



**State of Connecticut**  
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**MEMBER**  
FINANCE, REVENUE AND BONDING COMMITTEE  
TRANSPORTATION COMMITTEE  
REGULATIONS REVIEW COMMITTEE

**Banks Committee Public Hearing**

**Testimony of State Representative Carlo Leone  
in Support of HB 6094**

**An Act Concerning Regulation Of Financial Industries**

Chairman Duff, Chairman Barry and the members of the Banks Committee, for the record my name is State Representative Carlo Leone from the 148<sup>th</sup> District in Stamford. First I would like to thank the committee for raising this bill and the opportunity to speak here today. This legislation is targeted at trying to prevent fraud, mismanagement and poor business practices that have resulted in a loss of investments for individuals, investors, and other entities.

While I realize the state is limited in what it can do in this area I still think we should at least try to do something. I was also thinking this might be a good issue for the Program Review and Investigations Committee to study.

However, I am not comfortable with just sitting and doing nothing while people have lost millions upon millions of dollars, some of which can be attributed to fraud and mismanagement in the financial sector. People have lost their homes, their retirement savings and even the money they had set aside for their children's college education.

One such example that hits close to home as I was just reading that more than \$60 million of Westport National Bank customers' money was in an account that the bank had with Bernard L. Madoff shortly before he was arrested .

Examples such as this convince me that we need to do more to regulate our financials markets and protect investments. Again, I know this is interstate commerce and the state is limited it what it can do, but we should at least explore our options. That is why I wanted to at least have this bill with broad language as a place holder to start the discussion. One possible action might be a resolution asking Congress to take action and send a clear message that we are not going to stand pat while people are defrauded out of millions of dollars. There needs to be real consequences.

I do appreciate your time and thank you again for this opportunity to testify. I welcome any suggestions committee members may have in what we can do to further develop this legislation.

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