

TELEPHONIC WITNESS STATEMENT

DATE: [Not Provided]

TIME: [Not Provided]

INTERVIEW OF: Representative Donna Walsh

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. Hello, Representative?

A. Yes.

2. Q. How are you? The - Your first name was, again?

A. Donna.

3. Q. Donna Walsh, is that correct? [Brief pause] Hello?

A. Hello?

4. Q. Is it - is that correct, Donna Walsh?

A. Yes, that's correct.

5. Q. Okay. I appreciate you getting back to me. I'm sure you've heard through the grapevine we're reaching out to all the representatives that were in the General Assembly during 2010 when the Jobs Creation Guaranty Program was passed, ...

A. Right.

6. Q. -- and related to 38 Studios.

A. Right.

7. Q. So we're reaching out to everybody just to open up the lines of communication and

A. Mm hmm.

8. Q. -- do our due diligence and make sure we don't miss anything.

A. Mm hmm.

9. Q. Do -- How long have you actually been in the General Assembly?

A. Well I was in from 1996 to 2002 in the Senate, and then I was in the house from 2006 to two -- well, the present time.

10. Q. Two -- You said 2006 to present?

A. Yup.

11. Q. Okay. All right. Since you've been in the House, what committees have you sat on?

A. I -- Well, I've been on Judiciary, Corporations, Environment and Natural Resources. I'm trying to think if I've been on any others. No. That's it. Oversight, ...

12. Q. All right.

A. --I was on Oversight.

13. Q. Oversight. Okay. And presently, what are you on?

A. Presently I'm on Judiciary, Environment and Natural Resources. No longer on Oversight. And I'm Chair -- I chair a committee on Affordable Housing, but that's not a standard committee.

14. Q. Okay. That's what, a sub-committee or something, or?

A. Yeah.

15. Q. O -- Okay. That's good. Do you recall in 2010, particularly in May, the Jobs Creation Guaranty Program?

A. Yup.

16. Q. Okay. And what can you tell me about that, what do you remember?

A. Well, I remem ...

17. Q. About, about the bill itself, and how it was kind of presented to the floor?

A. All right. Well I remember Steve Costantino, he was the sponsor of the bill. And he presented it on the floor. Um. I thought he had been hearing from businesses that they had – didn't have access to capital and I thought well, this – this is an opportunity to give them that access. Of course, I didn't know it was going to one company, but I thought it was going to help a lot of small businesses. So I voted for it.

18. Q. Okay. So there was no mention at all for any specific company, is that what you said?

A. I – That's exactly what I said.

19. Q. Okay. Was there any talk kind of like, behind the scenes, or just kind of gossip in the hallways about 38 Studios before this bill was passed?

A. I never heard it.

20. Q. Okay. All right. Very good. And what was the debate like on the floor regarding the bill?

A. I'm not sure if I remember who exactly spoke about it. I think – I think maybe Representative Brien [phonetic] being the co-sponsor might have – might have spoken on it.

21. Q. Okay.

A. Now I'm not sure who actually did. Probably Karen MacBeth.

22. Q. Okay.

A. -- did. And I don't – And probably Larry Ehrhardt, but I'm not sure.

23. Q. And Rep. Ehrhardt and MacBeth was – What type of debate was that, what was their position on that?

A. I think Ehrhardt just simply wanted to be sure that no – that there was some limit on the amount going to any company. Now maybe he knew something I didn't know, but ...

24. Q. Mm hmm.

A. -- I didn't know that.

25. Q. Okay. And, and did his amendment move forward or no?

A. No.

26. Q. Okay. Any reason why, do you know?

A. No, I don't know why it didn't.

27. Q. Did he actually present it?

A. You know, I'm not – I can't remember that.

28. Q. Okay. All right.

A. I mean, it was ...

29. Q. That's fine.

A. -- four years ago.

30. Q. Right.

A. I'm old, so my – my mind [laughs]. Okay.

31. Q. When did you first hear about 38 Studios?

A. Probably shortly after that. Wasn't it in July, or June or July when I read it in the paper. Yeah.

32. Q. Okay. All right.

A. And I – and I was very surprised, and I was very shocked about that, using all that money to – for one company.

33. Q. Mm hmm.

A. **And a risk venture at that. But.**

34. Q. Do you know anybody at 38 Studios?

A. **No.**

35. Q. Okay. How about Michael Corso, do you know who Michael Corso is?

A. **I read about him in the paper, but I don't know him.**

36. Q. You don't know. Okay. So you never saw him in the State House or had him lobby, you know, in maybe a committee or that you ...

A. **No.**

37. Q. -- that you were residing in, or? Okay.

A. **No. Nope.**

38. Q. Okay.

A. **[Indiscernible]**

39. Q. Any idea who might have benefited from this besides 38 Studios?

A. **Huh.**

40. Q. If – if at all?

A. **At that time? No.**

41. Q. Okay. How about right now, I mean, do you ...?

A. **I – I – I mean, well, now, I don't know who benefited from it. [Laughs] Probably**

Michael Corso.

42. Q. Okay. Okay. Anything else that I haven't asked you that you – you th—you know, have knowledge of or you think it's important for me to know?

A. **I can't think of anything.**

43. Q. Okay.

A. Other than I wish it hadn't happened and we hadn't voted on it, but that's not here or there, so.

44. Q. All right. All right. Well you have your – my telephone number. If something comes to mind or even something that you hear in the future that you think is important that the State Police know, please give me a call.

A. Okay.

45. Q. All right? Thank you for your time.

A. All right. Thank you.

46. Q. Yup.

A. Bye bye.

47. Q. Bye.

[END OF RECORDED TELEPHONE CALL]

STATEMENT TAKEN BY:

WITNESSED BY:
