

CHAIRPERSONS: Senator Bob Duff,
Representative Joseph Gresko

SENATORS: Duff, Formica, Hartley, Kelly,
Kushner, Looney, Moore, Somers

REPRESENTATIVES: D'Agostino, Godfrey, Gresko,
Kennedy, Quinn, Vargas,
Yaccarino

REP. GRESKO (121ST): I'm Joe Gresko, House Chair. Thanks for your patience in navigating on to our Zoom link. As you know, this Committee interviews nominees on their way to public service, check and balance and vetting. And I've been instructed to let you know of some Zoom guidelines for the CGA Meetings as we go forward. Meetings will be conducted at a slower pace to accommodate the quality of the live stream, which is finally happening now and to preserve the integrity of the vote.

All participants will be muted until required to speak. Members must raise their virtual hand to signify a desire to speak and then wait to be recognized. For roll call votes, Committee staff will visually authenticate the voter. Members are requested to state your name and to vote. So for example, Gresko votes Yes. That kind of thing.

To try to log on into the Meetings a minimum of five minutes early to allow for time to admit Members and for the troubleshooting, which I'm sure we're all learning as we go forward. Use of the emoticons. The clapping hands and the thumbs up. Well, they're not allowed or they are frowned upon. You got a frowny face. Use of chat either public or private is also apparently not allowed. All Chat records are saved by default. Therefore, could be subject to FOI requests and possibly visible on other platforms, such as YouTube and also CTN. So those are the quick updates there.

As you know, nominees are allowed an introductory statement, followed by questions by Members and then the public will then be available to ask questions as we go forward. Our sole House Resolution this morning is Mark Boughton of Danbury, nominated by Governor Lamont to be the Commissioner of the Department of Revenue services. Mark, congratulations on that nomination. We have him online here because -- okay. If you could raise your right hand and, I guess, put it into the view of the camera. Do you promise, swear or affirm to tell the truth, the whole truth, and nothing but the truth?

CMMR. MARK BOUGHTON: Yes, I do.

REP. GRESKO (121ST): Okay, it's customary that when we begin these interviews, the Nominee gets to have an introductory statement. So Mr. Boughton, the floor is yours.

CMMR. MARK BOUGHTON: Thank you very much, Representative Gresko, and thank all of you for being here today. Senators Duff, Looney and Kelly and Representatives Gresko, Quinn and Kenny and of course, Honorable Members of the Executive and Legislative Nominations Committee. My name is Mark D. Boughton. It's a pleasure to be here before you today as Governor Ned Lamont's Nominee for Commissioner of the Department of Revenue Services, or as commonly known as the DRS.

First of all, I want to thank the Governor for the trust and confidence he has shown in my nomination. Especially at a time when responsive state government service is paramount to the citizens of Connecticut. I'm also proud today as Governor Lamont described, that this Administration's table is large, open to different voices and leaves the door to the room ajar for new ideas and new thinking.

In addition to these prepared remarks, my biography has been submitted via video. And though many of my formative experiences like yours are tethered to public service, something I'm extremely proud of. Prior to the announcement of my nomination last month, I served as Mayor of the City of Danbury where I was born, raised and graduated from high school. Following service in the United States Army Reserve, I returned to the classrooms of DHS as a Social Studies teacher and served in the State House Chamber representing Danbury's 138th district before returning home to serve as its full-time Mayor.

There's some things I learned about the DRS over the last four weeks that I've been on the job. The DRS collects funds to help the State of Connecticut carry out its various functions, safeguards, taxpayer rights and privacy. Represents the State of Connecticut in litigation before the State's tax court and may initiate civil actions to collect unpaid taxes, among other statutory responsibilities.

In my first few weeks at DRS, I have learned more about the people who carry out these important functions. DRS staff are highly professional, hardworking and extremely knowledgeable. Best of all, there is a singular focus on delivering the highest levels of service to taxpayers. I've been struck by the sheer breadth and the scope of work that comes through DRS. Within the state government, the agency is a reliable partner for implementation guidance, data capture and tax policy compliance and direction.

DRS has also been highly adaptable and resilient. To protect health and safety at the outset of the pandemic, the agency implemented a remote work structure which continues today with no interruption to essential services and no wait times for those who called DRS during the business hours. Despite the logistical impact of COVID-19, in September of

2020, DRS successfully launched the first phase of a multi-year modernization project that will improve how we administer taxes and how taxpayers interact with the agency. Phase II is set to launch in September.

While I have the opportunity, I want to thank the Lamont Administration and the Legislature for continuing to support this transformative initiative. The agency is productive and well-run. My goal is to build on the foundational tenets of fair and equitable tax administration and world-class customer service, which can stimulate the highest levels of voluntary taxpayer compliance. I'll listen a lot, empower problem-solving and support a work environment that values inclusion in different perspectives. I'll also prioritize keeping the lines of communication open with taxpayers, stakeholders and of course, you in the General Assembly.

The DRS will continue to deploy resources in the most efficient and effective manner possible. keeping the taxpayer foremost in mind. With the 2021 income tax filing season upon us, DRS services become front and center for many citizens. The agency is well positioned to deliver.

And on a final note, as we continue to push past that deepest moments of the pandemic, the shocking breach of our Capitol, our US Capitol in the recent past, and the inauguration of a new President just ahead tomorrow, I would be remiss in not acknowledging the challenging times we are in. And the rough edges of cynicism towards government and authority, that can be fueled by isolation, economic uncertainty and extreme hardship. I am, however, eternally optimistic that by all of us pulling in the same direction, we can together contribute to better days for our state and our nation.

Once again, I'd like to thank you for this opportunity and for your consideration today and be happy to answer any questions that you might have.

REP. GRESKO (121ST): Thank you, Mr. Boughton and as a courtesy to our Senate President who was pressed for time this morning, Senator Looney, please proceed with your question.

SENATOR LOONEY (11TH): Thank you. Thank you, Mr. Chairman. Appreciate the opportunity very much. Can you hear me okay?

REP. GRESKO (121ST): Yes.

SENATOR LOONEY (11TH): Okay, good. Good. Congratulations, Commissioner on your nomination.

CMMR. MARK BOUGHTON: Thank you.

SENATOR LOONEY (11TH): And I know we've known each other for a long time, since you served in the House of Representatives back in the late 90s and at the turn of the century, and first I wanted to indicate that I think that it's an important thing to have a seasoned and experienced government manager in charge of DRS and obviously, as Mayor of Danbury, one of the largest cities in our State, you're used to managing a large budget and a large number of city employees. And I think that will stand you in good stead at DRS.

The first question I want to ask you before we get into a couple of other things. You weren't really serious about abolishing the income tax, were ya?

CMMR. MARK BOUGHTON: I think, Senator, given the challenges of COVID-19, given some of the challenges since 2018, abolishing the income tax with the aspirational back then. Right now, I think that will be -- I think we're in great shape actually going

forward, but it certainly isn't something that I think is doable and either one of our lifetimes.

SENATOR LOONEY (11TH): Thank you. Just one question I would like to ask. It's coming up fairly recently with the large number of people now working from home, who previously were commuting into New York State for work. The questions have arisen about the tax situation of New York residents who are employed in New York State, but are now working from home. I'm sure your agency has been hearing about that. What's your view on that? Are we in a position where we could get a significant infusion of new money based upon that situation?

CMMR. MARK BOUGHTON: Well, ultimately, those policy decisions are up to the Legislature and the Governor, but it is DRS's position that certainly for the 2020 tax year, that'll be the filings due in April 15 of 2021, that we ought to continue the policy of crediting those people who pay to New York, so that they don't get double tax without knowing it. However, we also should put out some guidance saying -- Going forward, if the legislature doesn't act on the statute as written and if we're not successful in court, in front of the Supreme Court, as you know we filed an Amicus Brief there, that you will have a liability in Connecticut. If you work in Connecticut, you should withhold for that with the understanding that there'll be a liability there, so that nobody's surprised in April of 2022 when they do their filings.

SENATOR LOONEY (11TH): Right. And just one other question. I appreciate the indulgence of the Chair. We've seen a large number of people moving into Connecticut in the wake of the pandemic, especially from New York and some other states. What is the DRS -- How do you assess that? Are those people likely -- are they becoming permanent Connecticut residents? Are they registering to vote in Connecticut? Is it their primary residence or are they thinking of

their Connecticut home as a second home with primary residence in New York?

CMMR. MARK BOUGHTON: Well, we believe that the new Zoom culture that's sort of infiltrated the world of work and certainly government is not going to be going away. That this will be a new way of working. And so those people that have purchased homes in Connecticut will become permanent residents here in our great state and will become vested in stakeholders and taxpayers. And we hope that that will help us a little bit as we look to be able to drive this budget and the next biennium.

SENATOR LOONEY (11TH): Good. Good. Well, thank you, Commissioner, and look forward to working closely with you as we move along. And again, thank you Mr. Chair for letting me go first.

REP. GRESKO (121ST): Sure. Sure, Senator. So I have a couple of questions myself. Of course, Senator Looney hit the -- hit the highlights there are some of them, but I guess, Mr. Mayor, how are you feeling?

CMMR. MARK BOUGHTON: I feel great. You know, I went through a pretty catastrophic situation a couple years ago. It's something that, you know, frankly I live with. I go in for scans about every six months. But I've been lucky and blessed to find I think the best surgeon in the world who was able to quote "fix me" and has given me a new perspective on life, a new perspective on people and I think has made me a better leader within my old agency and certainly within DRS.

REP. GRESKO (121ST): And then my other question was, how are you going to adjust serving at the pleasure of the Governor when in all the years that I can remember, you know, you were the -- you were in the front of the media storm and now you're going

to have to take a kind of a backseat. How does that -- how does that grab you?

CMMR. MARK BOUGHTON: Well, with the exception of taking pictures of my dog for Instagram., it's actually a real relief. Look, you know, I did that for roughly 25 years in different capacities and I have no problem participating in a supporting role for the Governor, for the Legislature and all Members of the General Assembly, and providing you the data and the information that you need to make your strategic decisions and you know, it's actually a very refreshing thing. And this is just a new way of contributing to the community and to our state and I look forward to doing that.

REP. GRESKO (121ST): And my last question is kind of dovetailing off of what Senator Looney was saying. The influx of individuals coming from mostly New York, as you well you know. Especially crossing over into Danbury and moving there. And I believe your school enrollment is through the roof there. How do you go about capturing all those individuals from DRS's perspective?

CMMR. MARK BOUGHTON: Well certainly, we are analyzing right now that in migration that we're seeing from mostly New York, Westchester County, here in the Danbury area that's been a big influx of residents, but really all over the State, we're seeing in our revenues already, and that's a good thing. But we will have to continue to monitor that.

One of the things that we want to do is to conduct more outreach, a very robust outreach to people that are moving into Connecticut, to explain to them what their liabilities and responsibilities are. to encourage them to become stakeholders. We know when people start paying taxes into the system, they feel as they are part of the system and they certainly want to participate in the system. I think that's good for everybody. So we are launching a new

taxpayer service center that will be doing a lot of outreach to our residents in three different languages, hopefully. As well as continue the policy of enforcement, but we like people to really feel that they can voluntarily participate. And that's really the key, is being able to get them to come in on their own and just become a part of our community and our state.

REP. GRESKO (121ST): Thank you. I don't want to monopolize all the questions. So that's all the cued questions I have. I'll defer to my Senate Co-Chair. Senator Duff, if you have any questions.

SENATOR DUFF (25TH): Thank you, Mr. Chairman and appreciate it. It's good to serve on the Committee today. Mr. Mayor, it's good to see you as well. I just have a few questions for you as well. Can you talk a little bit about how you view the role of Department of Revenue Services and you know, for the folks who are -- who may not be as familiar who are watching on YouTube or on the CTN network or maybe even some lawmakers who are new, talk a little bit about kind of the role of the mission of DRS and how you see yourself either fitting into that and also kind of enhancing that.

CMMR. MARK BOUGHTON: Sure. You know, it's interesting you ask that question because I frankly was shocked at how much material, data, information goes through DRS my first couple of weeks there. So frankly we touch a lot of different areas of State Government and we do so in a supporting role. Whether it's providing data for different agencies or whether it's explaining or helping explain tax liability for constituents of legislators or anywhere in between. Really a fascinating organization spread out over three offices Norwich, Waterbury and Hartford, as well as all over our statutes.

I believe that there are some new ways that we can enhance the delivery services to our residents. One is through our implementation of C-Tax, which is our new 21st century taxpayer-friendly center that you'll be able to go online and do much of your work online for both businesses and residents. That rollout - we're currently enrolled out to which will be done by September, and we are -- I want to applaud the staff at DRS for getting rollout one done, which is a first set of taxes. That will provide a new age, if you will, of people being able to the taxpayer-friendly way. people being able to pay their liability.

And then the second piece of that is a call or live call center which goes live this morning. Where people can call up and actually ask questions about how do you feel this document out? Or what's my liability here? Or should I be doing this? Senator Looney mentioned the commuter tax. It's a big issue. And a lot of people are calling with that question. So I think we can do more in terms of reaching out to residents. I think we can do -- because I think it'll help encourage voluntary compliance versus having to do enforcement, which can oftentimes be costly difficult and a lot of work. And you get a better rate of return when you get people that are out there that are willing to comply.

So between those two initiatives alone, we think we can generate a significant -- more amount of revenue than what we're already generating with the current scheme that's on the books. And so I think that's an area that's very fertile for us to explore.

SENATOR DUFF (25TH): Okay, thank you. And with regard to potential tsunami of retirements coming up in the State over the next couple years, how are you prepared to manage through that?

CMMR. MARK BOUGHTON: Yeah. So one of the first things I did when I started the job was to ask for a

-- from our Human Resources business associate, to ask for a breakdown of potential retirees' succession plans and things like that. We're looking at this as an opportunity and we certainly salute and thank those employees that have worked for 30, 35 years and you know, it's a wonderful testament to them. But we now have an opportunity to right-size the Department, which we think we can do.

We do see about 200 potential retirements over the next 18 months to two years. So it's significant. And it will put a dent in this if we don't have plans in place. We've developed a three to five year plan that will be bringing back to OPM, to the Governor and ultimately to the Legislature for some discussion because we see an opportunity here to have a smaller workforce but a more agile workforce that can deliver services.

So there definitely is a, you know, a challenge for us that we're watching closely. We've even gotten to the point where we are looking at various positions and understanding where that person is on their career track and when they decide when they want to leave and retire. And the Boston Consulting Group has also been really good at looking at those numbers as well and assisting us in developing a succession plan is these folks decides to retire out.

SENATOR DUFF (25TH): Okay, thank you. I know it's going to be very important going forward. And I know the new online tools are going to be very helpful to that as well. Just a couple more questions, Mayor. One is, if you -- I think Senator Looney touched upon a little bit, you touched upon it in your answer, Representative Gresko did as well on a court case at the US Supreme Court with regard to commuter taxes.

And the fact that, especially here in Fairfield County, we have lots of folks who commuted to the

New York pay the New York rates and then we refund it back. Now actually we have folks who are basically working in Connecticut with the pandemic and then getting taxed -- still getting taxed in New York. Can you just -- probably others are going to have a similar question. So if you just have two more questions after that. But if you just give kind of maybe just a short answer on that since others may have similar concerns.

CMMR. MARK BOUGHTON: I think, first of all, everybody has to understand that this is really a money grab by New York. And New York State is the one that changed their regs and they're very aggressive at chasing our residents to get them to pay them and the chances of anybody getting a refund, I think, for the 2020 tax year will be slim and difficult. You'll need an attorney to try and fight that out.

Having said that, we're going to present some choices to the Legislature obviously through the Governor's Office, of what can be done going forward. It's DRS's position, as I mentioned earlier, that we not chart -- we let people receive a credit for the 2020 tax year so that they don't get hit in the next several months for something that happened last year. But going forward, if the Statute has not changed, and nothing changes in terms of the pandemic and Governor Cuomo's orders, people will be stuck with that liability in Connecticut. And that's something we'll have to work our way through.

So we hope that will be successful in the Supreme Court, and I know we have a great case but it'll be up to the Supreme Court whether they actually take the case and we'll have to watch and wait.

SENATOR DUFF (25TH): Yeah. Okay, thank you. And you don't have a timeline for that at this point, do you? That you are aware.

CMMR. MARK BOUGHTON: We estimate about 18 months for the Supreme Court to take this up.

SENATOR DUFF (25TH): Okay, thanks. More -- just more locally, sir, you and I talked about this a little bit too, is folks who were, you know, kind of immersed in our communities like all of us are as state legislators and you especially as the mayor, it takes a little bit of kind of pulling yourself away from, you know, your local politics and being, you know, kind of in your new job now. Are you -- are you still involved in any kind of local matters, local politics, at this point is the former mayor?

CMMR. MARK BOUGHTON: There's a handful of issues that we're working on handing off right now as we speak. Probably the biggest one is the Danbury Career Academy which our legislative delegation worked very, very hard at getting the Legislation in place in the September Session. So we want to be able to get that ready for Referendum. So I'm helping with the Steering Committee right up to that, right up to the moment that it goes to Referendum then I' out. But other than that, I've pretty much disengaged myself from all actions related to politics or local government, with the exception of having a phone and answering questions about where are the paper clips? And you know, what's the story with this issue or that issue? So that I think will go on for a while.

You know, I've served for 19 years and several months. So it's hard to -- you can't just stop right at the gate because I don't think that's a service to our taxpayers that we certainly could benefit from. But to the extent of being involved locally, I don't think it would be appropriate. I don't think it would be right. I think it's important that people, when they come to DRS, they're not looking at a Republican. They're not looking at a Democrat. They're looking at somebody that can handle their

problem in a fair manner, and not have to worry about politics entering in that discussion at all.

SENATOR DUFF (25TH): Okay, thank you. My last question is -- Because we had another person who once ran for Governor -- He's in another position in State Government. And do you see yourself as resurrecting Boughton for Governor anytime soon? And using this as the tax guy, the tax man, as the platform for running for Governor.

CMMR. MARK BOUGHTON: I will be the worst Commissioner to shift to run for Governor from but no. I'm not interested in doing that. Been there, done that. And I don't in any way. disparage anybody who wants to run or is thinking about running. Good for you. Go ahead. But look at the end of the day, I did this to get out of running for Office all the time. I wanted to try to help the State, but in a different manner. And this provides an opportunity to do that and I'm grateful and thankful that the Governor called and asked.

SENATOR DUFF (25TH): Okay. Thank you. Thank you, Mayor. Thank you, Mr. Chairman.

REP. GRESKO (121ST): Thank you, Senator. We will open it up to Member questions. And the first individual I see with a hand raised, Senator Kelly, proceed.

SENATOR KELLY (21ST): Thank you, Mr. Chairman. Good to see you this morning. And thank you, Mayor Boughton, for being with us today and being such a good public servant for the City of Danbury and the State of Connecticut. So I thank you for your service for many years at different levels and the sacrifices that you and your family have made on behalf of the people of Connecticut. Just a few questions I had, and that is just as the DRS Commissioner, are you in any way responsible for

making or passing tax legislation, tax hikes or tax cuts?

CMMR. MARK BOUGHTON: No, that's the responsibility of the Legislature, obviously, in conjunction with the Governor's Office.

SENATOR KELLY (21ST): But then your role is basically to implement, as part of the Executive Branch, any tax policy and law that's adopted by the Legislature and signed by the Governor. Correct?

CMMR. MARK BOUGHTON: That's correct.

SENATOR KELLY (21ST): Okay. And now, just as a kind of like a technical question, I hear a lot of discussion regarding taxation of the One Percent. And if a budget were passed because the tax is levied on the One Percent, the rich, but the rich leave Connecticut and we still have a budget, where does that tax burden fall? Does it still attach with those One Percenters who leave the State of Connecticut, or does it fall to the citizens of Connecticut?

CMMR. MARK BOUGHTON: I guess it depends on how you build your budget. If you build your budget with an anticipation of increase revenues from a certain segment and that segment leaves, then your budget still stays in place and then you'll have to disperse that responsibility amongst all taxpayers in Connecticut.

SENATOR KELLY (21ST): Okay, so that burden if the taxpayer were to leave the State of Connecticut then stays with the citizens who have grown roots here. Correct?

CMMR. MARK BOUGHTON: Sure, yes.

SENATOR KELLY (21ST): Thank you. I think that's all the questions I had. Once again, thank you for being

with us again this morning. And I look forward to working with you and your Office as we move forward. We have an open door if we can ever be a resource certainly, don't hesitate to contact us. And thank you very much, Mr. Chairman. Take care.

SENATOR KELLY (21ST): Thank you, Senator.

REP. GRESKO (121ST): Thank you, Senator. Next individual that raised his hand was Senator Formica. Please proceed, sir.

SENATOR FORMICA (20TH): Thank you very much, Mr. Chairman. Good morning to you. Good morning to all the Members of the Committee, and good morning, Commissioner. Well, nice to be able to say that title to you, sir. I think -- I think it's a great move for -- that the Governor initiated that puts you -- proposed you for this leadership position.

There, you and I have known each other for a long time and we worked together for a long time and you, most of that time, I think have been Mayor of a pretty diverse city. I didn't know if you wanted an opportunity to kind of talk about how that -- how that background and working collaboratively with the people from all walks of life through the City of Danbury and throughout the State that prepared you for doing this, taking on this challenge as the Commissioner of Revenue Service.

CMMR. MARK BOUGHTON: Thank you, Senator Formica. Absolutely. Danbury is the most diverse city in the State of Connecticut and the 11th most diverse city in the United States of America. So I'm very proud of it and very proud to be a resident here. And I think one area where DRS can make a difference, and certainly, as a Connecticut, it becomes more diverse and being more robust in our outreach. Because we know that if we can get people engaged in our State, if they start paying into the system, they become a stakeholder and they care about what happens around

them. They care what happens in their schools. And they care what happens in their community.

So as a local leader, I've always encouraged people to pay their liability and now as the DRS Commissioner, I want to encourage the same thing. But I do think we can do better in doing outreach. Particularly those that maybe don't speak English or our new Americans and don't understand completely how the system works. So our new service center I think will focus in on some of those things so that we can engage those residents and say that they're important and integral part of our community of their community and of our State and we and we want them participating. But we think also, obviously, we can generate more revenue by doing that. And so we want to help close any budget gaps that you all may have to deal with through the Legislative Session.

SENATOR FORMICA (20TH): Thank you very much and, you know, I think, as a former legislator, you understand the process here, and you know, my past six years I've worked on the Appropriations Committee. I'm moving over to Finance so I'm looking forward to understanding those new challenges. But I think the communication from your office to the Legislature will be important. And I think your background serving, I think, will make -- will make that you know easier for both of us. You know, to have that better line of communication. Any comments on our collaborative work that you plan on doing here with the Legislature?

CMMR. MARK BOUGHTON: Senator, people have asked me that question since I started. And look, I fully understand, I don't make policy. But if you want data or if you want some advice, I certainly can provide it. I mean, the Governor has asked for advice and I've certainly provided it. And the Legislature and individual legislators have already contacted me wanting to know about certain issues or

how does -- how does the IRS interpret this? Or whatever they tell their constituents.

So, I think that's an important part of the job. But at the end of the day, the decisions are made by the legislative body in conjunction with the Governor's Office. I respect that, honor that and understand that. And so, to that extent, any legislator that needs any information for their business in their district or for a constituents, you can count on me 24-7, personally, to handle that for you. Any Legislator that wants data about specific items or collection rates or things like that, we will provide all the data necessary for that person to make an informed choice when it comes to a policy decision. And we will do that without reservation, because it's so important for all of you to have the most accurate information at your fingertips when you go in to make that vote and push the button.

SENATOR FORMICA (20TH): Well, thank you very much for those answers and for getting -- once again for your willingness to serve the great people in the State of Connecticut. And I applaud the Governor and his appointment. I wish you success and look forward to working with you in your new role in this new chapter for you. Thank you, sir, Commissioner.

REP. GRESKO (121ST): Thank you, Senator. Next, Representative Yaccarino, you have the floor, sir.

REP. YACCARINO (87TH): Thank you, Mr. Chair and thank you, Mr. Mayor, for being here. Now, Commissioner, hopefully, the Commissioner of Revenue Services. I applaud you for standing up and I applaud the Governor for your choice. A couple of questions. With the Wayfair Decision that was passed by the Supreme Court a couple years ago. It's helped our sales tax revenue whenever I think while state sales tax revenue for online commerce.

As Commissioner, I know you're new in the position, will you be looking at the numbers, at the trends. Right now, our sales taxes went up quite a bit. I think because of this -- because of the online commerce. So as new Commissioner, would you be looking at those trends and suggestions, our businesses Connecticut and our Legislature?

CMMR. MARK BOUGHTON: To the extent that people, meaning Legislators or the Governor's Office want information, of course and providing trends are exactly what we do, and I've noticed that same uptick. In fact, it's interesting you mentioned that. We were talking about that the end of last week. I think the State had underestimated what the impact of online sales would be to our sales tax column. And it's actually been very productive. Let's hope that doesn't come at the expense of our small businesses throughout Connecticut, we need to foster both, right. I mean, that's a successful vibrant economy.

So I'll be happy to certainly keep a good trend line on that and to share that. We can -- certainly can bifurcated where those taxes are coming from. And share that with the Legislature and that may drive your -- some of your decision-making about what you do for online businesses, vis-à-vis small businesses on Main Street and how you look at those two things.

So absolutely, and you're on point. It has been one of the reasons we've seen such a large increase in sales tax.

REP. YACCARINO (87TH): I think it's helped a lot of brick-and-mortars, only because they could utilize it and before customers wouldn't pay the online sales tax, and it helps businesses in the States.

Anyway, another question. I know this is not going to be your policy, it's going to be up to us and the Governor, but I'm a believer in research and

development tax credits, as long as you earn them first. Especially, the STEM industry, the sciences, engineering, technology. Obviously, that's not going to be your role, but it would be your opinion or decision possibly with tax legislation in front of the Finance Revenue Bonding Committee. Would you weigh in on that or you just leave it to us, like do an analysis?

CMMR. MARK BOUGHTON: Yeah, we absolutely -- you know, that's one of the things that we've been working on internally right now is that when Bills are proposed, not to take anything away from OFA or OLR, or any of those agencies that you as a legislator deal with. But we want to be able to, when asked, when asked, weigh in and say, "Here's how we interpret this. Here's what the impact will be. And here's some food for thought and some data and some trend lines for you to be able to make the best decision you possibly can, about whatever tax or issue might be or tax program might be."

So we do plan on being a little more robust that way. I think you can avoid a lot of problems when you have unintended consequences later on. That's always been a challenge in the Legislature. You pass a Bill with all good intention and then you find the --

REP. YACCARINO (87TH): Right.

CMMR. MARK BOUGHTON: -- Whoops. Yes. We're going to try to help the legislative leadership in particular, and the General Assembly in the Governor's Office not get to that point. So that will either have corrected the problem or you'll go back and rethink exactly what you want to do.

REP. YACCARINO (87TH): I'm looking forward to working with you and I know you have a wealth of experience. Danbury is the most diverse city in the State. And one of the most diverse cities in the

country, which is, I think it's a great thing. And I think your knowledge and experience on managing and also revenue working with hopefully working with us and working together. So I want to thank you for your stepping up and I like to thank the Chair and the Committee Members and the Governor. So good luck and I look forward to working with you. Thank you, Mr. Chair.

REP. GRESKO (121ST): Thank you, Representative. Next, our House Ranking Member, Representative Kennedy, you have the floor, madam.

REP. KENNEDY (119TH): Thank you, Mr. Chairman, and welcome to the newly-elected Commissioner, that will confirm I guess today. I just wanted to thank you. Most of my questions have been answered. But I want to say welcome and I do also look forward to working with you. Just one question. With the pandemic, have -- any problems with the DRS with audit and enforcement due to the pandemic?

CMMR. MARK BOUGHTON: I think all of us, by the way, are waiting for this thing to be over. But having said that, our staff has been remarkable at evolving and coming up with alternative solutions to doing things like auditing and enforcement. One of the things, Representative, that we're looking at very closely is using data and algorithm to look at tolerances and the filings. And if somebody is within the tolerance, obviously, it doesn't throw a flag up, but if they're out of the out of the tolerance for us to maybe take a closer look at that return or that tax that's been paid. So that's something that we had done in the past, but it's something I think we can do a little bit better.

I'm always a big believer in, let's enforce the taxes we have versus creating new taxes. But at the end of the day, we have to be sensitive that this is a pandemic and everybody's feeling it. So we'll work with people with discretion in trying to resolve

those things. But I think we do a little bit better and better.

REP. KENNEDY (119TH): Thank you. And I do appreciate your response and I also appreciate your willingness with the outreach. I think that's going to be very vital to our citizens and our small businesses or businesses. So thank you very much for being here this morning. Thank you, Mr. Chairman.

REP. GRESKO (121ST): Thank you. Next, our Former House Chair, Representative Vargas, you have the floor, sir.

REP. VARGAS (6TH): Thank you, Mr. Chairman. As a Latino Member of this Committee and as a former leader of the Committee, I would be remiss if I didn't bring an issue which has been the relationship between you -- And first of all, I want to congratulate you, Mayor Boughton, for being selected by our Governor for Commissioner of the Department of Revenue Services.

But you know there has been an uneven relationship between the Latino community and your administration as Mayor of the City of Danbury, and I know that there's been times when it's improved. There's been times when it seesawed back and forth. I guess the politics of, you know, Republican, Primary for Governor is a tough, tough thing. And things are said in the heat of campaigns, but I've gotten some pushback from some of my colleagues.

My default position, both as a Member of this Committee and as a former leader, is that the Governor should have the right to select his own team. I like the idea that this is a bipartisan selection. I like the idea that you're going into a position that you're very qualified for. And I'm willing to take the pushback. And I'm willing to do what I can to assuage any feelings, any hard feelings that may exist out there.

But as you know, a large segment of our Latino community are immigrants. And also there's another large segment of our community that may not be immigrants, but that are very sympathetic to the plight of immigrants. So I would just like to ask you, you know, and as the Nominee for DRS and a former Mayor of Danbury what your feelings are on this issue. And, you know, what steps you've taken to try to be more inclusive and to try to repair any bridges that may have been torn down during heated political campaigns.

CMMR. MARK BOUGHTON: Well, I appreciate the question and I'm glad that you raised it. I think it is important issue and I think that there are things that you learn being a leader over a 20-year period that help you be a better leader in your next position. So first I want to impress to you that going forward in the future, we will be an exclusive agency and we will celebrate people, in our agency and out of our agency, in terms of the things they've done. And that's one of the initiatives that we're working on right now.

One of the things that I have learned though and being a leader over the many years is communication is key and it is critical. And sometimes things can get so spun out to what the original intent or comment or issue was that you can't control and it becomes a very hurtful to a community, even though that wasn't ever the intention or the issue. So one of the areas that I'd become much better at communicating with is utilizing some of the community leaders, not just in Danbury, but in the area in the Greater Danbury Area and even as far south as Bridgeport, places like that. To communicate and say, "Listen, that's not what this was about. That's not what I'm about." I find that the pastors are extremely helpful in being able to share the right message out to people and debunk other things that gets spread that are out there.

I also think there's an opportunity here. We do have a lot of new Americans in Danbury, as you know, and in our State. Many of them are entrepreneurs, but also many of them are not aware of, how did the tax structures work? How do I file? What's the right way to file? Many of them may have English as a second language and they need some help in filling out the forms in English, or even filling them out in Spanish. And our taxpayer service center, I've asked for a more robust outreach to the Latino community, as well as the Portuguese-speaking community, as well. So that we can be there to assist them before they get themselves in a position where they will have to maybe shut down their business because you know and I know that the fines and the back taxes or worse than the actual liability.

So we want to stop that before it gets there and provide workshops, learning sessions. How do I do this? How do I run my business? Where do I file? Who do I contact? Do I have people on staff that are bilingual or even trilingual which we did in Danbury? Those are areas that I think are really fertile, to be able to build bridges and be able to get people engaged. And as I mentioned at the top here, become stakeholders in Connecticut. Once somebody starts being in the system, they really care about what happens to the system.

And so that's -- We all win when that happens, when we have engaged people. So I certainly can place you today to -- I think you're going to be impressed with some of the things we're doing and at the right time. And we're ready to roll that stuff out efficiently like you'd be a part of that come over and see what we got going on.

REP. VARGAS (6TH): Well, I -- I'm very happy for that response and I have no doubt that this is what you intend to do. As a fellow politician, I know how tough it is to win election after election. What

you've done, which means you're doing something right for the people of Danbury, otherwise they wouldn't place their vote of confidence in you for so many terms of office. And like I said, I believe you're eminently qualified for this position.

There's another issue that some of my other colleagues or not, Latino, but do believe that we have to do more to help people after this COVID-19 crisis. They believe there's going to be an issue, a tug of war, in terms of revenue, in terms of how we expend those revenues to make sure we take care of the most vulnerable elements of our community. And their concern is that although the Commissioner of DRS does not set the law, does not set tax policy.

However, just as an example, earlier during this hearing, Senator Kelly asked you some pointed questions regarding, you know, the wealthy and how much we tax the wealthy and whether the wealthy will leave the State. And my experience during public hearings when we're dealing with tax policy, or any policy for that matter, the testimony of Commissioners, although they don't write the law, they don't execute the law, their testimony does carry some weight with our legislators, our State Senators and our State Representatives when they're deliberating, the words of a Commissioner do matter in shaping that policy. And one of the concerns expressed to me by those people who are my colleagues that are leaning toward doing more rather than less for the people of Connecticut, that have been hurt by the pandemic, is that you might be weighing in into a more conservative philosophy.

But, you know, like I said, this is a bipartisan nomination. The Governor's made -- wants to make sure that all of us are included. I'd like to see an anti-polarization. I'd like to see people working together to try to find practical, pragmatic solutions to the problems of Connecticut. But just so you know, yes, you do not make the policies that

the Governor decides. You do not make the laws or statutes that the legislature decides. But I assure you that once you become the confirmed Commissioner of DRS, you will have some sway in terms of how people perceive the issues. So, any thoughts on that?

CMMR. MARK BOUGHTON: Yeah, I mean, I agree with you. I think coming -- I think our number one challenge coming out of the pandemic will be how we deal with it. And I may -- can -- what we can do to get our small businesspeople. Main Street back up and running and people priming the economy again and that'll be critical on the revenue side for me is, because I watched those numbers now and obsess over them every day. I look at how much was deposited because you just you get embedded in the situation and you want us to do well.

So we're going to have to do a lot of work on that. To the extent that I can provide advice to the Governor, I would advise him and the Legislature to be very robust in our approach to do that to do everything we can to encourage and keep our entrepreneurs open and running and allow them to grow and expand their business eventually. Restaurants have been incredibly, incredibly hard hit during this time period. And so they're going to need a lot of help coming out of this.

And our response, in terms of our agency's response to keeping them open and helping them stay open will be very, very important, and I certainly help -- I look forward to helping doing that. And I don't think there's really a conservative or liberal way to do that, like you said. I think we need to just go out there and say this is about all of us together making sure that we can keep people employed, grow businesses and help families grow and expand and enjoy this great state that we live in.

So I look forward to those conversations, to the extent. I'm part of it. And I certainly won't interject myself into it. But when asked, like you said, I'll provide the best -- What I feel to be the best information. People may agree with it. They may not agree with it. But you'll certainly have everything that you need. I think we're on the same page there. I think a strong robust response is the only way to go. And frankly, I think President Biden is thinking that way. And I think it'll be our job to serve as an intermediary and making sure that assistance gets to the right spot.

REP. VARGAS (6TH): Well, once again, I want to congratulate you on the Governor's appointment to be Commissioner of the Department of Revenue services. I look forward to working with you and you'll have my support, sir. Thank you.

REP. GRESKO (121ST): Thank you, Representative. Next, we have Senator Hartley. You have the floor, madam.

SENATOR HARTLEY (15TH): Thank you, Chairman Gresko, and it's a delight to be on your Committee and to work with a lot of my colleagues here. I've always thought that the Executive Nominations Committee was so crucial being the front door to all of our agency and otherwise appointments.

I'd like to first of all welcome Mark Boughton. I go back some years with you, Mark, in the House. And then I have watched your leadership in Danbury over the years. I need to apologize, though, because it seems like this morning, there have been meeting on top of meeting. I've actually had four meetings. And Wendy, thanks. I was able to seamlessly get back on here.

But I did want to first of all welcome Commissioner Boughton. And I'm not sure what all the questions were so please let me know if I'm being redundant in

any way, but we have heard a lot mark about impending retirements. And dealing with reconstituting agencies in the event of these retirements. I don't know if you've talked about this already, but I'm wondering your view going forward in anticipation of those sure to come changes. Did I scare the Commissioner? Oh dear.

REP. GODFREY (110TH): I love technology, but only when it works.

SENATOR HARTLEY (15TH): Hey, Bob, I miss sitting next to you.

REP. GODFREY (110TH): I miss sitting next to anybody.

SENATOR HARTLEY (15TH): It is. I know.

REP. GRESKO (121ST): Let's give him a moment to try to sign back on. Hopefully. I'm sure Wendy and Camillo are scrambling at this point. It was going too well. Do you think he knows he's not on anymore.

CAMILO LEMOS: I definitely think that he knows that he's not on anymore. I think his laptop might have died because -- we're not going to request him. I'll call them or I'll try to see if I can contact them right now.

REP. GRESKO (121ST): Well, as we sit here and wait, we could -- the Committee could stand at ease until we can re-establish the link.

CMMR. MARK BOUGHTON: Sorry about that folks. The entire stream just went down.

REP. GRESKO (121ST): Okay. The Committee will come back to order. I don't know when you -- when you left, Mayor Boughton, but Senator Hartley was asking a question. I don't know. Well, when you ditched ow

when -- what was the last time you heard, but let's try that again.

SENATOR HARTLEY (15TH): So Mark, I was just saying that in view of the impending number of retirements, that the State is anticipating and I apologize if you've talked about this before. I've been bouncing back and forth amongst actually three other meetings. What are your plans for DRS in view of what certainly going to roll through every agency?

CMMR. MARK BOUGHTON: Yeah, so the minute I took -- I came and started, Senator, I asked for a breakdown and what the succession plan was for our retirement cliff that we're facing. We believe that we're facing north of 200 retirements over the next two years. So we're going to have to be ready. We're working closely with the Boston Consulting Group. We also have an internal three-to-five-year plan that we're not quite ready to rollout, but we have been working on, that we think helps us and makes an assumption of certain retirements that we know, that people that have indicated that they're going to be retiring. And allows for a reorganization of the agency.

Most important thing, obviously, is that you not experience any kind of loss of revenue because certain jobs are not getting done. So we'll be very careful to watch that. But it is an issue and it's something that we're watching closely. We do have a plan we're working on and it's just not quite ready to be rolled out yet to the Governor and obviously to the Legislature.

SENATOR HARTLEY (15TH): And so when might the Legislature have an opportunity to be briefed on at least the plan? It probably changes as you actually get retirement requests and process and so forth. But just to understand the overall strategy.

CMMR. MARK BOUGHTON: Yeah, so we -- you know, I've always believed that we don't we don't build an organization around people. We build an organization that people are essentially interchangeable. But we also try to bring out the very best in each person in terms of their careers. So that's what we're working on right now. I would estimate probably three to five months, we will come back to you.

It doesn't necessarily require any legislative action, but I would like an opportunity. Obviously, I'll brief the Governor, get the Governor's Office employee and then come and brief any legislator or legislative leadership in terms, just so they have a sense of what our plan is. I think you're on-point here that should we not plan for this or do the correct planning for this, it could have an impact on our revenues and we want to be very, very careful about that.

SENATOR HARTLEY (15TH): And so on that subject, are you putting together this strategy entertaining a more robust use of technology, AI? You talked about algorithms a little bit previously. We know that this is now a tool that has become very important in many analytic operations, yours certainly being one.

CMMR. MARK BOUGHTON: Yeah, we believe that AI and digitization, and I think I can say that word correctly, is key and will be a core component. Also, as much stuff as we can put on the cloud that will be safe and secure, we would do that. And we think that., you know, we know that we can generate more revenue, if we do this correctly with the existing tax structure that's in place. And that's really the goal here is to get better compliance, voluntary compliance, versus entering into unfortunate actions which are costly and they take a long time and you don't always get the outcome that you want.

SENATOR HARTLEY (15TH): Yeah, I mean, we don't obviously want to be punitive, but we want -- We need to be fair, and we have a State to run and you know, if some don't comply and others do, that's inherently, you know, unfair.

Do you have any sense whether or not you will try to launch these kinds of usage, technology, digitalization in-house versus out-of-house?

CMMR. MARK BOUGHTON: Well, our first -- our first -- we're in the process of rolling out our C-Tax, which is a complete overhaul of all the computerization that we have. That's a \$54 million project approved by the General Assembly and the Governor's Office. Phase II starts in September of this year. So some taxes are already being able to be filed online and eventually, you know, all of them will be required to be filed online as soon as we train all of our users.

So, you'll see more of that. That's our external and then our internal processes will be, I think, significantly changed at the conclusion of our report. And significant in the sense that the way departments within the division interact with each other will be important.

SENATOR HARTLEY (15TH): Okay, I know I'm asking you a lot of, you know, 'what if' as this rolls out. So you know, I will have to be apprised in due time.

Another subject, which I'm sure you undoubtedly talked about just, you know, myself want to mention it as I work on the other side, that is Commerce Committee. And that is about remote workers. I understand what's going on. It might behoove us to engage in some kind of a regional compact. Because we, Connecticut, want to encourage our remote workers. I think we've saw this influx, despite the fact whatever the United Van Lines reported about our migration, we know for a fact that we've had

some places that reported 2,200 families moving in, you know, first renting, then, you know, rooting themselves here by purchasing a home, enrolling their children in the school systems and so forth.

And so we want to do everything we can to have this State be, you know, front and center in 21st century technology and in post-COVID. And so, remote workers are -- look, we're centrally and geographically located, you know, you can work from anywhere now. And we want these folks to be in Connecticut. And so I just throw out to you that because we've got obviously different rules in different states and it could get very confusing this filing period, that if we had some kind of a regional compact that would, I think, benefit us as a State.

CMMR. MARK BOUGHTON: I agree. I think the hang up there has been New York State, Senator, and I do think that Massachusetts, Rhode Island, even New Hampshire, has been much more open to working together along those things. But the York State has really been heavy handed and their enforcement actions and auditing. They implemented that new convenience versus necessity rule, they did a few years ago. Which doesn't make a lot of sense to me. It's very confusing. But the end of the day, because Governor Cuomo has ordered people not to, you know, to work from home, those people could potentially be penalized by having to pay both Connecticut and New York State. And I think that's something we're going to deal with.

SENATOR HARTLEY (15TH): And -- but I also believe that we're in a position to do this. It's kind of like the discussion we have about the rail all the time, when Metro North is, you know, dominant with our infrastructure where there is a very -- from what I've seen a strong working relationship amongst the executive offices and I think, you know, we need to capitalize on that.

CMMR. MARK BOUGHTON: Absolutely, there's opportunity there. There is no question about it.

SENATOR HARTLEY (15TH): Okay. Thank you. Thank you. Welcome, Commissioner, and thank you, Mr. Chair.

REP. GRESKO (121ST): Thank you, Senator. Our next individual with questions is our House Vice Chair, Representative Michael Quinn. Sir, you have the floor.

REP. QUINN (82ND): Thank you, Mr. Chairman. And thank you, Commissioner Boughton for your willingness to serve. I mean, I applaud the Governor for reaching across the aisle, but I applaud you for accepting the invitation. I mean, the only way that we're going to get out of the political messes that we're in right now is with this sort of cooperation. But I do appreciate you're willing to serve this administration as well.

I know that you talked about some of the customer service improvements that you're making. You talked about the phone system. Do you have any other thoughts on how to improve the customer service experience with the DRS?

CMMR. MARK BOUGHTON: You know, I think that our service center has -- was aging. We are in a process of upgrading that. And I know I speak to it a lot, but part of that experience should be us being more proactive and actually going out into the field, not necessarily for enforcement actions, but for things like seminars and being able to explain to people, particularly small business people who just may not have the time, may not have, you know, the language skill to navigate their way through our myriad of different forms and applications and things that you have to fill out. And don't have the money to hire an accountant or an attorney to be able to do all these things.

So I think there's opportunity for us to be much more robust out there. And by doing that, I think we encourage compliance and that's a voluntary compliance, which is a lot less expensive than doing enforcement action. So you're going to see a lot of that over the next six to 12 months. We're going to try some stuff. Some stuff might fail, some stuff might be really successful and you know, it will be a little bit of trial and error until we understand exactly what our businesspeople, residents want and need to understand. But it's an area that I think is fertile, to be able to help elevate some of our revenue generation.

REP. QUINN (82ND): Okay. And then my last question would be, and I think that you've touched on this in many of your other answers. But to summarize, what would you say are your top priorities for the agency in the coming year, year and a half?

CMMR. MARK BOUGHTON: I think we, you know, some of it, like you said, has been touched on. Obviously, the C-tax rollout, which is the computerization enhancement. The new evolution, if you will, is important, a mission-critical project and we're in the process of doing very well on that. I think the retirement cliff and that strategic plan is going to be important to deal with folks that have earned their retirement are going to go off to different pastures.

And then finally, I think getting voluntary compliance closing what I call -- what we call the tax gap. That's the people who may have a liability but don't pay is something that we should be focusing in on as well. I think those three things are -- That's a plateful over the next 18 months.

REP. QUINN (82ND): Okay. Thank you very much. And again, thank you very much and congratulations on your willingness to do this.

REP. GRESKO (121ST): Thank you, Representative. Our next legislator with a question is our House Deputy Speaker, Bob Godfrey. Sir, the floor is yours.

REP. GODFREY (110TH): Thank you, Mr. Chairman. I appreciate it. Welcome, Mark. Good to see you. I was -- I was a little amused when you were answering some of Senator Duff's questions. Remind me Woodrow Wilson was president of Princeton University when he was asked to run for Governor of New Jersey. And he was asked why he was doing that. And he said, because he wanted to get out of politics, which I thought was both humorous, and to the point. Leaving academia for government. So I understand fully your sense of relief.

Following up on some of Bob's questions. You said, and I'm aware of your involvement regarding the Career Academy. Do you have any feeling for how long that's going to -- how long that's going to take? I would expect the City Council to act on that and set up the Referendum for the 20% the City of Danbury has to provide, could be soon.

CMMR. MARK BOUGHTON: Yes. So first of all, thank you for all of your hard work on that. And of course, the entire Danbury delegation did an outstanding job at bringing something that's very, very creative to the Legislature and getting by him from the Governor's Office and getting it done. So that piece is done. Thanks to you all.

You're absolutely right. We have to have a Referendum for the full cost of the project. To get the full cost of the project, the Steering Committee will have to negotiate a sale price of the building as a completed project, bring that to the Council, with the contract, have the Council ratify that and then set the Referendum date. Once that happens, my involvement of the Steering Committee will be finished. And it'll be up to the voters to -- I

think it's a good project and I know you do, too. So
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REP. GODFREY (110TH): Yeah. And do you have any feeling for the length of time it's going to take?

CMMR. MARK BOUGHTON: Well, you have to have -- As you know, you have to have the Referendum before October 1, 2021, so I would -- I would look for probably a June Referendum date.

REP. GRESKO (121ST): Cool and anyhow. And then I'll be quite happy to help the Council get that get that on the ballot because it is important. Along the same lines of kind of breaking with local politics with the happy demise of the Trump Administration tomorrow, in about 25 hours and Betsy DeVos, having a happily left the Department of Education and our good friend Miguel Cardona going in there, I think the day of charter schools has passed. And you have been an advocate. Will you continue to be an advocate or because of your new position and then kind of getting out of local politics, will you put that in with all the local politics stuff and give it up?

CMMR. MARK BOUGHTON: Yeah, I mean, as I said earlier, you know, at this point I just, A, I don't have the bandwidth. I don't have the time. Given you know, what I do in Hartford, and then also with the Career Academy. That's my focus. That's where I see the best chance of success -- I know we're going to be successful on that. That's where there's bipartisan support. And I think that's where our energies and efforts ought to be. No disrespect to Prospect, it's a great idea. Unfortunately, it needs support and it's -- I'm not the mayor anymore. I don't speak for the City. So it's not my position to go out and advocate for something that is not within my scope of what I do here at DRA.

REP. GODFREY (110TH): Excellent. Thank you. Thank you so much for that answer. I really liked Senator Hartley, my good friend, bringing up the whole question of the computer system. Your Department isn't the only one that we're facing this issue with. All of us had to go through the nightmare last spring of the finding of the Department of Labor was still operating software that was 40 years old. They were running Cobalt, which was state of the art when I was in university 50 years ago. And Government needs to be convenient to its people.

So I'm really happy to hear that your system, which is probably more constituent -- Needs to be more constituent-friendly than any other so that people can get the answers. Will them move on. And certainly we have failed to provide the funding for -- we failed to provide funding for upgrades to the computer system. So I'm happy to work with you or anyone else for that matter, but DRS especially to make sure that that happens.

Similarly, Senator Hartley brought up the idea, which I find interesting, of doing a regional compact. Especially dealing with the remote workers and their taxation. And I wanted to volunteer, the fact that the Council State Governments has an Interstate Compact Center that both tracks, monitors and does advocacy to help states come to the interstate compacts that are so much the lubrication of activities between the State. So that resource is available both to you, Senator Hartley knows about it, too. She's been active in organizations like this one for some time. They are very knowledgeable people, it's a -- it's a whole center devoted strictly to interstate compacts. So, you know, forgive the commercial. I'm a leader in the organization. So please do call upon us.

One of the national issues that I think will be coming up once we change Administrations tomorrow, will be tax policy in general. I found that the so-

called tax reform that was pushed through a few years ago, was really, really good if you were a billionaire and people like me wound up paying thousands of dollars a year more. I'm concerned about how the State of Connecticut attaches itself in our income tax to the national income tax, and what policy changes we may have to look at to obviate the unfairness of the new federal tax policy. So I'm hoping you'll be able to provide us with information and advice on the internal operations through the Department of Revenue Services.

CMMR. MARK BOUGHTON: As soon as we have that information, we will -- I know this Legislature with the pastor entity tax worked at trying to address some of this stuff. But again, it wasn't necessarily good for every -- It didn't impact as many people as you want, but it did help. So as soon as --

REP. GODFREY (110TH): It didn't help me and my constituents. We wound up paying a lot more. I'm paying thousands of dollars more.

CMMR. MARK BOUGHTON: Yeah, no, I get it. And the [inaudible] Yeah and, you know, right. So we're hoping that there'll be some changes to that. I think there will be.

REP. GODFREY (110TH): Great, thank you very much. I look forward to continuing to work with you. That's something we're going to do.

REP. GRESKO (121ST): Thank you, Representative. Seeing no other hands raised at this point, I will leave it to Wendy Fritz's discretion to bring on any of the individuals from the Public that to read their testimony on this. Wendy.

WENDY FRITZ: That's up to you, Mr. Chair.

REP. GRESKO (121ST): You're --

WENDY FRITZ: Just one moment. Let me -- I will unmute first the people who have signed up to talk and then you can call upon them. I think you have a list. If not, I can tell you who they are. We have Sal Luciano and Reverend Josh Pawelek.

REP. GRESKO (121ST): Let's go with Sal, please.

WENDY FRITZ: Okay. He is unmuted. He should be able to speak.

REP. GRESKO (121ST): Mr. Luciano, are you there?

SAL LUCIANO: Yes. Good morning, Senator Duff, Representative Gresko and Members of the Executive and Legislative Nominations Committee. I'm Sal Luciano and I'm proud to serve as the President of the Connecticut AFL CI.

On its website, the Department of Revenue Services states that its mission is quote "To instill public confidence in the integrity and fairness of tax collection; contribute to the fiscal and economic well-being of the State; and provide a positive and professional workplace." The coronavirus pandemic and its related economic impacts have created significant challenges across our State, though its pain has not been felt equally. Vulnerable populations who are struggling to make ends meet before the pandemic now battle to survive. Working and middle-class families are facing economic challenges greater than they ever imagined. People of color have been disproportionately infected, hospitalized and devastated by job loss. Yet the wealthy continue to prosper. Billionaires have had your best year ever.

Connecticut is one of the richest states in the nation, but it also leads in income inequality, leaving the poorest residents to deal with education gaps, health disparities, unattainable homeownership

and other hardships. Before the pandemic, we faced a series of budget deficits, but the State was not broke. Making deep service cuts and protecting the wealthy was a choice. We can do better. The Coronavirus has shown us now, more than ever, that we pulled through by pulling together. Communities across Connecticut have come together during the pandemic determined to help each other and leave no one behind. Now we must do the same as a State. We must join together to ensure that every one of us emerges stronger than before.

In times of crisis, we need everyone to pitch in. For some of us, that's putting on scrubs and a face mask. Or teaching students remotely or stocking grocery store shelves. For the wealthy in big business, it means paying their fair share so we can care for those who are hardest hit. We need a tax policy that allows us to do more than just respond to emergencies. We need to invest in our future. That will require a commitment to revamp our tax code with more progressive strategies to make sure we all invest in our State's recovery. We hope, Mr. Boughton will play a constructive role in that process. Thank you.

REP. GRESKO (121ST): Thank you, Mr. Luciano. And following that, Reverend Pawelek, you have the floor, sir.

REV. JOSH PAWELEK: Thank you. And greetings. Let me turn my video on just a second. I'm not sure I can.

Anyways, greetings, Senator Duff, Representative Gresko and Members of the Executive and Legislative Nominations Committee. Thank you for the opportunity to provide testimony on the Nomination of Mark Boughton as Commissioner of Revenue Services. Also congratulations, Mr. Boughton, on your nomination.

I am the Reverend Josh Pawelek, Minister of the Unitarian Universalist Society East in Manchester, and today, I'm speaking on behalf of Recovery for All. This is a growing and diverse statewide coalition of faith, labor and community organizations and leaders dedicated to ensuring not only that all Connecticut residents have access to the resources they need to recover financially from the pandemic, but that our state, finally, and definitively, addresses its massive race and class-based structural inequities. Toward that end, we favor of a variety of new taxes on wealth and on the State's highest earners, as well as tax relief for middle and low-income residents.

In my written testimony, I mentioned a neighbor of our church, Liz, who is really, really struggling during the pandemic. And I know she is just one of hundreds of thousands of people in Connecticut who are not only struggling, but actually suffering right now. Poor families working and middle-class families, families of color and immigrant families, are suffering right now. It is a stunning feature of our collective response to the pandemic that such suffering exists, while the State's wealthiest residents continue to prosper and while the State's billionaires have had what some analysts are calling their best year ever. Sal Luciano just mentioned this as well.

As you consider the Nomination of Mayor Boughton as Commissioner of Revenue Services, we sincerely hope you will focus your deliberations on how the Commissioner can use their Office to address the gross structural inequities this pandemic has exposed and exacerbated. Connecticut we know is one of the richest states in the nation yet embarrassingly, it also leads the nation and income inequality and both persistent and pervasive race and class-based disparities in education, health, jobs, homeownership, wealth generation and incarceration rates.

Yesterday was Martin Luther King Day. And on that day so many of us name in public how terrible these disparities are. We offer our collective lamentations. But I say, and our coalition says, it is disingenuous to do so while simultaneously doubling down on revenue and spending packages that invest a pittance in the people and enable the ultra-wealthy to prosper. While the Commissioner of Revenue Services is not a policymaker, they certainly offer advice and counsel on questions of revenue and tax policy.

And thus, we believe it is essential that whoever serves in this role has both a keen understanding of the ways Connecticut's current tax code creates these enormous disparities and a clear vision for how greater tax fairness can begin to rectify this situation. We need sufficient revenues to invest in our people so that they are in a position to invest their time, energy, passion and resources in our collective recovery and our collective future.

We hope, as Commissioner of Revenue Services, Mayor Boughton will work, not to resist efforts at tax innovation, but rather will position himself as an ally and a champion for fairness. Thank you.

REP. GRESKO (121ST): Thank you, Reverend. There will -- there is one additional public piece of testimony. It will be posted on the Committee's webpage, but as of right now, there are no further questions on or remarks at this moment. So I'd like to congratulate you, Mayor Boughton, on your appointment to the Commissioner of Department of Revenue Services. But before you go, there's one question we ask of every Nominee. Is there anything in your past that you believe might prove embarrassing to this Committee, to the Governor or to the State of Connecticut?

CMMR. MARK BOUGHTON: No, Mr. Chairman.

REP. GRESKO (121ST): That being said, that concludes our public hearing. I will entertain a Motion to Adjourn the Public Hearing.

REP. VARGAS (6TH): So moved.

REP. GRESKO (121ST): Moved by Representative Vargas. Seconded by Kathy Kennedy, Representative Kennedy. That officially adjourns our Public Hearing. We're going to take a brief -- just a brief just two seconds pause to let Wendy switch everything from Public Hearing to Meeting. So we will stand at ease for a moment, just so that we can get everything online correctly.