

A transcript for  
The Silicon Valley Leadership Group  
“Projections 2011: “Mobilizing for Reform and Recovery”  
Panel Discussion Two of Four  
Moderated by Mac Tully, President and Publisher, San Jose Mercury News  
Held at Santa Clara University Louis B. Mayer Theatre  
September 16, 2010  
Panel members in order introduced:

Jed York, President and CEO, San Francisco 49ers  
Sunne Wright McPeak, CEO, California Emerging Technology Fund  
Maria Teresa Kumar, Executive Director/Co-founder, Voto Latino

1 **Mr. Tully:**

2 ...Well, good morning to our panelists, and thank you so much for spending a little of your time  
3 with us today. We’re all looking forward to hearing your views and learning from your  
4 experience on civic engagement and government reform. Do you really think government should  
5 be reformed? Is that what we’re – So...I’m going to address each of you with individual  
6 questions, and then if the other panelists have something they’d like to add to that, or another  
7 viewpoint you’d like to share, please chime in. So it’s going to be more of a discussion format.  
8 But Jed, we’re going to pick on you first.

9 **Q:** Community engagement means giving back, and the 49ers *are* very involved in the  
10 community, with the 49ers Foundation. Could you share with us its mission, and also provide  
11 some examples of successes, or unique programs offered by the 49ers? Anything that, you know,  
12 might pertain, in particular, to the South Bay, would be appreciated.

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14 **A:** (**Mr. York**) ...The 49ers try to aim to “Keep kids safe, on track, and in school,” and  
15 (applause, comments).

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17 **Mr. Tully:** We don’t charge extra for entertainment!

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19 **A:** (**Mr. York**) Thank you....With the 49ers, We’ve been at this with our foundation for over  
20 10 years, and we’ve given away close to \$10 million in the last eight years. We’re up over \$1.5  
21 million a year right now; and when I look at some of the programs that *we* work with, I actually  
22 see one group that’s out here, the City Year folks. It’s easy to find them with their yellow  
23 jackets. And, you know, we try to find ways to not just write checks, but to bring our football  
24 team, and some of the...presence and vision that the football team has, to the organizations that  
25 we work with.

26 So when we look at the 49ers Academy, which is something that we started in East Palo  
27 Alto about 10 years ago, we’re very excited to see their API scores, which we just saw this week,  
28 go from, you know, in the 570s three years ago, to over 700 this year. So those are some of the  
29 things that we’re really excited about,...and, you know, obviously, with building a football  
30 stadium in Santa Clara, we’re focused, not just in San Francisco; not just in the South Bay, but  
31 the entire Bay Area, and we want to make sure that kids everywhere in the Bay Area are safe, on  
32 track, and in school.

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**Q:** That's excellent. Is there a way that people approach,...people that are interested in approaching the 49ers Foundation? How does that happen?

**A:** Sure. So we usually do a few fundraising events. Actually, Carl has helped us put on the Pasta Bowl, which is a...unique entertainment, where we have all of our football players get dressed up, and we serve pasta to a table, and you're sitting with a player. You're sitting with a coach. Some of those things, where folks can get involved; but, you know, there's also information on our Website to...get involved, if you just want to make a direct donation.

**Mr. Tully:** Excellent. Thank you.

**Q:** So, Sunne, we'll move on to you. You're a member of the leadership council of California Forward, which works on government reform. So could you share with us what you consider to be your top three priorities, and where they might be in the whole change process?

**A:** **(Ms. McPeak)** Great. Let me start, Mac, with just explaining a little bit of background of California Forward, which was launched by the support of five foundations in California:...the Packard Foundation, the California Endowment, Hewlett,...one of the Haas Foundations, and Irvine.

And I think it's interesting that foundations, charitable foundations, decided that *their* mission could not be really, fully achieved if California was still functioning, or dysfunctional, as we know it today. I think probably we could take a poll in this audience, and at least 99 percent would agree with the statement that California is not only broke, it's broken, and so those foundations asked that a number of folks come together to be a director of this leadership council, and I'm very honored to get to serve.

However, there...are literally thousands of people around California, including Carl Guardino, who have been very supportive, with the Leadership Group, of California Forward; and we hope all of you will join, quite honestly.

And the priorities have been to first look at how the electoral process functioned, and we supported reform of redistricting. We are continuing to monitor how that redistricting process is actually implemented to ensure that the California we know today is involved.

Then we moved on to looking at the whole budget and finance responsibilities at the state level, and have been successful in getting some very key pieces of legislation through on performance-based budgeting and on better forecasting for budgets, which I could elaborate on.

In this next year, we are going to be engaging Californians at as broad a level and as deep a level as we can, to look at the state-local relationship, because that's where the rubber meets the road, is where people live; and we not only want to look at...state-government and local government relationships, but how do you get the not-for-profit, the civic leaders of the community much more involved in their own governance.

**Mr. Tully:** Right, right. And then the whole budget does revolve around where revenues are being forecasted, so that is a key issue.

76 **A:** (Ms. McPeak) It is a key issue, and what really has gone on is that, first of all, California  
77 spends—the California state government—has been spending more than it takes in. Next, there  
78 are spikes in revenues that aren't really recognized, and one-time money needs to be used for  
79 one-time things. But I think the most transforming, quite honestly, is that what California  
80 Forward has asked for is that you, the taxpayer, and you, the citizen, get a better deal – that you  
81 get a better return on your investment, and that means establishing a culture of performance  
82 accountability. And that is what I think we'll get through the legislature this year, believe it or  
83 not, which seems like common sense, that every program, every element of government, is going  
84 to have to say, at the budget-process time, “What is it we're trying to achieve, and how do we  
85 measure that?” So that you can actually know, are you getting any value for your taxes; and, over  
86 time, are you getting a better value?

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88 **Mr. Tully:** What a novel idea!

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90 **A:** (Ms. McPeak) ...Is that Larry Stone? ...Who would agree totally. It's hard to see the  
91 entire audience. I'd love to talk about all of you that I could...recognize, but, with the lights –  
92 So, yes, our tax collector-treasurer would agree, and coming in from local government, that we  
93 absolutely have to have that culture of accountability, and be transparent, and *that*, I assure you,  
94 Mac, I've done it as a local official, as secretary, as a CEO, that changes the entire game.

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96 **Mr. Tully:** Absolutely! Thank you.

97 **Q:** Okay, so Maria Teresa, Voto Latino seeks to enfranchise American Latino youth. Maybe  
98 you could share a little bit about why they haven't been, and why is enfranchising this  
99 demographic group critical to America's civic health?

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101 **A:** (Ms. Kumar) Well, first of all, thank you so much for having me, and I'm thrilled to be  
102 here. I'm originally from Sonoma, so it's nice to...be here. And all of Voto Latino's programs,  
103 our pilot programs, always start in the North Bay, just because I like to keep that local.

104 But, to your point. We have roughly right now 18 million Latinos that are eligible voters.  
105 Of those 18 million Latinos that are eligible voters, half of them are exactly under the age of 40,  
106 and we have 50,000 of them turning 18 every single month that are eligible voters. That's pretty  
107 exciting.

108 So how do we start enfranchising them in ways that are accessible, interesting, and, at the  
109 same time, where *they* feel that they are taking ownership for the work that they're doing.

110 A perfect example. We recently did a campaign here in San Jose/Santa Clara called “Be  
111 Counted...Represent!”, where we engaged young people to, one, basically pledge to take...the  
112 census with their family, and we partnered with iTunes, where, if they took the pledge, they'd get  
113 25 free songs. We were able to secure close to \$20 million locally here in San Jose and Santa  
114 Clara. Why? Because these young people actually recognize that they have the power to be  
115 informed and to share it with their families.

116 And it's all about maintaining it local. While Voto Latino has a national presence--we  
117 have media partnerships, as I have mentioned, with iTunes, but also with MTV, and MySpace,  
118 and Facebook—we also have very local partnerships such as the Silicon Valley Community

119 Foundation,...the Mission District, school district, in San Francisco, because we recognize that  
120 we have to make sure that...people are talking to each other at the end of the day, and making  
121 sure that *they* feel that there's actually – they can act locally, but see an impact globally. So that's  
122 one of the reasons why we focus so much on the Latino youth.

123  
124 **Q:** Right, right. Are there particular issues that really get them excited about getting to the  
125 voter's booth, more than a "Just, you know, we want you to be involved."?

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127 **A:** (**Ms. Kumar**) Yeah, there actually are. We're finding right now that jobs, believe it or  
128 not, they're one of the highest unemployed right now. Conversely, they're also talking very  
129 much about education; and, sadly, one of the things that are galvanizing them right now is what's  
130 happening in Arizona.

131 So Arizona,...as many *may* know, or not know, they basically passed SB1070. SB1070,  
132 at its essence, was basically condoning racial profiling under the guise of immigration reform. So  
133 we just launched a campaign yesterday with Jessica Alba, Rosario Dawson, to come and talk  
134 specifically about how we united. So as a country, we have to be united to actually bring these  
135 issues forward, and actually start talking about the hard issues – comprehensive immigration  
136 reform. The system is broken. We have to find solutions. But targeting a sector of Americans  
137 because they *may* look undocumented is not the way to do it.

138  
139 **Mr. Tully:** Right. Absolutely.

140 **Q:** Okay, we'll go back to Jed. The 49ers were critically or civically involved in the  
141 community in a new way this...year on the political football field, spending nearly \$5 million on  
142 a successful campaign in Santa Clara to get voter approval on a new stadium. Congratulations on  
143 that, by the way.

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145 **Mr. York:** Thank you! Thank you for your endorsement.

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147 **Q:** It was a record for a local campaign, but kind of on par with what other teams have spent  
148 in other communities on stadium proposals. So give us kind of your assessment on the political  
149 process when it comes to a big project like a stadium, and what did you learn about the voters?

150  
151 **A:** (**Mr. York**) I think, you know, when we look at the vote, I started in people's living  
152 rooms in 2007, and we didn't go to a vote until June of 2010. So it's...not about as much money  
153 as you spend for a campaign, to make sure that a billion-dollar project can move forward. It's  
154 really about being accessible to the local community, making sure that you can look registered  
155 voters in the eyes, and...answer their questions; and I think the more that you can get in touch  
156 with those folks, the better off a project is going to be.

157 And when I look at, you know, dealing with the City of Santa Clara, you've got a city  
158 manager-run town, and you've got seven council members, and one of them being a mayor, that  
159 turns over every two years. So you're dealing with, you know, a city manager that's been there  
160 for 20-plus years, who's been city manager of the year, and I think that allows us to have a much  
161 better public-private partnership than in a lot of other areas, where it's not, "You know, I'm

162 politician and I want to get this through, so I can, you know, put...a gold star on my  
163 report.”...This is a city that is running as a business, which is why Santa Clara is such a great  
164 city, and it’s something that will allow us to make sure that this stadium isn’t just something that  
165 gets built, but it’s something that’s maintained over the next 25 to 30 years, and we can continue  
166 to reinvent this stadium, and continue to make this a great location for not just football, but...as a  
167 beacon for everybody in the South Bay, and everybody in Northern California.  
168

169 **Q:** Right, right. And any lessons learned in dealing with the different communities as you  
170 approached them about a stadium proposal?  
171

172 **A:** (**Mr. York**) I mean I think the number-one thing is, you have to be open. You have to be  
173 up-front, and you need to make sure that when you’re addressing an issue like this, it’s not about,  
174 you know, how do we just win the election....Because just winning the election doesn’t cut it.  
175 We need to work together as a community.

176 We just went to the planning commission, and we already have a certified EIR  
177 (environmental impact report). The planning commission said, “Well, we want you to change  
178 your speaker set-up in the stadium, because there’s going to be too much noise.”

179 We didn’t need to do anything. We changed our model a little bit, and took on, you  
180 know, relatively significant costs to do that, but it’s something that makes that partnership better  
181 between the 49ers and the city, because this is something that the city is going to own, and this is  
182 something that they need to be proud of, and we need to work together, not just to get an  
183 election, but to make sure that this is the greatest stadium in the country, and in the world, for the  
184 next 30 years.  
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186 **Mr. Tully:** Right, absolutely. We’re excited about it, by the way.  
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188 **Mr. York:** Thank you!  
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190 **Q:** Sunne, you’ve been involved in the democratic process for years, including as a local  
191 elected office-holder. You know, what do you think is needed to engage citizens in the next  
192 phase of government-reform initiatives?  
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194 **A:** (**Ms. McPeak**) What is, I think, absolutely most critical is a foundation of accountability.  
195 I mentioned that previously, that there is such a disconnect between the government that’s  
196 supposed to represent the people, and the bosses who are the voters and the taxpayers, and you  
197 need to—we need to—be able to be much clearer if we’re running government, what are we  
198 trying to achieve?

199 But, more than that, it is understanding that the government form we’ve got in  
200 Sacramento *or* Washington is a couple of centuries old. It is based on centralized decision-  
201 making and power, and that doesn’t work in a global economy, where we’ve got digital media  
202 that can jump over – thank God! – a lot of that central control. And there has to be great  
203 decentralization from Sacramento to empower local – not only local governments, but people  
204 themselves, to be able to take action.

205 Now that has to be accompanied with strong leadership. I often say, “We need bold  
206 leadership, not big government,” and that is, it’s a whole way of thinking much differently in  
207 order to achieve that, so that local governments and local communities have greater flexibility to  
208 use the dollars they now pay; *but* to have greater accountability, there has to be a total  
209 realignment between the state and locals and the people, and that’s what I want to invite  
210 everybody to be a part of.

211 I know that Carl and the Silicon Valley Leadership Group will help us organize these  
212 forums, and to really design that...delegation of responsibility, coupled with accountability, and  
213 dedication of revenue streams that we can rely upon, guaranteed in the constitution. That’s the  
214 direction that California Forward is going in, in the next year.

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216 **Mr. Tully:** Excellent! “Bolder not bigger.” I love that!

217 **Q:** So, Maria Teresa, Voto Latino was started in 2004, and you mentioned a little bit about  
218 Facebook and Twitter, but how are you leveraging the latest technologies to reach Latino youth?  
219 And what are your challenges as you reach out?

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221 **A:** (**Ms. Kumar**) Well, we started first -- In 2006, we realized that young people were the  
222 fastest adopters of text messaging, and Latinos were at the forefront of that. So we launched the  
223 very first text-messaging, voter-registration, get-out-the-vote campaign. And we always say that  
224 we were after [Howard] Dean, but we were before Obama....And then we started creating – We  
225 also realized that a young—a lot of young—people, Latinos, they wanted to participate, but they  
226 said, “You know, we don’t – we don’t – We’re strapped for cash. We don’t have enough time.  
227 We’re doing...” It was like, “Okay.”

228 So we started setting up virtual call centers on Saturdays and Sundays, capitalizing on  
229 their free minutes, where young people can actually call and phone-bank right before GOTV, Get  
230 Out The Vote. And it turned out to be incredibly successful – so successful that the Obama  
231 campaign modeled it in his past election. So it was low-cost, but trying to work smartly. We’ve  
232 been able to actually lower the voter-registration for Latinos from \$35 to \$17.15, which is an  
233 incredible shrinkage, but it’s because we’ve been able to work, again, smartly. We say, “We may  
234 not have a lot of money, but we have a lot of members.”

235 So one of our largest challenges, believe it or not, has been scaling the organization,  
236 because we are 98 percent volunteer-run, and it’s been very much about the passion and the  
237 heart; but it’s like now we are actually working with the infrastructure, and how do we actually  
238 create long-lasting impact?

239 In 2008, where...Voto Latino was on the ground, we actually saw anywhere between a 5-  
240 to 9-percent increase above the national average, of folks going to the polls, including here in  
241 California. So what we’re looking at right now, again, is the midterm election, getting everybody  
242 excited, because it’s hard out there. Kids are definitely feeling the crunch, and how do we  
243 continue galvanizing?

244  
245 **Mr. Tully:** Excellent, excellent.  
246

247 A: (Ms. McPeak) I actually want to share something, Mac, because I know a lot of people  
248 in this audience, and...Catherine's going up the stairs, and I saw Cindy come in, and I'll call out  
249 more of you...

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251 Mr. Tully: Was it something we said, Catherine?

252  
253 A: (Ms. McPeak) Yes, but – And I have a very checkered past. You know, for 40 years, I've  
254 been...in the business of trying to make the world better, if you will. And, as Carl introduced me,  
255 I now run something called the California Emerging Technology Fund, which is intended to,  
256 with the direction of the PUC, to close the digital divide in California. And it's really relevant to  
257 the Latino participation, and lower-income families.

258 When we began, California was only at the national average in terms of using the  
259 technology --technology that comes right out of Silicon Valley, that comes right out of  
260 California, but we're not great at adopting it. And today, actually, California is considered a  
261 global leader on digital inclusion. We've been able to see an increase in adoption from where  
262 low-income families were 33 percent using broadband, and Latino families were at 34 percent.  
263 That's moved up to 49 and 50 percent. Now if you're higher-income, above \$80,000 a year,  
264 you're 94 percent of all the families. That digital divide is a small piece of the challenge, but  
265 absolutely critical to being able to have California, and all Californians, participate in the  
266 democracy, and be able to access quickly information that saves them time and money.

267 And so I want just say, in part, we cannot really get to the kind of transformation in our  
268 economy and in our governance that we want to, until we've got the ubiquitous broadband  
269 adoption and availability for all Californians. And that is one thing that is a green strategy to  
270 reduce impacts on the environment, and put California way ahead on the economic-competitive  
271 curve.

272  
273 Mr. Tully: Excellent, excellent.

274 Q: Okay. So we're going to deviate from the questions, and go to a question from the  
275 audience here. So I'll just open this up to anyone that would like to converse on it. So this is  
276 from Arthur Keller. California is one of...only three states to require a super-majority vote in the  
277 legislature for budget and revenue. How do we better ensure legislative accountability and  
278 reduce government gridlock by having legislative votes, and votes in the electorate, that only  
279 require a majority? Anybody care to chime in?

280  
281 A: (Mr. York) I mean I think you see our state being held hostage by the minority in  
282 government, which is setting us back, and we can't...look at California. I look at California. I  
283 look at building a new football stadium. We're in the heart of innovation in Silicon  
284 Valley.... We've got some of the brightest minds, some of the most profitable companies, and  
285 our state is going to go bankrupt because our government is just...not working, because you've  
286 got a minority that can prevent us from moving forward. I think you need to...move forward.  
287 You need to be able to change and allow government to actually work and function, and I'm sure  
288 Sunne has a lot more direct insight on this matter, but I mean you *need* to make that change.

289

290 A: (Ms. McPeak) So let me follow on...Jed's observation, and...just share with you the  
291 California Forward position, and then a personal observation.

292 California Forward has a comprehensive package, a six-point program, on budget and  
293 governance reform. It includes the accountability / performance-based management that I talked  
294 about, and better forecasting on revenues. More tools to stop spending if we don't have the  
295 revenue. Those kinds of things.

296 We finally agreed on including in that package a reduction from the two-thirds vote to a  
297 simple majority, but as a package. And I was probably the last member of that leadership council  
298 to sign off on including that provision. I want to hasten to say that we *do* support retention of the  
299 two-thirds vote on taxes, by the way, but I was the last person to sign off, because I said, "I don't  
300 want to make it easier to get to a bad budget."

301 And I will tell you that the two-thirds requirement has been in existence for, now,  
302 decades. Only more recently has there [come to be] increasing gridlock. I think there is a good  
303 argument to be made, if we were starting over, about a majority should rule, and the majority  
304 should be accountable. Right now, nobody's accountable, so Jed is absolutely right.

305 What I have seen too often in Sacramento, however, is that there is not the culture of  
306 accountability and transparency that has to go with giving to the legislature the ability to pass a  
307 budget with a simple majority. So I think we're actually going to see an interesting time vote this  
308 fall.

309 There are two pieces of the California Forward package that have been taken off as  
310 individual ballot measures, initiatives. One is the two-thirds vote that basically John Burton and  
311 the Democrats have put up that's coupled with one thing that I advanced, and always was  
312 criticized for. If there is no budget, legislators...shouldn't be paid, and they should be forfeited.  
313 They should forfeit their pay. It shouldn't be just that they're not paid, and then they pay catch-  
314 up, so that's one measure. We'll see what the voters say.

315 And the other is a more esoteric issue of,...Can you adopt fees that take the place of  
316 taxes? And can you do that without a two-thirds vote? So those are sort of the extreme positions  
317 of both parties, and we'll see what the voters say in November. Whatever is the outcome of that,  
318 and the legislation that California Forward has passed, I assure you there will still be a lot of  
319 work to be done to get the kind of common-sense government we need, and I'm...over time, but  
320 here it is.

321 If every element of government, and every politician, was held accountable for at least  
322 five things, and you could add anything else you wanted to, but there are the five things that  
323 every – When I'm— wherever I am—in California, be it Siskiyou or or Los Angeles or Imperial  
324 County, the majority of Californians agree that all government should operate

325 To increase employment

326 To decrease poverty

327 To increase improvement in education, educational performance

328 To reduce crime, and

329 To improve health status.

330 Those five things should be the big mega-outcomes that we all strive for, and everything  
331 else should align with that – all expenditures, all energies.

332



333 **Mr. Tully:** Thank you , Sunne. Utopia!

334 **Q:** Maria, is...a super-majority a good thing, or should a simple majority be what it takes?

335

336 **A:** (**Ms. Kumar**) Yeah, and I think both Sunne and Jed...hit the nail on the head. I mean  
337 there definitely needs to be reform, and it has to be smart reform. I think also, sometimes—  
338 oftentimes—when we get frustrated with the system, we don't look at all the options, and I can  
339 tell you that that's what happening in Washington, right? We don't look at all the options. We  
340 immediately do knee-jerk reactions for change. It doesn't mean that it's methodical and  
341 thoughtful, and when you're trying to make *any* change to a system, you have to be.

342

343 **Mr. Tully:** Excellent.

344 **Q:** One more question from our audience, from David Simmons of Leadership Sunnyvale.  
345 The California initiative process has a colorful history. Has the process caused or contributed to  
346 California's economic problems? And what could be done to fix this process? And since we left  
347 with Maria Teresa, we'll start again with Maria Teresa.

348

349 **A:** (**Ms. Kumar**) I know that there's a lot of folks that *are* out there, that are buzzing around  
350 about changing the California constitution, and trying to figure out how ...to reclaim and revisit  
351 whether or not propositions, for example, are actually the most effective use of our electorate and  
352 our budget.

353 Again, coming from Washington, I think one of the biggest problems that we have is that,  
354 from the outsider perspective, the propositions actually take a lot of money; and, unfortunately,  
355 those...individuals who actually resound the most are the individuals who have the deeper  
356 pockets, and it takes a lot of time. So, from a perspective of that, I think we have to...look at it  
357 critically, and say, I don't know if changing the constitution is necessarily the way to do it, but,  
358 again, we have to be thoughtful and methodical, and start identifying, how do we prioritize our  
359 initiatives, because, especially in difficult [times], difficult...budgetary constraints, we have to  
360 work smartly, and it's a matter, also, of making sure that we're keeping our eye on the ball, of  
361 the final initiatives that we need as a state.

362

363 **A:** (**Mr. York**) I think, to play off of your answer from the last question, we tend to  
364 overreact when there's a problem, and say, "We're going to make this big, sweeping change." So  
365 it's easy to say, "Well, we need to, you know, fix everything. We need to recreate  
366 the...constitution of California." We might, but you do have to evaluate that, and the system can  
367 be worked if you make it work; and, you know, I think that's what we need to make sure that we  
368 do, and that there's way too many government reforms that have changed, not just in California,  
369 but nationwide, and we need to make sure that we act a little bit more efficiently when we're  
370 approaching problem-solving.

371

372 **A:** (**Ms. Kumar**) Well, and I think, just to add to that, I think the biggest problem right now  
373 is that if you don't see immediate [change] – We've become very much an ADD culture, right?  
374 So what have you done for me lately? You haven't -- And some of these legislations, they  
375 actually have to settle, and we have to see the reaction, and we have to be patient about that, and

376 I think that's – As—I think, as—a community, as a citizen, I think that's where we get  
377 [frustrated]. We basically create our own frustrations, because we're *not* patient.

378  
379 **Mr. Tully:** Right. Hang on! I have to tweet that! (laughter)

380  
381 **A:** (Ms. McPeak) You know, Hiram Johnson and the Progressives added the referendum  
382 and initiative process to the constitution over a century ago to try to break the stranglehold of the  
383 railroads, actually.

384  
385 **Ms. Kumar:** Right.

386  
387 **A:** (Ms. McPeak) I am not sure that that is going to be taken away from the public, and the  
388 public *wants* to have that. Here are some things that California Forward has suggested that might  
389 be an improvement. One is, as Maria Teresa said, we need to work smartly, and very often, there  
390 is not a silver bullet for a problem. There's sometimes silver buckshot, and that is, that there [are]  
391 a few things that need to go together, but we've got a single-subject rule in California on  
392 initiatives that [makes] it difficult to have a smart initiative, really, that *can* have some lasting  
393 effect.

394 The second is, California Forward advances an idea called “pay as you go,” that, if you're  
395 going to have a new program, you have to figure out how to pay for it, or, if you're going to have  
396 a tax cut, you have to figure out how to pay for it. We think that if the initiatives were subject to  
397 the same requirement, that if something is going to be passed, and have a cost to it, that the  
398 proponents have to be able to say how it would be paid for, that would be a great advance. And  
399 then initiatives, if they had a hearing in the legislature and the public before the final title and  
400 summary was give by the Attorney General before circulation, you could improve this process  
401 pretty dramatically.

402  
403 **Q:** So paying for things, other than just IOUs, is a good idea?

404  
405 **A:** (Ms. McPeak) Just like I think *you* have to do, in your business, Mac!

406  
407 **Mr. Tully:** Write a check! Are we okay?

408  
409 **Mr. Guardino:** Mac Tully, you have time for one more question to one panelist for one minute.

410  
411 **Mr. Tully:** Okay.

412 **Q:** And this comes from the audience, as well. Has the gap between the haves and the have-  
413 nots widened? What issue do you see, or issues that you see, that would unite the groups, and not  
414 divide [them]? Who would like to tackle that?...Go ahead, Maria Teresa.

415  
416 **A:** (Ms. Kumar) I think that the biggest—our biggest—gap, I think,...one of the few items  
417 that we could galvanize around, is education, and it's one of the things that immediately  
418 addresses our long-term economic health, not only as a state, but as a nation, and then you look

419 globally, internationally. And I always say that Latinos are literally the secret weapon for making  
420 sure that they're healthy and educated. Why?

421 The average age of the American Latino is 27 years old. It's 15 years younger than the  
422 rest of the population. They're also the fastest-growing. When we start looking,...and, again,  
423 take this with a grain of salt, but I also start saying, you know, folks are like, "Well, you know,  
424 Latinos aren't doing well in math, science, STEM (Science, Technology, Engineering and  
425 Mathematics) programs." And I always say, "Yeah, but they don't realize it, but we have tens of  
426 millions of them that already know how to program." They learned how to program because they  
427 did MySpace. They don't even know that they're doing math and science, but no one's  
428 capitalizing on that little piece of information, and even with MySpace and Facebook, there's a  
429 huge digital divide, but these kids learned how to process. And just one last thing, because I  
430 know my time is up. But one last thing is, when we start looking at the U.S. on a global scale, we  
431 always start hearing "China and Asia." They themselves have a...billion-people marketplace,  
432 right?

433 Well, the U.S. has the third-largest population of Latinos. You have, first, Mexico. I'm  
434 sorry. Excuse me. You have Brazil, Mexico, and then the U.S. When you start carving this out,  
435 that's a billion-people marketplace.

436 So let's start working smartly. Let's start galvanizing. Let's start identifying, how do we  
437 educate these individuals, and [make] sure that we *are* a player?

438  
439 **Mr. Guardino:** Mac Tully, president and publisher of the San Jose Mercury News (applause).  
440 Now we're in a theater, and, in the theater, you never clap over someone's line. So let me just  
441 finish thanking our panel: Sunne Wright McPeak, CEO of California Emerging Technology  
442 Fund; Maria Teresa Kumar, executive director and co-founder of Voto Latino; and Jed York,  
443 president and CEO of the 49ers. Thank you for joining us today. ...

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