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SENATE BANKING COMMITTEE CHAIRMAN CHRIS DODD, D-CONN.

## Financial reform passes Congress

Landmark bill promises new consumer safeguards; local banks say host of regulations will be a burden

By **PATRICIA DADDONA**  
Day Staff Writer

Congress passed massive, historic financial reform legislation on Thursday, paving the way for potentially far-reaching restrictions on bankers and protections from predatory lending for consumers.

Aiming to prevent the "too big to fail" mentality that led to the taxpayer bailout and near collapse of Wall Street two years ago, the bill spearheaded by U.S. Sen. Chris Dodd, D-Connecticut, and U.S. Rep. Barney Frank, D-Massachusetts, authorizes the government to break up companies that threaten the economy. It

also creates a new consumer protection bureau to guard consumers' financial transactions.

The legislation itself is 2,300 pages and is expected to result in some 5,000 pages of 533 new regulations, 60 studies and 94 reports, according to the U.S. Chamber of Commerce.

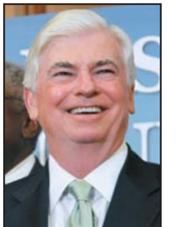
"The most important constituency in this is the American people," Dodd said in a conference call with reporters Thursday. "The whole idea (is), of

course, to try and restore some trust and confidence in the financial system in our country."

Peter Gioia, vice president and economist of the Hartford-based Connecticut Business & Industry Association, said the bill is at least as complex as health care

**SEE REFORM PAGE A3**

**INSIDE:** Goldman Sachs & Co. agreed to pay \$550 million to settle charges that the Wall Street giant misled buyers of mortgage-related investments. **A4**



Sen. Chris Dodd, D-Conn.

### RACING TO BE THE BEST



SEAN D. ELLIOT/THE DAY

**Above,** lifeguard Stephen Ferreira races into the water with his rescue board for the second leg of the revived Trident Lifeguard Competition at Rocky Neck State Park on Thursday. **Below,** second-place paddler Dan Ormond, left, watches as Kevin Ferreira, the lead swimmer, heads out on the final leg of the competition. State park lifeguards from Rocky Neck, Hammonasset, Sherwood Island, Wadsworth Falls and Burr Pond competed in the three event relay comprising a run, rescue board paddle and swim leg. The team from Hammonasset won the Trident Cup. The state DEP revived the competition, last held in 2000, to build camaraderie and enthusiasm among lifeguards from DEP beaches. Go to [www.theday.com](http://www.theday.com) to view a photo gallery from the competition.



### Oil stops leaking as BP finally caps well, but pressure tests continuing

Resuming flow possible depending on results

By **CAMPBELL ROBERTSON**  
and **HENRY FOUNTAIN**  
New York Times News Service

**New Orleans** — BP announced Thursday that it had capped its hemorrhaging well, at least temporarily, marking the first time in 86 days that oil was not gushing into the Gulf of Mexico.

Oil stopped flowing around 2:25 p.m. when the last of several valves was closed on a cap at the top of the well, said Kent Wells, a senior vice president for BP.

The announcement came after a series of failed attempts to cap or contain the runaway well that tested the nation's patience. Wells emphasized that pressure tests were being conducted to determine the status of the well, which is now sealed like a soda bottle. BP and the government could decide to allow the oil to flow again and try to collect all of it, or they could leave the well closed permanently.

The second option seems unlikely, but whatever the decision, the cap is an interim measure until a relief well can plug the leak for good.

"I am very excited that there's no oil in the Gulf of Mexico," Wells said, "but we just started the test and I don't want to create a false sense of excitement."

That was not much of a risk along the Gulf Coast, where countless live-

**SEE BP PAGE A5**

### Slots drop in June, but Sun sees silver lining

Both casinos down, but Mohegan gains market share

By **BRIAN HALLENBECK**  
Day Staff Writer

Connecticut's casinos took it on the chin again last month, sustaining year-over-year declines in slot-machine revenue as the state's fiscal year came to a close.

Mohegan Sun reported Thursday that it kept \$59.6 million in slot revenue, down 3.6 percent over June 2009 while Foxwoods Resort Casino's "win" totaled \$51 million, down 11.7 percent.

Amid the negative numbers, Mohegan Sun executives noted their casino increased its share of the Connecticut slots market during the month and during the three-month

period that ended June 30.

"We've picked up significant share, year-over-year," said Jeffrey Hartmann, Mohegan Sun's executive vice president and chief operating officer. "We think it reflects the quality of our product and the strong entertainment we had in June."

Mohegan Sun Arena shows featuring the Carole King/James Taylor reunion tour and rock icons Yes and Peter Frampton sold out during the month, Hartmann said. The casinos' entertainment venues are considered key drivers of patron traffic and, consequently, gaming revenue.

During June, Mohegan Sun

**SEE SLOTS PAGE A5**

#### SLOT-MACHINE REVENUES IN JUNE

##### FOXWOODS

Total win (in millions): **\$51.0**  
Yearly change: **-11.7%**  
State contribution (in millions): **\$13.6**  
Hold: \* **8.01%**  
Operating units: **7,173**

##### MOHEGAN SUN

Total win (in millions): **\$59.6**  
Yearly change: **-3.6%**  
State contribution (in millions): **\$15.3**  
Hold: \* **\$7.96%**  
Operating units: **6,405**

\*Hold is the average percent of total wagers kept by the casino.

### Foreclosures jump 61 percent in NL County for first half of year

State's poor job growth seen as driving market

By **LEE HOWARD**  
Day Staff Writer

Foreclosure activity in New London County soared by more than 60 percent in the first half of this year compared with the same period in 2009, according to new statistics released Thursday by California-based RealtyTrac, leading a state economist to conclude that one of the causes of the current recession has now turned into a victim of the downturn.

"Some of what we're seeing is because of the backwash ef-

fects of the broader collapse of the economy," said University of Connecticut economist Steven P. Lanza, executive editor of The Connecticut Economy, a quarterly publication.

Lanza said foreclosures tied to high-risk loans pulled the housing market down initially, which in turn sliced into consumer spending and led to second-round effects, including job losses. Now, job losses are hampering the housing market, he said, as Congress delays extending unemployment benefits, and homeowners who were paying mortgages through

**SEE FORECLOSURES PAGE A3**

### Northrop Grumman could leave shipbuilding business

Newport News yard may be sold; impact on EB, sub construction unclear

By **JENNIFER McDERMOTT**  
Day Staff Writer

**Groton** — Electric Boat's partner for submarine construction says it may leave the shipbuilding business, raising questions about how Virginia-class submarines will be built in the future.

Electric Boat and Northrop

Grumman Shipbuilding Newport News build Virginia-class submarines under a teaming agreement. On Wednesday, Northrop Grumman announced it was considering selling its shipbuilding business or spinning it off to shareholders, citing a lack of synergy between shipbuilding and its other businesses.

EB did not say how the announcement could affect the teaming agreement.

"This is a Northrop Grumman business decision, and it would be

inappropriate for us to comment on it," Robert Hamilton, spokesman for EB, said Thursday.

The Navy awarded a \$4.2 billion contract for the construction of the first four ships in the Virginia class to Electric Boat in 1998, with Newport News Shipbuilding sharing the construction workload.

General Dynamics, the parent company of Electric Boat, attempted to acquire Newport News Shipbuilding in 1999 and again in 2001. The Department of Defense reject-

ed the merger because of concerns that it would stifle competition in nuclear shipbuilding.

This cleared the way for Northrop Grumman to take over the shipyard in 2001 to build submarines and aircraft carriers. The corporation also is involved in aerospace, electronics, information systems and technical services. The teaming agreement between Electric Boat and Newport News Shipbuilding remained intact.

**SEE NORTHROP PAGE A3**

#### INDEX

Business/**B5**  
Classified/**C6**  
Comics/**B2**  
Daybreak/**B1**  
Editorials/**A6**  
Movies/**B4**  
Nation/**A4**  
Obituaries/**C4**  
Police Logs/**C2**  
Puzzles/**C7**  
Region/**C1**  
Sports/**D1**  
State/**C5**  
Television/**B3**  
World/**A2**

#### WEATHER

Today, partly sunny, warm and quite humid, a t-storm possible, high of 83. Saturday, partly sunny and very warm, high of 87. **D6**

