

October 5, 2004

Michael E. Alpert
Chairman
Little Hoover Commission
925 L Street, Suite 805
Sacramento, CA 95814

Dear Chairman Alpert,

I am the Executive Director of the Greenlining Institute, a multiethnic public policy and advocacy center that focuses largely on the interests of minorities and underserved communities. Our 39 members include First AME Church, West Angeles Church of God in Christ, Hermandad Mexicana Latinoamericana, Mexican American Political Association, Southeast Asian Center, Black Business Association, California Hispanic Chamber of Commerce, and the National Council of Asian American Business Associations.

I have had substantial experience serving on national and state boards and commissions. I have represented the interests of the poor and am extremely active before the California Public Utilities Commission in my position as Executive Director.

Our first observation is that these boards and commissions generally lack diversity and this lack of diversity adversely affects the ability of the board to gain the confidence of the community and to deliver well-informed judgments. An example of this lack of diversity is the California Public Utilities Commission. Over its ninety-three year history, almost ninety Commissioners have been appointed. During this time span, no Latinos, no Asian Americans, and no women of color have been appointed. Only two appointees were African American.

A second observation is that too often board and commission appointments are made as rewards for campaign contributions or consolation prizes for legislators who lose their seats. Too often appointments are on the basis of enhancing resumes, rather than experience and ability to contribute to the mission of the public body. Once appointed, there is no reporting mechanism on the quality of the contributions. In addition, there is no accountability regarding attendance. A recent Greenlining report revealed that two-thirds of UC Regents attended less than one-third of Board of Regents meetings. One member, Haim Saban, attended meetings only 7% of the time.

The Board of Regents is an example of a prestigious board with little contact with the community that it is intended to serve. We do not suggest

that the Board of Regents should be abolished at this time, but a serious question exists as to why a Board that is supposed to protect the interests of students, a majority of whom are minority and the vast majority of whom are poor or middle class, consists primarily of white multimillionaires. (Historically, the primary qualification to be a member of the board was to be white, a multimillionaire or billionaire, such as Haim Saban, and make 8-digit political contributions to the Governor.)

Greenlining believes that a radical reexamination of advisory boards and commissions is in order. If the boards are to play an important role in enhancing the business climate and community respect, members must be appointed on the basis of merit, with an additional emphasis on gender and racial ethnic diversity. The boards should also be required to have regular public hearings on issues of concern to the communities they are intended to protect. For example, the Board of Pharmacy, under Governor Davis, had no contact with the communities it was supposed to protect until a Spring 2003 community protest against the Board's failure to protect the public from runaway prescription drug prices.

Greenlining Institute and its members are prepared to work closely with the Governor to return respect and efficiency to boards and commissions if the Governor pledges to ensure the following elements for future Board and Commission membership:

- A) Merit appointments unrelated to political contributions or millionaire status;
- B) Full diversity reflecting the fact that this state consists of almost 20 million minorities;
and
- C) Commissions and boards recognize that their purpose is to promote an effective business climate by protecting consumers and the public, rather than protecting the self-interests of powerful political players.

Sincerely,

John C. Gamboa
Executive Director