

TELEPHONIC WITNESS STATEMENT

DATE: [Not Provided]

TIME: [Not Provided]

INTERVIEW OF: Representative Patricia Serpa

INTERVIEW BY: Detective Corporal Kenneth Buonaiuto
Rhode Island State Police Financial Crimes Unit

LOCATION: Rhode Island State Police Headquarters
311 Danielson Pike
North Scituate, Rhode Island 02857

SUBJECT: 38 Studios Investigation

1. Q. ... Rhode Island State Police

A. Hi Corporal, how are you?

2. Q. Very good. It is Patricia, is that correct?

A. It is, yes.

3. Q. Okay. Do you have a few moments?

A. Yes, I do.

4. Q. Excellent. I'm sure you're aware we're making a quick call out to each representative, either present or that was in the House during 2010.

A. I am aware, Corporal.

5. Q. Okay. So just to put your mind at ease, and I'm sure it's already at ease, nobody is a target of an investigation, we're just reaching to kind of open up the lines of communication.

A. Yup, I appreciate that, I think it serves us well.

6. Q. Excellent. Okay. How long have you been in the House of Representatives?

A. I was elected in November '06, so I began serving in January of '07.

7. Q. Okay. So '06 to '14. Okay. So you're on eight years.

A. Mm. Yes, ...

8. Q. Excellent.

A. -- this is my eighth year.

9. Q. Excellent. And what committees have you served on during that time?

A. Okay. From the beginning I was on HEW, Health Education ...

10. Q. Mm hmm.

A. -- and Welfare.

11. Q. Yup.

A. I have been on Corporations.

12. Q. Okay.

A. And then we instituted a new committee, House Committee on Small Business, and I was actually appointed Chair of that.

13. Q. Okay.

A. And then this year, you got your pen ready?

14. Q. Yes.

A. When the new Speaker took over, he put me on Finance, he put back on Corporations, he put me on Rules -- Oh, and I've been on Oversight. I'm sorry.

15. Q. Okay. That's all right.

A. So um, I've been on enough of committees and I might have even been on Veterans Affairs, Corporal. Honestly, I can't remember.

16. Q. Okay. They're keeping you busy, they must have a lot of ...

A. **They sure are.**

17. Q. -- faith in you, that's for sure.

A. **Too busy. And I thought the Speaker was my friend, I thought he like me.**

18. Q. [Laughs] Oh so then we actually met then. Well I don't know if we met personally, but I -- I was at one of the hearings and I talked about the change to the statute of limitations on misappropriation of funds, I'm not sure if you were in that -- that evening or that day.

A. **Now was this in Finance you would have come to, Corporal?**

19. Q. Actually, you know what, no, I'm -- my mistake. My mistake. That was -- Would it been Fin- No, it would have been Judiciary, right, is that right?

A. **Yeah, that's the only one I haven't served on.**

20. Q. Okay, it would have been there. I'm sorry.

A. **Yup.**

21. Q. My error. Okay.

A. **No problem.**

22. Q. So you've been busy in the last eight years.

A. **Yes, I have.**

23. Q. Can -- can you go back to two thou- I'm sure you already have gone back to 2010 quite a bit. Do you remember the House bill coming through regarding the -- the Jobs Creation Guaranty Program?

A. **I certainly do, Corporal, and I ...**

24. Q. Okay.

A. **-- supported it because that's exactly how it was presented, as a jobs creation guaranty. And I was already then the chairwoman of the House Committee on Small Business,**

...

25. Q. Mm hmm.

A. And as it was explained to us, Corporal, they said that this money would be dived up among a number of business to either expand and grow in Rhode Island or relocate here, that EDC would carefully vet all of the applications and monitor the situation. So you can imagine as the chair of Small Business, I just falsely assumed that it was going to be dived up among a number of businesses.

26. Q. Okay. Now did the – did the – Prior to coming to the floor, did it actually go through that Corporations Committee?

A. I wasn't on Corporations at the time. And actually, Corporal, ...

27. Q. Oh, I see ... Small Business.

A. -- I think that bill came out of Finance.

28. Q. Okay. So it wouldn't have gone through any other committee, is that correct, just Finance?

A. I – Yeah, I'm sure it would have gone on Finance because it was introduced by the chairman of Finance, Costantino, ...

29. Q. Okay.

A. -- and Brien's name, Jon Brien's name was on that bill, and there was one other whose name escaped me. So I'm quite sure that bill emanated from Finance.

30. Q. Okay. All right. So the first time you heard of it was when it came to the floor?

A. Yup. And I listened to the explanation, it sounded logical to me, and I'm repeating myself, but I said, oh great, the small businesses will love this, ...

31. Q. Mm hmm.

A. -- they'll have a shot at a pot of money to grow, expand, and it sounded like a good idea at the time.

32. Q. Okay.

A. So I voted for it.

33. Q. All right. Had you prior to that, had you --? Well, I -- I guess maybe that evening 38 Studios did not come up, is that correct?

A. Never.

34. Q. Okay. Did you know about 38 Studios prior to that?

A. Never.

35. Q. Okay. When did you first hear about 38 Studios?

A. When the story broke.

36. Q. Okay.

A. And everything started going downhill fast, quick and in a hurry.

37. Q. Okay. So you didn't even hear about it once they were applying for monies from this particular loan pro- gua...

A. Well, you know, I might have like read it in the paper, but not being like a baseball fan or a Curt Shilling's fan, or ...

38. Q. Yeah.

A. -- a games fan, I probably skimmed the article, so maybe it's half a fib to say I didn't hear about it, but, ...

39. Q. Yup.

A. -- you know, did I pay a lot of attention? No. But when the deal went so bad, then I began to pay attention.

40. Q. Okay. All right. Do you know Mike Corso?

A. No, I don't.

41. Q. Okay. Do you know who he is?

A. Well, I know who he is now, but I mean, I wouldn't know him if I saw him.

42. Q. Okay.

A. I've been into -- Because I used to work at Johnson & Wales until I just retired, and I did go to Tazza for breakfast or for lunch, if he was there, I -- I wouldn't have known it because I do not know what he looks like.

43. Q. Okay. Any idea -- Or well, have you heard or do you know of anybody that may have benefited from this ...

A. I do not know of anyone, Corporal.

44. Q. Okay.

A. No one.

45. Q. Very good. Okay. I'd like to give you my telephone number and for if some reason if something comes to mind that you think it's important that I should know, if you can give me a call or even anything else that doesn't have anything to do with 38 Studios, you think -- you think might be

...

A. Okay.

46. Q. -- important.

A. And corporal, could you spell your last name?

47. Q. I can. It's ...

A. Yup.

48. Q. -- B-U-

A. "B" as in?

49. Q. "B" as in boy.

A. Yup. B-U ...

50. Q. U-O-N- ...

A. --O-N ...

51. Q. -- A-I ...

A. -- A-I ...

52. Q. -- U-T-O.

A. -- U-T-O.

53. Q. Yes.

A. **Buon – Buonaiuto.**

54. Q. Buonaiuto. That's – that's good.

A. **Buonaiuto.**

55. Q. That's close enough. My first name is Ken.

A. **Okay. And your number, corporal?**

56. Q. It's 444 ...

A. **444 --**

57. Q. -- 1205.

A. **-- 1205. I will do that, Corporal, and I'm sorry if I wasn't much help, but that's the**

truth as I know it.

58. Q. Okay, Representative. I thank you very much for your time.

A. **Okay. Thanks for calling.**

59. Q. Okay. Thanks.

A. Keep doing a good job for us.

60. Q. Thank you very much.

A. Thanks.

61. Q. Okay.

A. Bye bye.

62. Q. Bye.

STATEMENT TAKEN BY:

WITNESSED BY:
