Capitol Watch
Connecticut politics
Bernard Madoff Scandal Spreads In Connecticut

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## Scandal involving Bernard Madoff, the once-high-flying Wall Street investor, has spread to a well-known non-profit agency in Hartford.

Attorney Martha Stone, the founder and executive director of the Center for Children's Advocacy at the University of Connecticut School of Law, recently learned that her nonprofit legal group is losing \$85,000 in the fallout of Madoff's alleged massive Ponzi scheme, according to the Hartford Courant.

The money was frozen because it came from the JEHT Foundation -- which has been suddenly thrown into the spotlight as it was forced to close its doors because it has been funded chiefly by an extremely wealthy couple who invested their millions with Madoff.

The Madoff surprise served as the second blow to Stone's organization, which advocates for the rights of poor children in the juvenile justice system. The center has been forced to cut back its activities and could face deeper cuts if it cannot raise additional funds to cover the shortfalls.

About a month ago, Stone's group learned that its bi-annual grant from the state's Interest On Lawyers' Trust Accounts program, known as IOLTA, had been sliced by more than \$150,000 - more than half of its allotment.

Rep. Michael Lawlor, an East Haven Democrat who serves as the longtime co-chairman of the legislature's judiciary committee, said the problems with JEHT will have repercussions for various nonprofits that were handling critical programs.

"JEHT closed its doors, and JEHT was the single largest private foundation funding progressive criminal justice reform in the country," Lawlor said. "This is a huge problem. There's no question about it."

Stone's work is crucial in "diverting non-violent juveniles with mental health problems out of the system" and thus saving the state money, Lawlor said.

"We don't have money to build more prisons," he said. "This is an alternative to the state spending a lot more money [for sending juveniles to] prison or a psychiatric hospital. ... It's a lot more expensive when we do it."

With the state looking at a projected deficit of \$6 billion to fund the "current services" budget over the next two years, Lawlor said there are definitely problems on the horizon.

"What's happened to Martha Stone is not unique," he said. "It's one of a list of pretty important things that are in jeopardy now. There's going to be a lot of pain. This next year or two are going to be very difficult."

Stone's work, Lawlor said, is critical, and that she is "the most prominent, the most respected, the most influential" in her area of expertise.

"Martha has a niche," Lawlor told Capitol Watch. "She's like the ACLU for juveniles."