

PA13-162

HB5358

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2013**

**VOL.56
PART 18
5882 – 6232**

Representatives is voting by roll call. Members to the Chamber please.

DEPUTY SPEAKER SAYERS:

Have all the members voted? Have all the members voted? Please check the board to see that your vote has been properly cast. If all the members have voted then the machine will be locked and the Clerk will take a tally. The Clerk will announce the tally.

THE CLERK:

Madam Speaker, in concurrence with the Senate Substitute Senate Bill 1016 as amended by House A.

Total Number Voting	133
Necessary for Adoption	67
Those voting aye	130
Those voting nay	3
Absent and not voting	17

DEPUTY SPEAKER SAYERS:

The bill as amended passes in concurrence with the Senate. Will the Clerk call -- please call Calendar number 410.

THE CLERK:

Madam Speaker, on page 16 of today's Calendar, House Calendar number 410, favorable report of the joint standing Committee on Government, Administration

HB 5358

and Elections, House Bill number 5358, AN ACT
PROHIBITING STATE CONTRACTS WITH ENTITIES MAKING
CERTAIN INVESTMENTS IN IRAN.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Thank you, Madam Speaker. Good afternoon. Madam
Speaker, I move joint -- acceptance of the joint
committee's favorable report and passage of the bill.

DEPUTY SPEAKER SAYERS:

In concurrence with the Senate, Sir? Sorry, Sir.
My mistake. The question before the Chamber is
acceptance of the joint committee's favorable report
and passage of the bill.

REP. LESSER (100th):

Thank you, Madam Speaker. Madam Speaker, the
intent of this bill is to require companies bidding
for large State contracts in the State to certify that
they are in compliance with certain U.S. sanctions
with regard to Iran. Madam Speaker, the Clerk is in
possession of an amendment, LCO 7686. I would ask the
Clerk to please call the amendment and that I be
granted leave of the Chamber to summarize.

DEPUTY SPEAKER SAYERS:

Will the Clerk please call LCO number 7686 and it shall be designated House Amendment Schedule A.

THE CLERK:

Madam Speaker, LCO number 7686 designated House Amendment A offered by Representative Jutila et al.

DEPUTY SPEAKER SAYERS:

The Representative seeks leave of the Chamber to summarize the amendment. Is there any objection to summarization? Is there any objection? Hearing none, Representative Lesser, you have may proceed, Sir.

REP. LESSER (100th):

Thank you. Thank you, Madam Speaker. Madam Speaker, the amendment clarifies that this bill applies only to foreign corporations. The world of Iran sanctions has been moving quickly and we are satisfied that U.S. -- U.S. companies are in compliance with current U.S. law.

And so this clarifies that this provision applies only to foreign corporations. Additionally it clarifies that it results only -- only refers to direct investment in Iran. Madam Speaker, I move adoption.

DEPUTY SPEAKER SAYERS:

The question before the Chamber is adoption of

House Amendment Schedule A. Will you remark on the amendment? Representative Hwang of the 134th.

REP. HWANG (134th):

Thank you, Madam Speaker. Through the proponent I wanted to offer my appreciation for his bipartisan outreach and I support this amendment and encourage passage. Through you, Ma'am.

DEPUTY SPEAKER SAYERS:

Thank you, Sir. Representative Baram of the 15th.

REP. BARAM (15th):

Good afternoon, Madam Speaker. I too want to congratulate Representative Lesser and all my colleagues on both sides of the aisle who worked with him to make this bill a reality.

I think it's important that the State of Connecticut show its moral resolve and solidarity in joining some 26 other states in our nation and countries all around the world to show that they're standing up and trying to persuade Iran not to create nuclear weapons and I think that this is a symbolic effort that will go a long way to show our resolve and also to demonstrate that we're serious about deterring business that helps perpetrate the kind of evil that

is being spread by Iran throughout the world. Thank you.

DEPUTY SPEAKER SAYERS:

Will you remark? Will you remark further on the amendment that is before us? If not, let me try your minds. All those in favor please signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER SAYERS:

Those opposed, nay. The ayes have it. The amendment is adopted. Will you remark further on the bill as amended? Will you remark further?

Representative Carter of the 2nd.

REP. CARTER (2nd):

Thank you very much, Madam Speaker. A few questions through you to the proponent of the bill please.

DEPUTY SPEAKER SAYERS:

Please frame your question, Sir.

REP. CARTER (2nd):

Thank you, Madam Speaker. Through you, Madam Speaker. I noticed that this talks about a State agency making a contract with any person who does

business in Iran for energy. Is this bill then limited to energy only? Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Thank you, Madam Speaker. Through you to Representative Carter. Yes, this bill refers to -- is -- it only refers to the energy sector of Iran as defined by section 2-0-2 of the Comprehensive Iran Sanctions and Divestment Act of 2002. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Carter.

REP. CARTER (2nd):

Thank you very much, Madam Speaker. And through you, to the proponent of the bill. Will this have any effect on electric or energy costs within the State of Connecticut? Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Through you, Madam Speaker. Unless the electric company is also doing business with Iran in violation of U.S. sanctions the answer is no. Through you,

Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Carter.

REP. CARTER (2nd):

Thank you very much, Madam Speaker. Through you, Madam Speaker. Looking at lines eight and nine and ten in the -- in the bill as amended it's talking about the failure to submit written certification whether any person has made an investment of \$20 million or more in the energy sector of Iran. How -- how will we actually find out, through you, Madam Speaker, whether or not somebody has done any kind of written certification? Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Through you, Madam Speaker. The -- I would first refer Representative Carter to the amendment which I think replaces the word person with entity which is described specifically as foreign corporations. But specifically with -- in response to his question I would just refer the -- the Gentleman to the section restating that it would be the job of the State agency as defined under the -- under the first section to

make that determination. Through you, Madam Speaker to Representative Carter.

DEPUTY SPEAKER SAYERS:

Representative Carter.

REP. CARTER (2nd):

Thank you, Madam Speaker. And just for a moment a point of order. I believe Mason's states clearly that we should be recognizing each other by our districts or by good -- good Gentlelady, Gentleman and not names on the floor during debate. But I -- I don't need to press the issue. I just want to remind that. That's something that I've seen happen over a period of time while we're debating on the floor.

Through you, Madam Speaker, I'd like to thank the good Gentleman for his answers to my questions. And from what I see I think this is a very laudable bill and I intend to support it. Thank you.

DEPUTY SPEAKER SAYERS:

Thank you. Representative Ziobron of the 34th.

REP. ZIOBRON (34th):

Thank you, Madam Speaker. I was unaware of the underlying I guess federal act that kind of pushes this forward. So I just have a couple of very minor questions for the proponent. Through you, Madam

Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. ZIOBRON (34th):

Thank you, Madam Speaker. And I -- my first question is does every state in the United States adopt these sorts of amendments through their General Assembly? Through you.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Through you, Madam Speaker, to Representative Ziobron. No. To my knowledge only New York, New Jersey, Maryland, Indiana, Michigan, California and Florida have adopted similar legislation. We would be joining them.

I also understand that Missouri and I believe one other state and I can get that for the Gentlelady have done so -- are in the process of doing so. But it's something that a number of states have done over the last few years but certainly by no means has every state done it.

DEPUTY SPEAKER SAYERS:

Representative Ziobron.

REP. ZIOBRON (34th):

Thank you, Madam Speaker. And I really had to struggle to hear his answers on that and I think I got most of it, Madam Speaker. Through you, is this a yearly renewal or once you adopt are you adopting throughout the -- the course of the federal legislation? Through you.

DEPUTY SPEAKER SAYERS:

Representative Lesser, would you hold one moment please. Could you please take your conversations outside the Chamber so that the Representatives can hear the questions. Thank you. Representative Lesser, please proceed.

REP. LESSER (100th):

Thank you, Madam Speaker. Through you to the Gentlelady. I don't believe that there is an expiration date on this bill. I think it takes effective -- it is effective on October 1, 2013. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Ziobron.

REP. ZIOBRON (34th):

Thank you, Madam Speaker. And that was helpful. I appreciate the answer from the good Representative.

So based on your answer would that lead me to believe that since 2010 only a handful of states have accepted this legislation and adopted it in their individual states? Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Through you, Madam Speaker. The Comprehensive Iran Sanctions and Disinvestment Act provides for a number of different divestment actions. This is specifically with regard to contracting and there -- I think there have been in terms of states that have done that there have been a number of states that includes California, Florida and New York which are among the larger -- larger states in the country. So that's correct though that not every state has adopted contracting standards. Others have done divestiture of pension assets which is also provided for under the act. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

representative Ziobron of the 34th.

REP. ZIOBRON (34th):

Thank -- thank you, Madam Speaker. And I think I understood all of that. So just to clarify through

you, Madam Speaker. There's many different parts of this underlying federal legislation. One could be energy, one could be pensions, et cetera, et cetera, that each state may choose or choose not to adopt? Through you.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Through you, Madam Speaker. Yes.

DEPUTY SPEAKER SAYERS:

Representative Ziobron.

REP. ZIOBRON (34th):

Thank you. Again that was very helpful. I did not understand that originally when I first glanced at the bill until I pulled up the actual compact.

Through you, Madam Speaker. I see in here that it states that the United States and its major European allies including the United Kingdom, France and Germany have all advocated for sanctions against Iran.

And I don't expect that the proponent is an expert certainly on federal legislation but I'm curious, through you, Madam Speaker, if other countries have in fact adopted similar legislation?

Through you.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Through you, Madam Speaker. I believe other countries have also adopted sanctions regarding Iran but I do not know specifically if they've adopted state level contracting sanctions. I do not know the answer to that question. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Ziobron.

REP. ZIOBRON (34th):

Thank you, Madam Speaker. And again I -- I thank the Representative for that answer. And I'm just curious. My last question would be you know this legislation -- I'm seeing the underlying legislation federally is from 2010 and we certainly have seen a lot of other threats come through the world and I'm just wondering because I -- I think the Representative is certainly very knowledgeable and he may know the answer to this question but if he doesn't that's certainly fine.

Do you know if the United States has done anything regarding North Korea or other countries that are in fact harboring possible nuclear weapons?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Thank you, Madam Speaker. Through you, Madam Speaker to the Gentlelady. While there are certainly other U.S. sanctions in effect, this specific legislation is about encouraging states to take action on their own. And so I -- I think that that may be specific to Iran. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Ziobron.

REP. ZIOBRON (34th):

Thank you, Madam Speaker. And I thank the good Representative for his answers. It was very helpful for me to understand the history and where we are with this bill. Thank you for your time.

DEPUTY SPEAKER SAYERS:

Representative Bolinsky of the 106th.

REP. BOLINSKY (106th):

Good afternoon, Madam Speaker. Thank you very much. I'm not going to ask any questions of the proponent of the bill but I do want to extend my thanks to the sponsors of this bill and the proponent

for bringing it. And stand in very strong support of this. The Nation of Iran is a clear and present danger to democracy in the Middle East and in the entire world. Economic sanctions are completely appropriate and as I said I am in complete and total support of this bill. Thank you very much.

DEPUTY SPEAKER SAYERS:

Thank you, Sir. Representative Hwang of the 134th.

REP. HWANG (134th):

Thank you, Madam Speaker. Through you, a couple of questions to the proponent of this bill.

DEPUTY SPEAKER SAYERS:

Please frame your questions, Sir.

REP. HWANG (134th):

Thank you very much. Could the good Representative from Middletown share with me what the Comprehensive Iran Sanction Accountability and Divestment Act of 2010. What does that bill do? Through you, Madam Speaker.

REP. LESSER (100th):

Thank you.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Thank you, Madam Speaker. Through you to the Ranking Member of the Government Administration, Elections Committee. That's an excellent question and the -- (inaudible) legislation implements a wide series of sanctions against the regime in Iran for a variety of reasons including their state support of terrorism, support of mass -- weapons of mass destruction proliferation, and human rights record.

Specifically it covers a wide variety of areas targeted at the financial, energy, military sectors of that country. And it also encourages state governments to take action as well which is I think part of the genesis for the legislation before us. Through you, Madam Speaker, to Representative Hwang.

DEPUTY SPEAKER SAYERS:

Representative Hwang.

REP. HWANG (134th):

Thank you, Madam Speaker. Through you. Is it -- could the good Representative explain a little bit, I think the -- the misconception in this bill and in this act that you just described is the fact that we are buying gasoline but rather it's actually the reverse because Iran doesn't actually produce enough

gasoline for its own internal consumption. This bill actually address foreign companies that are providing gasoline -- refined gasoline to Iran. Is that correct? Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Thank you, Madam Speaker. Through you, to the good Representative. I'm certainly no expert on the - - on the gasoline market in Iran but I believe Representative correct and I would say that in looking at lists of companies that are in violation the vast majority of them are foreign oil companies and I would offer that as my answer to the good Representative. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Hwang.

REP. HWANG (134th):

Thank you, Madam Speaker. And I appreciate the good Representative's good answer. And -- and indeed it really is kind of a reverse energy use. And -- and as we looked at this bill there is that consideration of looking at foreign companies that are making these kind of investments or -- or sales of energy to Iran

that we as the State of Connecticut is making that decision to say we will not do business with you. And -- and is that the good Representative's understanding of this bill? Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

Through you, Madam Speaker. I guess the answer would be yes, through you, Madam Speaker, to Representative Hwang and the Ranking Member of the GAE Committee. I would also add that -- in subsequent legislation appears to have had a -- an effect of destabilizing the Iranian economy which is again intended through bipartisan efforts in Washington to normal -- to force them to adhere to international norms of behavior. Through you, Madam Speaker to Representative Hwang.

DEPUTY SPEAKER SAYERS:

Representative Hwang.

REP. HWANG (134th):

Thank you, Madam Speaker. Again I want to thank the Representative's research and patience in answering. And I wanted to be able to offer the fact that this is a bill that I support on the context of

bringing countries that may not have foreign policies that are consistent with our values and foreign practices but at the same time I would want to be able to bring caution to the fact that this is a policy that looks at the foreign policy and the nature of conduct of the country not the good people within that country.

And -- and I want to be able to reiterate the fact that we want to be able to be supportive of people of Persian decent and recognize that we would encourage that the people from across the country could coexist. And that this -- this effort is to try to bring that country in line with -- with being able to coexist peacefully. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lesser.

REP. LESSER (100th):

I want to thank -- through you, Madam Speaker, I want to thank Representative Hwang for his remarks and I do say that I agree with the Representative that normally this State is very careful about weighing into foreign policy matters.

But again this is something that the federal government has clearly weighed in on and has urged

states to -- to show our support if we feel as they do. So I thank Representative for his comments. I certainly agree that this is targeted at the specific regime and not at the people of Iran. Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Hwang.

REP. HWANG (134th):

Thank you, Madam Speaker. And I want to thank the good Rep again for the third time for his work and at the same time be able to say obviously there's a concern in regards to the possible conflict with the federal statute but I do understand through our work together and screening is the fact that there is permissible language that would allow us to implement this bill. So I would encourage support of this bill. And I want to thank the good Representative for his work on this matter. Thank you, Ma'am.

DEPUTY SPEAKER SAYERS:

Will you remark? Will you remark further on the bill as amended? If not, will staff and guests please come to the well of the House. Will members take your seats and the machine will be opened.

THE CLERK:

The House of Representatives is voting by roll call. Members to the Chamber please. The House of Representatives is voting by roll call. Members to the Chamber please.

DEPUTY SPEAKER SAYERS:

Have all the members voted? Have all the members voted? Will the members please check the board to make sure your vote has been properly cast. If all the members have voted then the machine will be locked and the Clerk will take a tally. The Clerk will announce the tally.

THE CLERK:

Madam Speaker, House Bill number 5358 as amended by House A.

Total Number Voting	138
Necessary for Adoption	70
Those voting aye	138
Those voting nay	0
Absent and not voting	12

DEPUTY SPEAKER SAYERS:

The bill as amended passes. Will the Clerk please call Calendar number 575.

THE CLERK:

Madam Speaker, on page 28 of the Calendar today,

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THE CHAIR:

The bill has passed.

Mr. Clerk. Oh, sorry.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, if the -- the next item might be passed temporarily. That is Calendar page 21, Calendar 642, House Bill 6478. We expect to be able to return to that later today.

And Mr. President, if the Clerk would call as the -- Madam President, if the Clerk would call as the next item Calendar page 23, Madam President, Calendar 659, House Bill 5358 from the Committee on Government Administration and Elections.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On page 23, Calendar 659, House Bill Number 5358, AN ACT PROHIBITING STATE CONTRACTS WITH ENTITIES MAKING CERTAIN INVESTMENTS IN IRAN, Favorable Report of the Committee on Government Administration and Elections.

THE CHAIR:

Senator Musto.

SENATOR MUSTO:

Thank --

THE CHAIR:

Good afternoon.

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SENATE

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SENATOR MUSTO:

Good afternoon, Madam President. How are you today?

THE CHAIR:

Fine, sir. And you?

SENATOR MUSTO:

Just fine.

THE CHAIR:

Okay.

SENATOR MUSTO:

I would move the Joint Committee's Favorable Report and passage of the bill in accordance with the House.

THE CHAIR:

Motion is to accept and -- I'm sorry -- and -- and -- yeah -- accept and pass in conjunction with the House.

Will you remark, sir?

SENATOR MUSTO:

I will. Thank you, Madam President.

The federal government has given the states a unique opportunity with regard to the state of Iran. Iran's nuclear program has been -- thank you -- Iran's nuclear program has been somewhat of an international problem, and so the federal government has passed this specific law. Usually states are kept out of -- and I think appropriately so -- kept out of foreign relations. That's really the -- the President's department and the -- the state department so we can deal with them on a national scale.

But in this case, there's a specific law from the federal government that does allow states to take up issues with businesses that do business with Iran. Several states have already done so, and Connecticut, I hope, will be the

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next state to do so. This bill did pass unanimously in the House for the reference of the Chamber.

What this bill essentially does is tell our government that we shouldn't be doing business, especially large contracts, with businesses that are making direct investments in the Iran energy sector over \$20 million. And as I say, other states have done this. This bill does reference a list created by California, which has done extensive work on this issue, to decide or to -- excuse me -- not to decide but to determine which businesses fit this description. So, to a large extent, our work has already been done for us.

It is a good bill, I think. In my opinion, it's a good bill. It ought to pass. And we should join the other states and the other countries that are saying that Iran is being a threat to its neighbors. Investment in Iran's energy sector is something that's going to fund their nuclear ambitions and destabilize the whole region.

And if we're serious about peace in our world and in our time and in the Middle East especially, we, as Connecticut, should stand up and support this measure as other states have done, and again, as the federal government has given us the expressed permission to do in this particular case.

So I would ask for the Circle's support for this bill.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark?

Senator Boucher.

SENATOR BOUCHER:

Thank you, Madam President.

Madam President, I rise in very strong support of this bill. I think that this issue should be highlighted more than it has in the past. There is no question that this investment in the great -- greatest asset of probably of

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a nation that has caused more concern and fear amongst its neighbors, as well as in the international community, but never more so than our friend and partner in the near east, and that is the country of Israel, who we should always stand in strong support and in partnership, I -- as they try to survive and become a beacon of both success and democracy in the Middle East.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark? Will you remark?

Senator Musto.

SENATOR MUSTO:

Thank you, Madam President.

If there's no objection, I would ask this moved to be -- to move this item to the Consent Calendar.

THE CHAIR:

Is there any objection?

Seeing no objection, so ordered, sir.

SENATOR MUSTO:

Thank you, Madam.

THE CHAIR:

Thank you.

Senator Looney.

SENATOR LOONEY:

Madam President, if -- would like to mark as the next two ready items -- items that we had had on our calendar yesterday that were passed temporarily, Calendar page 30 -- excuse me -- Calendar page 20, Calendar 638, House

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Thank you, Madam President.

Madam President, if the Clerk would list the items on the first Consent Calendar and then if we might call for a vote on that Consent Calendar.

THE CHAIR:

Thank you.

Mr. Clerk.

It's not open, I'm not opening it. I'm waiting for you to call the (inaudible).

THE CLERK:

On Page 3, Calendar 209, Senate Bill 1033.

Page 5, Calendar 355, House Bill 6023.

Page 7, Calendar 460, House Bill 6506.

On Page 11, Calendar 505, House Bill 6406.

On Page 18, Calendar 617, House Bill 5441; Calendar 620, House Bill 6683; Calendar 623, House Bill 6365.

And on Page 19, Calendar 624, House Bill 6151.

On Page 20, Calendar 635, House Bill 5926.

Page 23, Calendar 659, House Bill 5358.

On Page 26, Calendar 680, House Bill 5666.

And on Page 29, Calendar 182, Senate Bill 1000.

Page 33, Calendar 384, Senate Bill 1067.

And on Page 36, Calendar 649, House Bill 5113.

THE CHAIR:

Thank you.

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Mr. Clerk, will you call for a roll call vote and the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate.
Senators please return to the Chamber. Immediate roll call on Consent Calendar Number 1 has been ordered in the Senate.

THE CHAIR:

If all members have voted, if all members have voted, the machine will be closed.

Mr. Clerk, will you please call a tally.

THE CLERK:

On the first Consent Calendar of the day.

Total Number Voting	35	
Necessary for Adoption	18	
Those Voting Yea	35	
Those Voting Nay	0	
Those Absent and Not Voting		1

THE CHAIR:

Consent Calendar passes.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, if the Clerk would please call as the next item Calendar Page 10, Calendar 495, Senate Bill 840 from the Finance, Revenue and Bonding Committee.

THE CHAIR:

Good evening, Senator Fonfara.

SENATOR FONFARA:

**JOINT
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this Committee to help recognize the contributions of -- of different cultures and stories I think is important.

So thank you for your testimony, Senator.

SENATOR LeBEAU: Thank you, Matt. When I was a little kid growing up, I want to add to that, my hero, I had a couple of heros. I grew up in Massachusetts so I tended to look towards Boston but the biggest hero in my life was Bob Cousy and one of the greatest basketball players of all time. One of the shortest too, six foot two, six foot two and one half, and he was of French Canadian descent but I didn't even know that. I just loved the way he dribbled.

REP. JUTILA: Other questions?

Well merci beaucoup e a beintot.

SENATOR LeBEAU: I want to say grácias. De nada, thank you.

REP. JUTILA: Next we have Robert Fishman followed by Lindsay Farrell.

ROBERT J. FISHMAN: Senator Musto and Representative Jutila, chairs of the Committee, and members of the Committee, my name is Robert Fishman and I'm the Executive Director of the Jewish Federation Association of Connecticut known as JFACT and we are proud to endorse House Bill 5358, AN ACT PROHIBITING STATE CONTRACTS WITH ENTITIES MAKING CERTAIN INVESTMENTS IN IRAN.

The nine federations of Connecticut fully understand that Iran's desire to develop nuclear weapons is a threat to the entire

Middle East region, the state of Israel directly and to the United States along with all western democracies.

Iran continues on the march to nuclear weapons despite the tightening sanctions from the United States and many other nations. And although our state does not normally involve itself in foreign issues, it has taken a stance divesting in state pension funds for both Sudan, for its Genocide in Darfur and also in Iran.

We're grate -- very grateful for this positive action. The goal of this legislation, which passed overwhelmingly in the House last session but ran out of time in the Senate, is to match our state with federal legislation in 19 -- in 2010 which prohibits companies from obtaining federal contracts if they do any business with Iran. The 2010 legislation allows for states to pass similar state contract bills.

Last year this Committee heard expert testimony from David Ibsen, the Executive Director of the United -- of United Against Nuclear Iran. He's not able to be with us today but he has submitted written testimony. Dr. Leonard Eisenfeld also has submitted -- submitted written testimony. He was here earlier but had to return to Children's Hospital to see patients and unfortunately couldn't testify in person.

JFACT is pleased that Connecticut is raising this bill and we hope that it will pass as similar legislation has passed in seven other states: Florida, New York, Indiana, California, Maryland, Michigan and New Jersey.

And I do want to thank in particular Representative Lesser for taking the lead on this -- raising this bill and the Committee and I hope that you will follow through as you did last year. There's also written testimony you have from the American Jewish Committee and the Anti-Defamation League in support of this action.

And if you wish I hope I could respond to any questions that you might have.

REP. JUTILA: Thank you.

Questions from members of the Committee?

Representative Lesser.

REP. LESSER: Thank -- thank you, Mr. Chairman.

And thank you, Bob, for your testimony. One I just wanted to -- I guess two quick questions. One just wanted to ask if you could expand a little bit about Dr. Eisenfeld's experience because, you know, I was -- I think last year was the first time I heard him speak. A little alarmed to hear that Iranian sponsored terrorism had affected a Connecticut family and I was hoping you could speak to that.

ROBERT J. FISHMAN: Sure. Dr. Eisenfeld, who's a pediatricianist at Children's -- Connecticut Children's Hospital, it's -- will be 17 years this coming Monday that his son Matthew was murdered by a Palestinian suicide bomber in a city bus in Jerusalem. Twenty-six lives were lost that day including Matthew's girlfriend, Sara Duker who was from New Jersey.

Both Matthew and Sara were graduate students

studying in Israel, Matthew to become a -- was hoping to become a rabbi and he had graduated from Yale, Sara had graduated from Barnard and I actually got the first phone call in my -- in my job in the Jewish community from the Israeli Consulate early again 17 years ago on a Sunday morning like six o'clock in the morning and said that they knew that there was a Connecticut resident who was killed in this attack on the city bus and that the family would be notified by the State Department but they wanted me to let the family know that the Israeli Consulate would come to Connecticut to help console the family.

The Iranians were found to be directly responsible for training of this suicide bomber and Dr. Eisenfeld and his family have actually received a judgment and one of the few judgments from -- from these actions that have occurred.

He's not interested in the money. He's actually giving most of it away to charity but he wants the statement to be made that the Iranians need to be stopped from these forms of terrorism or any terrorism and, as he puts it quite eloquently in his testimony and would have said in -- in person, that his wife and he feel that keeping the memory of Matthew and Sara alive is -- is a goal of his to make a difference through some action that's positive and that Matthew did not believe in moments of silence.

So he feels and -- and we feel of course that this bill, 5358, is a step in the right direction and we hope that Connecticut will join these other seven states and some other states that are also pursuing this ef -- this

important effort.

It may result in only a few companies but whatever happens can make a difference and it certainly will say that Connecticut is weighing in on this -- this important issue.

REP. LESSER: And -- and with the Chair's indulgence, I just wanted to make clear that we would be following in the footsteps of California, New York, New Jersey, Maryland and a number of other states.

This is something that is explicitly authorized by federal law (inaudible)?

ROBERT J. FISHMAN: Yes.

REP. LESSER: Okay.

ROBERT J. FISHMAN: Yes it gives us the opportunity to join the federal legislation so that it's clear that just as a company can't have federal contracts they would not be able to have a state contract if they're in violation.

REP. LESSER: Thank you very much.

ROBERT J. FISHMAN: Thank you.

REP. JUTILA: Any other questions from members of the Committee?

Thank you, Mr. Fishman.

ROBERT J. FISHMAN: Thank you very much.

REP. JUTILA: Thank you.

The next speaker is Lindsay Farrell followed

a vibrant, accessible and thoughtful one. It is unnecessary and onerous to make well-developed, democratically-minded parties -- minor parties like ours throw our system out and start from scratch. We urge you to find another solution and look forward to partnering with you to do so.

REP. JUTILA: Thank you, perfect timing.

LINDSAY FARRELL: I've done this before.

REP. JUTILA: You covered a lot of ground there in a short time. Thank you.

Questions from members of the Committee?

No questions.

LINDSAY FARRELL: Thank you.

REP. JUTILA: Thank you.

Brian Anderson followed by Frank Trivisano.

BRIAN ANDERSON: Good afternoon, Chairman Jutila, members of the GAE Committee. I'm Brian Anderson. I'm the Legislative representative for Council 4 AFSCME. Many of our members are active in the two major parties but also in third parties.

HB 5900
HB 5895
HB 5904
HB 5358

Council 4 opposes Senate Bill 669. On a personal note I oppose this bill. I feel a little bit like an expert in parties. I've been a Republican and I'm currently a Democrat. I'm actually on the Democratic State Central Committee and I've had to work a lot locally with third party folks out in the Windham area.

just first responders who can get -- get in bad situations. The teachers, para-professionals, nurses, maintenance personnel, dispatchers, we -- we think it would be best to apply to everybody.

Lastly we would like to lend our name in support to House Bill 5358. Our union has been very strong in speaking out against countries that oppress their citizens and oppress various racial and religious minorities. We -- we don't want our state pension fund or our state involved in giving any grants or contracts to corporations who are involved in investing in countries that have as bad practices as the current Iranian dictatorship does.

And I'd be happy to answer any questions.

REP. JUTILA: Thank -- thanks, Brian. It's good testimony. You covered a lot of ground in a short time too.

BRIAN ANDERSON: Thanks.

REP. JUTILA: Questions from members of the Committee?

Senator McLachlan.

SENATOR McLACHLAN: Thank you, Mr. Chairman.

Thank you, Mr. Anderson, for your testimony and -- and your advocacy and -- and it is true that Republicans do support labor issues probably more oftentimes than you think they do. I certainly have and -- and I think the -- the sick bank idea is a good idea and I hope that we can come to some agreement on that.

SB669



000518



DEPARTMENT OF ADMINISTRATIVE SERVICES OF THE STATE OF CONNECTICUT

165 Capitol Avenue
Hartford, CT 06106-1658HB 5358**An Act Prohibiting State Contracts
with Entities Making Certain Investments in Iran****Committee on Government Administration & Elections
February 22, 2013**

The Department of Administrative Services ("DAS") thanks the Committee for the opportunity to submit comments on HB 5358, "An Act Prohibiting State Contracts with Entities Making Certain Investments in Iran."

In 2011, the legislature passed Public Act 11-82, which required the Treasurer to review the State's major investment holdings for purposes of divesting and halting further investments in any security or instrument issued by Iran. It also allows the Treasurer to divest, or decide against further or future investments of, State funds in any company engaged in commerce in Iran. This bill focuses on State contracts – not State investments – and would prohibit State agencies from entering into contracts with entities that engage in certain activities with Iran.

DAS supports the purpose and intent of this legislation, but has concerns about its implementation. DAS is responsible for entering into contracts for goods and services needed by state agencies. Due to the nature of the contracts let by DAS, we are unlikely to do business with large, multi-national companies like the ones targeted by this legislation – unlike the Office of the Treasurer. It is our understanding that other states that have implemented contracting restrictions such as these have staff dedicated to identifying companies who have the Iran contacts required in the law, and providing the identified companies with required notices and due process considerations. DAS does not currently have such staff. DAS looks forward to working with the Committee and the proponents of this bill to identify a way that the goals of the proposal can be achieved in a manner that is administratively feasible.

Thank you again for the opportunity to submit comments about this bill.

Testimony of Denise L. Nappier
Treasurer of the State of Connecticut
SUBMITTED TO THE GOVERNMENT ADMINISTRATION AND
ELECTIONS COMMITTEE
FEBRUARY 22, 2013



Thank you for the opportunity to offer testimony concerning Proposed Bill No. 5358, An Act Prohibiting State Contracts with Entities Making Certain Investments in Iran.

Let me say at the outset that concern over the development of nuclear weapons by Iran is a concern I share, and I applaud the efforts of the federal government which, over time, has imposed greater and more severe restrictions on any commercial activities in and with Iran. The federal government has developed an extensive and detailed global sanctions regime that has increased the isolation of Iran and will hopefully bear fruit in halting nuclear development by that country.

Connecticut likewise has taken steps to address concerns over Iran's nuclear proliferation. In 2011, the General Assembly amended Conn. Gen. Stat. §3-13g, reaffirming the discretionary authority of the Treasurer to divest pension and trust funds from companies doing business in Iran, a measure my office supported. Under this law, we are currently pursuing engagement with companies reported to be doing business in the energy sector in Iran. None of these companies are U.S. companies or subsidiaries of U.S. companies, and none are state contractors that would be affected by the proposed bill. However, they are among a relatively small number of companies, mainly domiciled in Asia, that are involved in oil exploration and production in Iran. As Iran's major industry, the production and sale of oil generates revenue used by Iran's government to pursue its development of nuclear weapons. The Treasurer's Office identified companies by virtue of a periodic report published by the federal Governmental Accountability Office on companies reported to have sold refined petroleum products in Iran or to be involved in commercial activities in the energy sector in Iran.

Although Proposed House Bill 5358 has not yet been drafted, and the devil is in the detail, last year a similar bill was considered by this body. My office shared our concerns about the bill at that time. As a small agency with over 200 contracts, many with companies having global operations, we review proposed additional contracting requirements carefully for the effect on our ability to do business in the global marketplace and on the administrative burden to the agency. Among the concerns we expressed was the difficulty in identifying companies that may be violating federal law and/or have the level of operations in Iran that would trigger the prohibition under state law. The GAO report has provided a starting point for Treasury action under Conn. Gen. Stat. §3-13g. However, it does not purport to be a comprehensive list of companies doing business in Iran. As noted previously, the federal government's sanctions regime is extensive and complex. It is exactly that complexity that raises our concern about meeting the requirements of any bill that may be drafted. Devoting scarce resources to comply with additional, complex requirements in this budgetary climate would be difficult.

The federal government requires its contractors to certify their compliance with various federal laws, including certain sanctions provisions, when submitting bids for contracts. There are penalties for false certification, but federal agencies rely upon the U.S. State Department to ascertain if a certification with regard to the Iran sanctions is false. Connecticut does not have the equivalent of the U.S. State Department—no agency with similar resources or expertise.

Testimony of Denise L. Nappier
Treasurer of the State of Connecticut
SUBMITTED TO THE GOVERNMENT ADMINISTRATION AND
ELECTIONS COMMITTEE
FEBRUARY 22, 2013

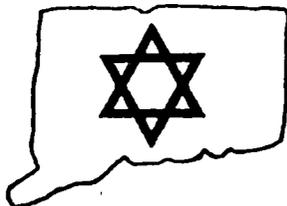


In addition, while most state contracts involve the delivery of goods or services, the Treasurer, as principal fiduciary of the state's pension funds and trusts, invests a portion of the pension and trust funds through long term investment contracts, with terms of 7-10 years or more. These contracts, involving millions of dollars, are long-term to maximize the opportunity for investment gain and are structured to restrict the ability of investors to withdraw early. State contract laws that may require the Treasurer to terminate and withdraw early from such investments could potentially subject the state to large investment losses, to the detriment of the pension and trust beneficiaries. For this reason, we believe that if a bill is drafted, it should include only contracts for goods and services and should expressly carve out investment contracts.

Finally, I raise the question about whether the administrative resources that would be dedicated to comply with this bill would produce a commensurate benefit to the state. While I often am a proponent of complementary state and federal laws and regulations, where foreign policy is implicated, state laws must be more circumscribed. Within proper limits, if state law would produce a state benefit over and above the federal law, it may be appropriate. However, the state benefit here is questionable--federal law has already severely limited commercial activity in Iran, and will to continue to do so, based on the public statements of the President and members of Congress. Here, there is an extensive federal scheme, and limited state resources and benefit.

For the reasons stated, the Treasury respectfully urges members of the committee to consider this proposal carefully. Given the scarcity of available resources to implement additional contracting requirements, if a measure is drafted, it should provide for a streamlined process that is easy to administer.

Thank you for the opportunity to share my views on Proposed House Bill 5358.



JFACT

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 40 Woodland Street Hartford, CT 06105
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 email: jfact@mcmgmt.com www.jfact.org

Robert Tendler
 President

Testimony on House Bill 5358: An Act Prohibiting State Contracts With Entities Making Certain Investments In Iran on February 22, 2013 before Government, Administration, and Elections Committee

Robert D. Lesser
 Chairman of the Board

Senator Musto and Representative Jutila,

Arlene M. Elovich
 Lindy Lee Gold
 Vice President

I am Robert Fishman, Executive Director of Jewish Federation Association of Connecticut (JFACT) and we are proud to endorse House Bill 5358: An Act Prohibiting State Contracts With Entities Making Certain Investments In Iran. The 9 federations of Connecticut fully understand that Iran's desire to develop nuclear weapons is a threat to the entire Middle Eastern region, the State of Israel directly, and to the United States along with all Western democracies. Iran continues on the march to nuclear weapons despite the tightening sanctions from the United States and many other nations. Although our State does not normally involve itself in foreign issues, it has taken a stance divesting in state pension funds for both Sudan for its Genocide in Darfur and Iran. We are very grateful for this positive action. The goal of this legislation which passed overwhelmingly in the House last session but ran out of time in the Senate, is to match our State with federal legislation from 2010 which prohibits companies from obtaining federal contracts if they do any business with Iran. The 2010 legislation allows for states to pass similar state contract bills.

Jason Newman
 Treasurer

Edward Rosenblatt
 Secretary

Robert J. Fishman
 Executive Director

**Constituent
 Jewish Federations:**
 Greater Danbury
 Eastern Connecticut
 Eastern Fairfield
 Greenwich
 Greater Hartford
 Greater New Haven
 Greater Stamford-
 New Canaan- Darien
 Western Connecticut
 Westport-Weston-
 Wilton-Norwalk

Last year, this committee heard expert testimony from David Ibsen, Executive Director of United Against Nuclear Iran. He is not able to be with us today, but he has submitted written testimony. Dr. Leonard Eisenfeld also has submitted written testimony and plans to testify in person as well.

JFACT is pleased Connecticut is raising this bill and hopes it will pass as similar legislation has in Florida, New York, Indiana, California, Maryland, Michigan and New Jersey. Once again, thank you for raising this bill and I would be willing to answer any questions.

Sincerely,
 Robert J. Fishman
 Executive Director

The Jewish Federation Association of Connecticut (JFACT) is a statewide Association serving as a legislative representative for the nine Connecticut Jewish Federations and their associated agencies, an advocate for the Jewish Community, a public affairs spokesperson and coordinator on statewide programs on issues of mutual interest and concern in the state of Connecticut and Israel



Jason F. Isaacson
 Director of Government
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**TESTIMONY OF
 JASON F. ISAACSON
 DIRECTOR OF GOVERNMENT AND INTERNATIONAL AFFAIRS
 AMERICAN JEWISH COMMITTEE
 BEFORE THE
 CONNECTICUT STATE GENERAL ASSEMBLY
 ON
 H.B.5358, AN ACT PROHIBITING STATE CONTRACTS WITH ENTITIES MAKING
 CERTAIN INVESTMENTS IN IRAN
 FEBRUARY 22, 2013**

Members of the General Assembly and the Committee on Government Administration and Elections, it is a privilege to have the opportunity to offer testimony on behalf of the American Jewish Committee in support H.B.5358, an act prohibiting state contracts with entities making certain investments in Iran. AJC is grateful to Rep. Matthew Lesser of the 100th District for sponsoring this important legislation that will provide the State of Connecticut with a tool to address the grave threats posed by Iran's regime.

Utilizing the authority and protections provided by the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010, a number of states—including Florida, California and New York—have passed sanctions legislation to prohibit state contracting with entities that invest in Iran's energy sector. Bills similar to that being considered by Connecticut's General Assembly have resulted in billions of dollars being divested from Iran. The State of Florida alone already has directed its pension funds to divest nearly \$1.3 billion from these companies, unless the companies change their ways. Taken together, the divestment mandates already on the books at the state and local level affect more than half a trillion dollars in assets – a sum that is growing as grassroots concern spreads.

Iran's strained economy is the regime's Achilles' heel, and provides our most effective leverage – especially now, with oil prices sharply depressed. Current sanctions, put in place by the U.S., Canada, the EU and others, have cut Iran's petroleum exports in half and crippled its economy. Earlier this year, Rostam Qasemi, Iran's oil minister, admitted that petroleum exports and sales had decreased by 40 percent in the past nine months as a result of sanctions. Gholam Reza Kateb, the head of the parliament's budget committee, stated that declining oil sales and banking sanctions have caused a 45 percent drop in revenue. The International Energy Agency

and OPEC confirm that crude exports from Iran have plummeted from 2.4 million barrels a day at the end of 2011 to roughly one million barrels a day at the end of 2012. All of this has led to soaring inflation that has devalued Iran's currency by over 80 percent since 2011.

Yet Iran's defiant leaders have failed to respond. Just last month, in a letter to the International Atomic Energy Agency (IAEA), Tehran announced that it will install advanced uranium enrichment machines at its Natanz facility – and the latest reports from the IAEA confirm that these far-more-capable IR-2 devices are now in place. The Iranian regime openly signals that it is determined to push ahead with its illicit nuclear program.

The effects of the Iranian regime gaining a nuclear arsenal, whether for its own use or for export to the terrorist organizations it supports, would be calamitous. Already, Iran projects its power throughout the Middle East. And the international community's options for vigorous response would be constrained, for fear of provoking nuclear retaliation.

Nuclear arms would embolden Tehran to pursue its expansionist agenda even more aggressively. Nuclear weapons would embolden Iran's regime as it seeks to advance its extremist foreign policy, threatens moderate Arab states as well as Israel, funds and inspires radical movements across the Muslim world and exports terrorism, and provides financial and tangible military support, including sophisticated short and long-range missile systems, to terrorist organizations such as Hamas and Hezbollah.

Over the last 15 years, AJC has paid periodic visits to the Gulf, conferring with governments allied with the United States in the struggle against terrorism and extremism, and supportive of efforts to advance regional peace. We regularly hear on these visits the concerns of Gulf leaders about Iran's assertion of regional power, and its attempts to radicalize their societies. It isn't only Israel that perceives the perils of a nuclear Iran. From North Africa to the Levant to the Gulf, pragmatic Arab governments and civil society leaders recognize the danger of a further empowered Iran; many look to the United States for assurance that this nightmare can be averted, and that America will safeguard their security. Unless the United States and other powers act boldly and promptly, these governments may feel compelled to accommodate Iran, procure their own nuclear weapons, or both. These developments would assuredly destabilize the region, challenge U.S. power, and imperil the Nuclear Non-Proliferation Regime.

Iran already has a potent presence in the Palestinian territories and Lebanon – through its active support of Hezbollah and Hamas – and is a significant source of support for the brutal Assad regime in Syria. The Palestinian Authority, Egypt, Jordan, and others – not to mention Israel – are deeply concerned about Iran's activity. The threat would be magnified, and prospects for regional peace and the protection of human rights severely complicated, were Iran to possess nuclear capability.

A nuclear Iran could dominate the world's most abundant sources of energy – the Gulf and the Caspian Basin. Challenged, Iran could attempt to close the Strait of Hormuz – through which roughly 20 percent of the world's oil production passes. Or it might seek to realize its expansionist vision by taking territory from one or more of the smaller Gulf States.

The dangers of Iran actually launching a nuclear weapon, or transferring a nuclear device to a terrorist proxy, cannot be discounted or minimized because the consequences are too dire to discount. A dirty bomb in the center of Chicago, London, or Tel Aviv is, horrifyingly, in the realm of possibility. If Iran's leaders wished to make good on their oft-repeated promise to wipe Israel off the map, we could not necessarily rely on deterrence to dissuade them – not in a country whose rulers have demonstrated their willingness to sacrifice millions of their citizens to achieve their vision.

Iran is on the doorstep of nuclear arms capability. Stopping Iran's nuclear program is a matter of the greatest urgency – because Iran is so close to achieving nuclear capability, and because a nuclear Iran would alter the world as we know it in terrible ways. The United States has been a leader in mobilizing international support for addressing the Iranian threat. As Iran closes in on nuclear capability, we must continually ratchet up the price of its defiance. State-level sanctions like H.B.5358 – leveraging the authority given by CISADA to state and local governments to divest from entities that invest in Iran – can significantly assist the overall effort to halt Iran's nuclear program.

The American Jewish Committee strongly supports this legislation, and wishes to express our appreciation to Rep. Lesser for championing this important issue in the Connecticut General Assembly. On behalf of AJC's 175,000 members across the United States, I urge the Legislature to adopt this important measure, ensuring that no state funds end up in the coffers of the Iranian regime as it attempts to cross the nuclear threshold.



February 22, 2013

My name is Leonard Eisenfeld. I submit this testimony today to the
Co-chairs of the Government, Administration and Elections Committee
Senator Musto and Representative Jutila
in support of

House Bill no. 5358

IRAN CONTRACTS BILL

I am a pediatrician here at Connecticut Children's', Three days from now, February 25 marks 17 years since my son Matthew was murdered by a Palestinian suicide bomber on a city bus in Jerusalem, Israel. The bombing claimed 26 lives including Matthew and his girlfriend, Sara Duker, a brilliant, young woman from New Jersey. The bombing was carried out by Hamas. The orders for this act of terrorism, training, and funding, came from Iran. This information was given to us originally by the State Department of the United States. It was confirmed proudly and unapologetically in a confession by Hassan Salameh, the mastermind behind this particular mission. Salameh is serving multiple life sentences in an Israeli prison since his arrest and conviction of crimes committed.

Matthew had recently graduated from Yale University, and Sara from Barnard. Both were graduate students studying in Israel. In the 16 years since Matthew and Sara's deaths, our families have experienced a gamut of emotions. But the answer to our loss, the way in which we have chosen to commit ourselves to keeping Matthew and Sara's memory alive, and to ensure that their lives continue to make a difference, has been through action. Matthew did not believe in moments of silence.

We have committed untold hours and resources towards working with Congress to ensure punishing legislation that stops Iran from acting as a state sponsor of terrorism. We have taken our case to U.S. Federal court and successfully sued Iran for damages as we were able to prove their culpability. Currently, Iran continues to bankroll the terrorists who have killed our children and gives support and sanction to those who continue to threaten the future of all of our children. Cutting off funds to regimes that sponsor terrorism is an important tool in the fight against them.

When I ponder the devastation of Matt's and Sara's murder to our family, and the bereavement of the families of others' sons and daughters studying abroad or serving in our armed forces, I understand the devastation terrorism or a nuclear holocaust would mean.

Bill No. 5358 is a critical step in the right direction. It allows the State of Connecticut to make the important statement that it will not support, finance, or in any way aid a country that endangers or threatens our citizens. It says that Connecticut will not support or help finance a country that sponsors or incites terrorism against citizens anywhere in the world. We urge you to join us in this critical work by supporting Bill No. 5358



Page 2 of 2

Leonard Eisenfeld M.D.
Attending Neonatologist
Connecticut Children's Medical Center
Associate Professor of Pediatrics
University of Connecticut



United States Department of State

Washington, D C. 20520

December 22, 1997

Mr. Lenny Eisenfeld
18 Faxon Drive
West Hartford, CT 06117

Dear Mr. Eisenfeld:

Please accept again my sincere condolences on the loss of your son in the horrific terrorist bombing attack in Jerusalem. Thank you for your recent phone call and the kind words you expressed about our meeting on December 3. I, too, was very pleased with our meeting and hope that our conversation and the information we provided will assist you in making decisions on your next steps.

Per your request, I am including in this letter some thoughts on responsibility for the bombing which killed your son and Sara Duker in Jerusalem on February 25, 1996. As the State Department wrote in our publication "Patterns of Global Terrorism 1996:

On 25 February a suicide bomber blew up a commuter bus in Jerusalem, killing 26 including three US citizens, and injuring 80 others, including another three US citizens. The Islamic Resistance Movement (HAMAS) claimed responsibility for the bombing.

The Department of State believes that the Izz al-Din al-Qassem Brigades, the military arm of HAMAS, carried out this bombing.

We also believe that Iran provides training and financial assistance to HAMAS. As we wrote in a March 1997 white paper on Iranian terrorism:

Tehran currently provides HAMAS with weapons and explosives training and occasional financial assistance. Tehran also provides the group with monetary assistance, which we estimate averages \$2-3 million per year.

I hope you find this information useful. If you have any questions, please do not hesitate to contact me or a member of my staff. Please pass my regards to the Duker family. I look forward to hearing from you again.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth R. McKune", with a long horizontal flourish extending to the right.

Kenneth R. McKune
Acting Coordinator for
Counterterrorism

**UNITED
AGAINST
NUCLEAR
IRAN**

P.O. Box 1028 | New York, NY 10185-1028 | (212) 554-3296

**Statement by Ambassador Mark D. Wallace, CEO and David Ibsen, Executive
Director, United Against Nuclear Iran in Support of House Bill 5358**

February 22, 2013

Honorable Chair and Members of the Committee:

We represent United Against Nuclear Iran ("UANI"), a bi-partisan advocacy group founded by Richard Holbrooke and Jim Woolsey in 2008 that seeks to raise awareness of the dangers posed by the Iranian regime. UANI is led by an Advisory Board of national and international figures including Dennis Ross, Fouad Ajami, Irwin Cotler and many others.

UANI strongly supports House Bill 5358. The reason for our support is simple: Action must be taken to prevent a nuclear armed Iran. The international community has recognized that Iran is a dangerous and irresponsible state actor that presents not only a threat to international peace and stability, but also to its own people. The regime is the world's leading state sponsor of terrorism, has allied itself with al-Qaeda, and is responsible for the deaths of American and NATO troops in Iraq and Afghanistan. In addition, Iran's human rights record is abhorrent. The Iranian regime tops every human rights organization's list of leading abusers. And of course, Iran continues to pursue nuclear weapons in defiance of international law.

There is an ever increasing sentiment that the tremendous and unique threat presented by the Iranian regime should not be confronted by lawmakers in Washington D.C., or diplomats at the United Nation alone. Local communities in Connecticut and elsewhere have a role to play in adopting strong measures to ensure that Iran feels consequences for its behavior.

House Bill 5358 reflects that sentiment, which is prevailing among the American people, state officials and the Federal government, that action must be taken at all levels of government to ensure that the Iranian threat is neutralized. As you know, this legislation presents persons and entities with a clear choice: conduct business with Iran, or conduct business with the people of the Great State of Connecticut.

In the course of our work in developing model legislative initiatives, we have found that the specter of debarment is one of the most effective means of pressuring companies to cease their Iran business. Like the U.S. federal government, state governments collectively offer billions of dollars in contracts every year. No responsible and profit-minded company would jeopardize this lucrative source of potential revenue by doing business with Iran. In addition, this legislation also satisfies the desire amongst many state residents to take action to ensure that the Iranian threat is neutralized.

The Federal government has explicitly invited the States to assist in the implementation of national policy in sanctioning Iran. As a result, other states, including California, Florida,

Indiana, Maryland, Michigan, New Jersey and New York have adopted comparable laws by near unanimous vote.

House Bill 5358 will enable Connecticut to join the select group of states that have accepted the Federal government's invitation to adopt Iran measures that reflect national policy as memorialized in its sanctions law, to help isolate the Iranian regime and alter its abhorrent behavior.

The impact of this legislation in other states has already been profound. Several companies, including the Layher Group and ABB, announced that they would cease all business ties in Iran. The proven efficacy and popularity of this legislation speaks to the rationale of its adoption.

By forcing companies to choose between the Iranian regime and Connecticut taxpayers, this legislation demonstrates that communities and states around the country have a vital role to play in changing the Iranian regime's behavior. This legislation also confirms Connecticut's leadership on this vital issue and if passed, would ensure that Connecticut is at the forefront of the national effort to isolate Iran. We therefore respectfully urge the Assembly to immediately adopt this important legislation. Thank you.

Gary Jones

**Testimony on Behalf of the
Connecticut Regional Office of the
Anti-Defamation League**

**IN SUPPORT OF HOUSE BILL 5358:
AN ACT PROHIBITING STATE CONTRACTS WITH ENTITIES MAKING CERTAIN
INVESTMENTS IN IRAN**

February 22, 2013

The Anti-Defamation League (ADL) was founded in 1913 with a mandate to fight the defamation of the Jewish people and secure justice and fair treatment for all. Today the ADL is one of the country's leading civil rights and human services organizations combating anti-Semitism and bigotry of all kinds. The Connecticut Regional Office of ADL is based in Hamden and serves the entire state of Connecticut.

We submit this testimony today to express our strong support for HB 5358, An Act Prohibiting State Contracts with Entities Making Certain Investments in Iran.

Iran's nuclear weapons program is the most serious threat to our national security. The International Atomic Energy Agency has made perfectly clear that Iran is close to achieving its goal of attaining a nuclear weapons capacity.

Iranian President Mahmoud Ahmadinejad's pledge to wipe Israel off the map is well known, but experts on Iran understand that the Iranian regime considers America, not Israel, its main adversary. Ayatollah Ali Khomeini, Iran's Supreme Leader, has said that conflict with America is "natural and unavoidable" and ascribes many of Iran's problems to sinister American plots. Chants of "Death to America" nearly always accompany the chants of "Death to Israel" at regime-led rallies.

That Iranian missiles cannot yet reach America is irrelevant. If Iran were to attack the U.S. with a nuclear weapon, it would most likely do so with maximum deniability to reduce the chance of retaliation. Intercontinental missiles have clear return addresses, unlike a nuclear bomb onboard a cargo ship that explodes in an American port.

Even if Iran dared not attack the U.S., the nuclear proliferation in the Middle East provoked by an Iranian nuclear weapon capacity would increase the odds of a nuclear or radiological attack by Islamic terrorists. According to a 2009 Government Accountability Office (GAO) report, officials in the U.S. Department of Homeland Security Domestic Nuclear Detection Office (DNDO) "acknowledge that both the new and current-generation portal monitors are capable of detecting certain nuclear materials only when unshielded or lightly shielded." The report also notes the testing standards did not reflect the kinds of shielding a terror operation would likely use. A 2010 GAO report found that DNDO admitted that the screening method they were using was "technologically immature." In July 2012, DHS canceled that program and is still developing a replacement.

The Iranian regime values its own survival – but not much else – more than its nuclear program, which is why sanctions must threaten the regime’s stability if they are to have a chance of dissuading Iran from pursuing nuclear weapons. For that reason, current serious sanction efforts are focusing on Iran’s energy and financial sectors, the subject of House Bill 5358 before you today.

The U.S. Government has led the campaign to target Iran’s banks and has been joined by our allies in Europe, Australia, Canada, Japan and South Korea. The National Defense Authorization Act (NDAA) of 2013, the NDAA of 2012, and the Comprehensive Iran Sanction, Accountability, and Divestment Act of 2010 (CISADA) provide for strong financial sanctions against foreign financial institutions that conduct certain transactions with Iranian entities. All foreign financial institutions will soon have to choose between doing business with the U.S. and doing business with Iran’s energy sector.

Iran’s oil revenue is the lifeblood of the regime, and the current sanctions regime has led to a 50% reduction in the volume of Iran’s oil exports. Increased exports from Iraq, Saudi Arabia, Libya and elsewhere have offset the reduction in Iranian exports, preventing disruption of global oil markets. On December 20, 2012, the U.S. Energy Information Administration reported that sanctions on Iran had not adversely impacted the availability and price of crude oil.

Unfortunately, Iran continues to refuse to engage in good-faith negotiations to end its nuclear weapons program. The Anti-Defamation League believes increased pressure, including stronger sanctions, is necessary to try to compel Iran to engage in such negotiations.

In 2011, the Connecticut legislature demonstrated tremendous leadership in addressing Iran by passing “An Act Concerning the Powers of the State Treasurer, Divestment of State Funds Invested in Companies Doing Business in Iran and Sudan, and the Membership of a Medical Examining Board and the Connecticut State Employees Retirement Commission,” which authorized the Treasurer to divest pension funds from companies doing business with Iran.

We urge you to pass House Bill 5358 to ensure that the State of Connecticut contributes further to the pressure on Iran by prohibiting government entities from contracting with companies invested in Iran’s energy and financial sectors.