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SUMMER****March 20, 2009**

Connecticut Senator Draws Voters' Ire for His Bonus Role

By [RAYMOND HERNANDEZ](#) and THOMAS KAPLAN

Clarence Randolph, a 50-year-old dump truck driver from New Haven, has been out of work for two months.

He is not happy that financial firms bailed out by the government are paying bonuses to their executives. And he does not understand why one of his senators, [Christopher Dodd](#), allowed it to happen.

"Why would he do it?" he said as he was about to enter the New Haven Free Public Library to search online for jobs. "Why are they going to take taxpayers' money — my money — and give all these people bonuses? I think that's terrible."

Across Connecticut, anger is erupting against Mr. Dodd, the Democratic chairman of the Senate Banking Committee, whose stature in Washington once reflected the state's beneficial ties with the financial industry. Now, he finds himself a symbol of the political establishment's coziness with tainted corporations and a target of populist wrath over their excesses.

On Thursday, the senator sought to defuse the furor over the latest revelation, holding a conference call with reporters to explain how legislation meant to limit [executive compensation](#) was changed at the last minute. That change exempted bonuses protected by contracts, like those at [American International Group](#), a big campaign contributor to Mr. Dodd that received billions in federal bailout money.

Mr. Dodd said that his staff revised the bill at the urging of [Treasury](#) officials, who he said were concerned that the compensation limits, which he had written in the original legislation, went too far and might invite lawsuits.

While he knew the language was being rewritten, the senator said he had no idea the revision would allow for the bonuses at [A.I.G.](#)

"Had I known at the time that there were any A.I.G. bonuses involved — that this was somehow going to assist in that matter — I would have rejected it completely," he said.

On Thursday, Treasury Secretary [Timothy F. Geithner](#) came to Mr. Dodd's defense, saying in an interview with CNN that his staff had raised concerns about whether the legislation limiting executive compensation "was vulnerable to legal challenge."

The fierce reaction back in his home state, however, underscores the peril the usually politically invulnerable senator faces.

In dozens of interviews, residents said they were appalled by Mr. Dodd's ties to financial firms and believed that he had damaged himself as he prepares to run for re-election next year.

Even some who have been steadfast supporters worry that after 28 years in the Senate, Mr. Dodd, 64, has been seduced by the power of Washington and grown distant from his constituents in this heavily Democratic state, which has been hit hard by the economic downturn.

"What he needs to do is try to get some jobs out here for people," said [Henry Ford](#), 44, a painter from New Haven. "There are a lot of people out here who have bought houses and can't afford them."

This week's uproar was triggered largely by Mr. Dodd himself, when he provided conflicting answers about the provision that allowed the bonuses at A.I.G. According to the Center for Responsive Politics, the company's employees, political action committees and subsidiaries have made campaign contributions of nearly \$300,000 to Mr. Dodd since 1989.

Initially, Mr. Dodd said he did not know how the loophole got into the legislation that sought to crack down on executive compensation. But then in an interview Wednesday with CNN, he acknowledged that his staff helped write the revisions after receiving a request from the Treasury Department.

Newspaper headlines that greeted morning commuters throughout Connecticut on Thursday underscored Mr. Dodd's problems. "Dodd's Flip-Flop," declared The Hartford Courant. "Dodd Takes Bonus Blame," announced The Advocate of Stamford. "Dodd Admits Bonuses Role," trumpeted The Norwich Bulletin.

The firestorm has encouraged Republicans, who see an opportunity to pick up a Senate seat in next year's election. Last week, [Quinnipiac University](#) released a poll showing Mr. Dodd trailing former Representative Rob Simmons, who has jumped into the race, railing against the senator's ties to the financial industry.

"He is certainly out of touch with Connecticut," Mr. Simmons said in an interview.

The problem for Mr. Dodd is that the A.I.G. affair is just the latest episode in which he has been accused of being too chummy with powerful corporate executives.

Last year, he was criticized for receiving preferential treatment from [Countrywide Financial Corporation](#) after it was disclosed that the mortgage lender assigned him to a V.I.P. program in 2003 when he refinanced mortgages on his homes in Connecticut and Washington.

Mr. Dodd insisted he had done nothing wrong, saying that he did not get favorable pricing from the lender. But the issue was politically explosive, given that Countrywide and its executives had been criticized for contributing to the national housing crisis with aggressive subprime lending.

A short-lived presidential run, during which he moved his family to Iowa, did not help either, leaving some in Connecticut feeling that he abandoned the state for a quixotic adventure.

"To be very honest with you, I thought he was nuts," said Mary Spaulding, 79, a retired nurse from Waterford, who said she had always supported the senator, but would not do so again.

"I think in Connecticut, a lot of people are very frustrated with him," she said.

The backlash is a remarkable development for a senator once known for championing populist initiatives like the 1993 Family Leave Act. Elected to the Senate in 1980, Mr. Dodd is the longest-serving senator in the state's history and has won all his re-elections by sizable margins.

Troy Beers of New London remembered how he felt in 1985, when the senator spoke at his graduation from Ella T. Grasso Southeastern Technical High School in Groton and took a moment to shake his hand.

"He was inspiring back then," said Mr. Beers, 41, a lifelong Democrat who is unemployed. "Now, he's a dinosaur. There needs to be a change."

That sentiment was echoed by Jasmine Coleman, 21, of New Britain, whose mother's house went through foreclosure last year. Ms. Coleman, a Democrat, expressed dismay over Mr. Dodd's connection with A.I.G.

"I can't believe he actually approved of that," she said, as she shopped in Meriden with her two small sons. "For them to get bailed out, it's just not fair. I'm from New Britain, and every street has at least three houses going through foreclosures. People are poor. Unemployment is a problem. It's hard to find a job, a good paying job."

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