

**Statement of Joseph E. Bodovitz
Little Hoover Commission
December 8, 2004**

Introduction. Good morning, members of the Little Hoover Commission. This is very different from saying, good morning, Little Hoover administrator. Your commission, with its members appointed by the Governor, the Senate Rules Committee, and the Assembly Speaker, bring a breadth of experience and ideas that no single administrator, no matter how talented, could possess.

Boards, commissions, and advisory boards. Some boards/commissions are solely advisory, and others have legal authority: to plan for a geographic area, to issue or deny permits, to levy student fees, to grant or deny paroles, etc. Advisory commissions can play important roles; they can provide openness, using their meetings and reports to help people understand how an agency or a program are working, whether improvements are needed, and if so, what should be done. Still, the agency being advised may consider the commission like a little brother, tagging along while the grown-ups have real work to do, and advisory board members can use their status to advance their own causes.

Commissions and administrators. How should we decide when we need a board/commission and when we need an administrator? There is a no one-size-fits-all answer to this question. In general, if the need is to set policy such as planning for a community, determining a curriculum, etc., or to determine rights, such as issuing permits in complex matters or granting paroles, then a commission with appropriate legal authority is the answer. When the need is to manage administering something, such as checking plans for a proposed building to see whether they meet a building code, an administrator is generally chosen. Sometimes, however, an appeals board or commission is also necessary.

Advantages of commissions. Boards/commissions are valuable in any state, but particularly in California. Why? Because California today is like no other state in the union, and like no other state has ever been. We have the population — 34 million

and growing — of many countries. We have an economy that, all by itself, is one of the world's largest. We have great geographic diversity, from the Mexican border to Oregon. And living in this large state are people of many different ancestries. Clearly, we have a wealth of diverse people upon whom to draw for governmental boards/commissions. We should encourage people to play a role in California government, not freeze them out in the name of the supposed efficiency of a single administrator. Moreover, the commission system has worked well for California. If it isn't broken, why do we think we can fix it? Just because the federal government has single administrators for large agencies? That's hardly a reason: the federal government has regulatory commissions as well, and because different systems can work well in different places, why the urge to find a common model for every agency?

Creativity and challenge. What's needed are governmental arrangements that encourage creativity and experimentation. Interestingly, the voters of California did just that last month when they approved Proposition 71. Whether the voters all understood it or not, they created the California Institute for Regenerative Medicine, to be governed by a 29-member Independent Citizens Oversight Committee. This group is to represent various groups interested in the stem cell research that Proposition 71 provides for. Will the new organization work? Will it overcome concerns about conflicts of interest? It's too early to know. But the voters saw in Proposition 71 an opportunity to try something new, exciting, and with the possibility of great results. Does anyone think such an enterprise would benefit by having a single administrator to set policy in such a complex area?

Structure and people. No governmental structure is guaranteed to work in all circumstances. And no structure is as important as the people it attracts to be part of it. Strong leaders can make weak systems work; weak leaders can destroy strong systems. More important than rearranging organization charts is finding ways to attract the best people we can to be part of California government. At least two things are needed: an agency must have something important to do, something that will be satisfying to accomplish; and it must have visibility, so that its work will draw public attention. By these standards, the Institute for Regenerative Medicine would appear to be off to a good start, having attracted as a member David Kessler, former

commissioner of the U.S. Food and Drug Administration and now dean of the UCSF Medical School.

Size of commission. How large should boards and commissions be? The answer is the same as that given by Abraham Lincoln when asked how long a man's legs should be. Long enough to reach the ground, Lincoln said.

Qualifications of appointees. Should commission members all be highly qualified in the work they will be doing as commissioners? Certainly, knowledge is helpful, but ours is not a government of experts. A person may be sentenced to death by a jury of ordinary citizens, not experts. Should we experiment sometime with an all-expert commission? Perhaps, assuming the experts are not disqualified because of conflicts of interest. We do quite well, however, having laymen and women serve on commissions, assisted as needed by advisory boards of experts.

Major problem. Changing California's governmental system is hardly the state's major need. State government works well, by and large; where it doesn't, it can and should be fixed. But instead of dwelling on these matters, the Governor, with his great political capital, and the Legislature, ought to use the great opportunity they have to deal with the state's financial straitjacket. From Proposition 13 in 1978 to Proposition 1-A on November 2, we have created a financial system that is falling far short of giving many Californians the kind of state they want. At the very least, we should find out, perhaps through a blue-ribbon commission of some sort, what alternatives there are for achieving our goals of fair taxation and sound public services. We'll never have a better time to start than now.