

# CALIFORNIA LEGISLATURE

## Senate

STATE CAPITOL  
SACRAMENTO, CALIFORNIA  
95814

April 28, 2008

Mr. Daniel Hancock  
Chairman  
Little Hoover Commission  
925 L Street, Suite 805  
Sacramento, California 95814

Dear Mr. Hancock:

As the authors of SB 1565 of 2008, we are asking the Little Hoover Commission to conduct a study of the governance structure of the California Stem Cell Research and Cures Act, including the membership of the Independent Citizens Oversight Committee (ICOC) and the relative roles of the committee and the California Institute for Regenerative Medicine (CIRM).

As you know, Proposition 71, an initiative measure approved by the voters at the November 2, 2004, statewide general election, authorized the sale of \$3 billion in general obligation bonds over 10 years for stem cell research and facilities in California, and established the CIRM to make grants and loans and the ICOC as the governing body for the CIRM.

Given the unique governing structure for this program and the level of investment of public funds in the program (\$6 billion, including \$3 billion in interest on the bonds), we believe an independent review of the program's governing structure by the Little Hoover Commission is warranted, in order to determine whether it is broadly protective of the public interest.

We are requesting the commission to complete its study and report by July 1, 2009, including recommendations on the ways the governance structure of the ICOC might better ensure public accountability and reduce conflicts of interest, consistent with the purposes of Proposition 71. Such a study, we hope, would help maximize the CIRM and the ICOC's ability to achieve the goals of Proposition 71 and protect the integrity of the institution from real or perceived conflicts of interest.

We appreciate your consideration of this request, as well as your ongoing work to improve state government efficiency, economy and service. Please feel free to contact us or Lark Park of the Senate Health Committee staff at (916) 651-4111 with any questions or concerns regarding this request.

Sincerely,



SHEILA J. KUEHL  
23<sup>rd</sup> District



GEORGE RUNNER  
17<sup>th</sup> District

cc: Stuart Drown, Executive Director  
Little Hoover Commission  
Senator Patricia Wiggins, co-author, SB 1565  
Assemblymember Dave Jones, co-author, SB 1565  
Robert Klein, Chairman, ICOC  
Alan Trounson, President, CIRM