

July 9, 2009

The Honorable Leland Yee  
California State Senate  
State Capitol, Room 4074  
Sacramento, CA 95814

**RE: Assembly Constitutional Amendment 24 and  
Senate Constitutional Amendment 21 - OPPOSE**

Dear Senator Yee:

As an organization representing our state's life sciences industry, the California Healthcare Institute (CHI) has a special appreciation for the University of California and the central role UC has played in making California the global headquarters for biomedical research and development. Ours is the world's greatest public university system. For more than a century it has produced scientific innovation and talented graduates, fueling the state's economy. Reflecting on the historic success of UC, we are deeply concerned about the constitutional amendment proposed in the Senate (SCA 21) and Assembly (ACA 24) that would fundamentally change the university's governance, terminating its independence, and subjecting it to control of the legislature.

The longstanding rationale for governing UC by an autonomous Board of Regents has been to insulate it from fleeting changes in the political climate. With huge deficits and constant turnover in the legislature mandated by law, insulation from political interference is more important than ever.

As with all human endeavors, UC is an imperfect institution. As the UC operates under a state charter and draws on public funds, its mistakes are magnified and it is inevitably susceptible to legislative pressure. However, the Regents have worked to improve the university's management and we are encouraged by their selection of Mark Yudof to lead the system.

What has set UC apart over the years –and has made it our crown jewel – is its ability to compete academically for top faculty, for the best and brightest students, and for grant funding with elite private universities while, at the same time, serving its democratic mission. As veteran political observer Peter Schrag recently wrote in the *Los Angeles Times*, if the Legislature exercised formal control, there would be no telling how much interference “in hiring, in curriculum, in setting research priorities, in admissions preference – the currents of political fashion could bring.” The UC has produced stellar outcomes in all of these areas, and we feel strongly that the Regents who have presided over the university, maintaining its outstanding reputation and standards even in the face of budgetary challenges, are best positioned to continue with this difficult task.

Finally it is important to point out that the state funds less than 15 percent of UC’s annual budget. The other 85 percent comes from competitive grants (e.g. from the National Institutes of Health), from fundraising, from corporate partnerships and various other private sources. Hence the irony is that some legislators are seeking control of UC even as they are cutting its percentage of state funding to an all-time low. The great risk is that such political incursions would render UC less competitive in precisely those arenas that represent the bulk of its funding.

The legislature faces the greatest fiscal crisis California has seen in generations. We believe lawmakers should make every effort to support UC through this difficult time, not damage it by removing its autonomy. For these reasons, we respectfully oppose SCA 21 and ACA 24.

Sincerely,



David Gollaher, Ph.D.  
President and CEO

cc: Mark Yudof – President, University of California  
Senate President Pro Tempore Darrell Steinberg  
Assembly Speaker Karen Bass  
Sen. Roy Ashburn  
Asm. Brian Nestande  
Asm. Anthony Portantino  
Sen. Gloria Romero