standpoint of, you know, good public stewardship, okay, obviously I’ve actually on a personal level, I’ve looked into putting them on my house, but they’re just a little more expensive than I can bear at this time but, there’s been tremendous success, not only in Massachusetts but you should know that even in New York when I was the President there, we put in solar powered switches for doing the operations in the yard. So, yes, there’s a lot more, the technology is changing so rapidly and getting much more efficient, it’s something that I am not prepared to talk about right now. I haven’t sat down, we’re still within, I’m starting week five right now, but
it’s something I definitely am interested in and would love to get back to you on.

REP. YACCARINO (87TH): I appreciate it and like I said, it’s a pleasure getting to meet you last week and I’m looking forward to working with you and I think you’ll do a wonderful job, a great job for our state. Thank you, Mr. Chair. And along with all the workers, they really do a wonderful job. So, thank you.

REP. VARGAS (6TH): Thank you, Representative. Now, the floor goes to our House Vice-Chair Representative Phipps.

REP. PHIPPS (100TH): Good Morning, Commissioner.

COMMISSIONER GIULIETTI: Hello.

REP. PHIPPS (100TH): First off I want to say I appreciate us getting the opportunity to meet a little earlier and look forward to working more closely with one another. So, just a few questions that we had talked about before. I think part of the biggest obstacle, the one biggest obstacle that state government has is communication and how do we get information both in and out. So if you could first speak to how will your commission share about projects in the works that you’re doing.

COMMISSIONER GIULIETTI: I’m going to ask you, can you repeat the question again? There’s a little bit of background.

REP. PHIPPS (100TH): How will your commission share information. How will folks know what’s going on and what you’re doing?

COMMISSIONER GIULIETTI: You know I’ll start by saying, Representative, that the same way that the
first thing that the staff here wanted me to do before there was even a discussion on it, was to make sure I got out there to meet with all the members of this committee and as many of the Representatives and Senators as I could. You’ve heard already that several of the members of this committee are talking about the great relationship they’ve had with the staff that is here at the DOT. It has always been the focus of this DOT to be responsive to both the legislature and the governor and provide the best information and dedication to ensuring that we’re doing everything we can for the public and meeting the needs of this legislature and the governor. So what you’ve seen far, that’s me. Okay, at the end of the day what I’m known for is being open, being candid, and being responsive and you’ve also heard that we have a department that has done that, so you can rest assured that I will be continuing in that vein that our department is responsive to our legislature and we look forward to working with you because it’s, as I said, the governor opened it up by turning around and saying that he saw a transportation as one of the major investments that has to be made as we look into the infrastructure and look at how to make Connecticut more appealing and more responsive to the needs of the public. And I’m glad that that was said because it gives us a charge going forward and, again, I’ll say to you the same way that I truly enjoyed our conversation the other day and talking about the issues in Middletown, that’s what I’ve enjoyed as I’ve gone around to every one of the offices and will look to continue that in that vein going forward.
REP. PHIPPS (100TH): And how will your commission receive additional information from the community?

COMMISSIONER GIULIETTI: You know, if I have one more person tell me how great Pam is in coming to their office, okay, now I’ve got Alicia as well, okay. We are in your offices. We’re being responsive. I’d venture to say and I’m also at risk in saying this, but I don’t think there’s any member in the legislature that doesn’t know how to get a hold of our department and that would turn around and say that we haven’t been responsive. And, in fact, Senator Duff did a tremendous job for me in recognizing how responsive the department is, so I would say to you, we’ll continue right in the same vein. Do you know the people to get a hold of? I know that, you know, we’ve just started, but you’ll, you’ll find that the same way it’s started is the way it’s going to continue.

REP. PHIPPS (100TH): The question wasn’t actually around for us. I think it’s a little easier on, on this side, but I think it’s more for the general public, right. So, how does the regular Joe that is commuting from Middletown to Hartford, Middletown to New Haven regularly. How do they get their information shared with you in your office.

COMMISSIONER GIULIETTI: Well, first off, you know we have a website that is constantly communicating. Matter of fact, all the way through the storms and everything else, not only could the public access what the latest updates were, they actually had access to cameras as well as the TV stations did too. So we, I’m going to tell you that I don’t know all the methods that we’re putting it out there right now, I just happen to know what I’ve
experienced during the last five weeks, which has included two snow storms and a myriad of information that we’ve provided out to the public to make sure that they were aware of everything that was going on and we giving out as much information as we could to keep them updated. And as well to be able to go and look at the roads and, I’ll tell you, I found it fascinating to turn on the TV and see that they’re using the DOT cameras to go and show what’s going on on the highways. So I will say to you that, though I can’t tell you every method of communication, I know that we do a lot of public outreach as I am more familiar with all the, you know, right now I’m getting drawn into a number of meetings. Okay, I’ve been going out as often as possible with public outreach meetings. I’ll be looking forward to going and doing that, but as I get more information on how that’s been developed, I’ll happy to come back and tell you what are the other means we use.

REP. PHIPPS (100TH): Thank you. I think your work is by nature challenging and sometimes what’s best for one particular community or individual may be directly detrimental to others. So how will you take community feedback specifically when it’s negative with no specific mentions of the Route 9 project, which is my own home community, right, where there was a room full of in the auditorium at Middletown High that was -- had a number of concerns and questions. How will your commission work when there’s negative feedback from the community.

COMMISSIONER GIULIETTI: You know, I think I’ve mentioned that I’ve, been involved in the, in the public sector for about 30 of the 40 years or 40+ years that I’ve been here. I’ve taken on those meetings, even as president of Metro-North it was
well established. I would go out there I’d meet, and of course most of the people that are going to show up are people that are coming, not to go on and praise the work that’s been done but to find fault with something that has been done. And I think the honest answer is, you have to listen. You have to turn around and decide which are the real issues and then ultimately, even when it comes down to town to town, that’s something that you come back in here and you sit down with the legislative body to turn around and say, all right here’s where we’re at, here are some of the issues, which of these issues do you feel are the most real, which ones can we resolve and do it in a way that doesn’t cause that, which you’ll call the confrontation that doesn’t better one area by taking away from another because that doesn’t help the situation.

You have to look at a way that it’s going to be a balance approach going forward so I would say the same thing that when we’re talking about what makes sense on Route 9 and what makes sense with the traffic lights that are there and what makes sense, and what does it do to the businesses that are there. That’s a discussion I would look to go and have with you, the same way I would do that with whoever’s jurisdiction it was in to go and have an honest discussion about what makes sense and what are the costs and what are we looking at and these are some of the solutions so that we can talk jointly on how to go on the work going forward.

REP. PHIPPS (100TH): Thank you. I think right now there needs to be a push especially with climate change being a real concern. How do we make our communities less reliant on the car and what do you
think your commissions role is in making that work happen?

COMMISSIONER GIULIETTI: Well first off, I will say to you that I had the discussion with several about the fact that even when I was sitting as the president we had industrial psychiatrist that were coming and talking about what the next generation is looking forward to and we are noticing more and more that it’s either taking longer to get licenses or in some cases the next generation is deciding they don’t need to have driver’s license. They’re looking to go and see that we have come up with mass transit solutions that allow them to live, work, and enjoy life okay, in ways that don’t require the use of a car. We know that we’re in the middle of a transformative period whereas driverless cars are coming into play and we’re also looking at areas that were once extremely rural becoming more and more dense and needing those connectors that get them into the other locations and at risk of talking about some of the solutions that have already gone in I’ve seen the success of putting in for example, a busway that connected a university with downtown Hartford and the success that it brought for those students to be able to get on those busses, go and play in Hartford, go and work in Hartford and come on back on those buses, all right, without having to get into a vehicle and knowing that they could have a social life that wasn’t, that they didn’t have to be concerned about driving a car and who’s going to be the designated driver. I think that’s part of the challenge that we all have going forward is that, not how do we solve the problems for today but how do we solve the problems for the future as well in terms of looking at, what is the best way to
provide those types of solutions for all of our areas.

REP. PHIPPS (100TH): Thank you. Since you already mentioned busing also, what work or what do you think we can do in order to encourage more bus use and also specifically, how can we make the overall ability for those that are riding busses that are on the lower economic scale. What systems can we put in place to help those individuals out?

COMMISSIONER GIULIETTI: First, in terms of it there isn’t any system that you put in that you’re not required by the federal government to go and ascertain what the economic impact is okay, that goes through and that’s part of what we have to do is just pro forma on everything that we do. In terms of buses in particular, I’m going to tell you that what I, I know the department takes pride in it and I’ve been fascinated by the, by the CT Rail, not CT Rail, the busway system and why can’t I say the name of it right now but regardless [someone in background says say that again fast track] Fast track, thank you. The fast track system, because what that fast track system did was showed me that you can create a busway that looks like a rail station going through and watching the success of fast track as it’s going in, all right, and I know I’m saying this at risk because not everybody believes that fast track is part of the answer.

But I will tell you what fast track does for you. Fast track turns it around and sets it up so that when you set up permanent bus stations like you do with rail stations it allows you to try and invite the business community in to look at opportunities to do development around the stations so it gives
you an opportunity to look at not only what the development opportunities are for the city and for the agency as we’re going forward but it also will provide for you the access way that as that further develops and you see the ridership growth and the fact that right now those parking lots are all full and we’re going to have to look at alternatives now to the parking that’s going on.

One day that will be the generator for the reports that you need to do to go and make it into a rail connector or into a light rail connector. Each of those have an expense. We used to say in the industry, you know, when I was looking at commuter rail and explaining it commuter rail was going in at that time for about $35 million a mile. When you look at light rail it was more like $85 million a mile. When you look at heavy rail Miami came in very high at $250 million dollars a mile. So when you look at all those are based on density and need and those are the ways that you do it so a lot of times the best way to start off is looking at your bus solutions going forward and I’ve already sat on and I will use my naiveness of being on the transition committee listening to a lot of the, I will call it discussion, rather than complaints about the fact that we really gotta be integrating our bus systems so those bus systems function to make that connection that we know is necessary for all of these to work. I sat there listening to a mayor that, said that, you know you, did a great job at Meridan station, but my city doesn’t connect to it. Why isn’t there a connector for that? Those are the types of the solutions that we have to be looking at as we go forward on it.
REP. PHIPPS (100TH): Thank you, because that actually was my next question for those of us that are in Middletown and Manchester, Plainville and those sort of, we’ll call them large towns or small cities. How do we make sure that those that aren’t connected to Metro-North and the railway, how could we do that and so you’ve already answered that next question so I appreciate that. For the rails that aren’t being used, there’s an environmentalist movement for going from rails to trails. How do you think your commission could support those endeavors?

COMMISSIONER GIULIETTI: Now here you’re going to get a little bit of my bias because where I’ve always enjoyed the fact that I can use those rails to trails and I enjoy them for both walking and for biking I’ve also see time and time again where we’ve gone to make those rails to trails and then we go back and we need to put a rail line back in there, because we now see the density growing so I say it’s a balanced approach because in some cases you may not see that it’s going to be used because it was no longer productive for freight line but the same way it becomes productive for biking and for trails, what you try to do is you try to preserve enough of that right of way that if you ever have to put a rail line back in there you still have the rail component able to go back in because it’s very, I won’t say it’s easy, when I’ve seen it in the past happen that it’s been converted I’ve also see the same request for those same lines come back in for can we put in a, just a, two car train that can go back and forth up that line that can provide a rail connector in. These are the types of things that we gotta be talking about going forward so that we make the best solution for how do we utilize it today but
then also preserve the right as the density increases so that we can use it in the future.

REP. PHIPPS (100TH): Thank you, and how will equity play within your commission?

COMMISSIONER GIULIETTI: Are you talking about within the agency itself or as we’re dealing with projects that are coming forward?

REP. PHIPPS (100TH): As we are dealing with projects within the community.

COMMISSIONER GIULIETTI: Because, and actually I don’t know if it makes a difference, okay, because the truth of the matter is the same way you seek equity within an agency, you seek equity within this legislature and within this legislative body. I know that 169 towns, right, that we’re going to have to be talking about and at the end of the day if we’re not talking about it being viewed as an entire system, all right, then I, my feeling is we haven’t done the service that we need to do because at the end of the day the same way I am going to get a question from a town like yours today on how do we get in and connect to the systems. That same question is going to be asked by a number of towns that don’t feel that they’re connected in and we have to be looking at how are we going to connect those towns going forward so equity is an answer that I’m going to say the best way I know to approach it is to take again, looking at it systemically and looking at it from fiscal responsibility and then taking a look at how do we make it work and that decision ultimately rests with the governor and the legislature here as we’ll come up with the ideas and the plans for trying to go and do that and we take a look at what’s a best way to
go and meet those. Can we meet them now? Do we meet them in 5 years? Are some of them going to be 10 and 20 years out?

REP. PHIPPS (100TH): And the last question, what help do you think you’re commission will need or how, how can out legislature better support ya?

COMMISSIONER GIULIETTI: The, the immediate need that you already know about is that we need to get positions filled, all right. We are down a number of positions within the agency. I am delighted with the new commissioner from OPM and DAS. I’ve already met with them. We’re working on a lot of these issues already. The standpoint that you know right now that we’re a state that has tremendous infrastructure needs so there are a lot of funding questions that are in front of us so the best help that I can ask for right now is as you, as a legislature and the governor sit down and go over what are some of the solutions to those funding issues because I will tell you we will be very judicious with the use of funds.

The department always has been and will continue to be and we will come back to you with options on those funds. Right now, what I need is the ability to hire key positions and some of those positions are positions that we’ve never hired in the past because some of the questions I’ve gotten here have been about can we be looking at TOD’s, can we look at P3’s? Well these are the types of things that I’m going to need to go on and hire the expertise into the agency to go and make those decisions going forward but I’m going to need your support as a legislature to go and say, all right this is how we can fund some of those things going forward and then
I will judiciously come back to you with what can we do with that level of funding and we’ll provide you all the information as you’re looking alternatives to funding on what we can provide for information on that going forward so it’s both ways. We’re looking to go forward and support the legislature but as a legislature we’re looking for the support on the funding.

REP. PHIPPS (100TH): Well, I usually don’t use the platform for personal stuff but I think this one time, not one time, probably one of many times but in this particular case I will. I think it’s very important to recognize the importance of transportation, in terms of economic development and equity. And when we talk about our businesses leaving and why young people often leave our state, I think it’s a red herring to continually talk about taxes.

The number one thing that I think we should be talking, well number one and two things that should be, well three things, I mean they’re all tied together, is housing, education and transportation. If we think that a like a place like GE left because of taxes, you don’t Massachusetts, you go to Massachusetts because you want to be around the team, you want to be around some of the best higher education institutions in the entire world. So I think transportation and having someone lead that direction is going to be the key to make sure that we’re prepared for our future. But I also want to say that I am, will gladly be supporting you because I think of your frankness and your willingness to be truthful and ultra truthful which I think is refreshing giving both, like personally for someone who commutes from Middletown to Stanford to go to
work but also recognizing my community’s needs with the Middletown area transit and also Route 9 where there are severe concerns about how that moves forward and how we can reconnect with the riverfront, but knowing we would have a partner in this to make sure that we can do the work and progress together and cooperatively, I really look forward to that. I appreciate you coming forward and I appreciate your honesty and openness and look forward to working with you.

REP. VARGAS (6TH): Thank you, Representative Phipps. Representative Davis?

REP. DAVIS (57TH): Thank you, I apologize for the second time but I do want to follow up on some questions that Representative Phipps asked about the bus system and this is, I think the appropriate time to ask it because it involves the criticism that your predecessor had regarding the fast track system in that he didn’t have, he didn’t believe it was necessary or did not want to enforce payment on that system that, my understanding, from my questioning of him in the past is that the buses roll in, many times they open up all the doors people come on, they don’t necessarily collect the fare from somebody.

They do have enforcement officers that occasionally do ride the buses and do enforce it and I do understand there have been some fines, but there hasn’t been much effort put into the enforcement of collection of those fines and I was wondering as new commissioner is that something you’re going to be looking to do is to actually collect the fares on the CT fast track lines.
COMMISSIONER GIULIETTI: Representative I’m going to tell you that I was not aware that this was an issue okay, this is new to me right at this moment. Like I said I’m only entering the 5th week but it’s an issue that we deal with all the time within the industry. If you saw the New York Times in the last couple of days there was this whole expose’ on the people that were jumping over fare gates for the subway system. Down in Florida I had an honor down there that I ultimately, the decision was that we got away from the second conductor on the train to putting a security company that went through to check tickets and we were able to get legislation that allowed that security company to turn around and give them a citation for $50 dollars if they did not have a ticket with them.

So I don’t know this problem yet. I do know solutions that we’ve used within the industry so as I get into the problem and find out how pervasive it is, because I’m sure when you say that the former commissioner, one of the things that you’re measuring against is how much are you expending to go and make sure nobody is, I’ll call it cheating the system, but the other end of it is if you don’t make an investment into securing that system then people will treat it as a system that has no value because they’re able to cheat the system for no cost.

So it’s a balance but there’s ways of doing it that don’t necessarily outweigh the revenue streams that can come in from it but it’s also, I don’t know right now what legislation we already have that allows for that so that’s something I’ll look into and get back to you on but again, I was not aware of the problem. Now that you’re brought it to me I
look forward to coming back to you with some potential solutions for it.

REP. DAVIS (100TH): Thank you and I am encouraged by that answer. Obviously, I’m not looking to restrict the use of it, it exists and everything else, but I think it’s only fair to those who do pay that everybody else pays as and that we don’t just allow people on because it’s really truly the only way it can be sustained going forward. Additionally a similar criticism I think actually associated with that was the fact that we have very limited ability to know the actual ridership of that system in part because of inability or lack of enforcement to collect those fares but also kind of co-mingling of local routes along with the fast track routes and exactly, you know, how many people went from using those local routes to using the fast track routes and then the sensors or the lack thereof on some of these buses to actually indicate how many people go in and out of those doors. Is that something that you would be looking to give us more accurate information going forward as we look to potentially expand some of those programs?

COMMISSIONER GIULIETTI: The easy answer is, yes, okay because the technology has also gotten to the point now, we were looking at it on both the rail side as well, what you want is your constant on/off counts okay, and your ability to know where people are traveling to and from and there’s a number of ways of doing it, you know, the census is one way.

The other thing, and again, I will be happy to come back to you with some analysis on this but both down in the Florida and in New York we were learning that there was a tremendous amount of information coming
because of people constantly using cell phones that you’re able to see where people are going to and going from and you’re able to track from that end. But going back to the sensor end, you know, as having a single point of entry which was the idea behind these gave you an advantage over, let’s say a commuter rail system where it’s an open architecture and everybody has to go on and then you have to get through the cars to go and collect all the fares over there. So that’s the balance that has to be there but in the end you’re exactly right we want to know that, not only to make sure that this fairness that people are paying for the services that they’re getting but the other end of it is if we’re ever going to take it to the next level those ridership numbers are critical, because everything is measured on how is the system performing. Is it growing? What is the growth? What are the restrictions of growth and that’s what you need those numbers for so yeah I’ll be happy to come back to you on that.

REP. DAVIS (100TH): Thank you, very much. I am certainly encouraged by those answers and hopefully we’ll get to the bottom of it and get some more information going forth. Thank you, Mr. Chairman.

REP. VARGAS (6TH): Thank you, Representative Davis. If there is no further questions or comments from committee members at this point, and once again, on behalf of the committee I want to congratulate you on your appointment and we have one final question we ask all our nominees and that is, is there anything in your background that you believe might prove embarrassing either to this committee, to the governor, or to the state of Connecticut?
COMMISSIONER GIULIETTI: And I will say to you that this is about the 5th or 6th time I’ve been asked that in my career and being in the public sector for the last 40 years, my extended answer was my life is out there and no there is nothing that I need to disclose, there is nothing that I would embarrass myself or this committee or the governor. It’s been an open book and the candid person that I’ve been accused of being is exactly that. I’m open, I’m candid and whether it’s the joy of being in the public sector or the curse of being in the public sector you can type my name in and see an entire history of where there’s been criticism and everything else and the criticism has generally been over issues of running a system but never in a position that it would cause embarrassment to this body or the governor or myself. Thank you.

REP. VARGAS (6TH): Well, thank you very much and with that, that concludes the public hearing for our first nominee and I will put the committee at ease for a couple of minutes for a stretch and then we will reconvene for our second nominee, Mr. Robert Ross of Salem.

[RECESS]

REP. VARGAS (6TH): Okay I’m calling the meeting back to order, the public hearing back to order. Will everybody please take their seats and will Mr. Robert Ross please come to the front? Please raise your right hand, sir. You promise to tell us the truth and nothing but the truth.

ROBERT T. ROSS: I do.

REP. VARGAS (6TH): Please be seated. At this point, we are going to be hearing from Robert T.
Ross of Salem, Connecticut who has been nominated by Governor Lamont to be Executive Director of the Office of Military Affairs. Congratulations, sir and we’ll allow you an opportunity to make your opening remarks and then we’ll open it up for questions.

ROBERT T. ROSS: Well, Good Afternoon. I have submitted a rather lengthy written statement summarizing the ongoing work of the Office of Military Affairs. I hope that written statement is useful to you and your staff. It’s got a lot of detail in it. In the interest of time I will just make some brief remarks. The outlook for our defense industries is very good for the next couple of decades. And this is because in Connecticut we are building the right things at the right time. The national security strategy from the Pentagon stresses the need for submarines, for jet engines, for helicopters, those things that we’re building here in Connecticut and the ripple affect of those major defense acquisition programs is felt in large and small businesses across our state. As a small state, Connecticut continues to rank in the top ten among all states for defense work. And on a per capita basis we rank in the top five. We should all be proud of that. It’s an important distinction in legacy.

The submarine base in Groton has been improved over the years. We’ve enhanced its military value and it’s in a better place today to withstand another round of BRAC. My office was created because of BRAC because we nearly lost that submarine base and we worked very hard over the last ten years to improve it. Now it’s a modern campus with new facilities and room for growth. We don’t know when
the Congress will authorize the next BRAC. We do know that our preparations over the last ten years will have us well positioned when it comes, but we can’t afford to let our guard down. This important work must continue, and my office will continue to lead that work.

Most importantly we’ve affectively advocated for service members and their families here in Connecticut. This has become an increasingly important part of my work. Working with other state heads of agencies we resolved several challenges for military families as they move in and move out of Connecticut. Military families are tremendous assets to Connecticut. They are active in our schools and our neighborhoods. They make significant contributions to our economy, our civic affairs, and our sense of community. In our many efforts to address quality of life issues for military families we just want to send a very simple, important message. Connecticut is a great place to be stationed. It’s a great place to raise a family and it’s a great place to retire. We are happy to have military families here and we want them to stay.

I’ll sum up by saying that I’ve enjoyed the unwavering support of our recent governors and our current governor, other state agency heads, the General Assembly and our Congressional delegation. I’ve been the beneficiary of good will and genuine support. All of us have marshalled to support our service members, bases, and defense industries. I look forward to more collaboration in the years ahead. Thank you, and I’m happy to take your questions.
REP. VARGAS (6TH): Thank you very much and we’ve had the opportunity to speak informally and I have a good understanding of what your office does and I congratulate you on being chosen by Governor Lamont for this important job of helping military families navigate our state agencies and state services and your background is quite extensive so I congratulate you on your effort. You seem willing and able to carry forth on the obligations of the office so I’m satisfied that you’ll do a great job. At this point, I will open it up to my fellow committee members. Representative Yaccarino, you have the floor.

REP. YACCARINO (87TH): Thank you, Mr. Chair and thank you Mr. Ross for being here for you do for all you do for our military veterans and men and women. I was served at the sub base years ago as a Naval reservist and a destroyer of all USS Charles P. Cecil. But it’s, I have a couple of questions as far as do you have any input with any federal legislation. I know you do our bases and our jobs which is a great thing but our federal delegation as far as legislation for veterans for our state.

ROBERT T. ROSS: I do. I work very closely with our Congressional delegation. Every member of our delegation has a, what we call, an MLA a Military Legislative Assistant and they work on the defense related legislation that comes at the federal level and I’m in close contact with them routinely to make sure that as they prepare the next defense budget, you know, that the interest of the state and things that we need are in that budget. In the last budget that came out there’s a great long list of things that are coming to Connecticut and again it goes back to, we’ve got a great reputation for building
exactly what the national defense strategy is calling for.

REP. YACCARINO (87TH): So as far as, we passed a couple of years ago bipartisan legislation for Navy Bluewater Veterans but federally they can’t seem to get their act together, both parties to actually do something for our veterans that served in Vietnam, I think from 62-75. For years they were covered, ground, water, if you were in a gun boat and you served in parts of Vietnam you would get either some form of cancer. They were covered I think health-wise until about 2002 and those benefits have gone, and I spoke to Senator Blumenthal. He had voted against the original version a couple of years ago and I was surprised they blamed the Department of Defense which has no bearing over that, no say as far as I was concerned. So, do you ever discuss, because I know they, they’re bringing it up again in this session federally. I don’t know if you have any say in that.

ROBERT T. ROSS: I really don’t. The purview of my job is about economics. It’s about protecting our military bases and advocating for active duty servicemembers and their families who are going to live here and interact with state agencies. We have a commissioner of Veterans Affairs that you’re going to hear next and he’s amazing, yeah. [laughter] So when I have issues that affect veterans come up in my office, and it happens a lot, I carefully shepherd it over to our Commissioner of Veteran Affairs and help where I can.

REP. YACCARINO (87TH): All right, I thought, I wasn’t sure. How many jobs right now, military jobs do we have in our state along with the base and
other military installation besides Fort Hale, which I spent some time there.

ROBERT T. ROSS: So that’s sounds like a very simple question but that’s a very difficult question. We know that the submarine base is responsible for about 15,000 jobs at about a $5 billion dollar annual economic impact on the state’s economy and that’s across the state but it’s, you know, everything is centrally located there in southeastern Connecticut. It’s hard to calculate how many jobs are related to defense because we know about the big defense contractors and then you get down into that supply chain and there are firms that are doing both commercial work and military work and their employees are going back and forth. There are some firms that produce products that find its way into the supply system and they don’t even know they’re building stuff for the Department of Defense but they are actually a defense contractor and they don’t even know it. So getting to that number of how many jobs are related to defense is incredibly difficult. The best you can do is just make an educated guess.

REP. YACCARINO (87TH): I appreciate what you do for our jobs and our veterans. Thank you, and I wish you the best and I’ll be supporting you. Thank you. Thank you, Mr. Chair.

REP. VARGAS (6TH): Representative Davis.

REP. DAVIS (57TH): Thank you, Mr. Chairman and thank you director for being here. Kind of piggybacking on that question, I know you hinted at it is well. Your office from what I understand, the role of it you know what your mission is and also what you’ve said you’ve been able to accomplish
working with those sub-contractors or working with the ECD I believe and when the financial assistance packages that we’ve had for these defense contractors. How active is your office in recruiting workers for these sub-contractors and contractors as well, not just veterans and active military people, but also other people.

ROBERT T. ROSS: So, I play kind of an indirect role at the ECD. Those major assistance agreements that we do with our major defense contractors are negotiated by the commissioner staff and close work with the governor’s office. I’m there, my office is physically located right next to the commissioner and since I’m probably the only person with a military background in the area I get asked to weigh in on a lot of their contemplation of what they should do. I will tell you that in the last agreement with Electric Bode which was a big agreement. There were three major parts that involved state funding.

One was getting Electric Bode to focus on developing a supply chain in Connecticut, so the Connecticut financing was related to developing the Connecticut supply chain. Another part was for work force development so that we were developing people here in Connecticut to take those jobs so that we wouldn’t have to recruit from out of the state and the third part was for dredging of the Thames River in the vicinity of Electric Bode so all three of those were designed to have direct positive impact for Connecticut as it went through Electric Bode.

But we have to be kind of sensitive to Electric Bode’s need. They can’t just hire anyone. They are building the highest tech, highest quality equipment
in the world and so they have to be incredibly careful about who they hire. The bar is really high. I will tell you that in sector which is the southeastern Connecticut enterprise region based out of Groton has a statewide program, a free program that any small business can sign up for where they get instruction on how to connect to that supply chain, how to get your small business into the system because it’s hard to navigate if you don’t know how to do it.

REP. DAVIS (57TH): And on that note about the training and necessities, how involved is your office with the Department of Higher Education or Board of Regions overseeing the community colleges and overseeing the potential of expansion of training programs. I know that they have been working Electric Bode at doing that in the southeastern part of the state with Sikorsky with East Hartford, patent Whitney. You know, is your office engaged in those discussions as well and pushing for changes there.

ROBERT T. ROSS: Well I’m aware of it. I pay close attention to it. It’s, the system they have put in place to handle this big growth at EB is really impressive with the eastern Connecticut Work board investment board and the local universities and even the high schools. It’s a very successful program that has been put together there. I didn’t put it together. I watch it but that’s not something that I would be resourced to do, but any way I can help them I do participate in what they’re trying to do.

REP. DAVIS (57TH): Thank you and what about the role of, say Bradley Airport. Obviously, we station our Connecticut National Guard, Air National Guard
there, defense contractors involved right around the airport, do you see the opportunity for expansion or growth there that will positively benefit the defense sector here in Connecticut?

ROBERT T. ROSS: So that would be under the purview of General Yvonne. I had a front row seat to watch how the National Guards facilities all over the state have been improved. In the 2005 BRAC, we thought we had really lost in terms of the National Guard but fast forward all these years now we’ve got brand new facilities all across the state. That was a direct outcome of BRAC because BRAC recognized how bad our facilities were so I used to talk to the previous General Martin about this but he walked out of that meeting with the BRAC leaders thinking he lost everything [laughter], fast forward 10 years, he’s got all new facilities now so it was actually a positive outcome for the state of Connecticut.

REP. DAVIS (57TH): Yes, I know over the last several years being on the bond commission and the bonding committee that we’ve made some significant investments into that National Guard facilities across the state so I’m glad to hear that it’s been a positive partnership with the federal government as well so Thank you, Mr. Director.

REP. VARGAS (6TH): Thank you, Representative Davis. Any other questions or comments from committee members. We have been joined by Senate Vice-chair, Senator Martin Looney from New Haven who also happens to be our Senate President pro temp. Welcome to the committee. Any questions or comments?

Well I want to congratulate you, director for your re-nomination. I know you’ve been nominated many
times and you’ve said the fact, I always say this to the people who have been re-nominated, the fact that a new administration is keeping you on board speaks volumes for itself as to your capacity to run that office and I’d just like to once again congratulate you and also on behalf of the committee I’m sure that my colleagues join me in thanking you for your military service too so there’s one questions we ask of all nominees before we let them go and that is if you believe that there’s anything in your background that might prove embarrassing to this committee, to the governor, or to the state of Connecticut.

ROBERT T. ROSS: No.

REP. VARGAS (6TH): Well, thank you very much. That concludes this part of the public hearing. We’ll take another brief two-minute stretch and we’ll go on to our third nominee, Commissioner Saadi.

[RECESS]

REP. VARGAS (6TH): Calling the public hearing back to order again and we have with us our next nominee and before you take a seat, would you please raise your right hand. Promise to tell us to the truth and nothing but the truth?

COMMISIONER SAADI: I do.

REP. VARGAS (6TH): Please be seated. We have with us, our next nominee Commissioner Saadi from the Department of Veteran Affairs and again I can say your re-nomination which speaks volumes of the fact that your administration has confidence in reappointing you to the department and I’ve had an opportunity to speak with you informally. I believe that you’re going to do a great job but as is customary before we get this portion of public
underway I will give you the opportunity to make your initial statement.

COMMISSIONER SAADI: Thank you. Thank you, Representative Vargas, Senator Looney, Representative Davis, and Representative Yaccarino. I appreciate the opportunity to be here today and to testify before you. I am Thomas J. Saadi and it’s an honor for me to have been nominated to continue to serve as the commissioner of the State Department of Veterans Affairs by Governor Ned Lamont. I appreciate the opportunity to appear before you, to tell you a little bit about myself and speak about my heartfelt desire to continue to serve our veterans as commissioner.

I was confirmed this commissioner in February 2008 after having served as acting commissioner since October 2017. Prior to that I served under the former commissioner as Chief of Staff and general counsel of the agency. Prior to joining the agency in May 2015, I served for 15 years as an Assistant Attorney General and special prosecutor with the office of the Connecticut Attorney General. I’m currently a Major in the United States Army Reserve. I received my commission in November of 2005. I currently live in Danbury with my wife Valerie. We have twin children, Jacob and Sabrina. I’m a graduate of Western Connecticut State University with a Bachelor’s in history, Quinnipiac College School of Law and the United States Army command and general staff college. I remain active with several veteran, civic, and social organizations at the local, state, and national level.

The mission of the Department of Veterans Affairs is serving those who served and as I often say and will
continue to repeat with those four simple words comes an awesome responsibility as it is only because of those who have served and those who continue to serve in our armed forces that we are able to live in this free and democratic nation. I thank our veterans, our current service members in our state and across our nation for their service and sacrifice. I take that mission of serving those who serve to heart both personally and professionally which is why since joining the DVA I have worked up programs and procedures to better deliver on our four core functions, long term healthcare, residential and rehabilitation services, advocacy and assistance, and cemetery and memorial services to our veteran service members and their eligible dependents.

We have accomplished this through challenging fiscal times through the hard work of the DVA staff and to expanded internship and volunteer programs. We have developed and expanded partnerships with state, federal, and local agencies and non-profits as well as with our statewide Veterans service organizations in order to pull resources and coordinate efforts in support of our veterans. The department’s greatest challenge currently is the transition of our chronic disease hospital to a skilled nursing facility. This is among the most complex and broad reaching problematic updates the DVA has undertaken in decades which I am confident when completed will provide much needed long-term, skilled nursing care to our aging veteran population, both those who are on our campus aging in place as well as veterans in the community. I hope to have your support and that of the General Assembly so that I may continue to serve our veterans and service members. I will
continue to do my best to apply my experiences at the DVA in a transparent manner to maintain and improve programs and services and always look for ways to implement new procedures and update old procedures in order to better deliver our programs and services to our veterans. I thank you for your time, for your service to our state, and I’m happy to respond to any questions you may have.

REP. VARGAS (6TH): Thank you very much commissioner. At this point I will open it up, yes Representative Yaccarino or --

REP. YACCARINO (87TH): Thank you, Mr. Chair. Thank you Commissioner Saadi for what you have done for our country, what you’re doing for our state and mostly what you do for our veterans. I’ve got to know you a little over the last couple of years and I can just see how much you care about our men and women that serve and have served. So, a couple of questions, over this, I’m involved in Harkness House and Columbus House on occasion and for homeless folks but there are also homeless veterans. Do you have any interaction as Veteran’s commissioner with these homes to try to find homes up in Rocky Hill or other places in Connecticut.

COMMISSIONER SAADI: Absolutely Representative. Thank you for asking that question. Through our residential programs and services which is led by now a new director Leslie Nievez who is also Lieutenant Colonel Connecticut National Guard and combat vet. We do have constant interaction and collaboration with Harkness House with so many other community-based providers. And the goal is to move our veterans to community-based housing, to community-based employment if they have the capacity
to take on those roles and move them to their next forward positive step in their lives and, but it is an ongoing effort to continue to reach out. There are new programs developed through community-based organizations. We always look where we can eliminate duplication of services and where we can join and collaborate together in order to deliver those programs.

REP. YACCARINO (87TH): Well anything I can do to help just let me know but thank you Representative I appreciate your support over the years for our veterans and for your service to our country.

COMMISSIONER SAADI: Thank you, Representative. Appreciate your support over the years for our Veterans and for your service to our country.

REP. YACCARINO (87TH): Well, thank you. It was just Reserves but it was something and I appreciate that. You would help, this summer I reached out to you for the federal VA, it was a federal issue, there was no, we weren’t getting responses and it seems like that was taken care of, veterans needed scheduled for surgery but it was getting cancelled the morning of the surgery either because of instruments were not sanitized. They changed systems. I just want to thank you because as far as I know that has been rectified and I appreciate you getting involved in that.

COMMISSIONER SAADI: Thank you Representative. It’s an honor to help out with those things, our federal partners, we work very well with our federal partners in West Haven and Newington. While that’s not under our jurisdiction, whenever there is an issue reach out to the director and the assistant
director and we try to work through these things on behalf of our Connecticut constituency.

REP. YACCARINO (87TH): Thank you. I don’t know, to me the biggest problem right now with men and women that have served, especially multiple tours, PTS, I know you don’t like to use PTSD and I agree with you on that. What could we, what have we done and what could we do at greater levels to help these men or women. Some of them are coming back after two or three tours in a matter of five or six years. That’s a lot in a short time.

COMMISSIONER SAADI: Just a little while ago I was testifying before the Veterans Affair committee upstairs and one of the things, I mentioned was that it often isn’t that there isn’t a lack of programs and services. What it is, is connecting individuals who need those programs and services to what’s available for them. And so, what we’ve done at the DVA at the state level is created a mobile app. Now this may seem somewhat superficial but it is very substantive because the new generation of veterans are coming home, they don’t sit at the laptop, they don’t sit at the PC, they use that smartphone and this mobile app connects them directly with those support services as well as again working with our statewide veteran service organizations, community based providers to connect veterans to services that are available referring them to the vet centers around this state representing them in their claims for benefits before the federal VA and explaining to them through our office of advocacy assistance and what they are entitled to.

And often VSO’s, our Veteran Service Officers are themselves combat vets picking up to recognize the
signs or the needs of individuals who they may go and just see at a panel discussion or at a community event. It is a constant effort. The other thing to always keep in mind is the changing needs both because of aging population of our veterans as well as new veterans coming back so it is a constant moving target at both the state and federal government need to continue to collaborate on.

REP. YACCARINO (87TH): I think we should be always there to help. I know in Rocky Hill the housing, across the street the state owns land and I know when Governor Rell was in office, she wanted to expand housing. I don’t know if there’s any aforementioned maybe to create more housing there or do we need it? I don’t know if we need it or not. I think we do.

COMMISSIONER SAADI: Currently across the street about three or four years ago under our former commissioner and I’ve continued this in a very robust family housing program. There are five homes and they are known as Patriots Landing and we, four or five or six years ago my understanding those were either vacant or only a few of them were filled. We now have five of them filled regularly.

It is a 24 month time limited program but they are provided with wrap around support of services through a partnership with a community based non-profit and we have a house coming up as a vacancy and we have people on a waiting list so that property is being utilized and we are also constantly looking within our existing footprint how we can better utilize the facilities that we have to provide a little bit more privacy for the veterans
that are there and more robust programs without expanding our footprint.

REP. YACCARINO (87TH): That’s great news. I’ve been requested by many veterans that have GI credits, education credits but they don’t use them for higher education so they pay, you pay into the tuition credits. I’d like to see it passed where they can bank just for children, bank those credits. I don’t know how you feel about that. I’ve been pushing it, to be honest for the last couple of years.

COMMISSIONER SAADI: Are you speaking to the federal GI bill or the tuition waivers and other credits at the state level?

REP. YACCARINO (87TH): At the state level. Because federal, it would, you could use for both but I would think right now for state.

COMMISSIONER SAADI: There are always opportunities to look at new ways to allow veterans to utilize those programs and services that they themselves may have, may not necessarily have a need for to provide it to family members, immediate family members. The only caution is when you go further and further beyond. I’ve saw some proposals that talk about extending it maybe to parents or to others but looking at children, it seems reasonable. Obviously you have to consider the fiscal impact as well as how many generations may you pass it on to but I think that it’s very important for state and federal government to consistently look at the developing and changing needs of veterans and in particular the Guard and Reserve who have been a significant portion of the operational force over the last
decade and a half and their needs in addition to those of the active component.

REP. YACCARINO (87TH): Too often we forget the families. I mean the families that sacrifice so much for the man or woman that goes to serve but it’s the family back home sacrificing just as much so I would like those credits be used by children, just the children, one generation, one family rather not you know, grandchildren but that’s another discussion. But I can’t thank you enough for what you do for men and women. To me it’s a team effort and we should do as much as we possibly can. Only maybe one or two percent of men and women serve and protect us. My nephew who just turned 40 and his third tour of duty in the Middle East, in a matter of any reservist, in a matter of 8 years, his 3rd tour, 9 years his 3rd tour of duty so that’s many men and women doing the same thing. Thank you so much and it’s an honor. Thank you, Mr. Chair.

REP. VARGAS (6TH): Thank you Representative. I have a request from Senator Kushner for a few remarks. Senator.

SEN. KUSHNER (24TH): Hello Commissioner, how are you today?

COMMISSIONER SAADI: Very good Senator, how are you?

SEN. KUSHNER (24TH): I’m doing well. It’s so great to call you Commissioner. I’ve had that privilege for a bit of time now and I hope to continue with that in the future. I just, I don’t have any questions for you but I did want to make a statement for our committee to know that Tom comes from Danbury and I’ve had the pleasure of knowing you for quite a many years now and one of the things you
might not know that long before becoming Commissioner of Veterans Affairs, Commissioner Saadi has been incredibly active in our community, especially around veteran’s issues in around, also around active military in our community folks who are going off and serving our country and I just want you to know how much we appreciate that.

You have gone way beyond what most people would do in your position to keep us all notified of events in the community that we can participate in and you’ve brought together those that are serving with those of us who live in the community and might not otherwise have even taken notice of the folks in the Danbury area who are either leaving or being deployed or are coming back from a deployment and I think it’s an opportunity here today to let people on the committee know how active you’ve been and also to thank you for that service because some of us may have not had military in our family and not really had the opportunity to get close to folks who served our nation and you’ve made that opportunity available to all of us and, so I don’t really have a question for you because I know that your service has been extensive.

I know that you are well qualified, and I know that your heart is in this, in this job. What more could we ask for? I think you’re the best candidate and I’ve been very proud, and I know all of Danbury is very proud to have you in this capacity working for our state now. Thank you.

COMMISSIONER SAADI: Thank you very much, Senator for your very kind words.
REP. VARGAS (6TH): Thank you, Senator. Any other questions or remarks by members of the committee? Yes, Representative Godfrey.

REP. GODFREY (110TH): Thank you, Mr. Chairman. Hello Tom.

COMMISSIONER SAADI: How are you, Representative?

REP. GODFREY (110TH): How are you? Just in full disclosure I’ve voted for Tom many times when he was running for city council because I live in his ward. Unfortunately, he has never been able to vote for me because he doesn’t live in my district. He lives in David Arconti’s district but still there’s a mutual admiration society like Senator Kushner I’m very proud of what you’ve done for both the city of Danbury, the state of Connecticut, and uncounted number of service agencies and your service in the Army, judge advocate core with the 411TH reservist base in Danbury.

It’s always a delight, and I know, I was here when you were first here a few years ago, longer than that and just was one of the many enthused members of this committee and of the house to be grateful at that time for Governor Malloy’s appointment. As you know no one shouldn’t be surprised when Governor Lamont was considering his cabinet we put together quite an effort to push him to reappoint you and I’m so happy he has done that because your service has been exemplary. You’ve served those who’ve served, and you’ve said that many, many times and considering how as you know the military has changed over the years, certainly over my lifetime and I’ve again, full disclosure, I’m Navy, not Army. I did
seven years with the United States Navy, which I joined the Navy to see the world so they sent me to Newport, Rhode Island for two years, go figure.

And I know you’ve traveled all over the state at event after event after event and you are to be highly commended for it, but your department had some very serious responsibilities and you and I have in the last year or so have had more than one conversation especially about the healthcare that you provide to Connecticut’s veterans. I know that there was a Contratomp over the 2017 budget. There was an attempt to downgrade your hospital to a nursing home in order to save the state a couple million dollars but what wasn’t know when that vote came up was that you’d lose a much larger portion of Medicaid and Medicare dollars from the federal government because the rates for a hospital are much higher than the nursing home and so we fixed it. We fixed it in 2018. But could you kind of brief us and update us on the healthcare advances and upgrades that you’ve done in the last year or so, Tom, I really appreciate it.

COMMISSIONER SAADI: Thank you, Representative for your words of support and for your service in the United States Military. With regard to the healthcare center I touched on it in my opening remarks. After the deliberations last year, we began at the DVA working in conjunction with the office of policy and management, Department of Social Services and Department of Public Health. As a task force or working group, we reviewed the acuity and the clinical needs of our veterans within our healthcare facility and particularly those who are in a residential facility as well as looked at the demographics in the state of Connecticut, the
aging population and the different generational needs of our veterans as well as what developed was a waiting list for the healthcare center.

What we determined was that the need that’s out there in the community is a need for long term skilled nursing care with specialized beds and if we will not proceeding with what was once discussed as a dual licensure approach because we determined there would be far too many duplicated administrative costs for a small, a very small amount of individuals who may be served by this. What we found is there is much more of a need for high level, skilled nursing with specialized beds and when I’m talking about the specialized beds I’m talking about memory care unit, hospice type care, and a veteran centric facility which is key because in addition to the provision to the affect of direct physical clinical care we all know that the emotional care, the morale of individuals often times can help their physical well being and so we approach a full spectrum clinical approach. So, where we are right now is where we are in that process of retraining and restructuring staff in order to transition to skilled nursing, specialized care in the healthcare center.

Once we do that we will develop in conjunction with DSS the certified public expenditure for the adjusted Medicaid reimbursement and you accurately pointed out that the agency does generate revenue through Medicaid and Medicare billing as well as per diem programs as well as our burial plot allowance which go to the general fund and so we’ll be looking at that once we transition the license we will continue to look at ways to both generate available federal revenue through the provision of services as
well as how we can continue to improve care. We are also partnering with Yukon Healthcare. It’s part of this transition and we have townhall meeting with our veterans and also all hands meeting with our staff to discuss this transition so in the end we look forward to a long-term nursing facility that can provide what we believe is the needed care for our aging population of veterans.

REP. GODFREY (110TH): I so appreciate that and your attention to these details. Obviously over the years, even in my relatively long lifetime we’ve had to step up on the healthcare side for veterans. The advances in modern medicine have happily met that wounded warriors are more likely to have their lives saved, what given in the Vietnam era and certainly the two World Wars, many of the very seriously wounded just bled to death. Happily, we’ve turned that around but we’ve also become much more aware of the psychological wounding that needs to be as equally treated as the physical ones and when we rely on you and your department in a very big way to be able to write in. I think I am very comfortable with the way you have approached that. It’s not all ribbon cuttings and Memorial Day ceremonies and parades. It’s very serious work dealing with those who have come back from long overseas deployments who have had to deal with Post Traumatic Stress Disorder, whose families as you observed are equally affected by the behavior from the returning soldiers, sailors, Marine, and Coast Guards and I really thank you for your very strenuous focus on keeping our veterans in a returning, returning military people healthy and safe.

COMMISSIONER SAADI: Thank you, Representative and I appreciate that support and your comments. I do
want to highlight we have great partnership with our federal partners out of the Newington and West Haven offices of the federal VA. We do co-manage care with them of those veterans who are on our campus both on our residential facility as well as in our healthcare center and so that is a part of this collaboration, this partnership and I don’t want to say it’s unique to Connecticut. What I can say is that we’re very lucky to have great federal partners with our VA here in Connecticut as well.

REP. GODFREY (110TH): Thank you very much.

REP. VARGAS (6TH): Thank you, Representative Godfrey. If there are no further questions or comments from committee members, I once again want to reiterate my congratulations to you. It was delightful speaking to you the other day. Thank you on the advice on my dad’s situation. I really appreciated that and I know that I also speak on behalf of all my colleagues when I also thank you for your past and present military service also so congratulations on your reappointment and we look forward to working closely with you and making sure you have the tools you need to get the job done for our vets. Before I let you go there’s one question we ask of our nominees. Is there anything in your past that you believe might prove embarrassing to this committee, to the Governor, or to the State of Connecticut?

COMMISSIONER SAADI: No, Mr. Chairman.

REP. VARGAS (6TH): Well, thank you very much. That concludes this portion of our public hearing. We’ll take another couple of minutes break and we will come back. This also concludes our house nominees. The next three are all Senate resolutions and we
will be beginning with the banking commissioner, my good friend Jorge Perez in a few minutes. Thank you.

[RECESS]

REP. VARGAS (6TH): I’m hereby calling the Executive Noms public hearing back into order. We have our next nominee, Commissioner Jorge Perez. Before he takes the seat, please raise your right hand. Do you promise to tell us the truth and nothing but the truth?

COMMISSIONER PEREZ: I do.

REP. VARGAS (6TH): You may please be seated. And again, this is a re-nomination which speaks for itself but before we open it up we always allow our nominees to make some opening remarks so the floor is yours Commissioner.

COMMISSIONER PEREZ: Members Fassano, Perrillo, and honorable members of the committee, my name is Jorge Perez and it has been an honor and privilege to serve as Banking Commissioner for the past 4 years. I come before you today because Governor Lamont has asked me to continue to serve the people of Connecticut in this capacity, an opportunity for which I am tremendously grateful. I hope that I can earn from you today the same faith Governor Lamont has put in me to continue to lead the Department of Banking in new and exciting initiatives that will guide commonsense financial regulations into the 21st century. I would like to begin by telling you a bit about myself, followed by a brief introduction to the agency, our mission, and how we are structured. I will end with some significant highlights from the agency over the past four years.
I came to this position with more than 25 years of banking experience. Previously I had served as vice president as senior commercial loan officer with Liberty Bank. Prior to working for Liberty I worked at Sovereign Bank New England [Inaudible-01:52:42] which then proceeded to purchase several branches of Bank Boston where I worked for approximately twelve years. Not only do I have distinction of being the first Latino to hold a position of banking commissioner I am proud to be the first commissioner to be appointed directly from the committee banking industry here in Connecticut. While my banking experience has equipped me to fulfil my obligations to serve the public as banking commissioner. Public service is not new to me. For over 38 years I have served the hill committee in New Haven in various capacities. I serve on the Board of Alderman for the city of New Haven from 1987 until my appointment in March of 2015. Representing the 5th ward in the Hill neighborhood. While on the board I served as it’s president for 10 years and service chairman of the board black and Hispanic chairman of the finance committee of the Board of Alderman. I played an integral part in crafting the city’s budget that moved from a negative $14 million fund balance to a positive $10 million positive fund balance in three years as well as increasing tax collection rate. I also play a major role in many issues that have contributed to New Haven’s renaissance. As I said the city’s New Haven program spearheaded the community benefits legislation and I established a committee on affordable housing. I was a key architect in establishing New Haven works, a job assistance organization which I am currently the chair. Other boards I have served on include committee action agency [Inaudible-01:54:11]
filling the roll of treasurer of all institutions. The board of directors of Connecticut Housing Authority and the Board of Directors at the Hill development corporation on New Haven where I serve as chairman of special projects committee.

To give you a little of my personal history I was born in Havana, Cuba in 1962 and came to the United States in 1971 with my family. After living in the Bronx of New York for about five years my family settled in New Haven where I lived until this past summer when I moved to Cheshire. I graduated from the University of New Haven in 1995 with a Bachelor’s of Science Degree in Accounting. Taken together all of this has provided me the experience and temperament to lead the agency over the last four years and I think it’s important to talk about its mission and height level view of what the agency does. As the primary regulator for the state charter banks and credit unions, securities consumer credit the department of banking tries to protect users of financial services from unlawful or improper practices. My insurance regulator and entities and individuals are here for state banking and security laws. We accomplished this through regular, thorough, and cost affective determination of the entities that we supervise. The department also engages the public and other state call lists in a variety of education outreach initiatives and press communications. Each of the primary sectors we regulate for when a specific division of the agency. State charter banks and credit unions fought within our financial institution division. While consumer credit divisions regulates the mortgage sector, debt collector, student loans as well as other industry. The securities and business
opportunities division regulates brokers dealers, investment advisors, and register securities still in Connecticut.

Finally, the Government Relations and Consumer Affairs division handles consumer complaints and increase the direct agency legislative program and those media increase in public outreach efforts. The department also has two other small divisions of support the agency mentioned is over the overall day to day functioning. Since becoming commissioner of the agency has made significant strides in achieving overall efficiencies. It has brought benefits to both business and consumers alike. Some of the highlights include we carry all consumer credit licenses used in national multistate licensing system making it easier for businesses to renew their licenses and giving us a savings of 2.8 full time equivalent employees in the department. Updating and modernizing consumer laws in the state. Implementation of lien in an effort to drive agency wide efficiencies resulting in an increase in the number of attempts standard operating procedures across all divisions, starting our recruitment process, transitioning from paper process to electronic tracking, we are assigning employees in the agency to better meet our agency mission.

Developing and straining the relationship with out of state and federal law enforcement agency resulted in several grand jury indictments. Currently implementing a license and enterprise system used by other agencies to better track a [Inaudible-01:57:28] and with a more efficient work flow. Increasing training opportunities for employees, expanding outreach to wider and more varied audience. I’m a New Haven transplant who recently
moved to Cheshire with my wife of 33 years, Gloria and my daughter Lynette who recently graduated from Yale University. It would be my honor to continue to serve the people of Connecticut. Thank you for your time and I am happy to answer any questions you may have.

REP. VARGAS (6TH): Thank you very much. Full disclosure, I’ve been a friend of Jorge Perez for a few decades now. I think you’re imminently qualified and like I say to all people who are reappointments, the fact that a new administration sought to keep you on speaks volumes for itself. The only thoughts I have, well there’s so many things going on with banking right now, Bitcoins, the housing market. Do you have any thoughts in terms of the challenges you’ll be facing in the next few years?

COMMISSIONER PEREZ: Well I would like to emphasize that though the department’s name is Department of Banking. That is not the area where we spend a lot of our time, believe it or not. But yes, there are a lot of challenges coming up and those are opportunities. Challenges to me are opportunities, right? So, you gotta get creative. You gotta work with the industry and consumers because we serve both actually. This is one of those agencies that if you do your job right you gotta have a balancing effort. You cannot, the balance can’t go way too much one way on the other. I mean, the biggest challenges actually are going to be technology. That’s really what’s creating the biggest challenge and not only in the financial sector but in other sectors and in particular on the side of security and the different gimmicks and attempts by really bad people and sometimes on a level of government to
get information and to do bad things using technology so the way to deal with that is find the best people you can. Training. Training is of utmost importance. It has been a priority under my leadership in the department and we are going to continue to work with the industry to collectively protect consumers.

REP. VARGAS (6TH): Would you think the fact that we are so, I know, we haven’t really invested as much as we should in technology because of budgetary. Do you think that leaves us more vulnerable to all these hackers or do you think that improving some of the hardware and software, do you think that would protect us more? Do you think it’s really unavoidable that we’re going to have these problems?

COMMISSIONER PEREZ: Well, former FBI Director Mueller used to say in 2013, he spoke out of place and saying this, there’s only two entities in this world, those who’ve been hacked and those who don’t know they’ve been hacked and more recently I’ve heard him say that same comment a little different. Now he goes on saying that only two types of entities, those who have been hacked and those who will be hacked again. So, to answer your question is no one has come out with a solution to prevent it so what we can do is minimize the risk and then also figure out a way that once it happens to minimize any potential loss to the consumer and to the business and that’s why our emphasis is on recovery plan, training, not only with our employees but our entities that we regulate and also to make sure you practice because you will be hacked and the time to figure out who do you call and the plan now when it happens.
REP. VARGAS (6TH): Thank you for your response. At this time I will open it up to my fellow committee members, Senator Looney.

SENATOR LOONEY (11TH): Thank you, Mr. Chairman. Good Afternoon, Commissioner.

COMMISSIONER PEREZ: Good Afternoon, Senator.

SENATOR LOONEY (11TH): Like the chairman, the commissioner and I have been friends for many years, and I wanted to begin by commending you on your distinguished career in public service. You have been a model in public service for many, many years dating back to your first days on the Board of Alderman’s in the city of New Haven in 1987. I think your financial expertise and rigorous attention to detail served the city well during all those years, especially during your ten your vote as finance chair and later for many years as president of the board and I think that rigorous attention to detail and sophisticated financial analysis would be something the city needs right now [laughter] in a way right now so that maybe they’ll bring you back as a consultant in some ways but I wanted to commend you on that because the sustained career in public service is one we’re very very proud of you from New Haven and what you have done. I also want to commend the commissioner in his great forbearance in the fact that he is a one of the more rabid New York Yankee fans that I know of and yet he has maintained a friendship with me and with my law partner Jack Keys who are strong Red Sox adherence and he has been willing to set that aside in the name of friendship over the years and I commend him for that. Just a couple of questions, Commissioner about the issues that you mentioned and the role of
the department in your testimony. Obviously, you have jurisdiction over all state-chartered banks. How many are there now in relation to the federally chartered banks in the state? Do you know what percentage of the banks we have are state chartered as opposed to federal chartered?

COMMISSIONER PEREZ: I don’t have the percents but I have the numbers. I guess we could figure out the percentage. 30 state-chartered banks. It used to be 34. There have been some mergers. And there are five or seven federally chartered banks that are major players in the state, you know with Chase, CitiBank, Bank of America, Wester to name a few. There are others, Wells Fargo. I would say the super majority, like maybe 90 percent, 85 percent are state chartered.

SENATOR LOONEY (110TH): Really is that 85 percent of the banks are actually state chartered rather than federally? The trend in prior years, I know the previous commissioners were concerned that their scope of authority was going to be eroded as more banks opted for federal charters but you haven’t seen that being the case recently then?

COMMISSIONER PEREZ: No we’ve seen the opposite. There have actually been some federally chartered banks and credit unions who have opted to go the state route.

SENATOR LOONEY (110TH): That’s good to hear because we think that regulation at the state level is better and more responsive and especially while you’re there [laughter] we know that the quality of that and less costly too. What about credit unions? Is there a similar balance between state and federally chartered credit unions or are there more
or less federal versus state chartered credit unions.

COMMISSIONER PEREZ: In the state of Connecticut there are still a larger number of chartered credit unions than there are federal. The numbers may be a little less meaning the credit unions may be 75 to 25 and going off the top of my head that’s one questions I did not predict, but I do have a list and I’m more than happy to get back to you with precise numbers if you so desire.

SENATOR LOONEY (110TH): Yeah I’d like to see it but it’s still a substantial number of the state charter and there’s still a majority of the credit unions overall.

COMMISSIONER PEREZ: Where the misconception comes in is that even though the majority are state charter, asset size wise and deposit size wise the federal are larger. So from that perspective they do have a bigger market chair. But numbers wise, the state charter.

SENATOR LOONEY (100TH): I see. That’s good to know. Also a couple of other things we have, just like to have your view on, a few years ago during the recession and the terrible foreclosure crisis that Connecticut was facing along with other states we passed legislation on the foreclosure assistance program, just your views on how that program has worked over the years and the continuing need for it.

COMMISSIONER PEREZ: This is not a topic that I’ve had an opportunity to discuss in great detail with Governor Lamont and, but my thinking is that my role is to help the legislature and the governor and give
them the pros and cons and detail and that’s really a policy decision to be made jointly by the two branches of government. My function is to carry out those laws in a fair, equitable way. What I can tell you is that Connecticut was a trailblazer. What I can tell you is that many stuff that Connecticut did is now become incorporated into revisions of RESPA and TILA so a lot of those protections that didn’t even exist before now exists at the federal level and we’re one of five states in the nation that has authority over RESPA and TILA which are laws that deal with mortgages and so forth.

So not only have they been incorporated to it but we will be the one enforcing those laws or making sure that people comply with it and in those cases we could assist them in complying with it either through having the training or having somebody from the outside assist them and sometimes unfortunately also through fines and other remedies.

SENATOR LOONEY (110TH): That’s good to hear because we were at that time hoping to do something we perceived as being necessary and realized it wasn’t being done much in other states at the time we undertook that. Just the third final area I wanted to ask you about as you mentioned in the portfolio of responsibilities overseeing student loans. Obviously is there anything you would recommend to us that we could do to help alleviate in any way the burden of student loans constituting burdens for so many family here in this state. We are increasingly hearing that in some cases that parents who married relatively young and had children in their 20s are still paying off their own student loan debt at the time their children are now beginning college so you
have 43 year old parent and an 18 year old soon to enter college student and the parent is still paying off student debts especially if there was a grad student in professional school debt in addition to undergraduate debt just to see a child is about to undertake student debt and it is crushing to families so just your view on the whole issue of student debt from your point of view and any recommendations you might have for us. I know a lot of student debt is obviously through federal sources that are regulated by federal rules but is there anything that would be in our purview to do that you would recommend.

COMMISSIONER PEREZ: Well, full disclosure, I was the first person in my family to go to college and to graduate. I graduated with some debt and as I mentioned before recently, two years or so, my daughter graduated from Yale University. As much as people think she went there for free, I can assure you that we are paying in the hundred thousand dollar range in student loans so it’s something that is very dear and impacts my quality of life and I got a feeling that it’s going to impact for many more years to come because she wants to go to med school.

I wish I could sit here and tell you I have a magic bullet or a solution to it because like I say, full disclosure I will benefit from that also but I mean we have to gravel with the cost. It ultimately comes down to the cost, right and grant you, my family made a decision for my daughter to attend the University that she attended. She had other choices and we totally understood that that choice came with some responsibility of payment. More importantly is to make sure that you’re getting your money’s worth
and to make sure that young people or it doesn’t have to be young in today’s day, the people who are going to college and paying high tuition are not being misled into a profession that’s not providing jobs or worse yet to be misled that a particular profession pays a salary or is going to provide you with a level or quality of life that is not there. And that has been the case in some cases, so some of the regulations that this legislative body has passed were very much needed and even though those positions were not funded we have committed resources from the department. We are conducting jointly with the CFPB and again we were the first state who did it and many other states have copied us including California, New York, and other states. This is beyond a little bit of my knowledge and training on what the total solution to that is but at some point, it’s not going to be free. Someone is going to have to pay for it and I don’t personally have a specific initiative that I will recommend.

SENATOR LOONEY (110TH): It is obviously having many effects in our society even in terms of the employment choices that people make and also it has an impact in terms of just family formation limiting or postponing people getting married, having children, buying their own home. It’s the phenomenon of the college graduate living in the parents basement because they’re crushed by student debt and have a low paying job coming out of college. I mean it has reverberations in so many ways in society and it’s something that’s obviously a matter of economic development as well because people’s choices are limited, and their prospects are limited because they have that primary
obligation of paying off that debt before they can do anything else.

COMMISSIONER PEREZ: Totally agree with you Senator and on the other hand it is a needed thing because how are we going to get people out of poverty and give them other choices. I mean I’m sitting here today because of education. My grandmother, great mentors including yourself that helped me and guided me when I was younger but ultimately it was a decision to go to school and then ultimately to go to college and the opportunity was provided.

SEN. LOONEY (110TH): Well I think once again, I wanted to commend you for your service and also commend Governor Lamont for his nomination of you to continue as Bank’s Commissioner. We know the agency is in good hands. Thank you, Commissioner.

REP. VARGAS (6TH): Thank you, Senator. Yes, Representative Davis you now have the floor.

REP. DAVIS (57TH): Thank you and thank you, Commissioner for being here. Obviously, you have a significant amount of background in the banking industry before you took on this role so I appreciate all the experience you bring to the table as the banking commissioner. I know early on in the, when the issue came to light in 2015 with crumbling foundations the banking department was involved early on in those discussions, a lot of the big round tables and things like that.

Since then we’ve set up the captive insurance company to or authorized it and they’ve begun their work. Some of the insurance companies, although in my opinion hasn’t stepped enough, they have started making contributions into that fund as well along
with the funding that’s been made available from the legislature and the governor. One thing that is a lot of the affected people have brought to my attention is that the banking industry really hasn’t done anything to come to the table other than what we might be setting up soon with CHFA for the low interest loans for the additional funding that’s needed to fix everything else other than their foundation. Some have argued too, and I agree with them, the banking industry is really the one that holds the biggest bag here. If people begin to walk away from their homes, it’s the mortgages that are on those homes that are going to default, not so much as the insurance companies although they might actually be culpable of having to pay for these repairs. What has your department done to try to bring those banks to the table and have them contribute to this crisis and what can we do in the future to try to get them to be more involved?

COMMISSIONER PEREZ: What’s been happening with those crumbling foundation is an unfortunate issue. It’s, I cannot even start thinking, you know you had a home, it’s your biggest investment and then your foundation starts crumbling. What I can tell you is, that the banks have been at the table from the beginning. What I will also say is after the homeowners, and by no means am I trying to compare the two. For the homeowners, the second most impacted innocent entity in this process are the financial institutions where there is a credit union, whether it’s a bank or another type of financial institution because they’ve made a loan on based on the facts known and the rate reflected that and the risk reflected that and they could clearly understand that at the end of the day if a homeowner
walks away they’re the ones who will be left holding the key and they have from the beginning shown interest and willingness to work to be part of the solution including, at the end of the day the need becomes that they will have to take on higher debt than what the home is worth and/or do loans at a very favorable rate up to 0 percent. The problem with the banks is there are regulations that says you can’t lend to someone with a property that, if it’s worth $300,000 but now, because of the crumbling foundation and the mortgage you had, the debt is $500,000 or $400,000. So it’s one of those two-edged swords we still have to figure out mostly at a federal level because the FDIC concern will always be the protection of the insurance fund, right?

So it is not an easy, it’s not as easy as well you hold the mortgage if you don’t cooperate even, because on the other hand you have laws that would require them to take large losses which may could, I’m not saying they will and the good news is based on what we’ve reviewed it does appear anywhere banks will be impacted as so bad that they will go out of business but it could impact the ability to do other loans and do the stuff that they do in our communities every day. But I want to ensure the committee that the banks clearly understand that they will have to be part of the solution and express interest in being part of the solution but that has not been figured out yet because we’re trying to put the pieces together.

REP. DAVIS (57TH): And I know there was a bill, I think just recently before the banking committee that I’m not a member of but, that dealt with a foreclosure mediation program moving forward and
although currently if you have a crumbling foundation and you’re facing potentially foreclosure you could obviously under those circumstances enter that program. This bill, I think would have it included or advertised or something along those lines. Do you see that as something that could be better utilized, this foreclosure mediation program for these people who are suffering from these issues?

COMMISSIONER PEREZ: I am not aware of that legislation, so I am going to give you a comment off the cuff. I think that the forum has been successful and was very much needed at one time, especially because some of the safety nets were not there before so yes it’s important that if someone is struggling that after so many days before foreclosure starts that financial institutions be required to contact those buyers and to work with them and try to figure out a way to mitigate the problem. Unfortunately sometimes bad things happen to good people and you cannot do much but in many many cases there are possibilities of solutions that could help people so without knowing the details of that legislation, you know I would, I cannot really but that leads me to something that I strongly believe in which is, goes along with what your point is what can we do to prevent the foreclosure to happen in the first place.

I mean I’m more for preventing the problem from happening than to have to fix the problem so it’s like a disease. If you know that, if you exercise or if you eat well or whatever it is you have to do you can avoid if this disease is going to kill you or harm you. It’s much better to do prevention than reacting to it so and from that perspective without
knowing the details of the legislation it sounds to me that it may be helpful.

SENATOR LOONEY (11TH): Thank you and actually that leads to my next question. In my day job as a realtor, dealing with, although this has certainly improved in the last few years, but short sales and the process and how long it takes sometimes for banks to act on short sales or short sale requests after they’re made. Is there anything that can be done to speed up that process or make it so that the decision gets made in a timely fashion. I know right now it’s kind of an open playing field. They can get a request for a short sale request from a borrower and not act on it for months and months and months.

COMMISSIONER PEREZ: I would need to know more about it. I would be very surprised if that is significant in the state charter banking system because they tend to be community banks. They tend to be very aware and cooperative with their local communities so I’m not aware that state banks, which is here my jurisdiction is that that’s an issue. I am aware with some of the larger banks, you know the ones that do a lot more mortgages that that has been an issue especially since they sell the mortgages multiple times and it’s difficult at times to figure out what the services are. That, I would argue is not the case with the super majority of the banks that I regulate but if there’s specifics or one that you could provide, I would be more than happy to look into it and be able to tell you what falls in my jurisdiction on that and where it doesn’t. I have no problem contacting those banks and figuring out what the issue is. But I’m not aware of that being significant, to be honest with you I haven’t
had any complaints from a state charter bank which is where I would get it from.

REP. DAVIS (57TH): Thank you and that’s good to hear that the state chartered banks and credit unions for that matter have been working with them because that is another example or way for someone to avoid foreclosure and have less of an impact on them while the bank is still getting usually a lot more for that asset than if they actually had to foreclose on it and had to sell it after the fact so I’m glad to hear the state chartered banks have been successful in working through that with borrowers. And as someone who still is paying off their student loans as well, I very much appreciate the Senator’s questions on that issue. It is something that’s impacting a lot of people in my generation and Representative Phipps’ generation especially hard and we appreciate your work on trying to make that as fair of a process as possible for the people so thank you, Mr. Commissioner and keep up the great work.

COMMISSIONER PEREZ: Thank you.

REP. VARGAS (6TH): Thank you, Representative Davis. Any further questions or remarks, Representative Phipps.

REP. PHIPPS (100TH): Thank you for coming commissioner. As a recovering banker myself [laughter] I have just a few questions. I recognize that federal law oversees a lot of the typical issues that I think most of our constituents would see but what role do you specifically do you think your commission could play in being more proactive in helping our constituencies with the federal issues.
COMMISSIONER PEREZ: First of all is to be advocates and to help them understand what the different resources are out there and to be able to help them, to provide assistance for someone that understands the process not because they’re not smart but it’s what we do for a living. At the end of March I’m going to be going to Washington, what they call a fly in and the purpose of that is not only to meet with our congressional delegation but to meet with other members of congress to advocate on behalf not only of the industry wouldn’t make sense but primarily on the consumers and to try to help them understand how those laws impact the every day life of every citizen.

REP. PHIPPS (100TH): Because a lot of these organizations are billion-dollar organizations they have significantly more resources than we do, how do we compete against them on a fair playing field when we know they’re doing wrong. So, for instance, not in my district but where I used to work on Blue Hill Avenue in Hartford, an area of Hartford that is one of the least affluent areas in the entire city but also has some of the highest homeownership rates in the city. We had a local branch there that was closed within the last few years and I would say, not I would say but that I would know because I was part of the research that that branch was specifically opened to help with CRA’s so now that is closed I think the closest branch for that particular bank is not on a bus line and you would have to go up to Bloomfield or back downtown. How do we help out those that typically were banked there now that there isn’t a resource directly in their community when originally, they had branches specifically designed to open because of CRA?
COMMISSIONER PEREZ: Again not knowing the details of knowing if it’s a federal or state charter it’s hard to answer the question but what I can tell you is the that one of the first instances I had to work on was a Bank of American branch that closed in Hartford and what we did is we encouraged people, other financial institutions and eventually a credit union did buy the property and open up a branch there so that’s one of the things we can do is use our influence for lack of better word and ability to be able to call the CEO’s of those institutions and try to introduce them to the communities at the larger bank for whatever reason may choose to change to business one so that’s one thing we can do.

The other thing that I would encourage people is, is to show complaint, I mean whether it’s federal, whether it’s state there is a process that they have to go through to get approved for that branch to be able to close. It is amazing to me how little input we do get from the public, good or bad. And in those cases when those institutions are found to have failed CRA, it’s important that I think our community acknowledge that and take appropriate action and support those institutions who are not failing CRA and who are meeting those goals that you have mentioned.

REP. PHIPPS (100TH): Where could the general public find out about your outreach and communication plan, so they know about how to go about using you as a resource and advocate?

COMMISSIONER PEREZ: First of all, not everyone has computers so I acknowledge to that. We do have a website and every week we work on it and there’s a list of whether there is a public hearing coming up
or not. We also have, what we call our bulletin which is a document that we issue every week with any request for opening branches, closing branches, mergers, acquisitions. It gives a list of them. We also do a lot of our regional libraries and senior centers. Many times we’ve done with your colleagues. There’s also articles in the paper that come out so it’s the typical once in a while we also get calls from the radio station and we always make ourselves available to come and talk about if there’s a merger or acquisition if they want to talk about it.

But the key here is, I mean those things don’t happen, people should know because of the signs that get put in the door for people here in the community to know the branch is closing. The key here is to figure out who is your regulatory entity and if you’re in doubt call our office. We will have no problem telling you, people think if you see Bank of America it’s in the state they have to be regulated by the state. Well it’s not. We have no problem helping you, instead of giving you a number that you have to call ten times to figure out who to talk to, we’ll do that for you. We would even advocate on behalf of particular communities if there is a specific need that is not being met.

REP. PHIPPS (100TH): In terms of financial justice and financial equity, what role could the state play and your commission play in providing relief for those that need it the most and here’s two examples that I can think of. One when overdraft fees aren’t quite to say what they were ten years ago but to be charged $35 dollars per instance for overdrafts because you don’t have money and to only continue that cycle seems incredibly unfair or two another
example is with mortgages or with using a credit card for an emergency. We didn’t have any money so now that we’ve charged 19 percent or 29 percent for that emergency seems unfair so how do we help with those inequities that continue to promote folks further in poverty which is one of the reasons they are seeking these unjust financial vehicles in the first place.

COMMISSIONER PEREZ: First of all, and I hope you don’t think I’m trying to dodge the question because I’m not but I’m trying to be honest. We can only regulate those things that the law allows us to regulate and fees as long as they’re disclosed as long as they play across the board and so forth, we don’t determine if it should be $20 dollars or $35 dollars. We can go after the institutions and make sure that they are being applied as disclosed and they’re not being abused. In fact, one of our biggest enforcement action was we made a particular financial institution rebate back a little bit over $2.9 million dollars of fees that they were charging people that was incorrect. So when we find those things we will take action and force that to happen. And the other hand is when we do CRA stands, one of the things we do look at is if that particular financial institution provides services to the entire community. Are they providing credit to the entire community and benefits the entire community.

So that’s when we start looking at things like overdraft fees and so forth. We cannot fail them of only that one issue but we can look to see, okay if you’re going to charge that kind of fees do you have any free checking as one of the rules right, what kind of outreach you do and your assessment market to make sure people understand those rules right,
and how well you work with the community you service to be able to not take advantage of them so again I will go back, unfortunately, the good news is not so many banks fail in this area right but unfortunately it does happen and people should, the best way you could teach somebody a lesson through the power of where you put your money and where you do business.

REP. PHIPPS (100TH): There’s been several proposals for a state bank or infrastructure bank. What recommendations would you give if the legislature was looking to move forward with that sort of policy?

COMMISSIONER PEREZ: Again to me that’s a policy decision in the world I feel we should be plain as to give the pros and the cons not only to the governor but to the legislature. There are actually about 25 initiatives nationwide right now in that area so it’d be interesting to look to see what the different states are trying to accomplish with that. What I could tell you is there’s only been one bank in the states and that’s North Dakota and then there was another bank down in, I can never pronounce that Highland Rite, which started in 2015, didn’t get their charter until 2018 and they’re already wanting to privatize it. So our role will be to assist you in getting information in research and the pros and cons on it and then it becomes a policy decision. There are a lot of pros and cons for both.

REP. PHIPPS (100TH): And the last question, what role should the state play and your commission play in providing or helping the underbank or no banks potentially things that we have.

COMMISSIONER PEREZ: We are part of New Haven initiated an underbank initiative that I’ve been
part of and more recently my executive assistant for government who is also my division director for the department that’s been representing us. We have been able to gather a group of banks and credit unions. As a result of that they have been some products that have been introduced that are free. There have been some products that have been introduced called Second Chance that are much more restricted so the role we play is to be a conduit to bring people to the table and to let them know this is very important to the agency, to our legislators, and to our governor. And that we really want them to participate. And we really want them to assist in the grants that has been applied for and received. I’m looking forward to, in the near future to sit down with the governor and discuss other possibilities and then go from there.

REP. PHIPPS (100TH): Sorry, I know I said one last question, but this will be the final question. When I was a banker the number one way to predict whether a young student was going to overdraft their account was whether or not their parent’s overdraft. So what role do you think financial literacy could play in helping ensure a more equitable banking system.

COMMISSIONER PEREZ: I think financial literacy is tremendously important. We have put a lot of resources into that. We will go talk to young people in high schools and in college and like I said to you before we’ve done it also at some senior centers and other venues. I think that the more that people understand how the process works, the less the chance are for error to happen. In many cases there’s an honest error. In other cases, like I said before bad things happen to good people meaning things happen you take a gamble that my
check will get to the box to process before the check is wrote and that’s what happened. I think that financial literacy is a must. I think it should be taught at a school level and we do put a lot of resources in the agency. Working with other partners also and as one of the things that every bank and when I have roundtables with CEOs I talk about besides any other issues that are brought to my attention I do meet with all the state charter credit unions and banks. Lately the ones that are not state charter that would be showing up because they appreciate knowing what’s going on and try to be proactive.

REP. PHIPPS (100TH): Thank you. You answered the main question, whether or not it should be required, and I think you said you would be in support of it being required in our school system and I tend to agree, so thank you.

COMMISSIONER PEREZ: That’s one time I will not wait on direction. [laughter]

REP. VARGAS (6TH): Thank you, Representative Phipps. Any further questions or comments? If not, I want -- oh Senator Looney?

SENATOR LOONEY (11TH): Thank you, Mr. Chairman. Just that one follow up Commissioner, to your discussion with Vice-chairman Phipps. You mention that in terms of regulation that generally your department’s roll is provided to ensure the banks are transparent about their fees and also that they make their customers aware of what they are so that they are in fact informed conservatives but that you aren’t in a position naturally to regulate those feeds themselves or direct caps or anything of that nature. Do you know, are there are any other states
in our region that grant their banking commissioners greater scope of authority in that area than we do?

COMMISSIONER PEREZ: I’m not aware of that. You know, the main role is we cannot have a bank forcing us to charge one set of fees in New Haven. I’m going to use New Haven because that’s where I’m from. Nothing for me to miss any other town versus some other town. Everyone has to be treated equally, transparent, and fairly. That falls under our jurisdiction. Whether that fee again should be $20 dollars or $25, we have no say on it. I am not aware of any other state or federal law that would allow and regulator to do that.

SENATOR LOONEY (11TH): Thank you so much, Commissioner.

REP. VARGAS (6TH): I know part of your duties are regulatory and our desire to stimulate economic development, you know we listen to a lot of our businesses always complaining about too much red tape, too much regulation and I know we have to walk a fine line at helping people cut through red tape but, on the other hand we have to make sure we filter out the bad actors too. Do you have any thoughts on that?

COMMISSIONER PEREZ: Like I said before this is a balancing act, right? In some ways we should, and I know for the new Governor, Governor Lamont this is very important that can support economic development. And that’s why some of you saw me in your district in the last month. I was in Middletown with a group of clergy and others and the mayor there doing the kickoff of the Martin Luther King Corridor. That’s not something that a regulator normally does. It’s not really something
that should be blown in a regulator entity agency. That’s more programming. We have taken a very active role in that. We play a major role in convincing two financial institutions to put some good amount of money on the table.

That’s why also we working with the industry, particularly credit unions and banks come up with a banking bootcamp entrance which is introducing banking and regulatory world to young people in college and high school. That’s why we are going to be starting an internship program at the Department of Banking because I think that part of our role is to help those institutions find workers because that’s one of the complaints we get. It’s hard to find workers and also to give another reason to those young people or whoever, it doesn’t have to be young, but since we focus on more on high school and college to stay in Connecticut, right. If they have a job, good vocation, and affordable housing more likely to stay than not. As I try to go to every ribbon cutting there is again and support those financial institutions and in support of what those towns are doing and create economic development and to clearly show the corners of that to the state, not only to the agency, to the governor, city, and legislators. In fact, I met many of you went through that process.

REP. VARGAS (6TH): Well, thank you for that and like I said I congratulate you for your reappointment. Like I’ve told many of the other nominees who have served under the previous administration and now have been re-nominated to serve in the new administration that in itself shows a vote of confidence in the work you’ve been doing. So, without further ado, I will ask the question we
ask all nominees before we let them go and that is, is there anything in your past that might prove embarrassing to this committee, to the governor, or to the state of Connecticut.

COMMISSIONER PEREZ: No.

REP. VARGAS (6TH): Well thank you very much. That concludes this portion of the public hearing and let’s just go immediately into the next one in the interest of time. Jordan A. Scheff of Vernon has been nominated to be head of the Department of Development Services. And before you take the seat, can you please rise and raise your right hand. You promise to tell us the truth and nothing but the truth.

COMMISSIONER SCHEFF: I do.

REP. VARGAS (6TH): Okay, please be seated. And as is customary we allow our nominees to make an introductory statement before we open it up for questions so please proceed.

COMMISSIONER SCHEFF: Thank you. I have submitted a full, written testimony and for the purposes of time I will provide some highlights this afternoon. Good Afternoon, Senator Duff, Representative Vargas, Representative Perillo, and members of the executive and legislative nominations committee. My name is Jordan Scheff and it is indeed an honor and privilege to be re-nominated as commissioner for the Department of Developmental Services by Governor Ned Lamont.

I sit before you today with nearly 30 years of experience in the field of intellectual and developmental disabilities, including serving over the past two years as commissioner over the
department. In 2016, my testimony to this committee was largely about stability, not only within a department but also for the individuals and families we serve. In my two years as commissioner I have been focused on creating a stable support of working environment where staff are engaged and powered to contribute to the work of the department. In addition, I’ve made it a personal priority to consistently engage with the individuals and families we support.

Recently I hosted six family forums scattered across the state as an opportunity to express their concerns, ask questions, offer ideas to me and my staff in an open and receptive environment. As I listened to the families discuss their fears, their dreams, and ideas for the future I was reminded once again how incredibly important the work of this department is and how it can only move forward when everyone has an opportunity to particulate in meaningful ways. I’ve also made it my habit to avail myself to many of the various organizations that do advocacy in or for our community. In the same vein I have had the pleasure of working properly with the legislature to advance the work of the department.

As one example in the adjusted FY19 budget the department was appropriated five million dollars in funding to develop crisis prevention and intervention strategies. To de-escalate crisis situations and prevent long term hospital emergency department stays. I want to express my extreme gratitude, my sincerest appreciation to the legislature for the statement of faith in our work, particularly during a time of fiscal restraint. With this funding the department has launched a step
up, step down unit to support individuals in crisis and a need of behavioral stabilization who are coming from community-based settings or hospital emergency departments. DDS has also developed a mobile crisis response pilot to provide rapid support to individuals living in community-based settings who may be near or are experiencing a crisis.

In both programs, DDS will act as an intermediate support focused on stabilization ultimately transitioning individuals to community-based private providers for ongoing services. The adjusted FY19 budget also appropriated one and a half million dollars to the Intellectual Disability Partnership. In collaboration with DDS, OPM, and community partners this funding is being utilized to support the partnerships for major priorities. Again, I wish to thank you legislature for supporting innovation and the space to do what we do so together DDS can move forward. We are now poised for more major system improvements and further expansion of innovative supports. We have integrated the use of a system of technology into our waivers to offer greater independence to individuals. We have made a commitment to the national employment first movement to support fully integrated employees of individuals with disabilities.

The department is dedicated to tracking the progress of these new initiatives and documenting measurable outcomes to assure successful future trajectory. These efforts along with many others will allow DDS to remain a national leader in supporting individuals with disabilities. Thank you for the opportunity to be here today. I humbly ask for your
support of my re-nomination as commissioner. I look forward to the possibility of continuing our partnership in supporting individuals with intellectual disabilities and I’d be happy to answer any questions you have for me today. Thank you.

REP VARGAS (6TH): Thank you very much, Commissioner and I’ve had the opportunity to speak with you before this hearing and I believe you have a clear understanding in the role you do with other departments and I congratulate you, as I said to other nominees who have been reappointed from the past administration to the new administration that in itself is a vote of confidence by Governor Lamont and the work that you’ve been doing and that you’ll continue to do. Any questions from any committee members? Yes our ranking member, Representative Perillo.

REP. PERILLO (113TH): I just simply want to say hey, thank you for serving. Congratulations for your reappointment and thank you for taking the time to meet ahead of time to meet with me and other members of this committee. Our conversation was very, very helpful and it’s very clear to me that you’re dedicated to this agency and more importantly to the clients that you serve. I appreciate that very, very much.

COMMISSIONER SCHEFF: Thank you Representative Perillo.

REP. VARGAS (6TH): Senator Looney?

SENATOR LOONEY (11TH): Thank you Mr. Scheff. I would also like to add my congratulations on your re-nomination and also thank you for taking the time to come meet with me in advance of this hearing to
discuss your agency, your performance there, and your vision for its role so thank you very much.

COMMISSIONER SCHEFF: Thank you, Senator Looney.

REP. VARGAS (6TH): Thank you, Senator and I think that the statements from myself and other committee members make it pretty clear that we’re in support of your nomination. Before we let you go there’s one question we ask of all our nominees. Is there anything in your past that you believe might prove embarrassing to this committee, to the governor, or to the state of Connecticut.

COMMISSIONER SCHEFF: No.

REP. VARGAS (6TH): Well, thank you very much. That concludes this portion of the public hearing. That brings us to the last nominee but not least, Commissioner Joshua Geballe of Gilford who has been appointed Commissioner of Administrative Services. Commissioner Geballe, before you take a seat would you please raise your right hand? Do you promise to tell us the truth and nothing but the truth?

COMMISSIONER SCHEFF: I do.

REP. VARGAS (6TH): Please be seated and as is customary we will allow you an opportunity to make you initial presentation.

COMMISSIONER GEBALLE: Okay thank you very much and good afternoon, Senator Duff, Representative Vargas, Senator Fasano, Representative Perillo, and members of the committee. My name is Josh Geballe. It is an honor being with you this afternoon having been nominated by Governor Lamont to lead the Department of Administrative Services. I’m hopeful that throughout this hearing process and after making
your own independent evaluation and my qualifications you will recommend my nomination to the Senate.

I was born and raised in Branford, educated in New Haven, and currently live in Gilford with my wife and two children. After 18 years in the private sector and a variety of executive roles in the technology industry I am excited to use this opportunity to use my professional skills and experience to serve the state of Connecticut. I’ve had the opportunity to work in a variety of roles at both small and large companies. I believe this experience has prepared me to lead DAS, an agency with wide ranging and somewhat desperate responsibilities in state government and to make state government to work better for our citizens. For example, when I began working at IBM after receiving my MBA, I developed strategies and operation improvement plans for clients in multiple industries.

I learned how important it is to listen to customers to learn what they really want as opposed to making assumptions. I also learned that front line staff often offer some of the most creative solutions in improvements particularly when you encourage them to think creatively and apply their experiences to new challenges. Many of my responsibilities at IBM correlate to DAS. I served as vice president and divisional CFO for two multi-billion-dollar divisions of IBM’s technology services business where I created and implemented strategies and improves processes and reduce cost. Later as vice president of IBM’s business continuity and resiliency services I was a general manager with full profit and loss responsibility for a $350
million dollar division leading over 600 employees. My time at IBM gave me a thorough grounding in IT services, procurement, human resources, project management, budgeting, operations, and change management all functions performed by DAS. After 11 years at IBM I wanted to take on a more entrepreneurial challenge.

I joined Core Informatics, a Branford based software startup. As CEO, I lived through the trials and tribulations as well as the opportunities of running a small business in Connecticut. As someone who dealt with state government from the outside, I’m eager to work with DAS staff and other state agencies as well as Connecticut business and other stake holders in order to communicate the many reasons that I think Connecticut is a fantastic place to start and grow a business and identify and support additional areas where the state can foster economic growth and help create jobs. Leading a software company that grew from 16 employees to over 100 also gave me on the ground experience in employee recruitment and retention and establishing a company culture where the people worked hard because they liked where the worked and believed in the mission. I am very proud of the fact that Core Informatics won multiple awards. It’s one of Connecticut’s best places to work.

We all keep hearing about the silver tsunami of retirements that will hit Connecticut state government in the coming years and employer recruitment is a key issue for every agency. I know that DAS has made great improvements with recruitment, particularly with the roll out of job apps last year and I look forward to building on those efforts. In 2017, Core Informatics was
acquired by Thermo Fisher Scientific, a multi-national scientific company. As vice president and general manager, I led the integration of Core Informatics into Thermo Fisher and the establishment of a new, digital science business unit. Change may be hard but it’s also an opportunity. My change management skills will be valuable to Lamont Administration as we work to fulfill his charge to streamline and re-engineer how state government works. I’ve only been with DAS for about two weeks and I’m learning the intricacies and all of its various functions and it will take more time but I know enough to agree with Governor Lamont that DAS is the backbone of the core functions of state government.

In my view DAS has a three-fold mission. First to support Connecticut’s growth by serving our citizens, businesses, employees, and other state agencies of branches of state and local government by providing the highest quality services at the lowest possible cost. Second, to drive continuous innovation in order to increase the efficiency and effectiveness of state government using best practices from both the public and the private sector. Third, to provide rewarding careers by attracting and retaining a workforce of talented, dedicated public servants committed to leading our great state forward. I’m honored by the confidence Governor Lamont has placed in me and I’m excited by the opportunity we have to work together to fulfill this mission and make Connecticut an even better place to live and to work. Thank you for the opportunity to speak with you today and I look forward to answering your questions.
REP. VARGAS (6TH): Thank you very much, Commissioner. Although we have not had an opportunity to meet previously, it’s been a hectic schedule for all of us I appreciate the fact that Governor Lamont has recognized your experience and your background, your qualifications for this nomination and I feel that from your presentation of and what I read that you’re qualified to lead this agency. In many ways I see this Department of Administrative Services. It’s kind of the department that coordinates with all the other departments of the state government and I know that we passed a bill in terms of data collection and the part of your function is to appoint a data collection officer and try to make that data from all our different state departments something that we can use as a tool for further policy and planning. How is that coming along in your opinion?

COMMISSIONER: GEBALLE: Yes well our state’s chief data officer is actually housed at OPM but we collaboratively very closely. I met with him actually last week, Tyler and I had a great discussion about the considerable effort that he is going through to catalog all the latest data assets around the state and start to think about how we structure them in a way in processes and protocols to which we can make them available to people to help all of us and state government understand things that we can do to make better decisions and most effectively utilize state resources. I’m really excited by that early work that’s been done there and I look forward to supporting that effort in this role.

REP. VARGAS (6TH): That surely would be useful if we could take advantage of all that data that I’m
sure exist in every one of our agencies. Sometimes it’s so hard to access. Anyway at this point I will open up to my fellow committee members. Yes our ranking member Perillo has the floor.

REP. PARILLO (113TH): Thank you, Mr. Chairman. Good afternoon and congratulations. Thank you for reaching out. I’m sorry we didn’t connect previous to this. My question is less about policy and more about practice. Your entrepreneurial background should be commended. In many ways the beauty of being with an entrepreneurial company is that you’re nimble. And I would imagine even your time at IBM, the red tape there probably looks like a walk in the park compared to the red tape you’ll experience in your new role. How do you plan to, you use the word bridge in your testimony, how do you plan to bridge the gap between the flexibility in the private sector and the rigidity that you’ll likely encounter at IBAS.

COMMISSIONER GEBALLE: Sure, that’s a great question. I mean I think often times it’s easy to look past bureaucracy. It exists in the private sector. IBM is a company of about 400,000 people on any given day and as is natural in large organizations there is a lot of structure and process required to effectively run an organization like that, but I think based on the people I’ve met and kind of my first couple of weeks on the job I’m encouraged. I think that there’s a lot of people here who are excited about change and about trying to look for areas where we might improve and I think it’s important for me in this capacity leading this agency to reach out to the other commissioners, to reach out to people of all levels of organizations and bring them into the process. I think if we can
do that effectively I’m optimistic that we can drive change and working within the different constraints that we have you know as a governmental entity. My sense so far as people are very well intentioned and have a lot of energy to try to do some innovative things here so time will tell and obviously I’m interested in advice from folks who’ve been working in this area for longer than I have about how we can accomplish those goals.

REP. PERILLO (113TH): I appreciate that. I wish you the best of luck in making that happen. My observation over the years is that many of our agencies don’t see themselves as client servers and I think it’s important that they do because at the end of the day we’re here to support whether it be residents or businesses or job applicants. They really are our clients, so I wish you a lot of luck in making that happen. I hope it’s not as difficult as I think it will be but, I certainly believe you’re up to the task.

COMMISSIONER GEBALLE: I completely agree with the perspective of who our clients are here in state government. Thank you for the kind words.

REP. VARGAS (6TH): Senator Looney, you have the floor.

SENATOR LOONEY (11TH): Thank you, Mr. Chairman. Good Afternoon Commissioner. I wanted to congratulate you on your nomination. Obviously, we’ve known each other a long time, since you were still an undergraduate and you were working for Congressman Delauro’s office as a constituent outreach director so that goes back to about 1997 or so, I think, so again obviously I’ve been admiring your success through the years as you’ve risen from
one position to another. My question would be somewhat related to Representative Perillo. The prior heads of DAS have usually been people who have had prior elected experience or prior state government experience in some way or another. I think you do come to it with a new and unique perspective, more of an entrepreneurial perspective having a distinguished career in the private sector. Of course, the DAS does have a very broad portfolio. It’s the successor agency to the Department of Public Works, the successor agency to the Department of Information Technology, and the successor agency to the Department of Construction Services so it’s quite a broad portfolio. I don’t know if you have any comment about the various functions or silos of operation that are within the prevue of DAS, and how you might look at addressing each of them or any kind of overarching view that you might have.

COMMISSIONER GEBALLE: Sure you’re of course absolutely right. It is a very diverse set of responsibilities that we have and I’m enjoying the process of digging into each one of them. You know, as I mentioned in my opening remarks, I do think there are some very strong common threads that knit them altogether, however, and we’ve been talking about this a couple of town halls now with some of our larger locations and I think, you know, as I mentioned the important role that everyone of our groups plays in helping to support our mutual goals to track growth in this state and job creation both in terms of the services that we provide directly to our citizens, to our businesses but also the work we do to enable all of the other agencies in our state government who are directly involved in those
efforts. That is a common thread throughout our departments.

Secondly, I think the role that we can play to drive innovation and how we run our operations and state government when you think about our information technology, our technology general and how we procure products and services int his state, how we manage our workforce. These are all areas where I think we can really lead, not just in the state but in many cases nationally, things that we can do to drive forward with new approaches that are very responsive and then finally I think the aspect of what we do around managing the states workforce it’s critically important especially as we do face such a significant number of retirements coming up making sure that we’re attracting and retaining public servants who will help lead us forward is not the job of any one agency. That’s a team effort certainly but one that we’re very excited to help lead.

SENATOR LOONEY (11TH): Thank you very much, and again congratulations on the nominations and we are all going to benefit from your success so thanks so much.

COMMISSIONER GEBALLE: Thank you, Senator.

REP. VARGAS (6TH): Thank you, Senator.
Representative Yaccarino, you have the floor.

REP. YACCARINO (87TH): Thank you Mr. Chairman. Just want to say welcome to this role. I think your resume shows you’ll do a wonderful job for a state, our businesses, and our community. You have a great team behind you already and I think with your business experience, in your experience when you
worked in Congressman Delauro. I think that comes into play with customer service and helping people. I think everything you have is going to be a great asset to our state. I’m looking forward to it growing and supporting you in any way possible, in what’s best for the state. I just want to say I wish you the best. We need innovation and we need growth and those are the things that you mentioned in technology, in the sciences, and in construction services. I think just tying those together you have the background to do that. Thank you, Mr. Chair.

REP. VARGAS (6TH): Thank you, Representative. With nothing else I’d just like to congratulate you again. Oh. We have a request from our good Senator for the floor so please proceed.

SENATOR HARTLEY (15TH): Thank you, Mr. Chair. And may I be so presumptuous to say Mr. Commissioner, so it is very refreshing to see the level of nominees that Governor Lamont has been sending to this committee and to the General Assembly and you are one of that group so we’re very excited about having business folks to participate along with our bureaucratic side so we kind of have a blended complexion if you will.

So Josh, I just wanted to ask you, knowing what your background is and being so grateful that you have chosen to serve and heading up the Department of Administrative Services how do you see or maybe you haven’t had an opportunity because I know this is still very early on, the changes that you would like to begin to embrace and scale meeting the goals of the governor as he announced that he wants to bring this administration into the digital age and DAS as
my colleagues has indicated is really the heart of
the operation and I think there are great
opportunities. I’m wondering if there’s anything
specific or in general that you are going to be
embarking on in the Department of Administrative
Services.

COMMISIONER GEBALLE: Sure. I will give you a
couple of examples of some things we are working on
very hard right now to start to get organized. As
you pointed out one of the main ones is in the area
of digital services as the governor has been talking
about extensively. It’s one of the things that
obviously given my background I have a real passion
for and I think we have tremendous opportunity in
this state to make a lot of positive changes in how
we use technology to improve services that we
provide to our citizens, to our businesses and also
in our role at DAS to our other state agencies as
well. And this is involving things not just in
terms of redesigning websites but all the services
behind those websites that people interact with as
Representative Perillo mentioned just a moment ago,
approaching that from the perspective of our
citizens and our businesses who are coming to us
because there’s a life event of some form to bring
us here whether they’re trying to start a business
or perhaps they’ve lost their job and they’re
looking for the services that may be available to
them to bridge that period of time and get back on
their feet.

We need to hide the seams of our state government
from them as much as possible and render those
services in a way that very intuitive, very user
friendly so that people embrace them, utilize them,
and we can drive as many transactions in our
government as possible onto online services so it’s a very complex piece of work to do kind of in its totality. It’s something that we will be stepping our way through over a period of multiple years, but we are very eager to get started on very quickly and I think the governor will be talking more about this in his budget address next week, but there’s massive opportunity there.

Another one is in the area for procurement. We’ve been making a lot of progress in that area but I think there’s immense opportunities to look at some of the steps in the bureaucracy that’s been created particularly in the wake of very public scandals over the last years that may have swung the pendulum in some cases a little further than is practically necessary to manage risk but also to enable our agencies to do business in a way that’s efficient without putting a lot of unnecessary hurdles along the way so it’s another area we’re looking at, some process re-engineering that we may be able to do to bring some more efficiencies to how we operate government and also to make the procurement engine of the state more attractive for others to participate in, as I’m sure you know Senator we do support procurement activities through his state for some towns, municipalities, and some non-profits but it’s relatively limited today and I think if we can provide people with a better user experience for those types of services we could attract more entities into the state purchasing pool and so doing help drive down the cost of doing business. So just two quick examples of things I’m excited about where I think we can really have an impact.

SENATOR HARTLEY (15TH): And I think that those are very large topics and ripe for that opportunity so
that’s why we’re so anxious to have your leadership. Speaking of with my commerce hat on, I’m on that committee, one of the most important things is to try to leverage our assets and also to partner with private sector to the best of our ability. The P3 model is, I think talked a lot about. I think there’s probably opportunities that I think maybe we have missed. Before you talked about the procurement process. I think that’s one that demonstrates the fact that we can use our state assets and investment to a greater ability by maybe having those kinds of partnerships and wherever we can attract business in and support it primarily, you know, this state is fueled by the small business person. That is, I think a great coalition to form and I’m looking forward to working on those things from the commerce side of the fence.

COMMISSIONER GEBALLE: I look forward to working with you on those topics. I agree there’s massive potential there.

SENATOR HARTLEY (15TH): Thank you, and thank you Mr. Chairman. I’m sure it’s dually noted, there’s 11 public hearings going on right now so while everyone is following this nomination some of us are here in spirit and that’s the purpose of the written testimony which is so helpful.

REP. VARGAS (6TH): I will reiterate the fact that we do keep the votes open to at least 4PM so that everyone who is in the building can vote on these nominations when we actually go to the call to order which is the second part which is our business portion of the meeting. We’ve been joined by the house vice-chair. Representative Phipps is there anything you’d like to add.
REP. PHIPPS (100TH): Thank you for coming again, commissioner. Again, congratulations on your appointment. Like I said I’m really going to ask one question because of our conversation before. Your answer was so good that I want to make sure that other folks know about it. How do we ensure that state employment is an attractive endeavor for employees, especially with the context of Gen Y and our younger workers who typically move from one employer to another employer typically within 3 to 5. How do we make state employment attractive?

COMMISSIONER GEBALLE: Thank you, Representative Phipps. I think that this is a really important question for the coming few years here, given the amount of retirements we are going to be facing in the state and the total that’s going to be walking out as a result of that. My perspective on this having hired hundreds literally kind of younger generation technology workers over the last couple of decades, and while cash compensation is always important and people need to make an adequate living particularly the younger generations care deeply about knowing their work is having a positive impact on the world and I think that there is a really compelling opportunity for us to emphasize how honorable it is to serve the public and to be part of what we’re doing here in this state, the incredible diversity of career and jobs that we have available for people to serve their state and serve their neighbors in a very important way are some of the most important moments of your life. I’m really proud of the work that our statewide HR team has done to really hone and to find the value proposition around working for the state and the mission that we advance and there’s a number of
videos that are out on YouTube that if you go on the DAS website you can find your way there pretty quickly that show kind of 2 minute vignettes of a lot of these different types of career opportunities, people current state employees talk in their own words about what they do and the impact that they have and the value they derive from their careers. It’s really powerful and I’d really encourage everybody to go to the DAS website, find those YouTube videos. They’re really fantastic and so I think there’s a lot more like that we can do and build on those great works. I think as I mentioned before that’s going to be a really critical part of my job and our collective efforts in the coming years.

REP. PHIPPS (100TH): Thank you for that answer. My mom was a state employee for 30+ years and one of the reasons that I took the public service was seeing her hard work. Seeing your answer to that and the recognition that it’s an honor and a privilege to be able to serve the community in this capacity was not only touching but I think it’s really going to be a strong driver in our development. Thank you and I look forward to working with you.

COMMISSIONER GEBALLE: Thank you, Representative Phipps.

REP. VARGAS (6TH): Thank you, Representative Phipps. I was just noticing that what you were with Thermo Fisher Scientific part of your portfolio included Madrid, Spain. Did you get to travel over there?

COMMISSIONER GEBALLE: Yes.
REP. VARGAS (6TH): Did you pick up any Spanish over there.

COMMISSIONER GEBALLE: Un poco.

REP. VARGAS (6TH): Un poco. Very good. [laughter] And I was also happy to see your service with the United Way, one of my favorite organizations so I think that you’ll do a great job for the state of Connecticut. The governor has give you a vote of confidence. I believe that what you’ve heard from my committee members we’re supportive of your nominations. At this point before I let you go, I have to ask you a question I ask all of our nominees which is, is there anything that you believe in your past might prove embarrassing to this committee, to the governor, or to the state of Connecticut.

COMMISSIONER GEBALLE: No.

REP. VARGAS (6TH): Well thank you very much. That concludes this portion of the public hearing. Thank you for coming. And now we come to the third portion of our agenda which is public comments. We have a few people signed up. I don’t know if they’re still in the room because this is quite a lengthy proceeding but the first person that signed up to speak on behalf of the nomination of Jordan Sheff was Win Evarts. Is Win still in the room? Please come forward. Please raise your right hand before you take a seat. You promise to tell us the truth and nothing but the truth.

WIN EVARTS: Yes.

REP. VARGAS (6TH): All right, please be seated. Customarily we allow for three minutes for comment and if any of the members asks any questions, well
obviously that’s not part of the three minutes but please proceed.

WIN EVARTS: Thank you, Representative Vargas and other committee members for this opportunity. My name is Win Evarts. I’m the executive director of the ARK Connecticut which is the largest and oldest advocacy organization for people with IDD in the state Intellectual and Developmental Disabilities and I’m also the father of 28-year-old son with IDD. I’m here to respectfully ask members of the executive and legislation nomination committee to unanimously support the center resolution to nominate Jordan Sheff of Vernon to be commissioner of Developmental Services. The past eight years have been difficult with IDD in their families. Connecticut, one national leader on IDD, has fallen woefully behind in providing innovative, cost effective person centered supports for people with IDD.

The state’s fiscal crisis has caused deep cuts to core services leading to waiting lists for every support category that people with IDD need to live and work in their community. In addition, a lack of continuity in leadership of the department of Developmental Services has resulted in a lack of a plan to address this growing crisis and has left many feeling abandoned and hopeless. The coming years will increasingly challenge Connecticut to change its archaic inefficient support system and unsustainable system despite projective massive budget deficit continues to spend wildly disproportionate amounts on 1950’s style institutions while largely stifling community-based provider innovation. We believe that after years of instability and lack of direction leadership with
DDS under Jordan Sheff is finally up to the task implementing desperately needed system change. In the past year Commissioner Sheff has supported launch initiatives to broaden choice in residential support, increase the use of assistive technology to augment human supports and alter the support planning process to achieve greater individualization of delivered supports.

In doing so these clearly identified constructive innovation toward an increased continue most supports that more closely matches a growing move need. This is what we really applaud. We feel optimistic that a commitment from bringing in fresh perspective from expert advocates and other outside government combined with bipartisan legislative support and strong leadership under Commissioner Sheff. Connecticut will eventually resume its goal of vanguard of states that respect and safeguard individuals with IDD. Thank you for the opportunity to support the nomination of Commissioner Sheff, a decision that we feel will be certain to improve the lives of people with IDD in Connecticut. Thank you very much.

REP. VARGAS (6TH): Well thank you for your patience in staying here so long so that you can weigh in on behalf of Commissioner Sheff. If you were here during the public hearing where we interviewed him you will know the committee members were all very pleased with him and with his responses so I believe that his nominations is not really getting any negative controversy so I think it will be smooth sailing for Commissioner Sheff. Are there any questions that the committee might like to ask Mr. Evarts? If not, thank you very much for your testimony, Mr. Evarts. And we have with us
Representative Ken Gucker who’s come to speak on behalf of Commissioner Saadi of Veteran Affairs. Representative, good to see a colleague. Before you take a seat would you raise your hand, promise to tell us the truth and nothing but the truth.

REP. KEN GUCKER (138TH): Absolutely.

REP. VARGAS (6TH): Please be seated.

REP. GUCKER (138TH): I was going to say Good Morning but that was quite a few hours ago when I started up with the various committee meetings that I’ve been to today and yes there are a lot of them going on. So, I come here today, my name is Ken Gucker. I’m the representative for the 138th. I’m new to this process but I’m not new to knowing Commissioner Saadi. I met Commissioner Saadi in Danbury in 2004 when I first got involved with issues going on in the city of Danbury. At that time, Commissioner Saadi was then working for the Attorney General’s office under Richard Blumenthal. He was also the minority chairperson for the Danbury counsel. And the one thing about Tom Saadi. I call him Tom. I can’t get used to that word Commissioner yet so I always just call him Tom, but the one thing about Tom has always been his advocacy for everybody.

His legal mind along with his ability to listen to all, represent all, and make sure that when a decision is made for the people, the general public it is fair and balanced to everybody. There’s no partisanship. There’s no right or wrong. I think the lawyer part of him stands higher than anything else, but the other thing is his commitment to details. Very little slips by Tom that isn’t thought about, that isn’t put together in a
constructive way that furthers your confidence level but also knowing you got somebody that has your back. Now recently Tom has stepped down from being on the Danbury city council and we miss him for that, but he stepped down because he felt he needed to put all of his attention up here for Hartford for veterans. One of the main things he’s done in Danbury is that he is very active with the reserve center. The reserve center in Danbury that wouldn’t be in Danbury even in the location that it’s in right now if it wasn’t for his advocacy of saying this is a really good spot. This is something we really need because at that point the 401 was operating out of a glorified garage.

Now they have a center, they have a training center. They have a place that is part of the community. He’s also made the 411 be part of the community. Anytime that our troops are being deployed he reaches out to the community because many times these soldiers who are going over to Africa or going over to wherever they’re needed, their family is far away. They might be from California. They might be from Georgia. They might be from other places in this country and their family isn’t able to attend so they kind of feel like they’re alone. With his advocacy and him reaching out to the community, he’s made Danbury become their adopted family, so we get a large group together and we go and see our troops off and we give them best wishes and we attempt to be there for every, and the troops recognize that, and it brings up their morale. It brings up their being in the community and they thank us so wholeheartedly, but we do it because we can’t thank them for all that they’re doing for us and it’s because of Commissioner Saadi’s activism in the
community and bringing the community in this part and parcel with our service people that we actually owe Tom a debt of gratitude. This was something that was never done before. This is a new way of thinking about, we need to pay respect, we need to honor those who are sacrificing their time, their family, being away from home for us so as a Danburyian I’m here for that. I’m here for Tom and I will say even if I wasn’t going to three or four public hearings today I still would have drove up from Danbury to make sure that you guys got a little bit of a sense on who and what he is and even though it’s a loss to our community in Danbury that he’s no longer serving on the city counsel helping us with our local issues it’s reassuring to know that he is serving us up here in Hartford to make sure our servicemen need all that they can get so I just wanted to bring that forward.

REP. VARGAS (6TH): Thank you very much, Representative. Any questions for the good representative. If not, I want to thank you for taking the time to come and express your feelings about Commissioner Saadi, his work, and his lifelong commitment to community and veterans in specific. I’m sure that word will get back to them with the kind of support he has from his own community in Danbury so appreciate your being here today.

REP. GUCKER (138TH): I thank you for listening and I thank you for giving us the venue to express maybe the pieces that you don’t get to see. Thank you.

REP. VARGAS (6TH): Thank you. And that brings us to the next person on the list representing Autism Services and Resources of Connecticut Leslie Simoes. Is she in the room? If Leslie is not in the room,
then we will skip over to the next person that signed the sign up sheet, Sherri Vogt. She left? Okay she was here to speak on behalf of Commissioner Saadi and Leslie Simoes was here to speak on behalf of Commissioner Sheff and that leads us to the last person who had signed up on the list Danny Hayes on behalf of the city of Danbury. Is Danny here? Danny, thank you for your patience. Would you please raise your right hand? Do you promise to tell us the truth, nothing but the truth. Please be seated. You have the floor.

DANNY HAYES: My name is Danny Hayes. I’m the director of Veterans Affairs for the City of Danbury. Also, the Soldiers, Sailors, and Marine fund rep for the area and a decorate combat veteran from Operation Desert Storm myself. Tom’s resume and accomplishments says everything. There’s not much more I can say. I deal with hundreds of veterans. Him and his office are always there. They make sure red tape gets cut. Many of my people are elderly widows and they’re on their last hope sometimes and they really make it happen for me and I just want to say that there’s no better man for the job and I’d follow Tom anywhere.

REP. VARGAS (6TH): Well, you know you expressed my feelings exactly. I had an opportunity to meet with Commissioner Saadi and he immediately took and interest in my day who is a vet and gave me some good advice on how to deal --

DANNY HAYES: He is 24 hours 7 days, his job is not 9-5. He will help anytime. All my parades, our ceremonies, all the projects, we do many projects with veterans remodeling houses. He wants to be
involved Saturday, Sunday, anything he can do he is always there for me.

REP. VARGAS (6TH): So what did you say you do for the City of Danbury?

DANNY HAYES: I’m the director of Veteran’s Affairs for the city.

REP. VARGAS (6TH): Oh, very good. Very good. So, you have a similar role there. You said you were a combat vet? Was that Army, Marines –

DANNY HAYES: Army.

REP. VARGAS (6TH): US Army. Well thank you for your service and thank you for being here today to share your feelings about Commissioner Saadi. I really appreciate that. Any member of the committee wish to ask a question or make a comment? If not, we want to thank you for driving all the way to Danbury. That concludes the sign up. We do have a number of correspondence that I would like to enter into the record.

On behalf of Commissioner Saadi, we received numerous written testimonials. I will just read off who wrote them. One was from Matt Ritter, the majority leader of the House of Representative, Kathleen Shemeley who represents the POW Myez, Andrea Gardner who is the Danbury Chair of the Democratic Town committee, Mary Consoil, James Merriman, Sharad A. Sammy, Joe Joseph Dasilva, Jr., Frank Salvatore, Jr., Thomas C. Flowers who is Chief Master Sargent Retired and is Commander of the American Legion, James Neuman an attorney, Sherri Vogt, General Frances Evon, Jr sent us a letter. He’s the Adjutant General for National Guard and of course Danny Hayes also sent the written remark,
plus he came in person and testified. You just heard from him.

Those are the people who had weighed in on behalf of Commissioner Saadi. Then we also received numerous correspondence supporting Commissioner Jordan Sheff of Developmental Services. Those individuals who were Annette Scully, Sharna Piersall. There was a group letter signed by members of the state council on developmental services, Collette Bement, John H. Frost, Tom Furintino, Win Evarts, Kate Haaland, and Chris Horwitz sent a letter in and Leslie Simoes sent a letter in so that concludes the correspondence I would like to enter into the record and that concludes the public hearing portion of this meeting.