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*TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE JUDICIARY COMMITTEE
MARCH 12, 2007*

I appreciate the opportunity to support Senate Bill 1242, An Act Concerning Antitrust Investigations and Enforcement Actions by the Attorney General.

This legislation protects the confidentiality of information voluntarily provided to my office as part of an antitrust investigation, protects whistleblowers from retaliation by their employers, increases the civil penalties for antitrust violations, clarifies the ability of the Attorney General to issue subpoenas for violation of federal antitrust law and provides incentives to encourage disclosure of critical information about antitrust violations.

Senate Bill 1242 provides information voluntarily submitted to my office the same confidentiality protection as subpoenaed information. Under current law, any information provided to my office in compliance with a subpoena is confidential and cannot be disclosed publicly. Information that is voluntarily provided cannot be similarly protected from disclosure, yet that information may be as critical to a pending investigation as subpoenaed information.

The legislation also protects cooperating sources from retaliation. Employees often have the best information and first hand knowledge of antitrust violations. These employees risk their livelihood and careers if they disclose such information to the Attorney General's office. Fear of retaliation inhibits our obtaining information about antitrust activity. Senate Bill 1242 provides the same protection from employer retaliation for antitrust whistleblowers as state whistleblowers.

Senate Bill 1242 also increases the civil penalties for violations of antitrust laws and for failing to comply with an antitrust subpoena to account for the erosion of inflation. The current penalties were established in 1973. Inflation since then has made the 1973 penalties completely inadequate. The penalties included in this measure would make Connecticut's civil penalties similar to other states such as New York, Illinois and Florida.

Finally, the bill clarifies the authority of the Attorney General to issue subpoenas for violations of federal antitrust laws. Under current law, the Attorney General may bring a civil antitrust lawsuit for violations of both state and federal antitrust laws. This proposal will make our subpoena authority similar to our enforcement authority.

I urge the committee's favorable consideration of Senate Bill 1242.