

COPY

UNITED STATES COMMISSION ON CIVIL RIGHTS

FACT-FINDING HEARINGS
ON RACIAL AND ETHNIC TENSIONS
IN AMERICAN COMMUNITIES:
POVERTY, INEQUALITY AND DISCRIMINATION

TRANSCRIPT OF PROCEEDINGS

VOLUME III

PAGES: 639 THROUGH 896

PLACE: LOS ANGELES, CALIFORNIA

DATE: JUNE 16, 1993

CCR
3
Meet.
348
v.3

REPORTED BY: SHARON MORTEN
CSR NO. 7003

EGGLI, MESA & ORONA
CERTIFIED SHORTHAND REPORTERS
135 EAST LIVE OAK AVENUE, SUITE 106
ARCADIA, CALIFORNIA 91006
(818) 446-4849

UCC
3
meet.
348
V. 3

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES COMMISSION ON CIVIL RIGHTS

FACT-FINDING HEARINGS
ON RACIAL AND ETHNIC TENSIONS
IN AMERICAN COMMUNITIES:
POVERTY, INEQUALITY AND DISCRIMINATION

TRANSCRIPT OF PROCEEDINGS

DATE: WEDNESDAY, JUNE 16, 1993

PLACE: SHERATON GRANDE HOTEL
LOS ANGELES, CALIFORNIA

BEFORE: ARTHUR A. FLETCHER
CHAIRMAN OF THE U.S. COMMISSION
ON CIVIL RIGHTS

COMMISSION MEMBERS IN ATTENDANCE:

- MR. CARL A. ANDERSON
- MR. BOBBY D. DOCTOR
- MR. ROBERT P. GEORGE
- MR. RUSSELL G. REDENBAUGH
- MR. CRUZ REYNOSO
- MR. CHARLES PEI WANG

ALSO IN ATTENDANCE:

- MR. KI-TAEK CHUN, DEPUTY REGIONAL DIRECTOR OF
THE EASTERN REGION
- MR. LAWRENCE GLICK, STAFF ATTORNEY
- MS. EILEEN RUDERT, STAFF ECONOMIST AND SOCIAL
SCIENTIST
- MS. STELLA YOUNGBLOOD, STAFF ATTORNEY
- MS. NADJA ZALOKAR, STAFF ATTORNEY

REPORTED BY: SHARON HONG MORTEN, CSR NO. 7003
STEVEN W. CORNWELL, CSR NO. 7193

I N D E X

	<u>PAGE</u>
1	
2	
3	639
4	639
5	
6	
7	
8	
9	
10	640
11	645
12	649
13	656
14	
15	
16	660
17	667
18	674
19	677
20	684
21	684
22	
23	685
24	687
25	695

	<u>PAGE</u>
1	
2	REVEREND EDWARD V. HILL
3	PASTOR, THE MOUNT ZION MISSIONARY BAPTIST CHURCH
4	PANEL:
5	GLICK 702
	WANG 705
6	GEORGE 706
	FLETCHER 719
7	DOCTOR 719
	REDENBAUGH 720
8	
9	REVEREND CECIL L. MURRAY
10	SENIOR MINISTER, FIRST AFRICAN METHODIST EPISCOPALIAN (A.M.E.) CHURCH
11	PANEL:
12	GLICK 723
	WANG 726
	REDENBAUGH 730
13	FLETCHER 731
14	JOHN WALSH
15	PRESIDENT OF UNITED RIDERS OF L.A.
16	PANEL:
17	YOUNGBLOOD 733
	YOUNGBLOOD 775
	YOUNGBLOOD 779
18	
19	MIKE HERNANDEZ
20	LOS ANGELES CITY COUNCIL MEMBER
21	PANEL:
22	YOUNGBLOOD 733
	YOUNGBLOOD 739
23	FLETCHER 750
	YOUNGBLOOD 753
24	REYNOSO 760
	FLETCHER 760
25	YOUNGBLOOD 775
	YOUNGBLOOD 779
	FLETCHER 782

	<u>PAGE</u>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

JOSEPH S. AVILA, ESQ.
ATTORNEY, AVILA AND PUTNAM

PANEL:

YOUNGBLOOD	733
YOUNGBLOOD	755
FLETCHER	769

RICHARD ALATORRE
CHAIR, METROPOLITAN TRANSPORTATION
AUTHORITY; AND LOS ANGELES CITY COUNCIL
MEMBER

PANEL:

YOUNGBLOOD	784
YOUNGBLOOD	795

FRANKLIN WHITE
EXECUTIVE DIRECTOR, METROPOLITAN
TRANSPORTATION AUTHORITY

PANEL:

YOUNGBLOOD	784
YOUNGBLOOD	798
FLETCHER	802
YOUNGBLOOD	802
FLETCHER	808
YOUNGBLOOD	818
FLETCHER	821

TOM RUBIN
SENIOR STAFF MEMBER, METROPOLITAN
TRANSPORTATION AUTHORITY

PANEL:

YOUNGBLOOD	784
YOUNGBLOOD	810
FLETCHER	815
ANDERSON	817

	<u>PAGE</u>
1	
2	STEWART TAYLOR
3	REGIONAL DIRECTOR (REGION IX), FEDERAL TRANSIT ADMINISTRATION
4	PANEL:
5	YOUNGBLOOD 823
	YOUNGBLOOD 824
6	REDENBAUGH 852
	REDENBAUGH 854
7	
8	ROBERT MCMANUS
	ACTING ADMINISTRATOR, FEDERAL TRANSIT ADMINISTRATION
9	
	PANEL:
10	YOUNGBLOOD 823
11	YOUNGBLOOD 831
	YOUNGBLOOD 833
12	FLETCHER 840
	FLETCHER 851
13	REDENBAUGH 852
14	SUSAN SCHRUTH
15	ACTING DIRECTOR OF CIVIL RIGHTS, FEDERAL TRANSIT ADMINISTRATION
16	PANEL:
17	YOUNGBLOOD 823
	YOUNGBLOOD 829
18	YOUNGBLOOD 831
	YOUNGBLOOD 835
19	FLETCHER 835
	FLETCHER 847
20	
21	GWENE PATTON
	JTPA TRAINEE, LOS ANGELES URBAN LEAGUE
22	PANEL:
23	RUDERT 857
	REDENBAUGH 860
24	REYNOSO 862
	WANG 863
25	RUDERT 864

	<u>PAGE</u>	
1		
2	KAREN MUCTHISON	
3	JTPA TRAINEE, MAXINE WATERS EMPLOYMENT PREPARATION CENTER	
4	PANEL:	
5	RUDERT	865
6	REYNOSO	872
	WANG	879
7	KENNY JONES	
8	JTPA TRAINEE, MAXINE WATERS EMPLOYMENT PREPARATION CENTER	
9	PANEL:	
10	RUDERT	865
11	REYNOSO	872
	WANG	879
12	SOPHIA ESPARZA	
13	DIRECTOR, CHICANA SERVICE ACTION CENTER, INC.	
14	PANEL:	
15	RUDERT	884
	REDENBAUGH	886
16	WANG	889
	RUDERT	894
17	ANDERSON	961
18	ANTONIA HERNANDEZ, ESQ.	
19	PRESIDENT AND GENERAL COUNSEL, MEXICAN AMERICAN LEGAL DEFENSE AND EDUCATION FUND (MALDEF)	
20	PANEL:	
21	GLICK	897
22	REYNOSO	903
	WANG	911
23		
24		
25		

1 P R O C E E D I N G S

2 MR. FLETCHER: CALLING THIS HEARING
3 INTO ORDER, SINCE WE GOT OFF TO A GOOD START
4 YESTERDAY BY OPENING THE MEETING WITH A PRAYER, I
5 THINK WE WILL DO THE SAME TODAY. HOWEVER, I AM
6 GOING TO CALL A GOOD FRIEND OF MINE, WHO IS ALSO
7 GOING TO BE ONE OF OUR PANELISTS, TO OPEN THIS
8 MEETING -- IF YOU WILL, REVEREND HILL -- WITH A
9 PRAYER, PLEASE.

10 MR. HILL: OUR FATHER, WE THANK THEE
11 FOR LIFE. WE THANK THEE FOR THIS DAY. WE THANK
12 THEE FOR THE OPPORTUNITY TO WORK AND TO SERVE FOR
13 THE BETTERMENT OF ALL MANKIND. I PRAY AS A
14 MINISTER OF THE GOSPEL THY BLESSINGS UPON THIS
15 MEETING IN CHRIST'S NAME. AMEN.

16 MR. DOCTOR: MR. CHAIRMAN, WE WOULD
17 LIKE TO ASK PROFESSOR LARRY BOBO, REVEREND JOSEPH
18 AHN, JACK KYSER, AND REVEREND EDWARD V. HILL TO
19 COME TO THE WITNESS TABLE, PLEASE.

20 MR. FLETCHER: WILL YOU REMAIN STANDING
21 FOR A MOMENT WHILE I SWEAR YOU IN, PLEASE. PLEASE
22 RAISE YOUR RIGHT HAND.

23 DO YOU SWEAR OR AFFIRM THAT YOU WILL
24 TRUTHFULLY TESTIFY TO THE BEST OF YOUR ABILITIES?
25 AND PLEASE SAY "YES."

1 (ALL PANELISTS REPLIED IN THE
2 AFFIRMATIVE.)

3 MR. FLETCHER: THANK YOU SO MUCH.

4 NOW, FOR THE SAKE OF THE MEMBERS OF THE
5 PANEL, WE WILL TRY OUR LEVEL BEST, COUNSEL, TO
6 STAY ON SCHEDULE. BUT I AM GOING TO TELL YOU THAT
7 IS GOING TO BE IMPOSSIBLE BEFORE WE DO, BUT WE
8 WILL TRY.

9 MR. GLICK: WE WILL GIVE IT OUR BEST
10 SHOT.

11 MR. FLETCHER: WE WILL GIVE IT OUR
12 BEST. ALL RIGHT. THANK YOU.

13 COUNSEL.

14 MR. GLICK: YES. THANK YOU, CHAIRMAN.
15 I WOULD LIKE TO START WITH PROFESSOR BOBO.

16 PROFESSOR BOBO, IN YOUR POSITION AT
17 UCLA AS DIRECTOR OF THE SURVEY RESEARCH CENTER, WE
18 UNDERSTAND THAT YOU HAVE RECENTLY -- THAT IS,
19 WITHIN THE LAST YEAR OR SO OR 18 MONTHS -- DONE
20 SOME SURVEYS ON INTERGROUP RELATIONS IN THE CITY
21 OF LOS ANGELES. AND I WOULD LIKE TO HAVE YOU
22 DESCRIBE FOR US BRIEFLY YOUR METHODOLOGY AND THE
23 SUBJECT MATTERS THAT YOU INQUIRED INTO IN YOUR
24 SURVEYS.

25 MR. BOBO: CERTAINLY. I WOULD BE HAPPY

1 TO DO SO. I HAVE BEEN INVOLVED WITH TWO SETS OF
2 PROJECTS IN MY CAPACITIES AT UCLA THAT MAY BE OF
3 SOME RELEVANCE TO THE PROCEEDINGS HERE.

4 I DIRECT UCLA'S ANNUAL SURVEY, KNOWN AS
5 THE "LOS ANGELES COUNTY SOCIAL SURVEY." IT IS A
6 REPRESENTATIVE SAMPLE OF ADULTS LIVING IN
7 HOUSEHOLDS HERE IN LOS ANGELES COUNTY. IN 1992,
8 WE HAD AN UNUSUALLY LARGE SAMPLE INTERVIEWING
9 NEARLY 2,000 RESPONDENTS, ACTUALLY 1,896 PEOPLE,
10 IN A 30-MINUTE TELEPHONE INTERVIEW THAT BROADLY
11 DEALT WITH THE SUBJECT "ETHNIC ANTAGONISM IN
12 LOS ANGELES." THIS PROJECT WAS UNUSUAL IN ANOTHER
13 WAY IN THAT OUR FIELD PERIOD, WHAT SURVEY
14 RESEARCHERS CALL OUR "PERIOD OF ACTIVITY OUT
15 ASKING THESE QUESTIONS," WAS ALMOST EXACTLY
16 BISECTED BY THE SIMI VALLEY VERDICT ON APRIL 29TH,
17 1992, AND THE SUBSEQUENT UPRISINGS HERE IN L.A.,
18 MEANING THAT WE CONDUCTED 963 INTERVIEWS PRIOR TO
19 THE RENDERING OF A VERDICT AND THE TUMULTUOUS
20 EVENTS THAT FOLLOWED, AND 906 INTERVIEWS
21 SUBSEQUENT TO IT, GIVING US A RARE AND NATURAL
22 EXPERIMENT OR OPPORTUNITY TO EXAMINE HOW SUCH
23 DRAMATIC AND POLARIZING EVENTS MIGHT HAVE SHAPED
24 INTERGROUP ATTITUDES, BELIEFS, AND PERCEPTIONS.
25 AND I WILL TALK A BIT ABOUT SOME OF THE RESULTS OF

1 THAT STUDY.

2 WE ALSO JUST COMPLETED OUR 1993 L.A.
3 COUNTY ANNUAL SURVEY. AND WE ATTEMPTED TO FOLLOW
4 UP ON SOME OF THE ISSUES, PROBLEMS, AND CONCERNS
5 OBVIOUSLY THAT GREW OUT OF EVENTS OF LAST YEAR.

6 ALONG WITH TWO OF MY OTHER COLLEAGUES
7 AT UCLA, PROFESSOR JAMES JOHNSON AND PROFESSOR
8 MELVIN OLIVER, I AM DIRECTING WHAT WILL BE KNOWN
9 AS THE LOS ANGELES SURVEY OF URBAN INEQUALITY.
10 THIS WILL BE A MASSIVE 4,000 PERSON FACE-TO-FACE
11 INTERVIEW THAT WILL TAKE PLACE AMONG RESIDENTS IN
12 L.A. COUNTY BEGINNING IN LATE JULY. WE WILL
13 INTERVIEW A THOUSAND BLACK HOUSEHOLDS, A THOUSAND
14 WHITE HOUSEHOLDS, A THOUSAND LATINO HOUSEHOLDS,
15 AND A THOUSAND ASIAN HOUSEHOLDS IN A ROUGHLY
16 70-MINUTE QUESTIONNAIRE, DEALING WITH SUBJECTS OF
17 PEOPLE'S LABOR MARKET EXPERIENCES, OUTCOMES, JOB
18 SEARCHING BEHAVIORS, ECONOMIC CIRCUMSTANCES,
19 EXPERIENCES WITH DISCRIMINATION IN THE LABOR
20 MARKET AND THE LIKE, WRESTLING WITH PEOPLE'S
21 NEIGHBORHOOD CONDITIONS, LIVING CONDITIONS,
22 HOUSING SEARCH BEHAVIORS, EXPERIENCES WITH
23 REALTORS, BANKS, LENDERS, AND THE LIKE IN TERMS OF
24 PURCHASING HOUSING, AND, THEN, OF COURSE, DEALING
25 IN DEPTH WITH PEOPLE'S BASIC INTERGROUP ATTITUDES,

1 BELIEFS, AND FEELINGS.

2 THAT PROJECT IS NOT YET IN THE FIELD,
3 BUT A SIGNIFICANT PHASE OF DEVELOPMENTAL WORK HAS
4 BEEN COMPLETED. THAT IS, WE CONDUCTED TEN OF WHAT
5 ARE KNOWN AS "FOCUS GROUP" DISCUSSIONS AS PART OF
6 OUR EFFORT TO DEVELOP A MORE SENSITIVE, ACCURATE,
7 AND USEFUL QUESTIONNAIRE. THESE FOCUS GROUP
8 DISCUSSIONS WERE CONDUCTED WITH FOUR DIFFERENT
9 GROUPS OF LATINOS, TWO OF WHICH WERE CONDUCTED IN
10 SPANISH; TWO GROUPS OF BLACKS; TWO GROUPS OF
11 WHITES; TWO GROUPS OF KOREANS, BOTH OF THOSE
12 GROUPS TOOK PLACE IN KOREAN; TWO GROUPS OF
13 CHINESE, BOTH OF WHICH TOOK PLACE IN MANDARIN
14 CHINESE.

15 THE SUBJECT OF THESE DISCUSSIONS
16 CORRESPONDS UNIQUELY TO THOSE SUBJECTS ULTIMATELY
17 TO BE TAKEN UP IN THE QUESTIONNAIRE -- WHAT IS
18 HAPPENING IN THE LABOR MARKET TO PEOPLE, WHAT IS
19 HAPPENING IN THE HOUSING MARKET, WHY IS THERE SO
20 MUCH RESIDENTIAL SEGREGATION, AND HOW AND WHY WE
21 AS MEMBERS OF DIFFERENT RACIAL AND ETHNIC GROUPS
22 RELATE TO ONE ANOTHER IN DIFFERENT WAYS.

23 SO THAT IS THE SET OF RESEARCH PROJECTS
24 I HAVE BEEN WORKING ON THAT I THINK HAVE SOME
25 BEARING ON THE ACTIVITIES AND INTERESTS OF THIS

1 GROUP.

2 MR. GLICK: PROFESSOR, THAT IS A
3 MASSIVE UNDERTAKING THAT YOU HAVE GOT GOING. DO
4 YOU HAVE ANY IDEA OF WHEN YOU MIGHT HAVE SOME
5 RESULTS READY FOR PUBLICATION FROM THAT SURVEY?

6 MR. BOBO: WE ALREADY HAVE A GENERAL
7 PRELIMINARY REPORT WRITTEN ON THE 1992 SURVEY,
8 WHICH CAN BE MADE AVAILABLE. A REPORT ON THE
9 RECENT 1993 ANNUAL SURVEY WILL BE DONE WITHIN A
10 WEEK TO TWO WEEKS' TIME.

11 OF COURSE, THIS MUCH LARGER PROJECT
12 WILL BE CONDUCTED OVER THE NEXT SEVERAL MONTHS,
13 AND THERE WE MAY BE LOOKING AT AT LEAST SIX AND
14 MORE LIKELY EIGHT MONTHS BEFORE THERE IS
15 SUBSTANTIAL MATERIAL TO REPORT ON THE SET OF
16 SURVEY RESULTS THEMSELVES FROM THAT PROJECT, THE
17 L.A. SURVEY OF URBAN INEQUALITY PROJECT.

18 MR. GLICK: HOW WOULD YOU ANTICIPATE
19 PUBLISHING THE LARGER STUDY?

20 MR. BOBO: IT IS GOING TO COME OUT IN
21 SEVERAL DIFFERENT WAYS. WE WILL, OF COURSE,
22 PURSUE THE NORMAL ACADEMIC JOURNALS. THERE WILL
23 BE A MAJOR BOOK TO COME OUT OF THIS PROJECT AND
24 OTHER UNDERTAKINGS THAT IT IS ASSOCIATED WITH.
25 THERE WILL ALSO BE A PRESS CONFERENCE HELD AT THE

1 APPROPRIATE TIME, INVOLVING AS MANY COMMUNITY
2 LEADERS, POLICY MAKERS, AND OTHERS IN THE
3 NONACADEMIC WORLD WHO WILL HAVE SOME INTEREST IN
4 THE SUBSTANCE OF THOSE RESULTS AS WE CAN BRING
5 TOGETHER.

6 MR. GLICK: THANK YOU.

7 MR. CHAIRMAN, I WOULD LIKE TO TURN IT
8 OVER TO THE COMMISSION NOW.

9 MR. FLETCHER: ALL RIGHT. ANY MEMBERS
10 OF THE COMMISSION MAY ASK QUESTIONS OF DR. BOBO.

11 RUSS?

12 MR. REDENBAUGH: YES, THANK YOU.

13 DR. BOBO, THIS IS A RATHER SUBSTANTIAL
14 SURVEY. HOW IS IT FUNDED?

15 MR. BOBO: THE ANNUAL PROJECT RECEIVES
16 ITS BASE CORE FUNDING FROM UCLA. IT DOES NOT
17 NORMALLY HAVE ADDITIONAL OUTSIDE FUNDS. THE 1992
18 SURVEY, HOWEVER, DID. THE MELLON FOUNDATION
19 CONTRIBUTED A FAIR AMOUNT OF MONEY TO EXPAND THE
20 SAMPLE. THAT IS HOW WE GOT UP TO NEARLY 2,000
21 RESPONDENTS. AND A FORD FOUNDATION GRANT
22 CONTRIBUTED AS WELL. THE LOS ANGELES SURVEY OF
23 URBAN INEQUALITY PROJECT, WHICH IS A MULTI-MILLION
24 DOLLAR UNDERTAKING, IS SUPPORTED BY THE FORD
25 FOUNDATION AND THE RUSSELL SAGE FOUNDATION.

1 MR. REDENBAUGH: IN CONNECTION WITH
2 THAT, THEN, THE PUBLICATION OF THE STUDIES WHEN
3 COMPLETED WILL BE ALSO DONE THROUGH THESE
4 FOUNDATIONS?

5 MR. BOBO: YES. AT LEAST THE MAJOR
6 BOOK PUBLICATION WILL BE GIVEN RIGHTS OF FIRST
7 REFUSAL TO THE RUSSELL SAGE FOUNDATION.

8 MR. REDENBAUGH: AND DO YOU ANTICIPATE
9 FOLLOW-UP STUDIES IN FUTURE YEARS?

10 MR. BOBO: YES. WE DO INDEED HOPE TO
11 BE ABLE TO FOLLOW UP. I SHOULD ADD THAT THIS
12 STUDY HAS SEVERAL OTHER COMPONENTS THAT ARE NOT
13 DIRECTLY UNDER THE CONTROL OF THE RESEARCHERS AT
14 UCLA BUT THAT WE ARE INVOLVED WITH.

15 FOR EXAMPLE, THERE WILL BE A SURVEY OF
16 EMPLOYERS IN THE LOS ANGELES AREA CONDUCTED IN
17 CONJUNCTION WITH THIS PROJECT TO FIND OUT WHAT
18 SORTS OF CHARACTERISTICS THEY ARE SEEKING IN
19 EMPLOYEES ESPECIALLY FOR NEW OR STARTING POSITIONS
20 THAT MIGHT INVOLVE RELATIVELY LOWER SKILLED WORK,
21 WHERE THEY ARE LOOKING, WHERE THEY MIGHT BE
22 AVOIDING, WHO OR WHAT THEY ARE AFTER.

23 IN ADDITION TO THAT SORT OF
24 REPRESENTATIVE SAMPLE WHICH WILL BE CONDUCTED OVER
25 THE TELEPHONE AND LAST ABOUT 30 MINUTES IN LENGTH,

1 THERE WILL BE A SERIES OF MORE STRATEGICALLY
2 SELECTED IN-DEPTH INTERVIEWS CONDUCTED WITH 50 TO
3 75 EMPLOYERS WHO ARE CHOSEN UNDER VARIOUS
4 CRITERIA, SUCH AS, FOR EXAMPLE, HAVING REMAINED IN
5 THE SOUTH CENTRAL AREA FOR A GREAT MANY YEARS,
6 HAVING RECENTLY MOVED FROM SOUTH CENTRAL TO A
7 SUBURBAN LOCATION, HAVING NEWLY OPENED AND CHOSEN
8 AN INNER CITY OR SUBURBAN LOCATION. AND WE WILL
9 BE WRESTLING WITH SUCH QUESTIONS AS TO HOW THOSE
10 DECISIONS WERE MADE, HOW HIGHLY LINKED THEY WERE
11 TO ASSUMPTIONS ABOUT THE POTENTIAL LABOR POOL FOR
12 THE EMPLOYER, AND SO ON.

13 SO THERE ARE ALREADY OTHER, I GUESS ONE
14 COULD SAY, ADD-ONS INTENDED FOR THIS PROJECT.

15 MR. REDENBAUGH: DO YOU KNOW OF ANY
16 OTHER UNDERTAKINGS OF THIS TYPE AND MAGNITUDE IN
17 OTHER AREAS?

18 MR. BOBO: YES. THIS PROJECT IS PART
19 OF WHAT IS KNOWN AS THE "MULTI-CITY SURVEY OF
20 URBAN INEQUALITY." IT IS A LARGE UNDERTAKING. IT
21 NOW INVOLVES RESEARCH TEAMS IN THREE OTHER
22 CITIES -- IN BOSTON, IN ATLANTA, AND IN DETROIT.
23 AND THERE ARE DIFFERENT INVESTIGATORS HEADING UP
24 THE RESEARCH TEAMS IN EACH OF THOSE AREAS.

25 MR. REDENBAUGH: AND ARE THEY ON

1 APPROXIMATELY THE SAME TIMETABLE?

2 MR. BOBO: UNFORTUNATELY, NO. DETROIT
3 IS DONE. LOS ANGELES IS A COMPLICATED PLACE, AS
4 IT TURNS OUT. DETROIT, FOR INSTANCE, IS STILL
5 LARGELY A BLACK/WHITE CITY, AND THE QUESTIONNAIRE
6 DOESN'T HAVE TO BE TRANSLATED AND SO ON. HERE IN
7 LOS ANGELES WE WILL BE FIELDING THE QUESTIONNAIRE
8 IN AT LEAST FIVE LANGUAGES -- ENGLISH, SPANISH,
9 MANDARIN CHINESE, CANTONESE, KOREAN, AND POSSIBLY
10 OTHERS. THEY DON'T HAVE TO WRESTLE WITH THAT IN
11 DETROIT.

12 THE BOSTON SURVEYS AND THE ATLANTA
13 SURVEYS HAVE JUST NOW ENTERED THE FIELD, AND WE
14 ARE NOW TWO MONTHS BEHIND THEM.

15 MR. REDENBAUGH: AND THE ESTIMATED
16 PUBLICATION DATES FOR BOSTON AND ATLANTA? THE
17 REASON I AM ASKING IS BECAUSE THIS COULD BE VERY
18 MUCH OF INTEREST TO US IN OUR INVESTIGATION OF
19 OTHER COMMUNITIES ACROSS THE COUNTRY.

20 MR. BOBO: YES. THAT IS HARD TO SAY.
21 I EXPECT THE FIELD PERIOD FOR THE SURVEYS
22 THEMSELVES WILL LAST THREE MONTHS. THEY HAVE BEEN
23 IN THE FIELD ABOUT TWO WEEKS EACH. AND AFTER THAT
24 TIME, THERE WILL BE A CERTAIN PREPARATION PERIOD
25 BEFORE EVEN ANY PRELIMINARY REPORTS ARE DONE. BUT

1 SOME AVAILABLE EARLY DATA MIGHT BE OUT AS EARLY AS
2 JANUARY FROM THE OTHER SITES.

3 MR. REDENBAUGH: GOOD. THANK YOU VERY
4 MUCH. I HAVE NO QUESTIONS FURTHER.

5 MR. FLETCHER: COMMISSIONER WANG?

6 MR. WANG: MR. BOBO, CAN YOU SHARE WITH
7 US YOUR ASSESSMENT AS YOU HAVE SOMEWHAT COMPLETED
8 OR SOMEWHAT NOT COMPLETED YOUR SURVEY IN TERMS OF
9 THE REGIONAL TENSIONS AND INTERGROUP RELATIONS?

10 MR. BOBO: CERTAINLY. I WOULD BE VERY
11 HAPPY TO DO SO. I AM SEPARATING MY REMARKS INTO
12 TWO DOMAINS.

13 ONE, I THINK, IS THE ONE THAT IS AT THE
14 FOREFRONT OF CONSIDERATIONS HERE TODAY, AND THAT
15 IS THE ISSUE OF ECONOMIC TENSIONS AND COMPETITION
16 BETWEEN MEMBERS OF DIFFERENT RACIAL AND ETHNIC
17 GROUPS. I THINK THERE ARE FIVE POINTS I WOULD
18 LIKE TO TRY TO MAKE ABOUT THAT ON THE BASIS OF THE
19 TWO ANNUAL SURVEYS WE HAVE CONDUCTED AT UCLA.

20 FIRST, I THINK OUR DATA REVEALS
21 MODERATELY HIGH LEVELS OF FEELINGS OF ZERO-SUM
22 ECONOMIC COMPETITION BETWEEN GROUPS. SOMEWHERE
23 BETWEEN ONE AND FIVE AND IN SOME INSTANCES AS MANY
24 AS ONE AND TWO OF LOS ANGELES COUNTY RESIDENTS
25 PERCEIVE THEIR OWN ETHNIC GROUP AS BEING IN

1 COMPETITION OVER SCARCE ECONOMIC RESOURCES. AND
2 THE LEVEL OF THIS TENSION DEPENDS ON THE EXACT
3 COMPARISON OF WHICH WE HAVE ASKED PEOPLE TO
4 RESPOND TO IT AND THINK ABOUT IT. AND I WILL
5 DISCUSS IN GREATER DETAIL SOME OF THOSE IN A
6 MOMENT. ON THE OTHER HAND, IT IS SOMEWHAT
7 REASSURING THAT THESE TENSIONS ARE NOT EVEN
8 HIGHER, I THINK, IN OUR DATA, GIVEN, I THINK, MUCH
9 OF THE IMPRESSION ONE MIGHT DRAW FROM THE MEDIA,
10 ESPECIALLY THE NATIONAL MEDIA, MAYBE NOT SO MUCH
11 THE LOCAL MEDIA, OF THE ACUTE AND HIGHLY POLARIZED
12 NATURE OF GROUP RELATIONS IN L.A.

13 SECONDLY, THE MOST INTENSE CASE OF SUCH
14 PERCEPTIONS OF GROUP ECONOMIC COMPETITION
15 OBVIOUSLY IS THAT INVOLVING BLACK/ASIAN
16 RELATIONSHIPS. AND YOU WILL EXCUSE ME, AS AN
17 INVETERATE SURVEY RESEARCHER, FOR USING THESE
18 LARGE SOCIAL CATEGORIES OF "BLACK," "ASIAN," AND
19 THE LIKE. THEY OBVIOUSLY INVOLVE A GREAT DEAL OF
20 HETEROGENEITY IN TERMS OF BACKGROUNDS, THOUGHTS,
21 BELIEFS, AND FEELINGS, AND THERE IS ALWAYS
22 CONSIDERABLE VARIATION WITHIN THESE CATEGORIES.
23 WHAT I AM TRYING TO DO IS CONTRAST THE AVERAGE
24 PATTERNS AND GROUP DIFFERENCES. BUT THAT IS NOT
25 TO MEAN ALL MEMBERS OF ANY GROUP ARE IDENTIFIED

1 WITH ONE POSITION OR ANOTHER.

2 BUT IN THIS INSTANCE, FOR EXAMPLE, SOME
3 54 PERCENT OF BLACKS NOW IN OUR 1992 L.A. COUNTY
4 SURVEY AGREED OR STRONGLY AGREED WITH THE
5 STATEMENT THAT IF MORE GOOD JOBS WERE GOING TO
6 ASIANS, THAT WOULD MEAN FEWER GOOD JOBS FOR
7 MEMBERS OF OTHER GROUPS. ONLY 28 PERCENT OF
8 ASIANS FELT THAT THERE WAS ECONOMIC COMPETITION OF
9 THAT ZERO-SUM NATURE WHEN ASKED IN REFERENCE TO
10 BLACKS.

11 BLACKS WERE ALSO THE GROUP MOST LIKELY
12 TO FEEL THAT CONTINUED HIGH RATES OF IMMIGRATION
13 WOULD UNDERMINE THEIR OWN ECONOMIC OPPORTUNITIES.
14 FOR EXAMPLE, 47 PERCENT OF BLACK RESPONDENTS IN
15 L.A. COUNTY FELT THAT CONTINUED IMMIGRATION AT
16 CURRENT RATES WOULD RESULT IN LESS OR A LOT LESS
17 ECONOMIC OPPORTUNITY FOR THEMSELVES THAN THEY HAVE
18 NOW. IN COMPARISON, 41 PERCENT OF WHITES
19 RESPONDED IN THIS WAY, ONLY 34 PERCENT OF
20 HISPANICS, AND JUST 29 PERCENT OF OUR ASIAN
21 RESPONDENTS.

22 LET ME MOVE ON TO A THIRD CONCLUSION
23 HERE. THERE IS ALSO, HOWEVER, SUBSTANTIAL
24 EVIDENCE IN OUR SURVEYS OF POTENTIAL FOR
25 LATINO/ASIAN TENSIONS THAT IS VERY NEARLY AS

1 STRONG AS THAT FOUND IN THE INSTANCE OF
2 BLACK/ASIAN TENSIONS. FOR EXAMPLE, 50 PERCENT OF
3 OUR HISPANIC RESPONDENTS AGREED OR STRONGLY AGREED
4 WITH THE STATEMENT THAT MANY ASIANS HAVE BEEN
5 TRYING TO GET AHEAD ECONOMICALLY AT THE EXPENSE OF
6 MEMBERS OF OTHER GROUPS. SIMILARLY, 48 PERCENT OF
7 OUR LATINO RESPONDENTS AGREED OR STRONGLY AGREED
8 THAT IF MORE GOOD JOBS WERE TAKEN BY ASIANS, FEWER
9 OF THEM WOULD GO TO MEMBERS OF OTHER GROUPS.

10 AND I THINK THERE IS A BROADER POINT
11 HERE WE COULD MAKE ON THE BASIS OF SOME OF OUR
12 FOCUS GROUP DISCUSSIONS, WHICH WERE A SURPRISE TO
13 US AS WE CONDUCTED AND OBSERVED THESE. THE FOCUS
14 GROUP DISCUSSIONS NORMALLY INVOLVE 10 TO 12
15 INDIVIDUALS WHO DO NOT KNOW ONE ANOTHER PRIOR TO
16 BEING BROUGHT TOGETHER FOR DISCUSSION. THEY ARE
17 SELECTED IN A WAY SO THAT HOPEFULLY THEY BRING US
18 AS GOOD A CROSS SECTION OF THE COMMUNITY AS ONE
19 CAN ACCOMPLISH WHEN YOU ARE ONLY DEALING WITH 12
20 PEOPLE. BUT IT IS JUST 12 PEOPLE, AND, THEREFORE,
21 IT IS PURELY SUGGESTIVE, NOT TO BE REGARDED AS
22 GENUINELY REPRESENTATIVE OR AS THE BASIS FOR
23 STRONG GENERALIZATION.

24 BUT WHEN WE BROUGHT THESE GROUPS
25 TOGETHER ROUGHLY EQUALLY COMPOSED OF MEN AND WOMEN

1 WITH PEOPLE OF MODEST, NOT EXTREMELY HIGH NOR
2 EXTREMELY LOW INCOMES, ONE OF THE THINGS THAT
3 STOOD OUT TO US WAS THE LEVEL OF TENSION REVEALED
4 IN OUR LATINO GROUPS IN THEIR INTERACTIONS WITH
5 VARIOUS MEMBERS OF THE KOREAN COMMUNITY.

6 THESE TENSIONS EMERGED IN THE SAME AREA
7 THAT IS TYPICALLY RECOGNIZED AS BEING THE MOST
8 ACUTE POINT IN BLACK/KOREAN RELATIONS, THAT IS,
9 PATRON-CLIENT RELATIONS IN VARIOUS BUSINESSES, BUT
10 ALSO TAPPED ON OTHER DOMAINS, SUCH AS
11 EMPLOYER/EMPLOYEE RELATIONS, CO-WORKER RELATIONS,
12 CO-RESIDENTS OF THE SAME NEIGHBORHOODS, AND
13 GENERAL PROBLEMS OF CULTURAL MISUNDERSTANDING AND
14 GENERAL DIFFICULTY IN KIND OF ENGAGING ONE
15 ANOTHER.

16 MR. WANG: WHAT ABOUT THE AFRO-
17 AMERICAN/LATINO RELATIONSHIP?

18 MR. BOBO: THERE WERE PROBLEMS THERE AS
19 WELL. AND I THINK THE FEELING OF GREATEST
20 COMPETITION THERE, I THINK, DEALT WITH ACCESS TO
21 OR CONTROL OF CERTAIN PUBLIC SERVICE POSITIONS
22 WHERE IT WAS FELT -- IT WAS EXPRESSED FAIRLY
23 STRONGLY IN A COUPLE OF THE LATINO GROUPS -- THAT
24 THE LEVEL OF BLACK PRESENCE IN CERTAIN PUBLIC
25 POSITIONS, AND NOT HIGH OFFICE BUT MORE STAFF --

1 SAY, SOMETHING LIKE THE DEPARTMENT OF MOTOR
2 VEHICLES -- SEEMED WAY OUT OF PROPORTION TO
3 REPRESENTATION IN THE POPULATION, AND THAT WAS THE
4 SOURCE OF SOME ANXIETY AND TENSION.

5 MR. WANG: SO, MR. BOBO, IN THE
6 INTERESTS OF TIME, CAN YOU ELABORATE FURTHER FROM
7 YOUR STUDY, YOUR UNDERSTANDING, ANY RECOMMENDATION
8 OF ACTIONS THAT SHOULD BE TAKEN TO ALLEVIATE SOME
9 OF THIS TENSION?

10 MR. BOBO: IT IS HARD TO DRAW SPECIFIC
11 RECOMMENDATIONS FROM THESE SORTS OF DATA BECAUSE
12 THEY ARE DRIVEN MAINLY BY AN INTEREST IN CAPTURING
13 THE BROAD SET OF FEELINGS THAT ARE OUT THERE. THE
14 ONE THING THAT HAS OCCURRED TO ME AND I THINK
15 WOULD BE OF VALUE IS TO SAY THAT IT WOULD BE OF
16 SOME TRUE BENEFIT TO HAVE LOCAL GOVERNMENTS --
17 THAT IS, BOTH THE CITY AND COUNTY LEVEL AT
18 LEAST -- INVEST FAR MORE HEAVILY IN THE ACTIVITIES
19 OF THEIR HUMAN RELATIONS COMMISSION GROUPS, WHICH
20 AT THIS MOMENT REALLY ARE SORELY UNDERFUNDED, AT
21 LEAST IN THE L.A. CITY AND L.A. COUNTY INSTANCES.
22 THAT MAY NOT BE TRUE IN OTHER COMMUNITIES.

23 AND I SAY THAT BECAUSE I THINK MORE
24 SYSTEMATIC CONSIDERATION OF THE IMPACT OF DECISION
25 MAKING, PRIORITY SETTING WITHIN GOVERNMENT OUGHT

1 TO BE DRIVEN BY THE EFFECTS DECISIONS AND
2 PARTICULAR ALLOCATION DECISIONS WILL HAVE ON
3 RELATIONS AMONG GROUPS, NOT MERELY ON AIR QUALITY,
4 NOT MERELY ON TRAFFIC FLOW, NOT MERELY ON BUSINESS
5 AND ENTERPRISE, BUT WHAT IT MAY DO TO BREAK DOWN
6 BARRIERS BETWEEN COMMUNITIES OR TO INCREASE THEM,
7 WHAT IT MAY DO TO BRING ABOUT GREATER HARMONIOUS
8 CONTACT BETWEEN MEMBERS OF DIFFERENT GROUPS TO
9 BRIDGE ECONOMIC BARRIERS, TO BRIDGE CULTURAL
10 BARRIERS. THAT REQUIRES DELIBERATE ATTENTION. IT
11 REQUIRES FOCUSED ATTENTION. IT REQUIRES, IN FACT,
12 A MANDATE TO TAKE THAT SET OF CONSIDERATIONS INTO
13 ACCOUNT EXPLICITLY AND FORMALLY WHEN MAKING
14 JUDGMENTS ABOUT WHAT GOVERNMENT OUGHT TO DO.

15 AND I WILL ADD LASTLY ON THAT NOTE THAT
16 IN OUR MOST RECENT SURVEY WE ASKED A QUESTION
17 EXPRESSLY ON THAT POINT, WHETHER PEOPLE IN L.A.
18 COUNTY THOUGHT THAT THE CITY AND COUNTY GOVERNMENT
19 SHOULD BE SPENDING A GOOD DEAL MORE ON THOSE HUMAN
20 RELATION TYPE EFFORTS OR SPENDING LESS. AND SOLID
21 MAJORITIES OF ALL GROUPS -- ROUGHLY 60 PERCENT OF
22 WHITES, HISPANICS, AND ASIANS, AND OVER 70 PERCENT
23 OF BLACKS -- FELT MORE MONEY OUGHT TO NOW BE SPENT
24 ON SUCH ACTIVITIES.

25 MR. WANG: THANK YOU, PROFESSOR BOBO.

1 MR. FLETCHER: COMMISSIONER REYNOSO?

2 MR. REYNOSO: NO QUESTIONS.

3 MR. FLETCHER: COMMISSIONER GEORGE?

4 MR. GEORGE: NO. THANK YOU,

5 MR. CHAIRMAN.

6 MR. FLETCHER: COMMISSIONER ANDERSON?

7 MR. ANDERSON: I WILL RESERVE MY TIME.

8 MR. FLETCHER: YOU WILL RESERVE YOUR
9 TIME.

10 ALL RIGHT. LET ME ASK YOU THIS ONE
11 QUESTION. I NOTICE ALL OF THESE ARE IN URBAN
12 AREAS, SIGNIFICANTLY LARGE URBAN AREAS.

13 MR. BOBO: YES.

14 MR. FLETCHER: IS THERE ANYTHING GOING
15 ON -- I AM TALKING ABOUT THE NATIONAL PICTURE NOW
16 THAT YOU KNOW OF -- THAT APPLIES TO MODERATE SIZED
17 AND RURAL AREAS OF THE SOUTH AND THE MIDWEST, FOR
18 EXAMPLE, CITIES LIKE OMAHA; DES MOINES, IOWA; AND
19 OTHERS? WE ARE FINDING, AS YOU WELL KNOW, AS MUCH
20 RACIAL TENSIONS IN SOME OF THOSE COMMUNITIES AS
21 THERE ARE IN THE LARGER CITIES CURRENTLY.

22 MR. BOBO: I DO NOT KNOW OF ANY MAJOR
23 NEW RESEARCH PROJECT THAT IS TACKLING THE DYNAMICS
24 TO OPERATE IN MODERATE SIZED OR SMALL SIZED CITIES
25 OR IN RURAL COMMUNITIES. THERE HAVE BEEN A COUPLE

1 OF CONFERENCES TARGETED PRECISELY AT THAT SORT OF
2 QUESTION.

3 AND ONE PLACE ONE MIGHT TURN IS A
4 CONFERENCE NOW -- IT IS TWO, MAYBE THREE YEARS IN
5 THE PAST -- SPONSORED BY THE INSTITUTE FOR
6 RESEARCH ON POVERTY AT THE UNIVERSITY OF WISCONSIN
7 AT MADISON, WHICH REALLY DID TACKLE EXACTLY THAT
8 QUESTION OF INEQUALITY AND INTERETHNIC RELATIONS
9 IN MODERATE SIZED CITIES.

10 AND THE ESSENTIAL CONCLUSION -- IT IS
11 HARD TO BOIL DOWN A THREE-DAY CONFERENCE -- BUT
12 THE ESSENTIAL CONCLUSION IS VERY MUCH IN LINE WITH
13 THE REMARK YOU MUST MADE, MR. CHAIRMAN, WHICH WAS
14 THAT THE DYNAMICS REALLY SEEM TO BE THE SAME IN
15 MANY WAYS. THE SIZE OR SCALE OF THE COMMUNITY DID
16 NOT IN ANY SENSE FUNDAMENTALLY ALTER THE SETS OF
17 PROCESSES AT WORK, SAY, IN TERMS OF THE MAGNITUDE
18 OF ECONOMIC INEQUALITY BETWEEN BLACKS, WHITES, AND
19 OTHER PEOPLE OF COLOR. THE MAGNITUDE OF
20 RESIDENTIAL SEPARATION IN THE COMMUNITIES DID NOT
21 SEEM TO VARY THAT MUCH BY THE SIZE OF THE
22 COMMUNITY INVOLVED.

23 BUT AT THIS TIME, AS I SAID AT THE
24 OUTSET, I DON'T KNOW OF ANY MAJOR NEW RESEARCH
25 INITIATIVES TACKLING THAT SET OF QUESTIONS.

1 MR. FLETCHER: LET'S TAKE ONE MORE THAT
2 IS KIND OF SPECULATIVE, PROVIDED IT CAN BE
3 VALIDATED. THERE IS EVIDENCE THAT THERE IS A
4 TRICKLE OF OUT MIGRATION FROM URBAN AREAS BACK TO
5 THE RURAL SOUTH, BACK TO THE RURAL SOUTH AND
6 SMALLER COMMUNITIES ON THE PART OF THE BLACK
7 COMMUNITY. AT THE SAME TIME, THERE IS ALSO SOME
8 OUT MIGRATION.

9 I LIVE IN COLORADO RIGHT NOW. AND SOME
10 OF THE SMALLER CITIES IN COLORADO ARE BEGINNING TO
11 EXPERIENCE AN INCREASE IN ASIAN POPULATION, AN
12 INCREASE IN BLACK POPULATION, AN INCREASE IN
13 HISPANIC POPULATION. AND THERE IS A SUGGESTION
14 THAT AS THESE ELEMENTS MOVE IN, THE OLD RESIDENTS
15 THERE ARE QUITE UPSET. AND AT THE SAME TIME,
16 THERE IS SOME FRICTION GOING ON AGAIN BETWEEN THE
17 DIFFERENT MINORITY GROUPS THAT ARE COMING IN, AND
18 THEY ARE PICKING AND CHOOSING AS TO WHO GETS THE
19 JOBS AND THESE SORTS OF THINGS.

20 WHAT DO YOU SEE THERE, IF ANYTHING, IF
21 YOU WANT TO MAKE AN OBSERVATION ON THAT? MY POINT
22 IS, WE ARE SUPPOSED TO HOLD A HEARING. WE HAVE
23 HELD HEARINGS IN LARGE COMMUNITIES, AND OUR
24 MANDATE IS TO HOLD A HEARING IN A SMALL OR A RURAL
25 AREA. AND I WOULD JUST LIKE TO HAVE YOU SPECULATE

1 FOR A MINUTE ON THAT WITH REFERENCE TO WHAT YOU
2 ARE FINDING IN LARGE CITIES.

3 MR. BOBO: YES. THAT IS A VERY
4 INTERESTING CASE, AND IT WOULD BE FASCINATING TO
5 HAVE AN OPPORTUNITY TO STUDY A COMMUNITY THAT WAS
6 JUST AFRESH, UNDERGOING SUCH CHANGE AND NEW
7 MOVEMENT AND TO REALLY MONITOR THE SETS OF
8 PROCESSES AT WORK. IT STRIKES ME THAT UNLESS IT
9 IS CAREFULLY MANAGED, ONE IS LIKELY TO SEE THOSE
10 SITUATIONS TAKE ON MANY OF THE CHARACTERISTICS WE
11 KNOW THAT OPERATE IN LARGER URBAN AREAS THAT ARE
12 ALREADY SUBSTANTIALLY HETEROGENEOUS PLACES.

13 ONE REASON FOR THAT, OF COURSE, IS THAT
14 THE NEWLY ENTERING MINORITY GROUPS ARE LIKELY TO
15 BEGIN TO ESTABLISH THEIR OWN COMMUNITIES AS
16 SOURCES OF SOCIAL SUPPORT, AND GAINING A FOOTHOLD
17 AND GETTING ESTABLISHED, AND THAT THEY BECOME
18 IDENTIFIABLE RATHER THAN JUST FULLY BLENDING INTO
19 THE COMMUNITY. AND TO THE EXTENT THEY BRING ANY
20 DIFFERENCES IN CULTURE, TASTE, LANGUAGE, AND SO
21 ON, THE DISTINCTION WILL BE THAT MUCH CLEARER, AND
22 THE POTENTIAL FOR MISUNDERSTANDING AND CONFLICT
23 WILL FLOW FROM THAT AS WELL.

24 SO ONE HAS TO, I THINK, BE MINDFUL AT
25 THE OUTSET OF MANAGING THOSE SITUATIONS IN WAYS

1 THAT DIRECT THEM TOWARD EFFECTIVE, HARMONIOUS
2 INTEGRATION INTO THE ECONOMIC, SOCIAL, AND
3 POLITICAL LIFE OF A COMMUNITY.

4 MR. FLETCHER: THANK YOU VERY MUCH.

5 I JUST MIGHT ADD. A FEW PEOPLE THAT
6 I HAVE TALKED WITH, FAMILIES THAT I HAVE TALKED
7 WITH, ARE LEAVING MAJOR URBAN AREAS TO SMALLER
8 AND/OR RURAL COMMUNITIES. BELIEVE IT OR NOT, THEY
9 ARE LOOKING FOR AN OPPORTUNITY FOR THEIR KIDS TO
10 HAVE A BETTER EDUCATION. YOU ASK THEM RIGHT OFF
11 THE TOP, "WHAT BROUGHT YOU OUT HERE?"

12 "WELL, WE CAN LIVE ON A DEPRESSED
13 INCOME, BUT THE OPPORTUNITY FOR THE KIDS TO GET A
14 BETTER EDUCATION SEEMS TO EXIST OUT HERE IN THE
15 SMALLER COMMUNITIES."

16 OF COURSE, WHAT THE KIDS OUT HERE ARE
17 RUNNING INTO IS, "YOU ARE NOT WELCOME. WE REALLY
18 DON'T WANT YOU HERE." SO IT LOOKS LIKE A DREAM
19 THAT IS KIND OF GOING UP IN SMOKE.

20 THANK YOU SO MUCH.

21 MR. BOBO: THANK YOU.

22 MR. FLETCHER: COUNSEL?

23 MR. GLICK: THANK YOU, MR. CHAIRMAN.

24 I WOULD LIKE NOW TO TURN TO MR. JACK
25 KYSER.

1 MR. KYSER, YOU ARE AN ECONOMIST WITH
2 THE ECONOMIC DEVELOPMENT CORPORATION, AND YOU MAKE
3 ANNUAL SURVEYS OF THE LOS ANGELES ECONOMIC
4 PICTURE. COULD YOU GIVE US YOUR BRIEF OVERVIEW OF
5 YOUR CURRENT THOUGHTS ABOUT THE RECENT ECONOMIC
6 TRENDS IN LOS ANGELES AND WHAT YOU SEE IN, LET'S
7 SAY, THE NEAR TERM OF THE NEXT 12 MONTHS, AND A
8 BRIEF VIEW OF WHAT YOU WOULD SEE AS THE LONG TERM
9 IN, LET'S SAY, THE NEXT FIVE YEARS IN ECONOMIC
10 TRENDS IN LOS ANGELES COUNTY AND THE CITY?

11 MR. KYSER: WHAT YOU ARE DEALING WITH
12 IN LOS ANGELES IS NOT JUST A RECESSION. IT IS A
13 MAJOR STRUCTURAL CHANGE IN YOUR ECONOMY.

14 WE LITERALLY REACHED THE PEAK OF OUR
15 ECONOMIC GROWTH BACK IN ABOUT THE MIDDLE OF 1990,
16 AND WE ARE STILL IN DECLINE AS MEASURED BY
17 UNEMPLOYMENT. YOU HAVE SEEN A VERY SIGNIFICANT
18 EMPLOYMENT LOSS ON THE ORDER OF AROUND 300,000
19 NONFARM JOBS. THESE LOSSES ARE COMING IN
20 INDUSTRIES THAT ARE VERY CRITICAL TO THE ETHNIC
21 COMMUNITY. IT IS COMING IN MANUFACTURING,
22 ESPECIALLY DURABLE GOODS MANUFACTURING, IN
23 CONSTRUCTION, AND IN RETAILING.

24 YOU HAVE THE SITUATION NOW WHERE THE
25 NATIONAL ECONOMY IS GROWING, BY THE REVISED DATA.

1 THAT IS A LITTLE BIT MORE RAPID GROWTH THAN PEOPLE
2 HAD EXPECTED. BUT WHAT YOU ARE SEEING IS THAT
3 THIS YEAR PROBABLY IN LOS ANGELES COUNTY WE WILL
4 LOSE ON THE ORDER OF AROUND SIXTY TO 70,000
5 NONFARM JOBS. THE IDEA IS HOPEFULLY YOU ARE GOING
6 TO REACH A BOTTOM BY THE END OF 1993, MAYBE EARLY
7 1994, AND THEN PROBABLY YOU WILL JUST MOVE
8 SIDWAYS BECAUSE THE REALITY IS YOU ARE STILL
9 GOING TO BE LOSING JOBS IN YOUR AEROSPACE DEFENSE
10 INDUSTRY. THESE JOBS ARE HIGH-POWERED JOBS.

11 IF YOU DO SOME EXAMINATION, THERE WAS
12 ANOTHER SURVEY THAT CAME OUT OF UCLA WHERE THEY
13 WERE FOLLOWING WHAT HAPPENED TO THE DISPLACED
14 AEROSPACE WORKERS. THEY FOUND A SIGNIFICANT
15 ETHNIC COMMUNITY EXPOSURE IN AEROSPACE. AND THEN
16 FOR ALL THESE DISPLACED WORKERS, THERE WAS A
17 SIGNIFICANT PROBLEM IN GETTING REEMPLOYED AT A
18 DECENT WAGE LEVEL.

19 WHAT WE ARE ALSO STARTING TO SEE ARE
20 MORE JOB LOSSES IN THE GOVERNMENT SECTOR BECAUSE
21 OF THE ONGOING BUDGET PROBLEMS AT STATE AND LOCAL
22 GOVERNMENTS. AND SO THIS TREND IS GOING TO
23 CONTINUE IN 1994.

24 THE QUESTION IS, HOW SOON DO YOU START
25 TO COME OUT OF THIS THING? WE HAVE DONE SOME

1 FORECASTING, AND PROBABLY YOU WILL START TO SEE
2 SOME TYPE OF MODERATE GROWTH IN 1995. BUT THE
3 REALITY IS IT COULD BE 1997 OR 1998 BEFORE
4 LOS ANGELES COUNTY GETS BACK TO THE PEAK
5 EMPLOYMENT LEVEL THAT IT HAD IN 1990.

6 MR. GLICK: DO YOU SEE ANY KIND OF
7 INDUSTRIAL REGROWTH THAT COULD REPLACE SOME OF THE
8 EMPLOYMENT IN THE DEFENSE AND AIRCRAFT INDUSTRY?

9 MR. KYSER: YES. THERE IS A
10 SIGNIFICANT POTENTIAL FOR EXPLORING NEW
11 OPPORTUNITIES BASED ON AEROSPACE DEFENSE.

12 TOMORROW MORNING THERE WILL BE A PRESS
13 CONFERENCE ANNOUNCING THE START OF A DEFENSE
14 CONVERSION PROGRAM IN LOS ANGELES WHERE THERE WILL
15 ACTUALLY BE THE AWARDING OF THE FIRST THREE, WHAT
16 WE CALL, "SEED LOANS" TO SMALL AEROSPACE FIRMS.
17 THERE IS ALSO AN EFFORT TO ESTABLISH A
18 TRANSPORTATION RESEARCH CENTER HERE IN THE
19 LOS ANGELES AREA THAT WOULD SERVE THE WHOLE STATE
20 OF CALIFORNIA.

21 THE PROBLEM THAT YOU HAVE GOT HERE IS
22 THAT YOU HAVE A GAP BETWEEN THE IMPLEMENTATION OF
23 SUCH A PROGRAM AND THE TIME TO WHERE YOU GET ANY
24 SIGNIFICANT PAYOFF IN TERMS OF NEW JOBS THAT ARE
25 CREATED. AND THE IDEA IS THAT IF YOU HAVE A

1 DISPLACED WORKER THAT IS OLDER -- SAY, ANY WORKER
2 OVER THE AGE OF 50 -- THESE PEOPLE ARE AT
3 SIGNIFICANT RISK AS TO WHAT HAPPENS TO THEM.

4 AND I THINK THE OTHER IDEA THAT IS
5 COMING OUT OF THIS IS THAT AEROSPACE DEFENSE IS
6 NOT JUST THE DEFENSE INDUSTRY ITSELF. LOS ANGELES
7 HAS A SIGNIFICANT EXPOSURE TO THE COMMERCIAL
8 AIRLINE INDUSTRY, AND THAT HAS GOTTEN TO BE A VERY
9 COMPETITIVE ACTIVITY. THE COMPETITION IS NOT JUST
10 FROM BOEING. IT'S THE INTERNATIONALLY KNOWN "AIR
11 BUS INDUSTRY" AND WHAT HAVE YOU. SO THESE ARE
12 VERY HIGH-POWERED TYPES OF JOBS.

13 THERE WAS A STUDY THAT WAS DONE THAT
14 INDICATED THAT FOR EVERY DIRECT AEROSPACE JOB LOST
15 THERE WERE TWO OTHER JOBS LOST IN THE COMMUNITY.
16 WHEN THAT REPORT CAME OUT, THAT WAS CRITICIZED.
17 WHAT WE ARE FINDING IS THAT THIS MULTIPLIER IS
18 EVEN HIGHER. FOR EVERY DIRECT JOB LOST, THERE ARE
19 2.5 ADDITIONAL JOBS LOST.

20 THE OTHER PROBLEM WE ARE FACING IS THAT
21 IN THIS AEROSPACE DEFENSE CONVERSION EFFORT, THERE
22 IS A LOT OF COMPETITION TO GET THE MONEY THAT IS
23 GOING TO BE COMING FROM THE FEDERAL GOVERNMENT FOR
24 VARIOUS PROGRAMS, AND YOU ARE SEEING A LOT OF
25 DUPLICATION. THE IDEA IS THAT THIS PROCESS OF

1 CONVERSION CAN BE EFFECTIVE. BUT WHAT I AM VERY
2 AFRAID OF IS THAT THERE IS GOING TO BE
3 COMPETITION, THE FUNDS WILL BE SPLIT OFF, AND YOU
4 WON'T GET AS MUCH OF AN IMPACT AS YOU PROBABLY
5 COULD HAVE IF YOU HAD A VERY FOCUSED, WELL
6 COORDINATED EFFORT.

7 MR. GLICK: WELL, THERE WILL BE, AS YOU
8 EXPRESSED, SOME REPLACEMENT OF THE AEROSPACE AS WE
9 HAVE KNOWN IT IN SOUTHERN CALIFORNIA DURING THE
10 '80S IN A COUPLE OF YEARS WHICH HAS PRETTY WELL
11 GONE DOWNHILL. BUT THE STATISTICS THAT I HAVE
12 SEEN SUGGEST THAT A LARGE PART OF THAT WORK FORCE
13 THAT WAS DISPLACED WAS MINORITY GROUP MEMBERS,
14 PARTICULARLY BLACK AND LATINO.

15 DO YOU THINK THAT THE INDUSTRY, IF NOT
16 FULLY REPLACED, WILL AT LEAST CONTRIBUTE TO SOME
17 JOB RESTORATION? WILL THOSE INDUSTRIES BE HIRING
18 THE SAME SKILL LEVEL OF WORKERS THAT THE LOST
19 INDUSTRIES HAD SO THAT THERE WILL, IN FACT, BE
20 JOBS FOR THESE MINORITY SKILLED, SEMI SKILLED, AND
21 TECHNICAL WORKERS?

22 MR. KYSER: THAT IS A VERY GOOD
23 QUESTION BECAUSE SURVEY WORK HAS BEEN DONE
24 INDICATING THAT IN THIS CONVERSION EFFORT FROM
25 AEROSPACE DEFENSE TO COMMERCIAL MARKETS, THE BEST

1 OPPORTUNITIES ARE GOING TO BE FOUND IN YOUR SMALL
2 SUPPLIERS. THE PRIME CONTRACTORS WILL DO A LITTLE
3 BIT, AND, OF COURSE, THEY HAVE BEEN VERY
4 AGGRESSIVE IN HIRING ETHNIC MINORITIES BECAUSE OF
5 THE DOD REQUIREMENTS. SUBCONTRACTORS ARE GOING TO
6 DO A LITTLE BIT OF THIS CONVERSION, BUT THE
7 BIGGEST EFFORT IS GOING TO BE FOUND IN YOUR
8 SMALLER COMPANIES.

9 THE IDEA IS WHO IS GOING TO BE THE
10 OWNERS OF THESE COMPANIES, AND ARE THEY GOING TO
11 RUN UP AGAINST ANY GOVERNMENT AND SPECIAL AGENCY
12 REQUIREMENTS. YOU JUST CANNOT SAY AT THIS TIME.
13 I THINK WHAT WE HAVE GOT TO DO IS WE HAVE GOT TO
14 MAKE A CONSCIENTIOUS EFFORT TO REACH OUT AND
15 COMMUNICATE TO THE VARIOUS ETHNIC GROUPS THAT
16 THESE PROGRAMS ARE AVAILABLE.

17 ONE THING THAT WE HAVE FOUND IN OUR
18 WORK IS THAT THERE ARE A LOT OF PROGRAMS TO HELP
19 ENTREPRENEURS, TO HELP THE BUSINESS COMMUNITY NO
20 MATTER WHERE THEY ARE LOCATED. BUT THERE IS A
21 COMMUNICATION GAP, A DEFINITE COMMUNICATION
22 BREAKDOWN. SO I THINK THIS IS SOMETHING THAT ANY
23 PROGRAM THAT IS COMING OUT OF A GOVERNMENT AGENCY
24 HAS TO UNDERSTAND. THERE HAS TO BE A VERY
25 DEFINITE COMMUNICATION ELEMENT REACHING OUT TO THE

1 COMMUNITIES THAT THEY WANT TO IMPACT. AND RIGHT
2 NOW THERE IS NO THOUGHT INTO THAT SO I CANNOT
3 REALLY GIVE YOU ANY GOOD ANSWER.

4 I HOPE THAT THEY ARE INCLUDED, BUT WE
5 JUST DON'T KNOW RIGHT NOW. WE ARE ON THE CUTTING
6 EDGE. THERE IS NO COOKBOOK FOR THIS TYPE OF
7 ACTIVITY.

8 MR. GLICK: THANK YOU, MR. KYSER.

9 MR. CHAIRMAN, I HAVE NO QUESTIONS AT
10 THIS POINT.

11 MR. FLETCHER: MEMBERS OF THE PANEL?
12 RUSS?

13 MR. REDENBAUGH: I THINK MR. WANG HAS A
14 QUESTION.

15 MR. WANG: YOU GAVE THE SAD IMPRESSION
16 THAT L.A. IS NOT AT THIS VERY MOMENT THE MOST
17 HEALTHY CLIMATE TO DO BUSINESS. CAN YOU ELABORATE
18 A LITTLE BIT ON THAT?

19 MR. KYSER: YES. RIGHT NOW YOU HAVE
20 THE PERCEPTION THAT THERE IS AN UNFAVORABLE
21 BUSINESS ENVIRONMENT IN LOS ANGELES COUNTY, IN THE
22 CITY OF LOS ANGELES, AND IN THE STATE OF
23 CALIFORNIA. WHAT YOU FIND IS THAT THERE IS A
24 VARIETY OF RULES AND REGULATIONS, A VARIETY OF
25 PROGRAMS THAT CREATE AN UNFAVORABLE ENVIRONMENT

1 FOR ANY TYPE OF BUSINESS REGARDLESS OF WHO THE
2 OWNER IS.

3 MOST PEOPLE ARE FOCUSING ON THE ISSUE
4 OF WORKERS' COMPENSATION INSURANCE, ABUSE, AND
5 FRAUD. THERE IS SOME EFFORT IN THE STATE
6 GOVERNMENT RIGHT NOW TO TRY TO DO SOME REFORM ON
7 THAT. WE HAVE OUR FINGERS CROSSED THAT THAT IS
8 GOING TO HAPPEN. BUT WHAT YOU RUN INTO ARE ALL
9 TYPES OF OTHER REGULATIONS COMING FROM THE FEDERAL
10 GOVERNMENT, COMING FROM THE STATE GOVERNMENT,
11 COMING FROM SPECIAL DISTRICTS.

12 THE MOST VISIBLE EXAMPLE IS YOUR AIR
13 QUALITY MANAGEMENT DISTRICT. A LOT OF TIMES WHAT
14 YOU GET IS A GRIDLOCK CAUSED BY TRYING TO MEET ALL
15 OF THESE REGULATORY REQUIREMENTS. AND YOUR
16 PERMITTING PROCESS GETS TO BE VERY EXPENSIVE AND
17 VERY, VERY TIME CONSUMING. AND THIS HAS AN IMPACT
18 ON YOUR SMALL ENTREPRENEURIAL TYPE OF ACTIVITIES
19 IN YOUR ETHNIC COMMUNITIES. IT MAKES IT VERY
20 DIFFICULT FOR THEM TO TRY TO MEET THESE
21 REQUIREMENTS, TO TRY TO FIND OUT WHAT THEY HAVE TO
22 DO.

23 AND YOU HAVE A SITUATION OF WHERE IF
24 YOU GET A PERMIT FROM ONE ENTITY OF GOVERNMENT,
25 ANOTHER ENTITY MAY NOT GIVE YOU THE PERMIT THAT

1 YOU NEED. THERE IS CONFLICT. AND THE IDEA IS YOU
2 HAVE TO SORT OF STREAMLINE THIS REGULATORY
3 ENVIRONMENT. THERE IS ANOTHER EFFORT THAT IS
4 UNDER WAY IN THE STATE OF CALIFORNIA TO TRY TO DO
5 A LITTLE BIT OF THIS.

6 BUT, BASICALLY, WHAT YOU HAVE TO SAY
7 IS, IF YOU ARE TRYING TO GO INTO BUSINESS, THERE
8 IS A LOT OF SUPPORT ACTIVITY OUT THERE. BUT HOW
9 DO YOU FIND OUT ABOUT IT, HOW DO YOU ACCESS IT?
10 BUT THEN ALSO ONCE YOU DECIDE YOU WANT TO START A
11 BUSINESS, HOW QUICKLY IS IT GOING TO BE BEFORE YOU
12 CAN GET THESE PERMITS? AND, UNFORTUNATELY, IF YOU
13 ARE DEALING, SAY, SPECIFICALLY WITH THE CITY OF
14 LOS ANGELES RIGHT NOW, IT CAN BE A VERY TIME
15 CONSUMING, FRUSTRATING PROCESS.

16 MR. WANG: THE OTHER SIDE OF THE COIN
17 IS HOW AGGRESSIVELY THE L.A. GOVERNMENT TOGETHER
18 WITH YOUR ORGANIZATION WOULD REALLY WORK TOWARDS
19 KEEPING THE BUSINESS HERE FROM FLEEING L.A.?

20 MR. KYSER: WHEN YOU ARE DEALING WITH
21 GOVERNMENT IN L.A., YOU HAVE THE COUNTY
22 GOVERNMENT, YOU HAVE 88 SEPARATE INCORPORATED
23 CITIES, WHICH RANGE FROM THE CITY OF LOS ANGELES
24 DOWN TO A CITY CALLED VERNON WITH 90 PEOPLE IN IT.
25 WHAT YOU RUN INTO IS THAT THE OTHER 87 CITIES IN

1 THE COUNTY DO NOT ESPECIALLY LIKE THE CITY OF
2 LOS ANGELES, SO THEY ARE NOT EXACTLY ANXIOUS TO
3 WORK WITH THEM.

4 YOU HAVE THE STATE GOVERNMENT INVOLVED
5 IN THIS SITUATION OF BUSINESS ATTRACTION, SO IT IS
6 VERY DIFFICULT TO BUILD UP SOME TYPE OF A
7 CONSISTENT, COHERENT PROGRAM, WHEN YOU HAVE A LOT
8 OF COMPETITION FROM VARIOUS ENTITIES THAT HAVE
9 BEEN SET UP TO DO ECONOMIC DEVELOPMENT. AND THE
10 REALITY IS THAT YOU ARE DOING THIS IN LITERALLY
11 RECESSION OR DEPRESSED TIMES. AND THIS IS AN
12 EXPENSIVE AND TIME CONSUMING EFFORT.

13 SO THERE ARE EFFORTS OUT THERE, BUT
14 WHAT WE WOULD LIKE TO SEE IS MORE LEADERSHIP FROM
15 THE GOVERNMENT SIDE AND THEN THE IDEA THAT THE
16 BUSINESS COMMUNITY HAS TO COME FORWARD WITH SOME
17 FUNDS. AND IT IS TOUGH FOR THEM TO EXPLAIN THIS
18 TYPE OF ACTIVITY TO THEIR SHAREHOLDERS. WHEN
19 TIMES ARE TOUGH, PROFITS ARE UNDER REAL PRESSURE.

20 MR. WANG: DO YOU ATTRIBUTE TO THE VERY
21 UNFAVORABLE OUTCOME SO FAR -- IN SOUTH CENTRAL, IN
22 PARTICULAR -- IN RESTORING THE BUSINESS, WE WERE
23 TOLD ONLY ONE QUARTER OF THE BUSINESSES OUT OF THE
24 2,000 OR SO DESTROYED HAVE ACTUALLY OPENED UP, SO
25 THE REST ARE NOT IN BUSINESS. THAT MEANS THAT

1 THAT MANY PEOPLE STILL ARE OUT OF JOBS.

2 IN JUST HEARING WHAT YOU ARE SAYING, IS
3 THIS KIND OF BUREAUCRATIC OBSTACLE ONE MAJOR
4 FACTOR PREVENTING THE BUSINESSES FROM REOPENING?

5 MR. KYSER: IF YOU ARE TRYING TO DO
6 BUSINESS IN THE DEPRESSED AREAS OF THE
7 COMMUNITY -- BE THEY SOUTH CENTRAL OR ACTUALLY IN
8 HOLLYWOOD WHERE THERE WERE SOME DISTURBANCES OR
9 ELSE IN THE SAN FERNANDO VALLEY IN THE PACOIMA
10 AREA -- IT IS VERY TOUGH. AND THE IDEA IS, DO
11 YOUR CUSTOMERS WANT TO COME INTO THESE AREAS?
12 YOU HAVE FEAR LITERALLY ON THE PART OF CUSTOMERS
13 FROM ELSEWHERE IN THE UNITED STATES ABOUT COMING
14 INTO LOS ANGELES AS A WHOLE, LET ALONE GOING INTO
15 DISTRESSED AREAS.

16 THEN THE OTHER REALITY IS THAT YOU HAVE
17 BUSINESS RECRUITERS FROM OTHER STATES THAT ARE
18 VERY ACTIVE IN THE LOS ANGELES AREA TRYING TO LURE
19 BUSINESS OUT, AND THE RECENT DISTURBANCES ARE SORT
20 OF A SUBTLE SELLING TOOL. AND THESE PEOPLE ARE
21 OFFERING VERY, VERY ATTRACTIVE INCENTIVES.

22 FOR EXAMPLE, THERE IS A SUBURB OF
23 ALBUQUERQUE CALLED "RIO RANCHOS," AND THEY JUST
24 RECENTLY WERE ABLE TO ATTRACT A FIRM THAT HAD TWO
25 FACILITIES -- ONE IN SOUTH CENTRAL, ONE IN

1 PACOIMA -- AND THEY TOOK IT TO RIO RANCHOS. AND
2 THEY WERE OFFERING 30-YEAR TAX ABATEMENTS IN AN
3 INDUSTRIAL DEVELOPMENT AREA WITH LOW INTEREST
4 RATES.

5 SO BASICALLY WHAT YOU HAVE GOT IS WHAT
6 WE CALL AN IN-WAR BETWEEN THE STATES -- OVER THE
7 ECONOMIC BASE -- AND LOS ANGELES BECAUSE THE
8 PERCEPTION OF LOS ANGELES IS THAT IT IS A HAPPY
9 HUNTING GROUND FOR THESE PEOPLE. AND IT MAKES IT
10 VERY TOUGH WHEN WE ARE LOSING GOOD FIRMS THAT ARE
11 ALREADY IN SOUTH CENTRAL TO SURROUNDING COUNTIES
12 AND TO OTHER STATES. AND THESE ARE LITERALLY YOUR
13 ECONOMIC ANCHORS, AND IT IS DIFFICULT TO TRY TO
14 HOLD ONTO THESE, LET ALONE ATTRACT ANY NEW LARGE
15 FIRMS INTO THIS AREA.

16 MR. WANG: ONE OTHER QUESTION. ARE YOU
17 INVOLVED WITH REBUILD L.A., OR YOUR FIRM?

18 MR. KYSER: YES, WE ARE. WE ARE
19 INVOLVED WITH REBUILD L.A. I THINK ONE OF OUR
20 MAJOR MISSIONS IS TO SORT OF REACH OUT AND TRY TO
21 GET INVOLVED AND FORM COALITIONS. WE ARE INVOLVED
22 WITH REBUILD L.A. I AM INVOLVED WITH THE LOCAL
23 ISSUES SUPPORTING THE ECONOMIC DEVELOPMENT
24 ACTIVITY. AND WE ARE GOING TO HEAR TESTIMONY FROM
25 DR. DENISE FAIRCHILD LATER ON THE VALLEY ECONOMIC

1 DEVELOPMENT CENTER.

2 I THINK ONE THING THAT WE HAVE TO DO --
3 PERSONALLY, I FEEL I HAVE TO DO -- IS TRY TO REACH
4 OUT AND EDUCATE PEOPLE AND FORM COALITIONS AND
5 REACH OUT.

6 MR. WANG: I AM CONCERNED AT LEAST THAT
7 ALLEGEDLY NOT MUCH HAS BEEN DONE SO FAR. CAN YOU
8 HELP TO DEMYSTIFY THAT IN SOME WAY?

9 MR. KYSER: WELL, I THINK IF YOU LOOK
10 AT OUR L.A., IN SOME CASES, IT HAS BEEN
11 SUCCESSFUL. BUT THE IDEA IS THAT OUR L.A. HAS NOT
12 BEEN IN BUSINESS THAT LONG. AND YOU HAVE TO GET
13 OUT AND EDUCATE PEOPLE AS TO WHY THEY HAVE TO DO
14 THINGS, WHY THEY HAVE TO GET INVOLVED.

15 AND I THINK THERE WERE EXPECTATIONS
16 RAISED THAT OUR L.A. WAS GOING TO HAVE IMMEDIATE
17 IMPACT. AND NOW IT IS OVER A YEAR, AND IT IS
18 STARTING TO HAVE SOME VERY GOOD PROGRAMS COMING
19 OUT OF IT. AND I THINK PEOPLE DID NOT GIVE
20 REBUILD L.A. ENOUGH TIME. THEY EXPECTED
21 INSTANTANEOUS RESULTS.

22 THE PROBLEMS IN SOUTH CENTRAL HAVE BEEN
23 BUILDING FOR DECADES, AND YOU CANNOT TURN THAT
24 AROUND IN ONE YEAR. AND I THINK THE MEDIA HAD
25 THIS PERCEPTION THAT SIX MONTHS AFTER THE RIOTS

1 THERE WERE GOING TO BE MIRACULOUS RECOVERY EFFORTS
2 SEEN. AND THAT IS NOT THE REALITY. AND I THINK
3 THE MEDIA HAS SORT OF CONTINUED TO CREATE THIS
4 UNFAVORABLE IMAGE OF LOS ANGELES.

5 BASICALLY LOS ANGELES HAS DECLINED BY
6 WHAT YOU SEE IN SOUTH CENTRAL LOS ANGELES, AND
7 THAT IS NOT THE CASE. AND THAT HURTS OUR EFFORTS
8 IN TRYING TO RETAIN BUSINESS, ATTRACT BUSINESS.

9 MR. WANG: THANK YOU.

10 MR. FLETCHER: MR. REDENBAUGH?

11 MR. REDENBAUGH: THANK YOU.

12 I JUST WOULD LIKE TO MAKE A COMMENT,
13 AND THEN, DR. KYSER, IF YOU WOULD COMMENT ON MY
14 COMMENT. CERTAINLY THE CONTRACTION OF THE
15 AEROSPACE INDUSTRY EXACERBATES THE PROBLEMS OF
16 LOS ANGELES COUNTY, AND CERTAINLY THE DISTURBANCES
17 OF A YEAR AGO HAVE ACCELERATED THE WILLINGNESS OF
18 BUSINESSES TO MOVE TO OTHER AREAS.

19 BUT IT IS MY IMPRESSION THAT
20 EXCESSIVELY FOCUSING ON THOSE TWO PROBLEMS MAY
21 BLIND US TO WHAT I SEE ACROSS THE WHOLE STATE,
22 WHICH IS THAT THE BUSINESS CLIMATE UP AND DOWN THE
23 STATE OF CALIFORNIA IS SUCH THAT BUSINESSES IN ALL
24 REGIONS OF THE STATE ARE CLOSING AND MOVING TO
25 NEIGHBORING STATES, AND THAT THE PROBLEM IS A

1 PROBLEM THAT IS MUCH LARGER THAN LOS ANGELES
2 COUNTY AND AFFECTS THE STATE UNIFORMLY.

3 WOULD YOU COMMENT ON THAT?

4 MR. KYSER: YES. I THINK THE BUSINESS
5 CLIMATE ISSUE IS -- YOU RUN INTO A LOT OF
6 CRITICISM. PEOPLE SAY THAT THERE IS NO PROBLEM
7 WITH THE BUSINESS ENVIRONMENT IN CALIFORNIA. BUT
8 IF YOU REALLY GET OUT AND TALK TO THE BUSINESS
9 COMMUNITY, NO MATTER WHERE IT IS LOCATED, NO
10 MATTER WHO OWNS IT, YES, THE BUSINESS ENVIRONMENT
11 IS A VERY DEFINITE IMPEDIMENT.

12 YOU HAVE THE DEFENSE AEROSPACE
13 DOWNSIZING, THE BUSINESS ENVIRONMENT ISSUE, AND
14 THE RESTRUCTURING THAT HAS GONE ON IN THE SERVICE
15 SIDE OF THE ECONOMY IN THE STATE OF CALIFORNIA.
16 COMBINE THAT WITH THE RECENT RIOTS, AND BASICALLY
17 WHAT YOU HAVE IS A CONVERGENCE OF FOUR VERY
18 SIGNIFICANT POWERFUL FORCES THAT INDIVIDUALLY
19 WOULD HAVE BEEN DIFFICULT TO DEAL WITH. BUT WHEN
20 YOU HAVE ALL FOUR TOGETHER, IT BECOMES A
21 SIGNIFICANT PROBLEM.

22 MR. REDENBAUGH: AND IF THIS IS A
23 STATEWIDE PROBLEM, IT IS UNLIKELY THAT WE COULD
24 GET HELP FROM OTHER PLACES IN THE STATE FOR THIS
25 COUNTY?

1 MR. KYSER: BASICALLY, WHAT YOU FIND IS
2 YOU GO TO SACRAMENTO, AND THERE IS A LATENT
3 HOSTILITY TO LOS ANGELES. THEY DO NOT ESPECIALLY
4 LIKE LOS ANGELES IN SACRAMENTO. SO THE
5 LEGISLATORS GO THERE IN WHAT IS A COMPLETELY
6 DIFFERENT ENVIRONMENT, AND THEY COMPLETELY FORGET
7 THE PROBLEMS THAT WE FACE DOWN HERE IN
8 LOS ANGELES. IT IS DIFFICULT TO COMMUNICATE WITH
9 THE PEOPLE IN SACRAMENTO.

10 MR. FLETCHER: THAT SOUNDS LIKE
11 WASHINGTON, D.C.

12 MR. REDENBAUGH: I NOTICE THE DEBATE
13 OVER THE POTENTIAL PETITIONING OF THE STATE
14 REVOLVES AROUND WHO IS GOING TO HAVE TO TAKE L.A.

15 MR. KYSER: IF YOU LOOK AT THE STATE'S
16 ECONOMY, WHAT YOU FIND IS IF YOU TAKE THE FIVE
17 COUNTY AREA -- LOS ANGELES, ORANGE, RIVERSIDE,
18 SAN BERNARDINO, AND VENTURA COUNTY -- DEPENDING ON
19 WHAT MEASURE YOU ARE USING, THAT IS 50 TO 60
20 PERCENT OF THE STATE'S ECONOMY.

21 MR. REDENBAUGH: JUST IN THOSE FIVE
22 COUNTIES?

23 MR. KYSER: JUST IN THOSE FIVE
24 COUNTIES. AND THE IDEA IS THAT THE STATE IS NOT
25 GOING TO TURN AROUND UNTIL THOSE FIVE COUNTIES

1 TURN AROUND. IF YOU LOOK AT THE JOB LOSS
2 REGARDLESS OF WHERE IT IS, IN AEROSPACE OR JUST
3 BUSINESS AS A WHOLE, IT HAS BEEN CONCENTRATED IN
4 THE FIVE COUNTY AREA. IF YOU ADD IN SAN DIEGO
5 COUNTY TO THE SOUTH, THE CRITICAL MASS GETS
6 LARGER.

7 BASICALLY, WHAT YOU FIND IS IF YOU
8 SPLIT THE STATE UP -- IF YOU HAD NORTHERN
9 CALIFORNIA, DEPENDING ON HOW YOU DEFINED IT,
10 NORTHERN COUNTIES HAVE TRADITIONALLY BEEN VERY
11 WEAK ECONOMIES BASED ON MARGINAL AGRICULTURE,
12 MARGINAL TIMBER -- YOU COULD PROBABLY CREATE A NEW
13 WEST VIRGINIA IF YOU JUST SLICED OFF THE NORTHERN
14 HALF OF THE STATE.

15 MR. FLETCHER: JUST A COUPLE OF
16 QUESTIONS. WHEN CALIFORNIA WAS AT ITS PEAK
17 ECONOMICALLY IN TERMS OF DOLLARS, WHAT WAS ITS
18 ECONOMY IN TERMS OF BUSINESS DOLLARS?

19 MR. KYSER: IF YOU DO THE STANDARD
20 RANKING, HOW IT WOULD RANK AMONG THE NATIONS OF
21 THE WORLD, IT WOULD HAVE BEEN ABOUT THE EIGHTH
22 LARGEST ECONOMY IN THE WORLD BACK IN ABOUT 1989.
23 THAT WAS THE PEAK YEAR. THE REALITY IS EVEN
24 THOUGH THINGS WERE GOOD THEN IN 1989, THE CRACKS
25 WERE ALREADY SHOWING UP IN THE ECONOMIC BASE.

1 MR. FLETCHER: CAN YOU ATTACH A DOLLAR
2 NUMBER TO THAT?

3 MR. KYSER: I THINK YOU ARE LOOKING AT
4 ROUGHLY ABOUT A \$750 BILLION ECONOMY.

5 MR. FLETCHER: AND THE SIZE OF THE WORK
6 FORCE?

7 MR. KYSER: THE SIZE OF THE WORK FORCE
8 WAS 12 MILLION PEOPLE EMPLOYED. IN LOS ANGELES
9 COUNTY AT THE PEAK YOU WERE LOOKING AT ABOUT
10 4.3 MILLION PEOPLE EMPLOYED. NOW WE ARE DOWN TO
11 3.9 MILLION.

12 MR. FLETCHER: CAN YOU FURTHER
13 SEGMENTIZE IT TO THE DEGREE OF ETHNIC GROUPS?
14 WHAT WOULD YOU SAY THE CHICANO OR LATINO ECONOMY
15 IS IN THE STATE?

16 MR. KYSER: THERE IS NO GOOD WAY TO
17 MEASURE THAT. THE WAY THE GOVERNMENT STATISTICS
18 ARE COLLECTED, THERE IS NO GOOD WAY THAT WE CAN
19 GET AN IDEA OF WHAT IS THE CONTRIBUTION, WHAT IS
20 THE SIZE.

21 MR. FLETCHER: OR WHAT IS THE PAIN.

22 MR. KYSER: OR WHAT IS THE PAIN.

23 BASICALLY, WHAT YOU HAVE TO SAY IS OF
24 OUR INVESTIGATIONS IN AEROSPACE, THE PAIN IN THE
25 VARIOUS ETHNIC COMMUNITIES IS QUITE INTENSE,

1 ESPECIALLY THE AFRICAN AMERICAN, ESPECIALLY THE
2 HISPANIC COMMUNITY. BECAUSE IF YOU LOOK AT LISTS
3 OF THE DEFENSE CONTRACTORS -- IF YOU WANTED TO
4 FIND A GOOD ROSTER OF MINORITY-OWNED BUSINESSES,
5 YOU COULD GO TO THE DEFENSE CONTRACTORS BECAUSE OF
6 THE DOD PURCHASING REQUIREMENTS. AND WHAT YOU
7 FIND IS A LOT OF THESE SMALL SUPPORT INDUSTRIES IN
8 MACHINE SHOPS, METAL BENDING, WHAT HAVE YOU --
9 THEY HAVE SUFFERED AN EXTREME AMOUNT.

10 MR. FLETCHER: ONE FURTHER QUESTION.
11 BASED ON EVERYTHING THAT YOU HAVE SAID AND YOUR
12 STUDIES, AND THEN WE LOOK AT THE LEGISLATION --
13 THAT IS WHERE I AM COMING FROM NOW -- THE
14 LEGISLATION THAT THE CONGRESS HAS PUT ON THE BOOKS
15 TO PRODUCE SOME KIND OF EQUITY FOR MINORITIES AND
16 WOMEN WHO HAVE BEEN LEFT OUT FOR MOST OF THIS
17 COUNTRY'S EXISTENCE AND JUST GOT LEGISLATED IN --
18 LET'S SAY, STARTING WITH THE 60'S, THE '64 CIVIL
19 RIGHTS ACT AND THE SO-CALLED "EQUITABLE
20 LEGISLATION" THAT IS NOW ON THE BOOKS -- WHAT DOES
21 THIS MEAN? THIS CHANGING, WRENCHING RESTRUCTURING
22 THAT WE ARE GOING THROUGH, WHAT DOES THIS MEAN
23 WITH REFERENCE TO TRYING TO ENFORCE THAT
24 LEGISLATION?

25 MR. KYSER: IT IS GOING TO MAKE IT

1 VERY, VERY DIFFICULT. BECAUSE IF YOU GO BACK AND
2 LOOK JUST SPECIFICALLY AT SOUTH CENTRAL, AT ONE
3 TIME SOUTH CENTRAL LOS ANGELES HAD A VERY GOOD
4 ECONOMIC BASE. YOU HAD AUTOMOBILE MANUFACTURING
5 FACILITIES THERE, TIRE PLANTS, A WHOLE ARRAY OF
6 INDUSTRIAL FIRMS THAT WERE THERE. BUT BECAUSE OF
7 THE CHANGES THAT HAVE GONE ON IN THE NATION'S
8 ECONOMY AND INDEED THE WORLD ECONOMY, THAT
9 ECONOMIC BASE HAS LITERALLY DISAPPEARED.

10 TO SAY HOW CAN YOU BEST HELP SOUTH
11 CENTRAL, YOU DEFINITELY WANT TO ENCOURAGE
12 ENTREPRENEURS AND HELP THESE PEOPLE START UP
13 BUSINESSES. BUT I THINK WHAT WE REALLY NEED ARE A
14 COUPLE OF MORE SIGNIFICANT ECONOMIC ANCHORS IN THE
15 COMMUNITY, SOME TYPE OF A LARGE EMPLOYER, AND THEN
16 THIS GIVES SOMETHING FOR THESE SMALLER BUSINESSES
17 TO BUILD UPON. AND I THINK THAT IS OUR MAJOR
18 PROBLEM.

19 WE NEED SOME MORE ECONOMIC ANCHORS.
20 AND HOW WE ARE GOING TO GET THESE ECONOMIC
21 ANCHORS, GIVEN THE CURRENT WORLD ENVIRONMENT,
22 GIVEN THE CURRENT NATIONAL ENVIRONMENT WHEN THE
23 MAJOR CORPORATIONS ARE DOWNSIZING, IS A VERY
24 SIGNIFICANT CHALLENGE.

25 MR. FLETCHER: ONE FINAL QUESTION.

1 WHEN CALIFORNIA DOES COME BACK, THE CHANCES OF IT
2 HAVING A WORK FORCE AND AN ECONOMY STRUCTURED
3 AROUND WHAT YOUR REPORTS REFER TO AS "QUALITY
4 JOBS," WHAT IS GOING TO BE THE NATURE OF THOSE
5 JOBS? AEROSPACE ISN'T COMING BACK TOMORROW. CAN
6 YOU REALLY CONVERT ALL OF THAT SKILL, THAT TALENT,
7 AND THOSE WAGES AND SALARIES INTO THE
8 TRANSPORTATION INDUSTRY, FOR EXAMPLE?

9 MR. KYSER: IT IS GOING TO BE DIFFICULT
10 BECAUSE HOW DO YOU WORK ON TRANSPORTATION? I
11 THINK YOU HAVE A LOT OF SORT OF WHAT WE SAY
12 "MISCONCEPTIONS." YOU ARE GOING TO MANUFACTURE
13 TRANSPORTATION EQUIPMENT, AND PEOPLE HAVE THE IDEA
14 THAT WE ARE GOING TO HAVE A LARGE PLANT EMPLOYING
15 A LOT OF PEOPLE TURNING OUT TRANSPORTATION
16 EQUIPMENT. IF YOU LOOK AT THE HISTORY OF
17 TRANSPORTATION EQUIPMENT, IT DOESN'T WORK THAT
18 WAY.

19 AND PEOPLE ARE TALKING ABOUT THE
20 ELECTRIC CAR INDUSTRY AND IF WE CAN SUPPLY THE
21 COMPONENTS. BUT THEN YOU LOOK AT THE WAY THE
22 AUTOMOBILE INDUSTRY WORKS. IT WORKS ON THE IDEA
23 OF JUST IN TIME AND HAVING ITS SUPPLIERS IN CLOSE
24 PROXIMITY TO THE MANUFACTURING PLANTS. IT IS
25 GOING TO BE A STRETCH TO TRY TO CREATE QUALITY

1 JOBS. AND I THINK THIS IS THE THING THAT WE HAVE
2 TO WORK AT.

3 THERE ARE SOME INTERESTING THINGS
4 HAPPENING, FOR EXAMPLE, IN APPAREL MANUFACTURING.
5 WE ARE STARTING TO SEE TECHNOLOGY APPLIED TO
6 APPAREL MANUFACTURING. IS IT GOING TO CREATE
7 JOBS, OR IS IT GOING TO KILL JOBS? AND THEN WHAT
8 YOU ALSO RUN INTO IS JUST SORT OF WHAT YOU WOULD
9 CALL SOME SORT OF A BIAS AGAINST CERTAIN
10 INDUSTRIES, BIAS AGAINST THE APPAREL MANUFACTURING
11 INDUSTRY, BECAUSE THOSE ARE ALL LOW WAGE JOBS,
12 BIAS AGAINST TOURISM, BECAUSE THOSE ARE ALL LOW
13 WAGE JOBS. AND YOU HAVE SOME SIGNIFICANT HURDLES
14 IN THE COMMUNITY TO GET OVER. IT IS GOING TO BE
15 TOUGH.

16 MR. FLETCHER: SO WHEN WE RETROFIT, IF
17 YOU WILL, THE NATION'S PRODUCTION CAPACITY AND ITS
18 WORK FORCE -- LET'S ASSUME THAT IT WOULD HAPPEN
19 AROUND THE YEAR 2000 -- AND THIS IS RIGHT ACROSS
20 THE COUNTRY NOW, NOT JUST L.A. -- THE CHANCES OF
21 THOSE HIGHER PAYING JOBS THAT WE ARE SO ACCUSTOMED
22 TO BEING A PART EN MASSE -- THERE WILL BE SOME
23 AROUND, BUT EN MASSE -- IS NOT LIKELY TO BE THE
24 REALITY OF THE IMMEDIATE FUTURE?

25 MR. KYSER: NOT REALLY. YOU ARE

1 LOOKING AT SOME VERY SIGNIFICANT WORLDWIDE CHANGES
2 IN THE WAY THAT PEOPLE WORK, THE WAY CORPORATIONS
3 WORK. AND YOU ARE RIGHT. IT IS NOT UNIQUE TO
4 LOS ANGELES. AND THERE IS VERY INTERESTING LABOR
5 NEGOTIATION GOING ON RIGHT NOW THAT HAS
6 IMPLICATIONS FOR SORT OF THE FUTURE OF THE WORK
7 FORCE.

8 AND I THINK OUR BIG CHALLENGE IN
9 LOS ANGELES IS TO MAINTAIN A WHOLE RANGE OF JOBS.
10 WHAT WE ARE SEEING HAPPENING WITH THE DOWNSIZING
11 IN MANUFACTURING IS THAT WE ARE LITERALLY LOSING
12 SORT OF THE MIDDLE OF THAT JOB RANGE, JUST
13 CHOPPING OUT STAIRS ON THE STEPLADDER TO ECONOMIC
14 IMPROVEMENT. AND THAT IS GOING TO BE A
15 SIGNIFICANT CHALLENGE FOR US, TO TRY TO MAINTAIN A
16 GOOD RANGE OF JOBS.

17 MR. FLETCHER: IS THIS WHY WE ARE
18 SAYING OUR KIDS WON'T BE ABLE TO EXPERIENCE THE
19 DREAMS THAT WE HAVE DREAMED?

20 MR. KYSER: IT IS VERY POTENTIALLY
21 POSSIBLE, BECAUSE THE YOUNGER GENERATION IS GOING
22 TO HAVE A MUCH DIFFERENT CAREER PATH. YOU LOOK AT
23 WHAT IS GOING ON RIGHT NOW. PEOPLE COMING OUT OF
24 COLLEGES WITH MASTER'S DEGREES AND PH.D.'S UNABLE
25 TO FIND MEANINGFUL WORK. AND IT IS A SHOCK. IT

1 IS A SHOCK.

2 MR. FLETCHER: THANK YOU.

3 MR. GEORGE?

4 MR. GEORGE: I THINK, MR. CHAIRMAN, IT
5 IS CONSISTENT WITH OUR POLICY -- I DON'T KNOW
6 ABOUT A QUESTION -- BUT I DO HAVE A REQUEST.

7 AND THAT IS, MR. KYSER, DO YOU HAVE ANY
8 SPECIFIC OR, FOR THAT MATTER, EVEN GENERAL
9 RECOMMENDATIONS OR PROPOSALS FOR REFORM IN THE
10 AREA OF PERMITTING AND REGULATORY POLICY IN ORDER
11 TO STREAMLINE THESE PROCESSES TO STIMULATE NEW
12 ENTERPRISES AND STRENGTHEN OLD ENTERPRISES,
13 PARTICULARLY IN MINORITY COMMUNITIES? I WOULD
14 APPRECIATE IT IF YOU WOULD SUBMIT THOSE TO THE
15 COMMISSION.

16 MR. KYSER: I WOULD BE VERY HAPPY TO.

17 MR. FLETCHER: THE SAME HOLDS TRUE WITH
18 REFERENCE TO CARRYING OUT THE INTENT OF THE CIVIL
19 RIGHTS LEGISLATION IN THIS ENVIRONMENT THAT YOU ARE
20 TALKING ABOUT. IF YOU HAVE ANY IDEAS ABOUT HOW TO
21 GET ON WITH IT IN THE NEW ENVIRONMENT, WE WOULD
22 LIKE TO HEAR ABOUT IT.

23 MR. KYSER: OKAY. I WILL BE HAPPY TO
24 DO THAT.

25 MR. GLICK: THANK YOU, MR. KYSER. I AM

1 GOING TO RESERVE THE RIGHT TO COME BACK TO YOU FOR
2 ONE MORE QUESTION IF TIME PERMITS, BUT I WOULD
3 LIKE TO TURN NOW TO REVEREND AHN.

4 MR. DOCTOR: EXCUSE ME, MR. GENERAL
5 COUNSEL. I UNDERSTAND THAT THE REVEREND CECIL L.
6 MURRAY IS IN THE AUDIENCE, AND WE WOULD LIKE TO
7 INVITE HIM TO COME UP AND JOIN THE PANELISTS.

8 MR. FLETCHER: REVEREND MURRAY, IF YOU
9 WILL STAND FOR JUST A MOMENT, PLEASE. RAISE YOUR
10 RIGHT HAND, PLEASE.

11 DO YOU SWEAR AND AFFIRM THAT YOU WILL
12 TESTIFY TRUTHFULLY TO THE BEST OF YOUR ABILITY?

13 MR. MURRAY: YES, SIR.

14 MR. FLETCHER: THANK YOU.

15 ALL RIGHT. COUNSEL.

16 MR. GLICK: THANK YOU, CHAIRMAN.

17 REVEREND AHN, YOUR CHURCH, THE ORIENTAL
18 MISSION CHURCH, IS ONE OF THE LARGEST OF THE
19 KOREAN ETHNIC GROUP CHURCHES IN LOS ANGELES. FROM
20 YOUR OBSERVATIONS OF YOUR CONGREGATION AND THE
21 SOCIETY AROUND YOU, DO YOU SEE ANY SOCIAL
22 BEHAVIORAL PATTERNS BETWEEN DIFFERENT GROUPS THAT
23 YOU WOULD THINK MIGHT CONTRIBUTE TO INTERRACIAL,
24 INTERGROUP TENSION IN LOS ANGELES?

25 MR. FLETCHER: TAKE YOUR TIME.

1 MR. AHN: NOT ESPECIALLY.

2 MR. GLICK: SO THAT YOU DON'T FEEL THAT
3 THERE ARE DIFFERENT CULTURAL PATTERNS BETWEEN
4 AFRICAN AMERICANS AND KOREANS OR LATINOS AND
5 KOREANS THAT CREATE JUST IN THEIR SOCIAL
6 BEHAVIOR -- I AM NOT THINKING NOW IN TERMS OF
7 ECONOMIC STRUGGLES, BUT JUST IN TERMS OF SOCIAL
8 INTERACTION -- DO THOSE BEHAVIOR PATTERNS,
9 CULTURAL PATTERNS LEAD TO TENSION BETWEEN GROUPS?

10 MR. AHN: YES. FIRST OF ALL, KOREAN
11 PEOPLE USUALLY HONOR THE ADULT PEOPLE. IN THE
12 AMERICAN SOCIETY, THEY USUALLY ACT LIKE EQUALS,
13 AND THE YOUNGSTERS DOES NOT HONOR THE ADULT
14 PEOPLE. BUT THE KOREAN CUSTOM AND CULTURE USUALLY
15 OBEY THE OLDER PEOPLE AND HONOR THE OLDER PEOPLE.
16 THAT KIND OF CULTURE AND THE CUSTOM WILL HELP TO
17 CREATE A MORE ADEQUATE ATTITUDE TOWARD OTHER
18 PEOPLE.

19 MR. GLICK: THANK YOU.

20 CHAIR, I HAVE NO FURTHER QUESTIONS FOR
21 REVEREND AHN.

22 MR. WANG: MAYBE I CAN HELP. REVEREND,
23 DO WE NEED AN INTERPRETER? DO YOU FEEL
24 COMFORTABLE IF WE HAVE AN INTERPRETER HERE?

25 MR. AHN: YES. IF YOU HAVE IT, THAT'S

1 MUCH BETTER. BUT, YES, I WILL TRY.

2 MR. DOCTOR: KI-TAEK, KI-TAEK CHUN.

3 MR. GLICK: CHAIR, COULD YOU PLEASE
4 SWEAR MR. CHUN IN TO CARRY OUT HIS DUTIES AS A
5 TRANSLATOR?

6 MR. FLETCHER: SURE.

7 COULD YOU RAISE YOUR RIGHT HAND.

8 DO YOU SWEAR AND AFFIRM THAT YOU WILL
9 TRUTHFULLY TESTIFY TO THE BEST OF YOUR ABILITY?

10 MR. CHUN: I DO.

11 MR. FLETCHER: THANK YOU, MR. CHUN.

12 MR. WANG: KI-TAEK CHUN IS DEPUTY
13 REGIONAL DIRECTOR OF OUR EASTERN REGION.

14 THANK YOU FOR VOLUNTEERING TO HELP US.

15 MR. CHUN: MY PLEASURE, SIR.

16 MR. WANG: MY QUESTION IS, REVEREND
17 AHN, HAS YOUR CHURCH ENGAGED IN ANY ACTIVITY THAT
18 IN A SENSE HELPS TO WORK WITH OTHER ETHNIC GROUPS
19 WITHIN THE AREA?

20 MR. AHN: AFTER THE RIOT ESPECIALLY, WE
21 TRIED TO HAVE AN EXCHANGE IN SERVICE WITH AN AFRO-
22 AMERICAN CHURCH. THERE WAS A JOINT SERVICE WITH
23 THREE DIFFERENT BAPTIST CHURCHES, WITH A
24 DR. DUMAS A. HARSHAW, JR., WHO WAS THE SENIOR
25 PASTOR THERE IN SOUTH CENTRAL LOS ANGELES.

1 AND, SECONDLY, WE PICKED UP ONE AFRO-
2 AMERICAN SEMINARY STUDENT TO GIVE A FULL
3 SCHOLARSHIP. IT WORTH AROUND \$12,000 A YEAR TO
4 HELP HIM TO UNDERSTAND KOREAN COMMUNITY MORE. AND
5 WE WANTS TO HELP HIM TO START A CHURCH IN THE
6 SOUTH CENTRAL AREA TO REPRESENT THE KOREAN
7 COMMUNITY TO UNDERSTAND MORE FULLY THE KOREAN
8 CULTURE AND THE KOREAN PEOPLE.

9 MR. WANG: ARE YOU AWARE THERE IS SUCH
10 A PROGRAM IN CHICAGO RECENTLY STARTED BY THE
11 UNITED WAY OF CHICAGO, THAT ACTUALLY PROVIDED
12 FUNDS FOR THE KOREAN COMMUNITY TO EMPLOY A LIAISON
13 PUBLIC COMMUNITY RELATIONSHIP TYPE OF PERSON
14 WORKING IN THE BLACK COMMUNITY, AND THIS PERSON
15 HAPPENS TO BE A BLACK PERSON REPRESENTING THE
16 KOREAN COMMUNITY TO SERVE AS A MEDIATOR AND TO
17 HELP TO BRIDGE THE COMMUNICATION GAP BETWEEN THE
18 BLACK AND THE KOREAN COMMUNITY? ARE YOU AWARE OF
19 THIS PARTICULAR DEVELOPMENT IN CHICAGO?

20 MR. AHN: NO. WE DID NOT KNOW THAT. I
21 DID NOT HEAR THAT.

22 MR. WANG: YOU DID NOT KNOW THAT?

23 MR. AHN: NO.

24 AND ANNUALLY WE PRESENT A SCHOLARSHIP
25 TO FIVE OR TEN PEOPLES -- LASTED FIVE YEARS. WE

1 GIVE THEM THE SCHOLARSHIP -- TO THE AFRO-AMERICAN
2 STUDENTS. BUT AFTER THE LOS ANGELES RIOT, WE
3 REALIZED THAT THAT IS NOT A GOOD IDEA. SO WE
4 PICKED UP ONE PERSON, AND WE FULLY GIVE HIM THE
5 SCHOLARSHIP AND MAKE HIM UNDERSTAND THE KOREAN
6 CULTURE AND REPRESENT THE KOREAN COMMUNITY.

7 WE TRIED TO REALIZE. AND WE ANNUALLY
8 ADD ONE MORE PERSON EACH YEAR. SO THIS YEAR WILL
9 BE TWO PERSONS AND NEXT YEAR THREE PERSONS GOING
10 ON.

11 MR. WANG: THAT IS A VERY ADMIRABLE
12 EFFORT.

13 SINCE NOW YOU KNOW THERE IS SUCH A
14 PROGRAM IN CHICAGO FOR THE KOREAN COMMUNITY TO
15 HIRE AN AFRO-AMERICAN PERSON AND THIS PERSON
16 HAPPENS TO BE A FEMALE -- SHE HAS BEEN ON THE JOB
17 THERE FOR 18 MONTHS AND HAS DONE A TREMENDOUS
18 EFFORT -- WOULD YOU BE INTERESTED TO EXPLORE SUCH
19 KIND OF A MODEL TO IMPLEMENT HERE IN L.A.?

20 MR. AHN: YES.

21 MR. WANG: I AM GLAD TO HEAR IT. FROM
22 THE BEGINNING POINT, SHE HAD AN AWFUL HARD TIME
23 EARNING THE TRUST FROM BOTH SIDES, BUT AT LEAST
24 SHE IS DOING THIS KIND OF JOB IN CHICAGO.

25 ONE OTHER POINT I WANT TO ASK. HAS THE

1 CHURCH STARTED ANY ECONOMIC DEVELOPMENT PROGRAM TO
2 HELP THE COMMUNITY, BE IT KOREANS OR AFRO-
3 AMERICANS OR ANY OTHER GROUP?

4 MR. AHN: NO.

5 MR. WANG: AND ARE YOU AWARE OF THE
6 CONTINUOUS KIND OF ANGER WITHIN THE BLACK
7 COMMUNITY TOWARDS THIS LATASHA HARLINS CASE?

8 MR. AHN: YEAH, I REALIZE THAT. BUT
9 THE PROBLEM IS MUCH ON THE MEDIA ATTITUDE.

10 MR. FLETCHER: TAKE YOUR TIME.

11 MR. AHN: (THROUGH INTERPRETER) SINCE
12 THE 1992 RIOTS, THE MAINSTREAM MEDIA HAS FRAMED
13 THE WHOLE TRAGEDY AS IF IT WERE PRIMARILY AN
14 EXCLUSIVE PROBLEM BETWEEN BLACK AMERICANS AND
15 KOREAN AMERICANS. AND THE CASE OF DU SOON JA WAS
16 ILLUSTRATIVE AND THE TYPICAL CAUSE, ILLUSTRATION
17 OF -- WAS CITED AS A PRIMARY INCIDENT, AN EXAMPLE
18 OF THOSE FACTORS THAT CONTRIBUTED TO TENSIONS AND
19 RESULTING TRAGEDY.

20 IN MY OPINION, THAT IS A VERY
21 UNFORTUNATE AND MISLEADING REPRESENTATION OF
22 REALITY. REALITY IN MY VIEW IS SIMPLY THAT IT WAS
23 AN EXPLOSION OF THE CUMULATIVE FESTERING TENSION
24 THAT HAD EXISTED BETWEEN THE BLACK AMERICAN -- THE
25 AFRICAN AMERICAN COMMUNITY AND THE MAINSTREAM

1 SOCIETY. AND YET IT WAS PHRASED AND PRESENTED TO
2 THE AMERICAN PUBLIC AS IF THE TENSIONS -- ALLEGED
3 TENSIONS BETWEEN THE KOREAN AMERICANS AND THE
4 BLACK AMERICANS WAS THE CAUSE OF IT.

5 I CAN THINK OF TWO REASONS TO REFUSE
6 THE ALLEGED ALLEGATION OR INTERPRETATION. THE
7 FIRST REASON I WILL CITE IS THE TRAGEDY WAS
8 TRIGGERED AS A REACTION TO THE VERDICT RENDERED IN
9 THE RODNEY KING CASE. AND THE SECOND REASON -- I
10 REMIND YOU OF THE 1965 WATTS TRAGEDY. THAT
11 TRAGEDY TOOK PLACE EVEN IN THE ABSENCE OF A KOREAN
12 AMERICAN IN THE AREA.

13 THE UNFORTUNATE CASE OF LATASHA HARLINS
14 IS INDEED AN UNFORTUNATE CASE AND A TRAGEDY.
15 THERE IS NO QUESTION ABOUT THAT. BUT,
16 NEVERTHELESS, THE MAINSTREAM MEDIA HAS NEGLECTED
17 WILLFULLY OR INADVERTENTLY THE SIMPLE FACT THAT
18 THERE ARE MORE KOREAN AMERICANS WHO HAVE BEEN
19 VICTIMIZED THAN OUR AFRICAN AMERICAN BROTHERS AND
20 SISTERS WHO HAVE BEEN VICTIMIZED BY KOREAN
21 AMERICANS. THIS INEQUITY OR DISPARITY HAS BEEN
22 IGNORED.

23 MR. WANG: REVEREND AHN, I THINK IN THE
24 INTERESTS OF TIME, I WOULD JUST HAVE TO KIND OF
25 HELP YOU TO ANSWER THESE TWO SHORT QUESTIONS.

1 WE HAVE HEARD FROM MANY, MANY
2 TESTIFYING YESTERDAY. THE FACT OF THE MATTER IS
3 THAT LATASHA HARLINS WAS KILLED. IS THE CHURCH OR
4 THE KOREAN COMMUNITY AT THIS VERY MOMENT DOING
5 ANYTHING TO HELP TO EASE THE PAIN OF THOSE FAMILY
6 MEMBERS AND THOSE ASSOCIATED WITH LATASHA HARLINS?
7 ARE WE DOING ANYTHING TO KIND OF IN A SENSE MAKE
8 THIS WHOLE INCIDENT -- SORT OF LESSEN THE ANGER
9 AND THE TENSION IN THE COMMUNITY?

10 MR. AHN: (THROUGH INTERPRETER) FROM
11 THE STANDPOINT OF MY CHURCH, IT IS TRUE THAT WE
12 HAVE NOT DONE ANY SPECIFIC SERVICES OR ACTIVITIES
13 THAT YOU DESCRIBED. PERHAPS WE SHOULD HAVE.

14 HOWEVER, I SHOULD LIKE TO REMIND YOU OR
15 ASK YOU EVEN, AS I POINTED OUT EARLIER, THERE ARE
16 MANY MORE VICTIMS, KOREAN AMERICAN VICTIMS. WHY
17 IS IT, I WOULD LIKE TO ASK, AND I ASK MYSELF, WHY
18 IS IT THAT WE DO NOT POSE THAT SAME QUESTION AS TO
19 WHAT HAS BEEN DONE TO ALLEVIATE, TO REDUCE THE
20 PAIN AND ANGER SUFFERED IN FACT BY KOREAN AMERICAN
21 VICTIMS?

22 MR. WANG: I THINK THAT IS A VERY
23 IMPORTANT QUESTION. THAT IS WHY WE ARE ALSO
24 ASKING THE OTHER SIDE OF THE COIN TO HELP TO
25 REALLY RESPOND. BUT I THINK HERE WE ARE NOT

1 FOCUSING ON THE KOREAN COMMUNITY. WE ARE REALLY
2 ASKING YOU, REVEREND AHN.

3 THERE IS A PROPOSAL IN THE BLACK
4 COMMUNITY TO BUILD A MEMORIAL FOR LATASHA HARLINS.
5 WOULD YOU AS A CHURCH MEMBER OR YOUR CHURCH CARE
6 TO PARTICIPATE IN THAT EFFORT?

7 MR. AHN: (THROUGH INTERPRETER) YES.
8 WE HAVE NOT YET PARTICIPATED IN THAT WORTHWHILE
9 ACTIVITY. AND, SPEAKING PERSONALLY, I THINK WHEN
10 THIS OPPORTUNITY ARISES, I THINK I WOULD BE
11 INCLINED TO FAVORABLY PARTICIPATE AND ENCOURAGE MY
12 FELLOW WORSHIPERS.

13 MR. WANG: THANK YOU VERY MUCH. I JUST
14 WANT TO REASSURE YOU THAT ALTHOUGH I AM ASKING YOU
15 THIS PARTICULAR QUESTION TO HAVE IT ON THE RECORD
16 WITH YOUR RESPONSE, I THINK IT WOULD HELP TO EASE
17 SOME OF THE MISCONCEPTIONS AS PRESENTED FROM LAST
18 NIGHT, ALL THE TESTIMONY THAT WE HEAR.

19 BUT THAT DOESN'T REALLY NEGATE YOUR
20 CONCERN WHICH IS THE VICTIMS, THE 2,000
21 SHOPKEEPERS WHO HAVE LOST THEIR BUSINESSES, THAT
22 HAVE NOT IN A SENSE BEEN ABLE TO REGAIN AND REOPEN
23 THEIR SHOPS. WE HAVE BEEN ASKING THAT QUESTION
24 ALL ALONG THROUGHOUT THIS HEARING. THAT IS A
25 MAJOR REASON WHY WE ARE HERE, TOO. SO WE ARE

1 TALKING ABOUT IT. ON THE OTHER HAND, I HOPE THAT
2 YOU WILL UNDERSTAND THE REASON THAT I AM ASKING
3 YOU THIS PARTICULAR LINE OF QUESTIONING.

4 MR. AHN: (THROUGH INTERPRETER) I
5 APPRECIATE YOUR EXPLANATION. THAT HELPS ME TO
6 UNDERSTAND THE CONTEXT IN WHICH YOU WERE ASKING
7 THE QUESTIONS. NEVERTHELESS, IF I MAY, I WOULD
8 LIKE TO MAKE A COMMENT AS TO THAT.

9 IN MY POSITION AT THE CHURCH, WE HAVE
10 BEEN VERY CONSCIOUSLY TRYING AND MAKING A DOUBLE
11 EFFORT TO EDUCATE THE MEMBERS OF THE CHURCH, THE
12 CONGREGATION, SO THAT THEY CAN HAVE A BETTER
13 UNDERSTANDING OF THE MULTICULTURE, THE NATURE OF
14 THE SOCIETY, THE COMPLEX INTERTWINED AND EVOLVING
15 NATURE OF RACIAL RELATIONS OF THIS SOCIETY, SO
16 THAT THEY CAN BE BETTER MORE CONTRIBUTING MEMBERS
17 OF THIS SOCIETY.

18 FOR INSTANCE, WE HAVE A BOOK ENTITLED,
19 WHO ARE BLACKS IN AMERICA? WE DISTRIBUTE THAT
20 FREELY, AND WE TRY TO PROMOTE MUTUAL
21 UNDERSTANDING. AND OUR CONCERN IS SIMPLY THAT OF
22 MEMBERS OF THE CONGREGATION TO BECOME BETTER
23 INFORMED SO THAT THEY CAN BE BETTER INFORMED
24 CONTRIBUTING MEMBERS OF THE SOCIETY.

25 AND I WOULD LIKE YOU TO KNOW THAT WE

1 WILL CONTINUE TO DO WHATEVER WE CAN TO REDUCE
2 ALLEGED INTERRACIAL, INTERETHNIC TENSIONS AND ALSO
3 HELP OUR MEMBERS OF THE CONGREGATION BECOME BETTER
4 ADJUSTED IN SOCIETY.

5 MR. WANG: THANK YOU VERY, VERY MUCH.

6 THANK YOU, DR. KI-TAEK CHUN.

7 MR. CHUN: MY PLEASURE, SIR.

8 MR. FLETCHER: COUNSEL?

9 MR. GLICK: THANK YOU, CHAIR. I WOULD
10 LIKE TO GO NOW TO REVEREND HILL.

11 MR. FLETCHER: IF THAT IS WHERE YOU ARE
12 GOING, THERE IS ONE MORE OBSERVATION I WOULD LIKE
13 TO MAKE.

14 IN REFERENCE TO IMPROVED RELATIONS,
15 UNDERSTANDING, ET CETERA, I HEAR ABOUT
16 DIFFERENCES INVOLVING BLACKS AND KOREANS, BUT IF I
17 AM READING THE STATISTICS IN THE DATA PROPERLY,
18 THERE IS ALSO SIGNIFICANT MISUNDERSTANDING BETWEEN
19 CHICANOS/MEXICAN AMERICANS AND KOREANS. SO I
20 THINK IT IS IMPORTANT TO ALSO DESIGN STRATEGIES TO
21 REACH OUT TO THEM.

22 DOES THAT NEED ANY INTERPRETATION?

23 MR. AHN: I UNDERSTAND YOUR QUESTION.

24 WE WILL TRY. AND ONE PROFESSOR TRYING
25 TO WROTE ABOUT THE HISPANIC RIGHT NOW. AND THAT

1 WILL HELP OUR CONGREGATION AND THE KOREAN PEOPLES
2 TO UNDERSTAND MORE ABOUT THE HISPANICS, TOO.

3 MR. FLETCHER: ALL RIGHT. ONE OTHER
4 POINT. THE KOREANS ARE NOT THE ONLY ONES THAT
5 HAVE A NEGATIVE PERCEPTION OF BLACK AMERICA.
6 THERE IS A GROUP CALLED THE "JAPANESE" WHO ALSO
7 HAVE SOME VERY NEGATIVE PERCEPTIONS OF THE WHOLE
8 OF BLACK AMERICA.

9 NOW I WILL PERSONALIZE THIS. I WENT TO
10 JAPAN A COUPLE OF MONTHS AGO, AND I WENT OUT OF
11 THE WAY TO TALK TO THE TRADE MINISTRY OF JAPAN.
12 AND I HAD A GOOD SESSION WITH THEM AND PUT THEM ON
13 NOTICE THAT THE PERCEPTION THAT THEY HAVE OF ALL
14 OF BLACK AMERICA IS FLAWED TO NO END. AND I
15 SUGGESTED TO THEM THAT THEY SHOULD KNOW THE REST
16 OF THE STORY. AND IN TELLING THEM THE REST OF THE
17 STORY, I TALKED ABOUT THE GROWTH AND PROGRESS IN
18 BLACK AMERICA SINCE THE PASSAGE OF THE BILL THAT
19 CREATED THIS AGENCY.

20 AND I POINTED OUT FOR AN EXAMPLE THAT
21 WHEN THIS AGENCY BECAME AN AGENCY WE HAD LESS THAN
22 3,000 BLACK DOCTORS ALL OVER THE UNITED STATES.
23 TODAY THAT NUMBER IS CLOSE TO 16,000. AND I ASKED
24 THEM TO PLEASE TELL THE REST OF JAPAN OF THAT
25 GROWTH. I TALKED ABOUT THE GROWTH OF BLACK

1 ACCOUNTANTS, BLACK DOCTORS, BLACK DENTISTS -- YOU
2 NAME IT. AND I TRIED TO GET THEM TO UNDERSTAND
3 THAT WE DON'T JUST PLAY BASKETBALL, FOOTBALL,
4 DANCE, AND SING RAP TUNES; THAT BESIDES DOING ALL
5 OF THAT, THAT THERE HAS BEEN TREMENDOUS PROGRESS
6 MADE.

7 WHAT HAS HAPPENED, I HAVE NOTICED, IS
8 THAT CERTAIN JAPANESE COMPANIES NOW ARE GOING OUT
9 OF THEIR WAY TO PUBLICIZE THEIR RELATIONSHIPS WITH
10 THE BLACK COMMUNITY. IF YOU WILL LOOK IN JET
11 MAGAZINE NOW, YOU WILL SEE THE EXTENT TO WHICH THE
12 JAPANESE ARE GOING AN EXTRA MILE TO TALK ABOUT THE
13 SCHOLARSHIPS AND NUMBER OF OTHER THINGS THAT THEY
14 HAVE DONE, ARE DOING, AND INTEND TO DO TO BRIDGE
15 THIS GAP OF MISUNDERSTANDING.

16 I WOULD RECOMMEND AND I WOULD BE HAPPY,
17 AND I AM SURE OTHER MEMBERS OF THIS COMMISSION
18 WOULD BE HAPPY, TO SHARE WITH YOU THE APPROACH TO
19 FINDING THE REST OF THE STORY AS IT RELATES TO
20 BLACK AMERICA AND THE REST OF THE STORY AS IT
21 RELATES TO HISPANIC AMERICA.

22 BESIDES BEING POOR AND VIOLENT AND A
23 NUMBER OF OTHER THINGS, YOU WOULD BE SURPRISED AT
24 THAT OTHER PART OF THE EQUATION WHICH IS GOING
25 VERY WELL AND MAKING SIGNIFICANT CONTRIBUTIONS TO

1 THIS SOCIETY. I THINK IT WOULD HELP TO BRIDGE THE
2 GAP AND START THE PROCESS OF HEALING UNDER WAY.

3 MR. AHN: (THROUGH INTERPRETER)
4 MR. CHAIRMAN, I CERTAINLY APPRECIATE THE WISDOM
5 CONTAINED IN YOUR COMMENT. AT THE SAME TIME, I
6 WOULD BE LESS THAN CANDID IF I DID NOT SAY THAT I
7 WAS SOMEWHAT SURPRISED BY YOUR CHARACTERIZATIONS
8 THAT KOREAN SOCIETY OR KOREANS OR KOREAN AMERICANS
9 SEEM TO HAVE NEGATIVE THOUGHTS -- IMPRESSION OR A
10 NEGATIVE VIEW OF AFRICAN AMERICAN BROTHERS AND
11 SISTERS. I THOUGHT THE PREVAILING VIEW OF KOREANS
12 AND KOREAN AMERICANS, BY EXTENSION, OF BLACK
13 AMERICANS IS THAT WE HAVE A COMMON DENOMINATOR IN
14 TERMS OF SUFFERING AND PAIN.

15 WE HAVE SUFFERED, AND YOU HAVE
16 SUFFERED. THEREFORE, I HAVE ALWAYS FELT THAT WE
17 HAVE A LOT IN COMMON, AND THERE IS A BASIC
18 RESONANT, ALMOST A VISCERAL UNDERSTANDING, A
19 COMPATRIOT FEELING BETWEEN THE TWO RACES AND
20 PEOPLE. SO IN THAT SENSE, I WAS SOMEWHAT
21 SURPRISED.

22 MR. FLETCHER: I AM SORRY THAT YOU ARE
23 SURPRISED, BUT I AM PUTTING THE FACTS ON THE
24 TABLE. AND WHAT I AM REALLY TRYING TO SAY IS -- I
25 DON'T WANT TO WHIP THAT NEGATIVE DOG TO DEATH -- I

1 AM LOOKING FOR A WAY FOR THE NEGATIVE PERCEPTION
2 NOT TO BECOME THE REALITY.

3 I WOULD LIKE FOR AN EXAMPLE FOR BLACK
4 AMERICANS TO KNOW THE REST OF THE STORY ABOUT
5 KOREAN AMERICANS SO THAT THIS MISUNDERSTANDING
6 THAT SEEMS TO BE DRIVING THE RACIST RELATIONSHIP
7 CAN BE DIMINISHED AND THE FUTURE RELATIONSHIP IS
8 BUILT ON POSITIVES AS OPPOSED TO DEFENSES AND
9 NEGATIVES. THAT IS BASICALLY WHAT I AM TRYING TO
10 SAY.

11 MR. AHN: (THROUGH INTERPRETER) NOW I
12 THINK WE SEE EYE-TO-EYE. THAT IS, MR. CHAIRMAN,
13 IT IS TRUE THAT THERE IS A LOT THAT COMBINES --
14 BINDS -- KOREANS AND KOREAN AMERICANS AND BLACK
15 AMERICANS. YET THIS ALLEGED EXACERBATING TENSION
16 BETWEEN KOREAN AMERICANS ON THE ONE HAND AND BLACK
17 AMERICANS ON THE OTHER -- I DON'T KNOW WHAT IT IS
18 DUE TO, BUT IT IS THERE. I AGREE WITH YOU.

19 AND WE HAVE TO DOUBLE UP EFFORTS TO
20 REDUCE AND IMPROVE THE RELATIONSHIP. BUT I DO NOT
21 THINK IT IS BASED ON INSURMOUNTABLE PROBLEMS AS
22 SUCH. I TEND TO SUSPECT THAT PERHAPS WE HAVE BEEN
23 VICTIMIZED BY MISBETRAYAL AND MISLEADING
24 CHARACTERIZATIONS PERHAPS BY THE MEDIA. I DON'T
25 KNOW EXACTLY WHAT THE CAUSES ARE, BUT THIS IS

1 SOMETHING WE HAVE TO LOOK INTO SO THAT WE CAN GET
2 TO THE BOTTOM OF IT AND THEN WORK TOWARD IMPROVING
3 THE SITUATION. I AGREE WITH YOU.

4 MR. FLETCHER: MY FINAL COMMENT IS
5 THIS. I CAN'T SPEAK FOR THE WHOLE COMMISSION, BUT
6 I WILL SPEAK FOR MYSELF. I HAVE SAID THAT THE
7 PROFESSIONAL ORGANIZATIONS -- KOREAN LAWYERS,
8 KOREAN DOCTORS, KOREAN ENGINEERS, KOREAN
9 ACCOUNTANTS -- NEED TO SIT DOWN WITH -- I AM
10 THINKING IN TERMS OF ORGANIZATIONAL STRUCTURE -- I
11 KNOW THERE IS A BLACK LAWYERS ASSOCIATION, A BLACK
12 DOCTORS ASSOCIATION, ET CETERA -- I AM INCLINED TO
13 BELIEVE THE SAME HOLDS TRUE FOR THE HISPANIC
14 COMMUNITY. SO I WANT TO PUT THE BURDEN ON THE
15 PROFESSIONAL LEADERSHIP IN THIS COMMUNITY TO SIT
16 DOWN AS A COALITION, AND WE WILL TALK ABOUT IT --
17 THE PROFESSIONALS, THE LAWYERS, THE DOCTORS, AND
18 OTHERS CAN SEE THE NEED TO FINDING THE COMMON
19 GROUND.

20 IF YOU WANT SOMEBODY TO CONVENE THAT
21 FOR YOU, IF I CAN'T GET THE WHOLE COMMISSION TO GO
22 ALONG WITH ME TO CONVENE SUCH A MEETING, THEN I
23 WILL COME BACK AND SERVE AS THE CONVENOR TO PUT
24 THEM TOGETHER TO START TALKING ABOUT WHAT WE HAVE
25 IN COMMON AND DESIGNING A PROGRAM SO WE CAN GET ON

1 WITH IT.

2 MR. AHN: (THROUGH INTERPRETER) IN
3 RESPONSE TO THAT CONSTRUCTIVE AND FORWARD-LOOKING
4 SUGGESTION AND COMMENT, I WOULD LIKE TO REMIND YOU
5 OF TWO THINGS. ONE, WE HAVE BEEN ENGAGED IN JOINT
6 SERVICES WITH BLACK AMERICAN BROTHERS AND SISTERS.
7 AND ON EACH OCCASION OUR EXPERIENCES HAVE BEEN
8 VERY POSITIVE. SO WE WILL CONTINUE TO DO THAT,
9 AND THAT IS AT LEAST ONE AVENUE OF OUR COMMITMENT
10 TO IMPROVING THE RELATIONSHIP THAT WE JUST HAVE TO
11 IMPROVE SOMEHOW.

12 AND WITH REGARD TO THIS, PERHAPS IT
13 SHOULD ALSO TAKE THE FORM OF PROFESSIONALS,
14 PROFESSIONALS IN A SPECIAL PLACE WORKING TOGETHER
15 AND FORMING A COALITION AND ALLIANCE. I CERTAINLY
16 AGREE WITH THAT. AND THE SMALL PART I CAN DO
17 ALONG THAT LINE IS WHEN I GO TO MY CONGREGATION,
18 MY CHURCH BEING ONE OF THE LARGEST -- WE HAVE A
19 LARGE NUMBER OF PROFESSIONALS -- I CAN CERTAINLY
20 REMIND THEM AND ENCOURAGE THEM TO PURSUE THAT
21 PATH.

22 AND WHEN I DO THAT, I WILL CERTAINLY
23 REMEMBER YOUR VOLUNTEERING YOUR SERVICE. I DON'T
24 KNOW WHAT WILL HAPPEN FROM THAT AVENUE, BUT I WILL
25 CERTAINLY REMEMBER THAT. THANK YOU.

1 MR. FLETCHER: WE CAN MAKE IT HAPPEN IF
2 WE WANT TO. THANK YOU.

3 COUNSEL?

4 MR. GLICK: I WOULD LIKE TO ASK
5 REVEREND HILL NOW, FROM YOUR VANTAGE POINT AS
6 PASTOR IN A VERY IMPORTANT CHURCH IN SOUTH CENTRAL
7 LOS ANGELES, HOW WOULD YOU ASSESS THE CURRENT
8 STATUS OF INTERGROUP RELATIONSHIPS IN YOUR
9 COMMUNITY AND IN THE BROADER COMMUNITY OF
10 LOS ANGELES AS A WHOLE, REVEREND HILL?

11 MR. HILL: THE CURRENT RELATIONSHIP OF
12 RACE ETHNIC GROUPS?

13 MR. GLICK: YES, SIR.

14 MR. HILL: VERY TENSE. VERY TENSE.
15 THE EXPECTATIONS OF -- CAN I JUST MAKE A
16 STATEMENT, AND THEN THE OTHER WILL FLOW?

17 MR. GLICK: YES, PLEASE PROCEED.

18 MR. HILL: YOU RECALL BARBARA JORDAN,
19 CONGRESSMAN JORDAN, WHEN SHE ADDRESSED THE
20 DEMOCRATIC CONVENTION SOME SIXTEEN YEARS AGO? HER
21 SPEECH WAS THAT, "IF MANAGEMENT IS TO TAKE CARE OF
22 MANAGEMENT AND LABOR IS TO TAKE CARE OF LABOR, WHO
23 IS GOING TO TAKE CARE OF AMERICA? IF WHITES ARE
24 TO TAKE CARE OF WHITES AND BLACKS ARE TO TAKE CARE
25 OF BLACKS, WHO IS GOING TO TAKE CARE OF AMERICA?"

1 AND SHE WENT DOWN A WHOLE LITANY.

2 AND I THINK WHAT HAS HAPPENED IS THAT
3 WE HAVE POLARIZED OURSELVES ALMOST INTO CONCRETE,
4 INTO VARIOUS ETHNIC GROUPS. AND NOW WHEN A STEAK
5 IS THROWN INTO THE PEN AMONG ETHNIC GROUPS, IT IS
6 JUST LIKE THROWING A STEAK INTO A PEN OF PITBULLS
7 WHO HAVEN'T EATEN IN TEN DAYS. AND NOBODY IS
8 CONCERNED ABOUT WHETHER EVERYBODY GETS A SHARE.
9 EVERYBODY IS CONCERNED ABOUT GETTING THE STEAK.

10 SO THE ATMOSPHERE IS TENSE. THE
11 ATMOSPHERE IS GROWING MORE TENSE EVERY DAY, IF
12 THAT IS THE GENERAL ATMOSPHERE. THERE ISN'T THIS
13 CARING AND SHARING AND CONCERN ABOUT PEOPLE ACROSS
14 THE BOARD AS WE HAD ENVISIONED IN OUR STRUGGLE FOR
15 NOT ONLY CIVIL RIGHTS BUT IN OUR STRUGGLE FOR
16 INTEGRATION.

17 MR. GLICK: THANK YOU, REVEREND. I
18 WOULD LIKE TO JUST ASK YOU BRIEFLY FOR YOUR VIEW
19 ON WHETHER YOU HAVE SEEN ANY FEDERAL GOVERNMENT
20 EFFORTS TO IMPROVE THE ECONOMIC SITUATION FOR
21 MINORITIES, PARTICULARLY AFRO-AMERICANS IN YOUR
22 COMMUNITY, LET'S SAY, IN THE LAST YEAR OR TWO.

23 MR. HILL: WELL, I HAVE SEEN IT ONLY
24 BECAUSE I UNDERSTAND THE GOVERNMENT PROCEDURE. I
25 HAVE NOT SEEN IT IN TERMS OF SOMETHING YOU COULD

1 TAKE PICTURES OF. I UNDERSTAND WHAT THE VAST
2 AMOUNT OF MY COMMUNITY DOES NOT UNDERSTAND.

3 WHEN THE PRESIDENT OF THE UNITED STATES
4 COMES OUT ON MAY 7TH AND SAYS, "I HAVE \$13 MILLION
5 THAT I AM RELEASING," I UNDERSTAND THAT THIS MUST
6 GO TO CONGRESS, AND CONGRESS MUST DEAL WITH IT,
7 AND THEN SOMEBODY, AND THEN FINALLY WAY DOWN THE
8 ROAD THERE IS SOME MONEY RELEASED. BUT THE
9 COMMUNITY DOESN'T UNDERSTAND THAT.

10 SO EFFORTS IN TERMS OF WHETHER OR NOT
11 WE HAVE ACTUALLY SEEN STRUCTURES, WHETHER OR NOT
12 WE HAVE ACTUALLY SEEN ENOUGH MONEY THROUGH
13 FREMONT, OR WHETHER OR NOT WE HAVE ACTUALLY SEEN
14 ENOUGH MONEY FOR YOUNG PEOPLE IN EMPLOYMENT, NO,
15 THERE IS NOTHING TO TAKE A PICTURE OF. THERE IS
16 NOTHING. FOR INSTANCE, TED KOPPEL CAME BACK AFTER
17 FIVE MONTHS AND WAS DISGUSTED THAT HE DIDN'T SEE
18 BUILDINGS THAT HAD BEEN REPLACED BY THOSE THAT HAD
19 BURNED DOWN.

20 SO I HAVE SEEN IT IN TERMS OF PROMISE
21 AND PROCESS, BUT NOTHING HAS MATERIALIZED IN A
22 LARGE MANNER IN SOUTH CENTRAL THAT YOU COULD TAKE
23 A PICTURE OF. AND ONLY WHEN WE GET TO THE POINT
24 OF BEING ABLE TO TAKE PICTURES OF THINGS WILL THE
25 COMMUNITY KIND OF QUIET DOWN.

1 MR. GLICK: THANK YOU, REVEREND HILL.

2 CHAIR, I HAVE NO FURTHER QUESTION.

3 MR. FLETCHER: MEMBERS OF THE PANEL?

4 MR. WANG: ONE QUESTION FROM ME. THEN

5 I WILL DEFER TO COMMISSIONER GEORGE.

6 ON THE CASE OF LATASHA, DO YOU HAVE ANY

7 SUGGESTION THAT YOU THINK WOULD IN A SENSE HELP TO

8 TAKE AWAY SOME OF THE ANGER FROM THE KOREAN

9 COMMUNITY STANDPOINT?

10 MR. HILL: WELL, OF COURSE, LATASHA AND

11 SEVERAL OTHERS WERE SIMPLY UNFORTUNATE INCIDENTS

12 THAT BROKE THE CAMEL'S BACK THAT HAD BEEN BUILDING

13 UP OVER A PERIOD OF EIGHT, NINE, TEN YEARS. FOR

14 INSTANCE, THE 1965 RIOT WAS BASICALLY A RIOT

15 DEALING WITH WHITE AND BLACK AMERICA OVER THINGS

16 THAT HAD BEEN BUILDING UP OVER TEN YEARS.

17 TEN TO TWELVE, FIFTEEN YEARS AGO, THE

18 KOREAN COMMUNITY, THE GENERAL ORIENTAL COMMUNITY,

19 BEGAN TO MOVE INTO OUR COMMUNITY. AND WE

20 IMMEDIATELY BEGAN TO HAVE PROBLEMS, PROBLEMS OF

21 BUILDING A BUSINESS RIGHT IN THE HEART OF OUR

22 COMMUNITY -- 99 PERCENT AFRO-AMERICANS WAY BACK

23 THEN; IT IS NOT THAT NOW BECAUSE OF THE

24 HISPANICS -- AND EMPLOYING 100 PERCENT KOREANS.

25 THESE ARE THE KINDS OF THINGS THAT BUILT UP

1 TENSION.

2 FOR INSTANCE, I WILL GIVE YOU AN
3 EXAMPLE. JUST GO RIGHT UP THE STREET TO THE
4 HILTON HOTEL. AT THE HILTON HOTEL WE USED TO
5 POSSIBLY FURNISH 80 PERCENT OF THE EMPLOYMENT. WE
6 USED TO BE NEARLY ALL OF THE MAIDS AND BEHIND THE
7 COUNTER AND BUSBOYS AND EVERYTHING ELSE. IT WAS
8 BOUGHT OUT BY THE JAPANESE. WE HAVE THREE PEOPLE
9 LEFT EMPLOYED AT THAT HOTEL.

10 AND ONE OF THE TRADITIONS, IT APPEARS,
11 AND I AM NOT -- I DON'T KNOW IF I AM NECESSARILY
12 CRITICIZING THAT -- I JUST SEE IT AS A TREND IN
13 THIS COUNTRY. ONE OF THE THINGS IS WHATEVER
14 ETHNIC GROUP BUYS A HOTEL OR A BUSINESS OR WHAT
15 HAVE YOU, GENERALLY, AFRO-AMERICANS ARE REPLACED
16 IMMEDIATELY BY THAT OTHER ETHNIC GROUP. WELL,
17 THAT DOES NOT CREATE FOR PEACE.

18 NOW I CAN UNDERSTAND. THE JAPANESE BUY
19 A BUSINESS. THEY HIRE JAPANESE. I DON'T KNOW IF
20 THAT IS GOING TO WORK IN AMERICA.

21 MR. WANG: THANK YOU.

22 COMMISSIONER GEORGE?

23 MR. GEORGE: THANK YOU VERY MUCH. THE
24 COMMISSIONERS HAVE AGREED TO TRY TO DISCIPLINE AND
25 RESTRAIN THEMSELVES IN THE INTERESTS OF TIME AND

1 EFFICIENCY. I WAS ACTUALLY NOT ENTITLED TO
2 QUESTION REVEREND HILL, WHO I VERY MUCH WANT TO
3 TALK WITH, SO I AM GRATEFUL TO CHARLES WANG FOR
4 ACCEDING SOME OF HIS TIME TO ME.

5 REVEREND HILL, YESTERDAY WE HEARD
6 INCISIVE TESTIMONY FROM THE ECONOMIST ARTHUR
7 LAFFER ABOUT WAYS THAT GOVERNMENTAL POLICIES OR
8 SOME WAYS THE GOVERNMENT IN GETTING OUT OF THE WAY
9 CAN REJUVENATE AND REINVIGORATE THE ECONOMIES OF
10 OUR INNER CITIES, IN OUR POORER AND IN MANY CASES
11 MINORITY AREAS BY REDUCING REGULATION, BY REDUCING
12 BUREAUCRACY, BY REDUCING TAXATION IN A WAY THAT
13 WILL REALLY MAKE IT RATIONAL FOR BUSINESS
14 ENTERPRISES TO GO INTO THOSE COMMUNITIES, TO USE
15 THE RESOURCES AND TALENT AND THE OPPORTUNITIES
16 THAT ARE THERE IN THOSE COMMUNITIES.

17 YET, AS LAFFER POINTED OUT IN RESPONSE
18 TO A QUESTION, REGULARLY THE POLITICS OF THE
19 SITUATION ARE SUCH THAT THOSE WHO ARE RETURNED
20 FROM THE CONGRESSIONAL DISTRICTS WHERE THOSE
21 COMMUNITIES ARE ARE PRECISELY THE PEOPLE WHO ARE
22 MOST OPPOSED TO THOSE POLICIES, WHO FIGHT HARDEST
23 AGAINST THINGS LIKE, JUST TO CITE ONE EXAMPLE THAT
24 LAFFER CITED, REDUCING THE MINIMUM WAGE OR
25 ELIMINATING THE MINIMUM WAGE, WHICH HE

1 CHARACTERIZED AS THE "BLACK TEENAGE UNEMPLOYMENT
2 ACT," OR REDUCING CAPITAL GAINS OR ELIMINATING
3 CAPITAL GAINS IN A WAY THAT WILL STIMULATE CAPITAL
4 FORMATION SEED MONEY FOR BUSINESS ENTERPRISES IN
5 THESE COMMUNITIES.

6 COULD YOU COMMENT ON THAT? DO YOU
7 AGREE? DO YOU DISAGREE?

8 MR. HILL: WELL, I CERTAINLY AM NOT
9 NECESSARILY A FAN OF THOSE WHO REPRESENT OUR
10 DISTRICTS IN CONGRESS, NOR OFTEN IN THE CITY
11 COUNCIL. AND ONE OF THE REASONS IS THAT OFTEN
12 PEOPLE WHO ARE ELECTED IN OUR AREAS GET THEIR
13 ELECTION MONEY FROM OTHER AREAS. AND, THUS, THEY
14 MUST VOTE ACCORDING TO THE DESIRES OF THOSE WHO
15 FUNDED THEM.

16 THE FUNDS TO BECOME A CONGRESSMAN FOR
17 MY AREA WOULD EXCEED A QUARTER OF A MILLION
18 DOLLARS, I AM SURE, TO RUN THE RACE. I AM ALSO
19 SURE THAT LESS THAN TWENTY THOUSAND CAME FROM MY
20 DISTRICT. AND YOU HAVE A CONFLICT OF WHO PAYS THE
21 PIPER, AND, THUS, WHO CALLS THE TUNE.

22 THE PROGRAMS THAT YOU HAVE MENTIONED
23 ARE PROGRAMS THAT SHOULD BE, INCLUDING THE
24 ENTERPRISE ZONE AND OTHER PLACES, SHOULD BE IN OUR
25 AREA.

1 BUT MAY I JUST MAKE A BLANKET
2 STATEMENT? IT HAS BEEN MY EXPERIENCE -- AND I
3 HAVE SERVED AS CHAIRMAN OF FOUR COMMISSIONS IN
4 THIS TOWN SINCE I HAVE BEEN HERE, AND I HAVE
5 WORKED WITH THE GOVERNMENT; AS A MATTER OF FACT,
6 AS YOU WELL KNOW, I WAS OFFERED CHAIRMANSHIP OF
7 THIS COMMISSION UNDER PRESIDENT REAGAN AND TURNED
8 IT DOWN BECAUSE I WAS AFRAID OF IT -- IT IS TOO
9 BIG, IN MY JUDGMENT -- THERE IS NO COMMITMENT ON
10 THE PART OF THE GOVERNMENT, ON THE PART OF
11 CONGRESSMEN AND WHAT HAVE YOU, TO CURE THE
12 PROBLEMS OF SOUTH CENTRAL. THERE IS NO
13 COMMITMENT.

14 THERE ARE TWO WAYS OF DOING THINGS IN
15 GOVERNMENT, THE REGULAR WAY THAT NEVER GETS DONE
16 AND THE EMERGENCY WAY. SOUTH CENTRAL IS PUT OVER
17 TO THE REGULAR WAY OF DOING THINGS. THE SOVIET
18 UNION IS THE EMERGENCY WAY OF DOING THINGS. WE
19 HAVE LEARNED TO HELP THE SOVIET UNION. WE ARE
20 GOING TO PUT THEM ON THEIR FEET LIKE WE DID
21 GERMANY, LIKE WE DID JAPAN. AND WE ARE GOING TO
22 LET SOUTH CENTRAL GO THE REGULAR WAY, AND IT IS
23 NOT GOING TO BE DONE. AND THUS WE ARE GOING TO
24 HAVE ONE ERUPTION AFTER ANOTHER.

25 MR. GEORGE: IF IT WERE POSSIBLE TO

1 MUSTER THE POLITICAL WILL TO DO SOMETHING TO MAKE
2 THIS AN EMERGENCY SITUATION OR TO ACT THE WAY
3 GOVERNMENT ACTS WHEN IT DOES HAVE AN EMERGENCY
4 SITUATION, DO YOU THINK THAT IT WOULD BE VALUABLE
5 AND DO YOU HAVE ANY PROPOSALS TO GET PROPERTY INTO
6 THE HANDS OF UNPROPERTIED PEOPLE?

7 ISN'T PART OF THE SOLUTION TO THE
8 PROBLEM OF POVERTY AND HELPLESSNESS AND DEPENDENCY
9 IN OUR INNER CITIES IN MANY OF OUR POOR AND
10 MINORITY COMMUNITIES A LACK OF PROPERTY OWNERSHIP
11 AND THE HOPE AND THE DIGNITY THAT COMES WITH
12 OWNERSHIP, PARTICULARLY HOME OWNERSHIP?

13 MR. HILL: THERE IS NO QUESTION ABOUT
14 IT, NOT ONLY HOME OWNERSHIP BUT OWNING THE HEART
15 OF WHATEVER THE BUSINESS IS. WHATEVER BUSINESS
16 PLANS TO BE REBUILT IN SOUTH CENTRAL MUST BE JOINT
17 OWNERSHIP. IF WE DON'T OWN A PART OF IT, IT IS
18 GOING TO BE PROFITLESS. SO WE NEED TO OWN A PART
19 OF IT.

20 AND ONE OF THE THINGS THAT WE HAD HOPED
21 AND WE STILL HOPE THAT WILL COME OUT OF THE
22 UEBERROTH COMMITTEE IS THE JOINT VENTURES. IF WE
23 ARE GOING TO PUT UP A HUNDRED UNITS, THAT CANNOT
24 BE PUT UP -- UNLESS SOMEBODY FROM AUSTRALIA --
25 WITH NONE OF US AS OWNERS OF THAT PROPERTY. IT

1 HAS TO BE JOINT VENTURES.

2 BUT, ALSO, IF YOU ARE GOING TO BE VERY
3 SERIOUS -- I DOUBT WHETHER OR NOT THE
4 APPROPRIATIONS THAT ARE GOING TO OTHER COUNTRIES
5 HAVE APPLICATIONS THIS THICK. TWO AND THREE
6 INCHES OF APPLICATIONS WERE HANDED OUT TO PEOPLE
7 BY SBA IN AN EMERGENCY SITUATION. THEY WERE THREE
8 INCHES THICK TO THE POINT THAT WE HAD TO HAVE
9 PEOPLE TO COME IN AND HELP TRAIN THE TRAINERS WHO
10 WOULD PASS THEM OUT TO BUSINESSES IN OUR
11 COMMUNITY.

12 NOW, I CANNOT ATTEST TO THIS
13 PERSONALLY. I CAN BRING PEOPLE IN TO ATTEST TO
14 THIS, THAT IN OTHER AREAS OF THE COMMUNITY
15 APPLICATIONS WERE A HALF INCH THICK. AND I THINK
16 THAT'S SOMETHING THAT THIS COMMISSION OUGHT TO
17 LOOK INTO, IF THAT ACTUALLY HAPPENED. I CAN
18 FURNISH NAMES OF PEOPLE WHO SAID THAT HAPPENED,
19 THAT ON ONE SIDE OF TOWN YOU GET A HALF INCH
20 THICK, AND ON MY SIDE OF TOWN, YOU GET A THREE
21 INCH THICK.

22 PEOPLE WHO HAVE BEEN -- WHERE THERE HAS
23 BEEN DEPRIVATION, THERE MUST BE COMPENSATION. AND
24 A PEOPLE WHO HAVE BEEN DEPRIVED, AND A PEOPLE WHO
25 HAVE JUST STARTED BEGINNING TO COME INTO

1 DEVELOPING BUSINESSES HAVE TO BE HANDLED MORE
2 REMEDIALY THAN THAT. AND WE HAVE DONE THIS. ALL
3 ACROSS THIS WORLD WE HAVE TAKEN PEOPLE BY THE
4 HAND.

5 MANY ARE THE ROADS AND BRIDGES THAT WE
6 HAVE FUNDED IN AFRICA WITH OUR SIGNATURE. THEY
7 HAVEN'T BEEN BUILT YET. SOUTH CENTRAL -- WHENEVER
8 WE DECIDE -- WHENEVER THE GOVERNMENT DECIDES THAT
9 WE ARE NOT GOING TO HAVE ANY MORE SOUTH CENTRALS,
10 WE WON'T HAVE THEM ANYMORE. BUT THE SOUTH
11 CENTRALS HAVE BEEN PLACED INTO THE REGULAR
12 PROCEDURE DOWN THROUGH THE SENATORS, DOWN THROUGH
13 THE CONGRESSMEN, DOWN THROUGH THE COUNCILMEN, DOWN
14 THROUGH THE MAYORS, AND IT DISAPPEARS.

15 WHEN IT DECIDES THAT IT IS IN OUR OWN
16 BEST INTERESTS -- AND I SUGGEST IT IS -- BUT WHEN
17 YOU, RIGHT HERE, WHEN YOU TRAVEL AROUND
18 LOS ANGELES, WHEN YOU GO TO THE BEAUTIFUL COAST
19 AND WHEN YOU GO TO BEAUTIFUL WEST L.A. OR
20 CHINATOWN OR KOREATOWN, YOU SAY, "WOW." WHEN YOU
21 GO TO SOUTH CENTRAL, YOU SAY, "WHAT?" THEY JUST
22 DON'T GO TOGETHER.

23 MR. GEORGE: CHAIRMAN FLETCHER
24 YESTERDAY CALLED OUR ATTENTION TO THE LARGE AMOUNT
25 OF MONEY THAT IS EACH SUNDAY COLLECTED IN BLACK

1 CHURCHES ACROSS THE COUNTRY AND PUT INTO BANKS AND
2 OTHER INVESTMENTS. AND IT WAS POINTED OUT, I
3 DON'T KNOW IF BY CHAIRMAN FLETCHER OR BY ONE OF
4 THE PEOPLE ON THE PANELS, THAT WHEN IT COMES TO
5 ACTUALLY INVESTING THAT MONEY, BLACK CHURCHES LIKE
6 ALL CHURCHES COME UP AGAINST AN OBSTACLE, THE TAX
7 EXEMPTION PROVISIONS, WHICH WILL SUDDENLY INVOLVE
8 THEM IN TAXATION IF ECONOMIC INVESTMENTS ARE MADE.

9 WOULD YOU FAVOR A POLICY THAT WOULD
10 GIVE THOSE CHURCHES IN ENTERPRISE ZONES OR MORE
11 GENERALLY A BREAK TO ELIMINATE THE DISINCENTIVE
12 FOR INVESTING THOSE FUNDS IN A PRODUCTIVE ECONOMIC
13 WAY IN THESE COMMUNITIES?

14 MR. HILL: WELL, OF COURSE, WE ALREADY
15 CAN DO THAT. ALL WE HAVE TO DO IS ORGANIZE PROFIT
16 ORGANIZATIONS OUTSIDE OF OUR NONPROFIT CORPORATION
17 BY MEMBERS OF OUR CHURCH WHOM WE CONTROL. OUR
18 CHURCH ALONE -- WE ARE SMALL, A STRUGGLING CHURCH
19 ON THE POOR SIDE OF TOWN. WE OWN 6 BUSINESSES.
20 WE ARE ON OUR WAY TO OWNING 15 MORE.

21 MORE THAN THAT, CHURCHES CAN ADOPT AND
22 ENCOURAGE BUSINESSES WITHIN SOUTH CENTRAL OR
23 WITHIN THE POOR AREAS. I HAVE BUSINESSES -- ON MY
24 RADIO PROGRAM, WITHOUT THEM GIVING ME ANY MONEY
25 FOR THE RADIO, I HAVE JUST SAID, "BUY YOUR GAS AT

1 VERNON AND WESTERN." AND THE MAN HAS CALLED ME
2 AND SAID, "YOU KNOW, YOU HAVE TRIPLED MY
3 BUSINESS."

4 SO THE CHURCHES CAN PLAY A GREAT ROLE
5 NOT ONLY IN OWNING THE BUSINESSES LIKE
6 THEMSELVES -- AND ACTUALLY WE DON'T HAVE ALL THAT
7 MONEY NOR TIME TO GET INTO THAT -- BUT WE CAN DO
8 IT. BUT WE CAN ENCOURAGE, WE CAN ADOPT, WE CAN
9 POINT PEOPLE TOWARDS BUSINESSES OF PEOPLE OF OTHER
10 COLORS IN OUR COMMUNITY WHO ARE, IN FACT,
11 RECYCLING MONEY IN THE COMMUNITY. SO WE HAVE THAT
12 POWER TO DO THAT, AND THAT IS A GREAT POWER.

13 BUT THAT DOES NOT EVEN BEGIN TO
14 SUBSTITUTE WHAT THE SBA COULD DO IF IT WOULD DO
15 WHAT IT WAS DESIGNED TO DO. SBA WAS DESIGNED TO
16 BE THAT BANK THAT WOULD LOAN SMALL BUSINESSES
17 MONEY THAT DIDN'T HAVE THE CRITERIA OF OTHER GREAT
18 BIG BANKS. BUT THEY HAVE BECOME MORE DIFFICULT
19 NOW THAN THE GREAT BIG BANKS.

20 MR. GEORGE: WHY NOT GO AROUND THEM
21 THEN, REVEREND? WHY NOT JUST CUT, DO THE SIMPLE
22 MOVE OF CUTTING THE CAPITAL GAINS TAX FOR
23 INVESTMENTS IN THESE AREAS?

24 MR. HILL: THAT WOULD BE A WAY, BUT WHY
25 EITHER/OR? WHY DON'T WE STRAIGHTEN OUT THE SBA,

1 TOO?

2 MR. GEORGE: WHY NOT? IT'S NOT
3 EITHER/OR.

4 JUST A FINAL QUESTION, IF I MIGHT,
5 REVEREND, FOLLOWING UP ON A QUESTION FROM
6 YESTERDAY. IF YOU COULD COMMENT IN LOS ANGELES
7 AND IN THE NATION MORE GENERALLY, BECAUSE I KNOW
8 THAT YOU ARE AN OBSERVER OF WHAT GOES ON ACROSS
9 THE NATION, ON THE STATE OF HEALTH OF THE BLACK
10 CHURCH IN OUR, IN MANY WAYS, SECULARIZED SOCIETY
11 AND THE STATE OF HEALTH OF THE BLACK FAMILY.

12 MR. HILL: WELL, OF COURSE, IN ANY
13 COMMUNITY THAT YOU GO TO AT THIS POINT IN HISTORY
14 ATTENDING CHURCH IS NOT AS POPULAR AS IT WAS
15 10 YEARS AGO OR 20 YEARS AGO, BECAUSE 20 YEARS AGO
16 WE WERE RIGHT IN THE THROES OF FIGHTING FOR CIVIL
17 RIGHTS AND WHAT HAVE YOU, SO EVERYBODY WOULD SHOW
18 UP AND EVERYBODY WOULD KNOW WHAT WAS GOING ON.

19 FOR SOME REASON, SOMEBODY THOUGHT FIVE
20 YEARS AGO WE WERE ALL RIGHT NOW, SO THEN CHURCH
21 ATTENDANCE WENT DOWN. BUT IT IS JUST LIKE THE MAN
22 WHO NEVER ATTENDED PRAYER MEETING. HE HEARD THEY
23 WERE GOING TO CUT OUT PRAYER MEETING, AND HE CAME
24 TO PRAYER MEETING.

25 SO IN THE NEIGHBORHOOD COMMUNITY, DON'T

1 JUMP ON THE CHURCH. DON'T LET THE LACK OF
2 ATTENDANCE OVER AGAINST 10 YEARS AGO SUGGEST THAT
3 WE ARE ANY LESS HEALTHY, BECAUSE PEOPLE WHO DON'T
4 GO TO CHURCH PAY ATTENTION TO THE MOVES OF THE
5 CHURCH IN OUR COMMUNITY.

6 AND SO I THINK THE CHURCH WILL CONTINUE
7 TO BE OUR RALLYING POINT. IT WILL CONTINUE TO BE
8 WHERE WE BRING PEOPLE TOGETHER AND WHERE WE KIND
9 OF INSTRUCT THEM TO GO FORWARD.

10 THERE WAS ANOTHER PART TO YOUR
11 QUESTION, MR. GEORGE.

12 MR. GEORGE: ON THE BLACK FAMILY.

13 MR. HILL: THAT IS A TREMENDOUS PROBLEM
14 THAT IS SOLVABLE. IT INVOLVES THE LACK OF JOB
15 OPPORTUNITIES. IT INVOLVES THE LACK OF INCENTIVES
16 TO BE A FAMILY. AS YOU WELL KNOW, IN THE WELFARE
17 STRUCTURE, REMOVING THE MALE FROM THE HOME IN
18 ORDER TO GET WELFARE, YOU ARE DELIBERATELY
19 DESTROYING THE FAMILY.

20 THE STRESS AND THE STRAIN OF LIVING IN
21 POVERTY -- TWO OR THREE THINGS THAT GET -- I'M A
22 PASTOR NOW OF 30 YEARS, PREACHER 42 YEARS, 43
23 MAYBE -- TWO OR THREE THINGS CAN BREAK UP A HOME.
24 ONE IS THE STRAIN OF FINANCE. I DON'T CARE WHO
25 YOU ARE. I DON'T CARE WHERE YOU COME FROM. IF

1 YOU ARE THE HUSBAND, ANY OF YOU GENTLEMEN UP
2 HERE -- YOU ARE THE HUSBAND -- AND OVER AND OVER
3 AGAIN YOU CAN'T BRING A CHECK HOME TO YOUR WIFE
4 AND CHILDREN, THAT IS GOING TO DEVELOP A STRAIN,
5 AND IT WILL EVENTUALLY DEVELOP A BREAK UP IF YOU
6 DON'T WATCH IT.

7 THE OTHER, OF COURSE, IS THE MAN'S
8 INABILITY TO PARTICIPATE IN HIS GOVERNMENT AND
9 WHAT HAVE YOU WITHOUT BEING DISCRIMINATED AGAINST.

10 AND SO I GO BACK TO BARBARA JORDAN.
11 AND I CHALLENGE THIS COMMITTEE. HAVE WE IN FACT
12 ABANDONED OUR DREAMS FOR AN INTEGRATED AMERICA?
13 AND ARE WE NOW IN FACT JUST TRYING TO SEPARATE THE
14 WARRING FACTIONS AS TO WHAT PORTION OF AMERICA
15 THEY WILL CONTROL?

16 MR. GEORGE: AND WHAT WOULD YOU PROPOSE
17 AS THE KINDS OF POLICIES THAT WILL STAND UP AS THE
18 OPPOSITION TO THE IDEA OF VULCANIZING AMERICA?

19 MR. HILL: WELL, I THINK THIS
20 COMMITTEE -- AND I HAVE TESTIFIED IN QUITE A
21 FEW -- BUT I THINK THIS COMMITTEE IS
22 UNDERESTIMATED AS TO THE POWER THAT YOU HAVE OR
23 SHOULD HAVE OR THE CONSTITUTION GIVES YOU OR THE
24 VOTE OF THE CONGRESS GAVE YOU.

25 FOR INSTANCE, DURING THAT UPRISING, I

1 BELIEVE THAT THIS COMMITTEE MORE THAN ANY OTHER
2 COMMITTEE SHOULD HAVE BEEN HERE AND SHOULD HAVE
3 BEEN SAYING THAT, "THAT WAS A FOUL." THE NEWS
4 MEDIA WAS WRONG. ONE OF OUR GREAT BIG PROBLEMS
5 WAS THE NEWS MEDIA. AND I THINK THAT YOU HAVE GOT
6 TO BECOME THE FOCAL POINT TO WHICH WE LOOK WHEN
7 THERE IS AN UPRISING. THE CIVIL RIGHTS
8 COMMISSION -- MORE THAN THE VISIT OF THE PRESIDENT
9 AND THE GOVERNOR SHOULD HAVE BEEN THE VISIT OF THE
10 CIVIL RIGHTS COMMISSION. SINCE THIS WAS A CIVIL
11 DISORDER, THE CIVIL RIGHTS COMMISSION SHOULD HAVE
12 BEEN RIGHT IN THE MIDST OF THE CIVIL DISORDER.

13 AND SOMEBODY HAS ALREADY SAID IT UP
14 HERE, THAT THE STRENGTHENING OF THE CIVIL RIGHTS
15 COMMISSIONS ON BOTH COUNTY AND CITY LEVELS IS A
16 MANDATE. IT'S A MUST. YOU CAN'T GO OUT HERE AND
17 TAKE A SURVEY AND FIND ANYBODY WHO KNOWS WHO IS
18 THE PRESIDENT OF THE CIVIL RIGHTS COMMISSION OF
19 THE COUNTY OF LOS ANGELES. YOU CAN'T FIND IT.
20 NOBODY KNOWS. IT IS INACTIVE. IT IS ALMOST
21 IMPOTENT.

22 AND I SUGGEST THAT THE CIVIL RIGHTS
23 COMMISSION SHOULD HAVE BEEN THE FIRST PLANE TO
24 LAND IN THE CIVIL DISORDER. AND YOU HAVE SUBPENA
25 POWER. YOU COULD HAVE BROUGHT IN EVERYBODY DOING

1 ANYTHING OUT OF ORDER AND MAKE THE PRONOUNCEMENT.

2 OTHER THAN THAT, EVERYBODY ELSE CAME
3 WITH PRONOUNCEMENTS AND PICTURE TAKING. AND WE
4 ARE LEFT WITH A COMMUNITY STILL EXPECTING AND
5 STILL HOPING, STILL EXPECTING AND STILL HOPING.

6 MR. GEORGE: THANK YOU, REVEREND HILL.
7 THANK YOU, MR. CHAIRMAN, AND THANK YOU, MR. WANG.

8 MR. FLETCHER: JUST FOR THE RECORD,
9 REVEREND HILL, WE MADE A MOVE TO COME. WE ASKED
10 FOR A SUPPLEMENTAL APPROPRIATION SO WE COULD GET
11 HERE. THE SMOKE HADN'T EVEN CLEARED. IT HAD JUST
12 GOTTEN STARTED WHEN WE REALIZED IT. AND WE
13 QUICKLY MOVED TO ASK FOR A SUPPLEMENTAL
14 APPROPRIATION TO DO IT. AND OUR SUPPLEMENTAL
15 APPROPRIATION WAS HELD IN ABEYANCE, AND WE DIDN'T
16 GET IT.

17 MR. HILL: IN THE REGULAR SYSTEM.

18 MR. FLETCHER: THE REGULAR SYSTEM.

19 BY THE TIME WE GOT THROUGH TRYING TO
20 RUN THE BASES, IT WAS TOO LATE. THANK YOU.

21 MR. DOCTOR: MR. CHAIRMAN, I WOULD LIKE
22 TO MAKE A QUICK COMMENT, TOO. I THINK FOR THE
23 BENEFIT OF THIS PARTICULAR PANEL AND THE CITY OF
24 LOS ANGELES, IT SHOULD BE POINTED OUT THAT THE
25 COMMISSION WAS AWARE THAT WE HAD PROBLEMS LONG

1 BEFORE LOS ANGELES EVER ERUPTED.

2 AS A MATTER OF FACT, IN FEBRUARY OF
3 1991 IN THE COMMISSION RETREAT DOWN IN RICHMOND,
4 VIRGINIA, WE ADOPTED A PROJECT DESIGNED TO LOOK AT
5 RACIAL AND ETHNIC TENSIONS BECAUSE THERE WAS A
6 RECOGNITION ON THE PART OF THIS COMMISSION AND
7 THIS STAFF THAT WE WERE ON THE VERGE OF SOME VERY
8 SERIOUS PROBLEMS IN THIS AREA.

9 THE CHAIRMAN HAS REMINDED ME THAT WE
10 HAVE MADE THE PRESIDENT AWARE OF OUR CONCERNS IN
11 THIS PARTICULAR AREA, AND THAT IS WHY WE ARE DOING
12 THIS PROJECT. BUT THE POINT THAT NEEDS TO BE MADE
13 IS WE RECOGNIZED EARLY ON, LONG BEFORE THERE WAS
14 THIS UPRISING IN LOS ANGELES, THAT WE WERE HEADED
15 IN THIS DIRECTION.

16 MR. HILL: AND, OF COURSE, AS I SAID
17 AGAIN, THIS REINFORCES WHAT I HAVE SAID. AND I
18 WISH I HAD A LOUD ENOUGH VOICE. I WISH I WAS A
19 KNOWN PERSON TO JUST ACCUSE THE GOVERNMENT OF THE
20 UNITED STATES OF HAVING NO COMMITMENT TO SOLVING
21 THE PROBLEMS OF THE INNER CITY. WHATEVER THEY DO,
22 THEY ARE FORCED TO DO IT. IT IS CRUMBS FROM THE
23 RICH MAN'S TABLE.

24 MR. FLETCHER: COMMISSIONER REDENBAUGH.

25 MR. REDENBAUGH: REVEREND HILL, I AGREE

1 WITH AND AM MOVED BY WHAT YOU SAY ABOUT THE
2 INDIFFERENCE OF THE COUNTRY TOWARD THE PLIGHT OF
3 POVERTY. AND ONE OF THE THINGS THAT WE HAVE SEEN
4 HERE THIS WEEK AND IN OTHER PLACES THAT WE VISITED
5 IS THAT WHAT WE FIND IS POOR PEOPLE ARE IMPLORING
6 EITHER STATE OR FEDERAL GOVERNMENTS THAT ARE
7 THEMSELVES DRIFTING TOWARDS BANKRUPTCY FOR SMALL
8 HANDOUTS.

9 THE QUESTION I HAVE FOR YOU IS, WHY ARE
10 WE NOT INSISTING THAT THE RULES OF THE GAME THAT
11 TRAP AND MAINTAIN AND HOLD PEOPLE IN POVERTY BE
12 CHANGED?

13 MR. HILL: WELL, I THINK THAT -- FIRST
14 OF ALL, AND I GO BACK TO THE POVERTY PROGRAM WHEN
15 IT WAS ORGANIZED AND EVEN TODAY -- CHECK IT OUT --
16 I'M NOT FOR SURE, BUT CHECK IT OUT -- I RECEIVED
17 IT. YOU HAVE THE AUTHORITY TO GET IT.

18 I THINK IT NOW COSTS AROUND \$42,000 A
19 YEAR TO DELIVER \$7,200 A YEAR TO A WOMAN WITH FIVE
20 CHILDREN. NOW, WHERE DID THE OTHER THIRTY-SOME
21 THOUSAND GO? IT ACTUALLY COSTS AROUND \$44,000 TO
22 DELIVER \$7,200. IT WOULD BE BETTER IF THE
23 GOVERNMENT WOULD JUST WRITE A CHECK FOR \$25,000
24 AND SEND IT TO THE WOMAN. POVERTY HAS ITS PROFIT.
25 THERE ARE MANY PROFIT POVERTY WORKERS THROUGHOUT

1 THIS COUNTRY.

2 I WAS CHAIRMAN OF THE POVERTY PROGRAM
3 HERE, AND IT WAS ALWAYS AMAZING TO ME THAT WHEN WE
4 GOT THROUGH WITH SALARIES, WE HAD VERY LITTLE LEFT
5 TO HELP THE POOR. SO THERE IS PROFIT IN POVERTY.
6 AND THAT IS NOT ONLY FINANCIALLY. THAT IS
7 POLITICALLY. YOU CAN ACTUALLY WIN AN ELECTION
8 CHAMPIONED BY MAKING PROMISES THAT YOU ARE GOING
9 TO HELP THE HURTING AND THE POOR. SO THERE IS
10 PROFIT IN POVERTY.

11 AND SO YOU SAY WHY WE DON'T? IT IS
12 BECAUSE EVEN THOUGH OUR ORGANIZATIONS MAY BE
13 DESIGNED TO DO THAT, WE ARE NOT RAISING ENOUGH
14 HELL RIGHT NOW. IF WE WOULD HAVE TAKEN THE
15 POSITION THAT WE ARE NOW TAKING IN THIS COUNTRY,
16 WE WOULD HAVE STILL BEEN IN SEGREGATION. WE ROSE
17 UP. WE REJECTED. WE HAVE COME FROM A LONG WAYS,
18 BUT WE HAVE A LONG WAYS TO GO.

19 SO I THINK THAT IN ANSWER TO YOUR
20 QUESTION, "WHY AREN'T WE DOING IT," WE DO NOT HAVE
21 ANY PROPHETS OR STATESMEN THAT ARE CHAMPIONING THE
22 CAUSE.

23 WE HAVE JUST ABOUT WRITTEN OFF 31
24 MILLION PEOPLE IN AMERICA BY SAYING, "WE CAN JUST
25 GIVE THEM A CHECK THE 1ST AND THE 15TH, AND THEY

1 WILL BE QUIET." THEY ARE NOT GOING TO BE QUIET,
2 AND IT IS GOING TO BE 50 MILLION BY THE YEAR 2000.
3 AND THAT IS A LARGE ARMY.

4 MR. REDENBAUGH: THANK YOU.

5 MR. GLICK: MR. CHAIR, I WOULD LIKE TO
6 TURN NOW TO THE REVEREND MURRAY. BUT BEFORE I DO,
7 I WOULD LIKE TO BRING YOUR ATTENTION TO THE FACT
8 THAT WE ARE NOW AN HOUR AND A HALF BEHIND. AND WE
9 ARE GOING TO KEEP ON SLIPPING UNLESS WE TAKE THE
10 APPROPRIATE STEPS.

11 REVEREND MURRAY, YOU ARE PASTOR OF A
12 LARGE AND IMPORTANT CHURCH IN SOUTH CENTRAL, AND I
13 WOULD LIKE TO PHRASE FOR YOU THE SAME KIND OF
14 QUESTIONS THAT HAVE BEEN DISCUSSED WITH REVEREND
15 HILL.

16 AND I AM GOING TO ASK YOU FIRST, WHY DO
17 YOU BELIEVE THAT PREVIOUS ATTEMPTS -- THE KINDS OF
18 THINGS THAT WE SAW THAT FOLLOWED IN WATTS AFTER
19 WATTS BLEW UP SOME YEARS AGO, AND THERE WERE
20 EFFORTS UNDERTAKEN, EFFORTS SPOKEN ABOUT AT LEAST,
21 AND THEY DIDN'T SEEM TO MAKE ANY CHANGES -- WHY
22 DIDN'T THEY MAKE ANY CHANGES, AND WHAT SHOULD BE
23 DONE DIFFERENTLY THIS TIME?

24 MR. MURRAY: THANK YOU. AND I, LIKE
25 THE OTHER PANELISTS, WOULD HAVE TO POSE MY ANSWERS

1 IN THE CONTEXT OF THIS COMMISSION, WHICH IS AN
2 EXTRAORDINARILY IMPORTANT COMMISSION, AND WE
3 REMEMBERED YOU AT SIX O'CLOCK THIS MORNING AT THE
4 ALTAR. IF WE WERE TALKING TO ANOTHER GROUP,
5 PERHAPS THE ANSWERS MIGHT BE DIFFERENT. BUT TO DO
6 CAPSULES AND TO TRY TO POINT US TOWARDS TOMORROW
7 IS OUR AIM.

8 PERHAPS THE OVERRIDING CONSENSUS
9 FOLLOWING THE '65 UPRISING AND THE '92 UPRISING
10 WAS ONE OF ENRICHMENT. IT IS KIND OF THE WAY WE
11 APPROACH OUR HELPING PROGRAMS IN AMERICA --
12 ENRICHMENT. AND WE CANNOT DO THAT. WE MUST MOVE
13 TOWARDS EMPOWERMENT.

14 LET ME GIVE YOU A SMALL EXAMPLE. THE
15 DISNEY CORPORATION SAID TO US, "TALK TO OUR
16 EMPLOYEES. IF THEY GIVE A HALF MILLION,
17 MANAGEMENT WILL GIVE A HALF MILLION." WE WORKED
18 TOGETHER. DISNEY CORPORATION GIVES US A MILLION
19 DOLLARS FOR A MICRO LOAN PROGRAM.

20 WE GET AN ESTEEMED BOARD OF DIRECTORS
21 THAT ALSO WILL HAVE RESPECTABILITY. WE SEND OUT
22 THE WORD THAT THEY CAN MAKE LOANS OF UP TO
23 \$20,000. 1,000 APPLICANTS COME. IT ISN'T ENOUGH
24 JUST TO GIVE PEOPLE MONEY, SO WE HAVE A 10-WEEK
25 FREE COURSE OF INDOCTRINATION. AT THE END OF

1 THAT, THEN WE SELECT PERSONS TO RECEIVE \$20,000.
2 TO DATE, WE HAVE GIVEN 25 LOANS. WE WILL EMPOWER
3 35 EXISTING BUSINESSES, START 35 NEW BUSINESSES,
4 HIRE 350 PEOPLE.

5 WE GO INTO THE CONGREGATION, GET THE
6 MBA'S, THE CPA'S, THE ATTORNEYS. IN TEAMS OF TWO,
7 THEY HANDLE THE BUSINESS FOR TWO YEARS. IF AT THE
8 END OF THE TWO YEARS THEY HAVE KEPT THE
9 DEBT-TO-LOAN RATIO OF 4 PERCENT, DONE THEIR DUE
10 DILIGENCE, THEN WE HAVE A KOREAN BANK AND A BLACK
11 BANK THAT HAVE AGREED TO GIVE THEM LARGE LOANS OF
12 HUNDREDS OF THOUSANDS OF DOLLARS.

13 SO THEN WE GO FROM THE SMALL
14 ENTREPRENEUR TO POTENTIALLY A LARGE ENTREPRENEUR
15 ON \$1 MILLION THAT WILL LEVERAGE ITSELF TO
16 \$10 MILLION AND HAS ALREADY LEVERAGED ITSELF TO
17 \$1.3 MILLION. WE HAVE 11 OTHER PROGRAMS IN
18 RELATED AREAS. THIS IS ONE INSTANCE OF WHAT WE
19 MEAN BY "EMPOWERING" RATHER THAN ENRICHING.

20 THE GOVERNMENT DOESN'T HAVE THE FUNDS
21 NOR THE WILL TO DO A MASSIVE MARSHALL PLAN TO THE
22 INNER CITIES OF AMERICA. SO WE AT THE CORPORATE
23 LEVEL, AT THE GRASS ROOTS LEVEL, AND AT THE
24 GOVERNMENT LEVEL MUST WORK TOGETHER TO MAXIMIZE
25 THE DOLLAR THAT IS GIVEN. WE ARE NOT GOING TO

1 POUR ZILLIONS OF DOLLARS INTO THE INNER CITIES.

2 SO WE HAVE TO TAKE THE EXISTING
3 RESOURCES IN THE INNER CITIES AND ENABLE THEM.
4 THAT IS WHAT WE ARE HOPING THE GOVERNMENT WILL DO
5 THROUGH THIS COMMISSION. IF YOU WILL ENABLE US,
6 WE WILL EMPOWER OURSELVES.

7 MR. GLICK: I HAVE NO FURTHER
8 QUESTIONS, MR. CHAIRMAN.

9 MR. FLETCHER: I DON'T BELIEVE I DO
10 EITHER.

11 MR. WANG: ONE QUESTION, REVEREND
12 MURRAY. I MENTIONED EARLIER -- I DON'T KNOW
13 WHETHER YOU WERE HERE -- ABOUT THE CHICAGO MODEL,
14 THAT UNITED WAY OF CHICAGO HIRED AN AFRO-AMERICAN
15 PERSON TO SERVE AS A MEDIATOR. HER PURPOSE WAS TO
16 VISIT ALL THE STORES AND SEE IF SHE BELIEVED THERE
17 IS ANY CONFLICT, ANY ARGUMENTS OVER PRICING, OVER
18 ATTITUDES, OVER WHATEVER, AND SHE IS THERE TO KIND
19 OF HELP BRIDGE THE GAP.

20 DO YOU THINK SUCH A PROGRAM WOULD BE
21 HELPFUL?

22 MR. MURRAY: I THINK IT IS
23 EXTRAORDINARILY HELPFUL. WE HAVE REVEREND LEONARD
24 JACKSON WHO IS A STAFF MINISTER APPOINTED TO WORK
25 WITH KOREANS, WORK WITH LATINOS, WORK WITH JEWS,

1 WORK WITH ANGLOS. ATTORNEY JULIUS BUTLER AND
2 ATTORNEY KENDALL JAMES ARE HERE NOW TO ATTEST TO
3 WHAT YOU ARE SAYING.

4 BUT, YOU KNOW, IT IS A CANDLE, AND
5 THERE ARE MANY BRAVE CANDLES BEING LIT. WHAT WE
6 NEED IS A SUNBURST. THE KOREANS ARE NOT OUR
7 PROBLEM. WE ARE NOT THEIR PROBLEM. THE LATINOS
8 ARE NOT OUR PROBLEM. WE ARE NOT EACH OTHERS
9 PROBLEMS.

10 REVEREND HILL SAID WE HAD BEEN
11 POLARIZED -- WITH GREAT TRUTH -- OR HE SAID WE ARE
12 POLARIZED. I WOULD LIKE TO TAKE IT TO THE NEXT
13 STEP OF SAYING, "WE HAVE BEEN POLARIZED." IF WE
14 GET TO LOVING EACH OTHER, WE STILL HUNGRY. IF WE
15 GET TO LIKING EACH OTHER, KOREANS STILL CAN'T
16 EMPLOY US BECAUSE THEY ARE A MOM AND POP BUSINESS.
17 THEY HAVE GOT TO HIRE THEIR SONS AND DAUGHTERS.
18 THEY WILL SLEEP THERE. THEY WILL WORK HARD. THEY
19 WILL COME INTO THE KEY AND POOL THEIR MONEY AND
20 ENABLE ONE OF THEIRS, THEN THEY WILL DO IT FOR
21 ANOTHER, AND THEY PAY THE LOAN BACK -- A VERY
22 NOBLE CONCEPT.

23 WHAT WE HAVE TO DO IS WITH TAX CREDITS
24 ALLOW BANKS TO COME INTO THE IMPOVERISHED AREAS
25 AND MAKE LOANS AND GET CREDITS THROUGH THE

1 GOVERNMENT. BECAUSE PRESENTLY NO BANK WITH A
2 WHOLE LOT OF SENSE IS GOING TO RISK A WHOLE LOT OF
3 MONEY ON POOR FOLKS. WE MUST SAY TO THE INSURANCE
4 COMPANIES -- WHICH WILL NOT PUT MONEY INTO THE
5 AREA EVEN TO COVER INSURANCE, EVEN THOUGH BLACKS
6 HAVE A HIGH RESPONSIBILITY RATE FOR PAYING THEIR
7 BILLS PARTICULARLY ON INSURANCE NOTES, CAR NOTES,
8 AND HOME NOTES.

9 WE MUST MAKE IT POSSIBLE THROUGH
10 GOVERNMENT TAX CREDITS FOR THEM TO INVEST IN THE
11 INNER CITY AREA. EVEN NOW IN LOS ANGELES THAT IS
12 HAPPENING. HOUSING IS CRUCIAL. NEXT MONTH WE
13 WILL BEGIN A \$14 MILLION HOUSING PROJECT THROUGH
14 TAX CREDITS. KATHLEEN BROWN, TREASURER OF THE
15 STATE AT THAT TIME, PROCESSED OUR APPLICATION FOR
16 TAX CREDITS. WE WERE ACCEPTED. THEN WE LOOKED
17 FOR COOPERATION. O'MELVENY AND MYERS' FIRM HELPED
18 US FIND AND DO ALL THE DUE DILIGENCE AND THE
19 PAPERWORK. SO WE CAN DO IT.

20 WHAT WE STRUGGLE WITH IS NOT LONE
21 PERSONALITIES BUT SYSTEMS THAT OPPRESS. WE ARE AT
22 EACH OTHERS' THROATS BECAUSE WE ARE FIGHTING OVER
23 A BONE, AS E.V. HILL SAID, AND WE NEED MORE THAN A
24 BONE. WE NEED THE WHOLE BUFFALO. AND THAT IS
25 POSSIBLE IF WE CAN ONLY MAKE IT EASIER FOR

1 CORPORATE PERSONS TO COME IN, AND THAT IS WHAT WE
2 HOPE GOVERNMENT WILL DO. IT DOESN'T HAVE TO THROW
3 ZILLIONS AT US.

4 ANOTHER LITTLE THING THAT COULD EASILY
5 BE DONE. THE MILITARY BASES ARE GOING TO BE IDLE.
6 WE ARE DOWNSIZING. LET'S SIMPLY TAKE THE MILITARY
7 INSTALLATIONS THAT THE GOVERNMENT ALREADY OWNS,
8 LET THEM LEASE THEM TO US FOR A DOLLAR A YEAR, LET
9 THEM CONTINUE TO KEEP THE LOGISTICS OF MAINTENANCE
10 THERE OR DO THE PAINTING -- GOT THE ROLLING STOCK,
11 GOT THE HOSPITALS.

12 LET'S TAKE THE 35,000 HOMELESS IN THIS
13 CITY AND THE 180,000 HOMELESS IN THIS COUNTY.
14 LET'S TAKE THE UNSKILLED AND THE UNDERSKILLED.
15 LET'S TAKE THE PEOPLE WHO ARE THREE GENERATIONS,
16 TWO GENERATIONS ON WELFARE. TAKE THEM OFF THAT.
17 NOT WITH ANY BUDGET. 75 PERCENT OF THE BUDGET IS
18 PAYROLL. VOLUNTEERS WILL DO THAT. WHITE, BLACK,
19 ASIAN, RED. WE WILL VOLUNTEER. IF THE GOVERNMENT
20 WILL DO THE 25 PERCENT, THE VOLUNTEERS WILL GIVE
21 TEN HOURS A MONTH OF WOMAN HOURS OR MAN HOURS.

22 SO WE CAN DO IT WITH A MINIMUM
23 INVESTMENT OF MONEY AND A MAXIMUM INVESTMENT OF
24 PEOPLE. WE HAVE A SIMPLE COMPUTER PROGRAM THAT
25 DEALS WITH 20 AT RISK YOUNG PEOPLE PER DAY. IBM,

1 APPLE GAVE US THE HARDWARE. INTERNATIONAL GAVE US
2 THE SOFTWARE. ARSENIO HALL BOUGHT THE PLACE FOR
3 US. WE DID \$65,000 WORTH OF RENOVATION. WE ARE
4 TURNING OUT THESE PERSONS NOW WHO WILL HAVE A
5 SKILL.

6 VIDAL SASSOON COMES AND SAYS, "GIVE ME
7 NINE MOTIVATED PERSONS. I WILL TRAIN THEM IN MY
8 SYSTEM. WHEN THEY GET OUT, WE WILL PLACE THEM IN
9 SHOPS. IF THEY DO WELL IN TWO YEARS, WE WILL LOOK
10 AT THE POSSIBILITY OF THEM OWNING THOSE SHOPS."

11 THESE ARE THE WAYS I THINK THE CIVIL
12 RIGHTS COMMISSION CAN SENSITIZE THE GOVERNMENT TO
13 ENABLE GRASS ROOTS PEOPLE, CORPORATE PEOPLE, AND
14 GOVERNMENTAL PEOPLE TO DO A MORE CREATIVE THING
15 THAN WE ARE PRESENTLY DOING.

16 MR. WANG: THANK YOU VERY MUCH. THAT
17 WAS WELL SAID.

18 MR. MURRAY: THANK YOU, SIR.

19 MR. FLETCHER: RUSS, THAT IS WHAT WE
20 HAVE BEEN SAYING.

21 MR. REDENBAUGH: REVEREND, I WOULD LIKE
22 TO MEET WITH YOU SEPARATELY AND TALK TO YOU
23 FURTHER ON THIS BECAUSE THIS IS EXACTLY THE
24 SOLUTION TO THE PROBLEM. WE NEED TO FIND A WAY TO
25 DO MORE OF EXACTLY WHAT YOU ARE SAYING. THANK

1 YOU.

2 MR. MURRAY: THANK YOU.

3 MR. FLETCHER: I WANT TO THANK EACH AND
4 EVERY ONE OF YOU. YOU HAVE BEEN VERY HELPFUL.
5 THIS IS AN IMPORTANT PANEL THIS MORNING. I WOULD
6 JUST TACK ON A CLOSING REMARK AND SAY TO YOU THAT
7 IN TERMS OF THIS COMMISSION, WE RECOGNIZE OUR
8 CAPACITY TO INFLUENCE, AND WE HAVE STRUGGLED
9 MIGHTILY FOR THE LAST COUPLE, THREE YEARS TO TRY
10 TO DO THAT.

11 IN FACT, WE SENT LETTERS TO THE
12 PRESIDENT AND TO THE LEADERSHIP OF THE HOUSE AND
13 THE SENATE ON BOTH SIDES OF THE AISLE AND ALL
14 50 STATES WARNING THEM OF THE POSSIBILITY THAT
15 SUCH AS HAPPENED WOULD HAPPEN. AND WHAT WE GOT
16 BACK WAS A YAWN. ONE GOVERNOR RESPONDED AND SAID,
17 "STAY OUT OF MY STATE. ANOTHER ONE SAID, "IT'S A
18 GOOD IDEA." ONE OF THE CONGRESSIONAL LEADERS
19 WROTE BACK AND SAID, "IT IS A GOOD IDEA," AND WE
20 DIDN'T HEAR FROM ANYBODY ELSE.

21 SO WE HAVE BEEN TRYING. AND YOU HAVE
22 BEEN HELPFUL. YOU HAVE ARMED US WITH FACTS THAT
23 WILL HELP US BE POSSIBLY EVEN MORE EFFECTIVE.
24 THANKS SO MUCH. SORRY WE KEPT YOU SO LONG AND RAN
25 OVER. BUT MY FEELING IS WHEN WE GET A PANEL LIKE

1 THIS, I WOULD PREFER FOR THE REPORT TO SAY WE GOT
2 SOME GOOD INFORMATION THAN THAT WE RAN IT EVEN ON
3 TIME.

4 MR. MURRAY: THANK YOU.

5 MR. DOCTOR: WE WOULD NOW LIKE TO
6 INVITE TO THE WITNESS TABLE ROBIN CANNON, MIKE
7 HERNANDEZ, AND JOSEPH AVILA.

8 MR. GLICK: STAFF DIRECTOR, THE WITNESS
9 IS NOT ROBIN CANNON. SHE WAS WITH US AND SPOKE TO
10 US LAST NIGHT. SHE IS GOING TO BE REPLACED IN
11 THIS GROUP BY MR. JOHN WALSH.

12 MR. DOCTOR: JOHN WALSH.

13 MR. WANG: MR. WALSH, MR. HERNANDEZ,
14 AND MR. AVILA, COULD YOU STAND UP AND RAISE YOUR
15 RIGHT HAND. WHEN I READ THE STATEMENT, JUST SAY,
16 "I DO."

17 DO YOU SWEAR OR AFFIRM THAT YOU WILL
18 TRUTHFULLY TESTIFY TO THE BEST OF YOUR ABILITY?

19 (ALL PANELISTS REPLIED IN THE
20 AFFIRMATIVE.)

21 MR. WANG: THANK YOU VERY MUCH. PLEASE
22 BE SEATED.

23 MR. COUNSEL, WOULD YOU START.

24 MR. GLICK: MR. WANG, STAFF ATTORNEY
25 STELLA YOUNGBLOOD WILL BE QUESTIONING THIS PANEL.

1 MS. YOUNGBLOOD: THANK YOU VERY MUCH,
2 MR. VICE CHAIR.

3 IN THE INTERESTS OF TRYING TO CATCH UP
4 ON SOME OF THE LOST TIME -- STAFF HAS BEEN
5 PREVIOUSLY CONTACTED BY MEMBERS OF THE NEXT PANEL
6 THAT THEY HAVE A SUBSEQUENT OBLIGATION THIS
7 AFTERNOON -- I WOULD LIKE TO REQUEST YOUR
8 PERMISSION TO QUESTION EACH OF THE WITNESSES
9 SEQUENTIALLY, AND THEN TURN THE QUESTIONING OVER
10 TO THE COMMISSIONERS.

11 MR. WANG: ALL RIGHT.

12 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

13 WOULD EACH OF THE WITNESSES PLEASE
14 STATE YOUR NAME AND ORGANIZATIONAL AFFILIATION.

15 MR. WALSH: JOHN WALSH, CHAIRMAN OF
16 UNITED RIDERS OF LOS ANGELES, A PASSENGERS' LOBBY.

17 MR. HERNANDEZ: MIKE HERNANDEZ, A
18 MEMBER OF THE LOS ANGELES CITY COUNCIL.

19 MR. AVILA: JOSEPH AVILA, ATTORNEY AT
20 LAW, OF AVILA AND PUTNAM.

21 MS. YOUNGBLOOD: THANK YOU VERY MUCH.
22 I WOULD LIKE TO BEGIN WITH MR. WALSH, PLEASE.

23 MR. WALSH, IT IS THE COMMISSION'S
24 UNDERSTANDING THAT YOU ARE WHAT IS TERMED A
25 "TRANSIT DEPENDENT PERSON." WOULD YOU PLEASE

1 EXPLAIN WHAT THAT TERM MEANS LITERALLY AND WHAT
2 THAT TERM MEANS TO YOU PERSONALLY?

3 MR. WALSH: LITERALLY IT MEANS THAT I
4 HAVE NO AUTOMOBILE, I HAVE NEVER HAD A DRIVER'S
5 LICENSE, AND I DEPEND FOR MY MOBILITY ON THE BUS
6 SYSTEM AND THE RAIL SYSTEM OF THE COUNTY OF
7 LOS ANGELES. AS FAR AS BUS RIDERS ARE CONCERNED
8 IN GENERAL, "TRANSIT DEPENDENT" GENERALLY MEANS
9 THAT YOU ARE OF A LOWER INCOME, THAT YOU CAN'T
10 AFFORD TO BUY A CAR, AND THAT YOU ARE RELEGATED TO
11 VISITING AND GOING TO WORK BY PUBLIC
12 TRANSPORTATION.

13 MS. YOUNGBLOOD: SIR, DO YOU HAVE ANY
14 INFORMATION ON WHAT KIND OF NUMBERS OF INDIVIDUALS
15 WHO WOULD BE CLASSIFIED AS "TRANSIT DEPENDENT" ARE
16 IN LOS ANGELES AT THIS TIME?

17 MR. WALSH: WELL, I HAVE THE LATEST
18 RIDERSHIP FIGURES FOR THE RTD, AND IT SHOWS THAT
19 52 PERCENT OF THE RTD'S RIDERS EARN LESS THAN
20 \$15,000 A YEAR. THESE ARE TRANSIT DEPENDENT
21 PEOPLE. ONLY ABOUT 10 OR 15 PERCENT OR 20 PERCENT
22 OF THE PEOPLE WHO RIDE THE "MTA" BUS SYSTEM, AS IT
23 IS CALLED NOW, HAVE CARS IN THEIR HOMES. WE ARE
24 TOTALLY DEPENDENT ON THIS SYSTEM.

25 MS. YOUNGBLOOD: MR. WALSH, WHAT IS

1 YOUR PROFESSION, PLEASE?

2 MR. WALSH: I AM A PUBLIC SCHOOL
3 TEACHER SINCE 1985 FOR THE LOS ANGELES UNIFIED
4 SCHOOL DISTRICT.

5 MS. YOUNGBLOOD: AND AS A TEACHER IN
6 THE LOS ANGELES UNIFIED SCHOOL DISTRICT, WOULD IT
7 BE CORRECT TO ASSUME THAT YOU HAVE HAD AN
8 OPPORTUNITY TO WORK IN A NUMBER OF DIFFERENT
9 SCHOOLS THROUGHOUT THE CITY, OR ARE YOU BASED AT
10 ONE SCHOOL?

11 MR. WALSH: WELL, THE FURTHEST DOWN I
12 GO -- I TEACH NOW ON A SUBSTITUTE BASIS -- WOULD
13 BE DOWN AS FAR AS SLAUSON AND OCCASIONALLY INTO
14 EAST L.A., BUT MOSTLY IN THE CENTRAL PART OF THE
15 CITY.

16 MS. YOUNGBLOOD: WHAT, SIR, THEN, ARE
17 YOUR PERSONAL OBSERVATIONS WITH RESPECT TO YOUR
18 USE OF THE PUBLIC TRANSIT SYSTEM IN TRAVERSING TO
19 THOSE PARTS OF THE CITY?

20 MR. WALSH: I FEEL THE TRANSIT SYSTEM
21 IS BEING CHEATED BY THE RAIL SYSTEM. THE BUS
22 SYSTEM IS BEING CHEATED. WE HAVE TO DEAL ON THE
23 BUSES WITH ROACHES. WE HAVE TO DEAL ON THE BUSES
24 WITH FILTH. THE WINDOWS ARE ETCHED. WE CAN
25 HARDLY SEE OUT THE WINDOWS.

1 MOST OF THE PEOPLE WHO TAKE TRANSIT ARE
2 NOT ONLY TRANSIT DEPENDENT BUT THEY ARE MEMBERS OF
3 MINORITIES. WELL OVER TWO THIRDS OF THE PEOPLE
4 WHO USE THE SYSTEM ARE MINORITIES. WE GET ALONG
5 VERY WELL. THERE ARE 1.5 MILLION OF US ON THAT
6 BUS COUNTYWIDE ON THOSE BUSES EVERY DAY. WE GET
7 ALONG THE WAY RODNEY KING TOLD US TO GET ALONG.

8 OUR PROBLEM IS THAT WE DON'T HAVE
9 ENOUGH SERVICE. AND OUR MAJOR PROBLEM IS,
10 ESPECIALLY AMONG OUR MINORITY MEMBERS, BUS
11 MEMBERS, WE CAN'T GET TO WORK, AND WE CAN'T GET
12 HOME FROM WORK. WE HAVE RIGHT NOW VERY POOR BUS
13 SERVICE IN THE INNER CITY.

14 I WOULD JUST LIKE TO FINISH AN ANSWER
15 BY POINTING OUT THAT NORMANDIE AND FLORENCE, THE
16 FLASH POINT OF THE CIVIL UNREST, IF YOU LIVE AT
17 NORMANDIE AND FLORENCE AND YOU WANT TO GO DOWNTOWN
18 TO LOOK FOR A JOB, YOU HAVE TO TAKE TWO BUSES. IT
19 WILL TAKE YOU ABOUT AN HOUR AND A QUARTER TO GET
20 DOWNTOWN TO BE INTERVIEWED FOR A JOB IF YOU LIVE
21 IN THAT SECTION OF THE CITY.

22 IF YOU LIVE IN THE VALLEY, IF YOU LIVE
23 IN SHERMAN OAKS, YOU CAN TAKE A FREEWAY FLYER, AND
24 YOU WILL BE DOWNTOWN IN 25, 30 MINUTES. IT IS A
25 BASIC INEQUITY OF SERVICE BETWEEN THE SUBURBS AND

1 THE INNER CITY.

2 MS. YOUNGBLOOD: DO YOU HAVE ANY
3 PERSONAL OBSERVATIONS BASED ON YOUR USE OF THE
4 TRANSIT SYSTEM WITH REGARD TO SAFETY ISSUES, SIR?

5 MR. WALSH: I MYSELF HAVE NEVER BEEN A
6 VICTIM OF A CRIME. MEMBERS OF GANGS OFTEN JUST
7 WALK ON THE BUS AND SHOUT OUT THEIR GANG NAME.
8 AND THE DRIVER OR THE OPERATOR IS IN FEAR OF HIS
9 OR HER LIFE AND DOES NOTHING ABOUT IT, LETS THEM
10 SIT DOWN.

11 I HAVE SEEN MANY TIMES GRAFFITI GOING
12 ON IN THE BUS. AND I TALKED TO THE DRIVER, THE
13 OPERATOR, AND SAID, "THERE ARE PEOPLE IN THE BACK
14 PUTTING GRAFFITI ON." AND HE TOLD ME THAT HE WAS
15 AFRAID FOR HIS LIFE. THE PROBLEM IS THAT ONLY
16 THREE CENTS A PASSENGER IS SPENT ON BUS FOR
17 PROTECTION AND SAFETY AND ABOUT A DOLLAR THIRTY A
18 PASSENGER IS SPENT ON RAIL. THAT IS ONE OF THE
19 REASONS THAT LINE 204, AS YOU KNOW, IS ONE OF THE
20 MOST DANGEROUS OF THE LINES DOWN VERMONT AVENUE.

21 OUR MAJOR THRUST IS THAT TITLE VI IS
22 BEING VIOLATED AND THAT THE SUBURBS ARE GETTING
23 EITHER DIRECTLY OR INDIRECTLY A MUCH BETTER SHAKE
24 THAN THE INNER CITY.

25 MS. YOUNGBLOOD: ONE FINAL QUESTION,

1 MR. WALSH. HOW DO YOUR OBSERVATIONS AT THIS POINT
2 IN TIME COMPARE WITH YOUR EXPERIENCE WITH OTHER
3 TRANSIT SYSTEMS IN OTHER CITIES OR WITH THE
4 TRANSIT SYSTEM IN LOS ANGELES IN YEARS PAST?

5 MR. WALSH: IT HAS GOTTEN WORSE IN
6 LOS ANGELES. FOR INSTANCE, WE ONCE HAD A LINE
7 THAT WENT FROM WOODLAND HILLS ALL THE WAY INTO
8 HOLLYWOOD. WE ARE NOT AGAINST SUBURBAN LINES,
9 PER SE, BECAUSE WHO USES SUBURBAN LINES? IN FACT,
10 NANNIES USE SUBURBAN LINES, DOMESTICS USE SUBURBAN
11 LINES TO GET TO THEIR JOBS. THOSE ARE THE BULK OF
12 THEIR RIDERSHIP.

13 WE FEEL THAT WE NEED -- THE PEAK --
14 WELL, ACTUALLY THE PEAK WAS 1980. WE NOW HAVE NO
15 MORE BUSES ON THE ROAD THAN WE HAD IN 1980. THAT
16 IS 13 YEARS. IN FACT, THE COUNTY OF LOS ANGELES
17 HAS THE HIGHEST INCREASE IN POPULATION, RAW
18 NUMBERS, OF ANY COUNTY IN THE UNITED STATES. YET
19 WE HAVE THE SAME FEW BUSES, AND THE FLEET IS
20 AGING, AND IT IS DIFFICULT.

21 I MYSELF GREW UP UNTIL I WAS ABOUT
22 20 YEARS OLD IN NEW YORK. I THINK RAIL WORKED IN
23 NEW YORK. THE BUSES WERE CLEANER IN NEW YORK. TO
24 SHOW YOU HOW, TO DEMONSTRATE HOW THE BUSES ARE
25 THOUGHT OF HERE, IN WASHINGTON, D.C., THE BUSES

1 HAVE THE RIGHT OF WAY. IN LOS ANGELES, THE BUSES
2 DON'T HAVE THE RIGHT OF WAY. SO OUR RIDES TAKE AN
3 EXTRA FIVE OR TEN MINUTES.

4 THAT IS THE CONCLUSION OF MY REMARKS.

5 MS. YOUNGBLOOD: THANK YOU VERY MUCH,
6 MR. WALSH. I WOULD LIKE TO MOVE TO COUNCIL MEMBER
7 HERNANDEZ, PLEASE.

8 COUNCIL MEMBER, WOULD YOU PLEASE
9 PROVIDE US WITH SOME BACKGROUND DEMOGRAPHIC DATA
10 REGARDING YOUR COUNCIL DISTRICT, PARTICULARLY,
11 FIRST WITH REGARD TO HOMES NOT HAVING ACCESS TO AN
12 AUTOMOBILE. AND IT IS STAFFS' UNDERSTANDING THAT
13 YOU WILL BE USING A NUMBER OF GRAPHICS TO ENHANCE
14 YOUR TESTIMONY. SO IF YOU WOULD, PLEASE, PROCEED.

15 MR. HERNANDEZ: YES. I DON'T WANT TO
16 BREAK IT DOWN SPECIFICALLY TO A COUNCIL DISTRICT.
17 WHAT I WOULD LIKE TO DO IS BREAK IT DOWN
18 SPECIFICALLY TO MORE OF AN AREA, A GEOGRAPHIC AREA
19 OF LOS ANGELES.

20 MS. YOUNGBLOOD: THAT WOULD BE FINE.

21 MR. HERNANDEZ: ONE OF THE BASES I
22 THINK IS IMPORTANT, BASED ON THE PREVIOUS
23 CONVERSATIONS I HEARD, IS THAT THERE BE AN
24 UNDERSTANDING THAT PEOPLE OF COLOR, PEOPLE OF LOW
25 INCOME, PEOPLE OF IMMIGRANT STATUS, FOR EXAMPLE,

1 ARE BEING FORCED TO LIVE IN SMALLER AND SMALLER
2 PIECES OF LAND IN THE CITY OF LOS ANGELES.

3 THERE ARE APPROXIMATELY 180,000
4 HOUSEHOLDS WITHIN THE CITY THAT DO NOT HAVE AN
5 AUTOMOBILE, BUT THOSE 180,000 HOUSEHOLDS ARE
6 CONCENTRATED PRIMARILY IN THE INNER CITY, WHAT IS
7 DESCRIBED AS THE "PICO/UNION, SOUTH CENTRAL AREA."

8 WE HAVE A MAP WE ARE PUTTING UP RIGHT
9 THERE. THE REALITY IS IN WHAT IS DESCRIBED AS
10 PICO/UNION AND A LITTLE BIT SOUTH BY THE COLISEUM,
11 YOU WILL FIND 40 TO 90 PERCENT OF THE HOUSEHOLDS
12 HAVE NO AUTOMOBILE. SO WHEN YOU TALK ABOUT THE
13 TRANSIT DEPENDENT POPULATION, IT IS ALL
14 CONCENTRATED PRIMARILY IN THE INNER CITY.

15 IN MY COUNCIL DISTRICT IN PARTICULAR,
16 WE FOUND THAT RTD HAD APPROXIMATELY 600,000 BUS
17 BOARDINGS A DAY WITHIN THE CONFINES OF THE
18 DISTRICT. AND YOU HAVE TO UNDERSTAND I HAVE
19 233,000 PEOPLE LIVING IN THE DISTRICT. BUT ON THE
20 AVERAGE, PEOPLE BASICALLY HAVE TO TRANSFER THREE
21 TIMES.

22 WHAT WE FOUND INTERESTING IS THEIR
23 ROUTES ARE GOING OUT TO THE SUBURBS, AND IT IS
24 BECAUSE WE ARE EMPLOYED OUT IN THE SUBURBS AND IN
25 LOW-WAGE EARNING JOBS. SO THEY ARE HEAVY ROUTES,

1 THEY ARE FULL ROUTES THAT TEND TO BE TRAVELED
2 BETWEEN 5:00 A.M. IN THE MORNING UNTIL 9:00
3 O'CLOCK IN THE MORNING GOING OUT TO THE SUBURBS
4 OPPOSITE OF THE TRAFFIC CONGESTION THAT WE SEE ON
5 OUR FREEWAYS. AND THE SAME THING HAPPENS IN THE
6 EVENING COMING BACK FROM WORK.

7 AGAIN, WE HAVE BEEN USING THE PUBLIC
8 TRANSPORTATION SYSTEM ALL ALONG. AND HISTORICALLY
9 YOU ALSO NEED TO KNOW THAT WHEN THEY BUILT THE
10 ORIGINAL RED LINE, THE ORIGINAL ELECTRIC CARS IN
11 THE CITY OF L.A., THERE WAS A STRONG CONCERN THAT
12 THAT WOULD DISSEMINATE OUR COMMUNITY, DIVIDE IT.
13 BUT BECAUSE OF THE LOW FARES, IT WAS A METHOD OF
14 KEEPING US TOGETHER.

15 BUT THAT HAPPENED AT THE SAME TIME THE
16 AUTOMOBILE WAS INTRODUCED. AND LOS ANGELES, THE
17 CITY, GREW FROM 100 SQUARE MILES TO APPROXIMATELY
18 400 SQUARE MILES. LOS ANGELES IS A CITY WHERE ONE
19 OUT OF EVERY TWO AND A HALF PEOPLE OWNED AN
20 AUTOMOBILE, WHEREAS NATIONALLY IT WAS ONE OUT OF
21 SEVEN.

22 THE PEOPLE WHO CONSISTENTLY HAVE NOT
23 HAD AUTOMOBILES HAVE BEEN THE PEOPLE IN THE INNER
24 CITY. AND THAT HAPPENS TO BE WHERE YOU HAVE YOUR
25 HIGHEST INSURANCE RATES.

1 MS. YOUNGBLOOD: A MOMENT AGO, IN
2 RESPONDING TO THAT QUESTION, COUNCIL MEMBER, YOU
3 MENTIONED IN PASSING THAT JOBS ARE LOCATED IN THE
4 SUBURBS. WOULD YOU PLEASE ELABORATE ON THAT? ARE
5 YOU TALKING ABOUT NEW JOBS, PRESENT JOBS?

6 MR. HERNANDEZ: WELL, I AM TALKING
7 ABOUT BASICALLY, AGAIN, YOUR LOW WAGE JOBS. IT IS
8 FUNNY. I CAN GO TO THE BEVERLY HILTON OR BEVERLY
9 WILSHIRE HOTEL AND ASK ANY WAITER WHERE HE LIVES,
10 AND CHANCES ARE HE LIVES IN MY DISTRICT. I CAN
11 ASK HIM HOW LONG HE HAVE BEEN WORKING THERE, AND
12 HE CAN TELL ME, "SEVEN TO TEN YEARS." AND I CAN
13 ASK HIM HOW HE GETS TO WORK, AND HE WILL TELL ME,
14 "BY BUS." THOSE ARE THE KINDS OF JOBS.

15 YOU GO TO A FAST FOOD PLACE, AND YOU
16 WILL FIND THAT. AGAIN, YOU HAVE LOW INCOME WAGES,
17 SO YOU HAVE MINORITY PEOPLE WORKING THERE, MOST OF
18 THEM OF IMMIGRANT STATUS -- MOST OF THEM. IT IS
19 NO LONGER THE YOUNG PEOPLE TAKING THESE JOBS BUT
20 RATHER PEOPLE TRYING TO SUSTAIN FAMILIES ON THOSE
21 WAGES.

22 AND WHEN WE ARE TALKING ABOUT
23 DEVELOPING A RAIL SYSTEM, FOR EXAMPLE, IT IS GOING
24 ALONG COMMUNITIES THAT ARE BASICALLY THE MINORITY
25 COMMUNITIES. IT IS JUST NOT BEING BUILT TO SERVE

1 THEM.

2 AND I WANT TO GIVE YOU A REAL GRAPHIC
3 EXAMPLE BECAUSE IT WAS KIND OF INSULTING IN MY
4 DISTRICT. BEFORE I GOT ELECTED, THERE WAS AN
5 EIGHT-MONTH VACANCY IN THE OFFICE. AND WHAT
6 HAPPENED IS THE L.A. COUNTY TRANSPORTATION
7 COMMISSION BOUGHT A PARCEL OF LAND TO BUILD A
8 MAINTENANCE YARD. AND THEY USED THE DIFFERENT
9 EIR. THEY WERE TALKING ABOUT THE PASADENA LIGHT
10 RAIL MAINTENANCE YARD. BUT WHEN THEY DECIDED TO
11 BUILD, THEY WERE PUTTING THE METRO IN --
12 MAINTENANCE YARD. AND THAT'S WHAT THEY ENDED UP
13 PUTTING THERE TO START. WE GOT INTO A BIG LEGAL
14 BATTLE OVER IT. AND TO MAKE A LONG STORY SHORT,
15 THERE WAS SOME LITIGATION.

16 HOWEVER, WHEN THEY BUILT THIS
17 MAINTENANCE YARD, THEY GOT THOSE TRAINS PARKED
18 THERE. WELL, YOU HAVE TO UNDERSTAND THAT THE
19 TRAINS TRAVEL FROM THE SUBURBS TO THE INNER CITY
20 IN THE MORNING, AND FROM THE INNER CITY BACK TO
21 THE SUBURBS AT NIGHT. SO MY CONSTITUENTS HAVE TO
22 LOOK AT THAT MAINTENANCE YARD, HAVE TO LOOK AT
23 THOSE TRAINS, BUT IF THEY WERE TO TRY TO TAKE THEM
24 INTO WORK, THEY WOULD HAVE TO STAY OVERNIGHT.

25 MR. FLETCHER: COULD YOU SAY THAT

1 AGAIN?

2 MR. HERNANDEZ: IF THEY WERE TO TRY TO
3 USE IT TO TAKE IT TO WORK, THEY WOULD HAVE TO STAY
4 OVERNIGHT BECAUSE IT TRAVELS THE OPPOSITE
5 DIRECTIONS OF THEIR NEEDS.

6 SO, AGAIN, THERE WAS NO REAL
7 CONSIDERATION IN TERMS OF WHO WAS GOING TO BE
8 USING THE LINE AND HOW IT COULD SERVE THEIR
9 PURPOSES. OUR CHARTS SHOW US WORKING IN THE
10 SUBURBS. AND THERE SHOULD HAVE BEEN SOME
11 CONSIDERATION HAVING THAT LINE SERVE THAT
12 POPULATION BASE AS WELL.

13 MS. YOUNGBLOOD: THE MAINTENANCE YARD
14 TO WHICH YOU ARE REFERRING IS, OF COURSE, TAYLOR
15 YARD?

16 MR. HERNANDEZ: RIGHT.

17 MS. YOUNGBLOOD: WHAT DID THE
18 DEVELOPMENT OF THIS MAINTENANCE YARD TRANSLATE
19 INTO IN TERMS OF JOBS IN THAT COMMUNITY?

20 MR. HERNANDEZ: VERY FEW, IF ANY.

21 MS. YOUNGBLOOD: WOULD YOU ELABORATE ON
22 THAT, PLEASE?

23 MR. HERNANDEZ: YES. AGAIN, I THINK
24 THAT -- AND I DON'T HAVE THE SPECIFICS -- WE WERE
25 TOLD THEY WERE GOING TO HAVE ABOUT 70 JOBS THAT

1 WOULD BE CREATED BY THAT MAINTENANCE YARD. I
2 THINK IT IS OPERATING AT A HIGHER CAPACITY THAN IT
3 WAS EXPLAINED TO US. SO I DON'T KNOW THE EXACT
4 NUMBER OF HOW MANY JOBS ARE THERE.

5 BUT THE PEOPLE WHO LIVE IN THE
6 SURROUNDING AREA DID NOT GET TO PARTICIPATE IN THE
7 CONSTRUCTION OF THOSE JOBS, DID NOT GET TO
8 PARTICIPATE IN THE CONSTRUCTION OF THE FACILITY,
9 AND ARE NOT THE ONES WHO ARE BEING EMPLOYED. AND
10 IT IS BECAUSE OF OTHER KINDS OF SYSTEMS THAT WE
11 HAVE.

12 FOR EXAMPLE, THE COMPETITIVE BID SYSTEM
13 WILL NOT ALLOW THE LOCAL BUSINESSES TO GET THOSE
14 CONTRACTS. AND COMPARABLE WAGE ASSUMES THAT YOU
15 ARE A MEMBER OF A TRADE UNION OR YOU ARE A MEMBER
16 OF A UNION. AND MY CONSTITUENTS TEND TO BE
17 LABORERS. THEY TEND TO BE PEOPLE WHO WORK IN THE
18 CONSTRUCTION INDUSTRY. THEY DON'T TEND TO BE
19 MEMBERS OF THE UNIONS. SO BECAUSE OF THE RULES OF
20 COMPARABLE WAGE, THEY WERE EXCLUDED FROM THOSE
21 EMPLOYMENT OPPORTUNITIES.

22 MS. YOUNGBLOOD: FOR PURPOSES OF THE
23 RECORD, WHAT IS THE RACIAL AND ETHNIC MAKEUP OF
24 YOUR CONSTITUENCY?

25 MR. HERNANDEZ: MY DISTRICT IS ABOUT

1 70 PERCENT LATINO, 20 PERCENT ASIAN, 10 PERCENT
2 OTHER.

3 I THINK IT IS IMPORTANT THAT YOU KNOW
4 THAT AS A CITY, LOS ANGELES IS 40 PERCENT LATINO,
5 IT IS ABOUT 16 PERCENT AFRICAN AMERICAN, IT IS
6 ABOUT 14 PERCENT ASIAN, AND ABOUT 33 PERCENT
7 ANGLO.

8 AND, YOU KNOW, WHAT IS BOTHERSOME IS I
9 WAS LISTENING TO THE PREVIOUS CONVERSATION.
10 PEOPLE TALK ABOUT THE AFRICAN AMERICAN COMMUNITY.
11 THEY TALK ABOUT THE KOREAN COMMUNITY. THEY ARE
12 REALLY NOT TALKING ABOUT WHERE THE NEEDS EXIST FOR
13 ADVANCEMENT IN CIVIL RIGHTS. WE ARE IGNORING THE
14 LATINO COMMUNITY, WHICH HAPPENS TO BE THE MAJORITY
15 POPULATION AND THE POPULATION WITH GREATEST NEED.
16 THE PER CAPITA INCOME OF SOMEONE WHO IS ANGLO IN
17 THE CITY OF LOS ANGELES IS \$22,000. THE PER
18 CAPITA FOR AN AFRICAN AMERICAN IS \$16,000. THE
19 PER CAPITA FOR LATINOS IS \$7,100. TREMENDOUS
20 NEED.

21 I ALSO THINK IT IS IMPORTANT THAT WE
22 UNDERSTAND THIS. I HAVE STATISTICS HERE. PEOPLE
23 ASSUME THAT THE AFRICAN AMERICAN COMMUNITY HAS NOT
24 BEEN ABLE TO ADVANCE BEYOND THE CIVIL RIGHTS
25 MOVEMENT. AND THAT IS A MISNOMER. WHEN YOU LOOK

1 AT THE WORK FORCE OF THE CITY OF LOS ANGELES WITH
2 A 13 TO 14 PERCENT POPULATION BASE, THEIR WORK
3 FORCE IS 22 PERCENT WITHIN THE CITY. WHEN YOU
4 LOOK AT THE LATINO POPULATION AT 39 PERCENT, OUR
5 WORK FORCE IS 20 PERCENT IN THE CITY.

6 IF YOU WERE TO LOOK AT THE L.A. COUNTY
7 TRANSPORTATION COMMISSION'S WORK FORCE, AGAIN, THE
8 AFRICAN AMERICAN COMMUNITY WAS SITTING AT
9 22 PERCENT. THE LATINO COMMUNITY WAS SITTING AT
10 18 PERCENT, EVEN WORSE THAN THE CITY. IF YOU WERE
11 TO LOOK AT THE BUREAU OF TRANSPORTATION'S WORK
12 FORCE, THE AFRICAN AMERICAN COMMUNITY REPRESENTED
13 23 PERCENT, THE LATINO COMMUNITY REPRESENTED
14 8 PERCENT. THOSE ARE SOME REALITIES.

15 BUT IF YOU TALK ABOUT PARITY, YOU
16 CANNOT CLAIM THAT. BUT IF WE TALK ABOUT A
17 DIFFERENT CONCEPT THAT I TEND TO TALK ABOUT, THAT
18 IS REFLECTION. YOU CANNOT CLAIM IT EITHER.
19 BECAUSE WHEN I SAY "REFLECTION," YOU HAVE GOT TO
20 LOOK AT COMMUNITIES AS ZONES OF NEED.

21 WHERE IS IT THAT THEY HAVE NEEDS, AND
22 HOW DO YOU MAKE UP FOR THOSE NEEDS? AND OUR
23 POLICY MAKERS NEVER TAKE THOSE REALITIES INTO
24 CONSIDERATION. WHAT THEY ARE DOING IS THEY ARE
25 TAKING SELF INTEREST INTO CONSIDERATION AND

1 DEVELOPING POLICY.

2 AND SO WHAT HAS BEEN HAPPENING IN THE
3 CITY OF LOS ANGELES IS REAPPORTIONMENT BECAUSE IT
4 IS DONE BY POPULATION BASE. YOU HAVE HAD YOUR
5 MORE AFFLUENT AREAS GET MORE LAND EVERY TEN YEARS.
6 AND SO, FOR EXAMPLE, MARVIN BRAUDE'S DISTRICT, THE
7 11TH COUNCIL DISTRICT, IS 72 SQUARE MILES OF LAND.
8 MY COUNCIL DISTRICT IS 13 SQUARE MILES. ALL THE
9 INNER CITY COUNCIL DISTRICTS ARE BETWEEN 10 AND 13
10 SQUARE MILES OF LAND. THE SUBURBS AVERAGE ABOUT
11 56 SQUARE MILES OF LAND.

12 IF YOU LOOK AT THE CONCEPT OF
13 INTEGRATION AND TRANSPORTATION, WE ARE USING
14 BUSSING TO SEND KIDS TO THE SUBURBS. IT IS NOT
15 THE KIDS FROM THE SUBURBS COMING TO THE INNER
16 CITY. THE L.A. UNIFIED SCHOOL DISTRICT HAS 2,800
17 SCHOOL BUSES. AND YOU NEED TO UNDERSTAND THAT
18 THERE ARE APPROXIMATELY 40 ELEMENTARY SCHOOLS IN
19 THE SUBURBS THAT ARE CLOSED BECAUSE OF NO STUDENT
20 POPULATION. AND THE HIGH SCHOOL POPULATION IN THE
21 SUBURBS IS 45 TO 65 PERCENT BUSSED IN.

22 THERE IS NO CONCEPT OF HOME RULE.
23 THERE IS NO CONCEPT OF BALANCING HOUSING STOCK TO
24 HAVE REAL INTEGRATION IN THIS CITY. WHAT HAPPENS
25 IS WE KEEP ON USING TRANSPORTATION, WHETHER IT BE

1 THE AUTOMOBILE OR SYSTEMS LIKE BUSSING, TO KEEP
2 COMMUNITIES SEPARATE, AND THEN YOU HAVE INEQUITIES
3 AS TO HOW YOU ARE SUBSIDIZING THOSE SYSTEMS.

4 I THINK THAT A LOT OF THESE HEARINGS
5 SERVE NO PURPOSE IF WE DON'T REALLY DEAL WITH THE
6 REAL ISSUES. AND I AM LOOKING AT HOW YOU CREATE
7 NEXUSES BETWEEN NEIGHBORHOODS AND JOBS SO THAT THE
8 REALITY IS THAT YOU DON'T LOSE OUT BECAUSE OF THE
9 RULES. HOW DO YOU CREATE OPPORTUNITIES TO EDUCATE
10 POPULATION BASES, OUR YOUNG?

11 IF YOU LOOK AT THIS CHART, THIS GIVES
12 YOU YOUR 18 YEARS OR YOUNGER POPULATIONS IN THE
13 CITY OF LOS ANGELES.

14 MS. YOUNGBLOOD: WHICH AREAS WOULD
15 THOSE BE, FOR PURPOSES OF --

16 MR. HERNANDEZ: WELL, THAT PERTAINS TO
17 OUR AREA THERE, NORTHEAST LOS ANGELES. IF YOU
18 COME DOWN, YOU HAVE SOUTH BOYLE HEIGHTS, SOUTH
19 CENTRAL, ALL THE WAY DOWN TO THE ALAMEDA CORRIDOR
20 TO WILMINGTON. AND THEN UP NORTH, YOU HAVE
21 PACOIMA, ARLETA, NORTH HOLLYWOOD, AND SUN VALLEY.
22 THAT IS WHERE YOUR POCKETS OF YOUNG PEOPLE ARE,
23 AND THAT IS WHERE WE SHOULD BE FOCUSING ON PUTTING
24 TRAINING PROGRAMS, TO GET PEOPLE INVOLVED IN THE
25 CONCEPT OF TRANSPORTATION SO THAT THEY CAN BE

1 EDUCATED TO GET THOSE JOBS IN THE FUTURE.

2 WE HAVE SOME OTHER CHARTS I WOULD LIKE
3 TO SHOW YOU. UNEMPLOYMENT -- YOU NEED TO
4 UNDERSTAND THAT THE RAIL CORRIDORS ARE GOING
5 THROUGH THOSE SAME AREAS.

6 MR. FLETCHER: WHILE HE IS PUTTING THAT
7 UP, YOU TALKED ABOUT CIVIL RIGHTS. YOU MADE A
8 STATEMENT THAT IS VERY INTERESTING TO ME, BECAUSE
9 I HAVE TO TRY TO CONVINCING PEOPLE THAT THE CIVIL
10 RIGHTS ACT REALLY IS WORKING. AND YOU JUST MADE A
11 STATEMENT A MOMENT AGO. WOULD YOU EMBELLISH ON
12 THAT A LITTLE BIT WHILE HE IS PUTTING THAT UP?

13 MR. HERNANDEZ: SURE.

14 MR. FLETCHER: IT COVERS
15 UNEMPLOYMENT -- THAT IS A GOOD OPPORTUNITY.

16 MR. HERNANDEZ: LET'S TALK ABOUT VOTING
17 RIGHTS.

18 MR. FLETCHER: OKAY. LET'S GO WITH
19 THAT.

20 MR. HERNANDEZ: LOS ANGELES AS A CITY
21 HAS 992,000 PEOPLE WHO AREN'T CITIZENS. THAT IS
22 THE EQUIVALENT OF FOUR COUNCIL DISTRICTS. AND THE
23 REALITY IS POLICY MAKERS ARE MAKING DECISIONS
24 BASED ON CITIZENS AND IGNORING APPROXIMATELY
25 992,000 PEOPLES' WORTH OF NEEDS.

1 SOME OF THOSE PEOPLE HAVE BEEN AT
2 THIS -- I MEAN THEY HAVE TO WAIT 17 YEARS TO
3 BECOME A CITIZEN IF THEY ARE FROM MEXICO. WHAT
4 HAS AFFECTED THE VOTING RIGHTS OF THE LATINO
5 POPULATION IN A STATE CALLED "CALIFORNIA" THAT
6 USED TO BE MEXICO HAS BEEN THE IMMIGRATION LAWS.
7 THERE HAS ALSO BEEN CREATED A QUOTA SYSTEM THAT
8 NOT MORE THAN 40,000 CAN IMMIGRATE FROM MEXICO.

9 WHAT HAPPENS IS YOUR LINE GETS LONGER
10 AND LONGER EVERY YEAR. SO YOU HAVE TO WAIT. YOU
11 HAVE THE RIGHT TO IMMIGRATE, BUT TO GET YOUR GREEN
12 CARD, YOU HAVE TO WAIT 10 TO 12 YEARS. NOW YOU
13 GET YOUR GREEN CARD, AND THEN YOU HAVE GOT TO WAIT
14 5 YEARS TO BECOME A CITIZEN. THAT IS A WHOLE
15 GENERATION THAT DOESN'T HAVE THE RIGHT TO
16 PARTICIPATE IN THE SYSTEM.

17 IT ALLOWS FOR POLICY MAKERS TO MAKE
18 DECISIONS WITHOUT TAKING THAT PERSON'S RIGHT INTO
19 CONSIDERATION. THAT IS AN ISSUE THAT HAS TO
20 REALLY BE LOOKED AT. I KEEP ON SAYING, "WHAT IS
21 THE DEFINITION OF A CITIZEN," ONLY BECAUSE SOME OF
22 THEM COME FROM WHAT I CALL "CENTRAL AMERICA" --
23 WISCONSIN, LOUISIANA, ARKANSAS -- ESTABLISH
24 THEMSELVES FOR 60 DAYS IN LOS ANGELES, HAVE THE
25 RIGHT TO COLLECT PUBLIC AID AND HAVE THE RIGHT TO

1 VOTE. SOMEONE COULD BE HERE AS A LABORER FOR 17
2 YEARS AND CANNOT VOTE.

3 MR. FLETCHER: HOW ABOUT SOCIAL
4 SECURITY?

5 MR. HERNANDEZ: MOST OF THE IMMIGRANT
6 POPULATION DOES NOT APPLY.

7 MR. FLETCHER: BUT THEY DO PAY IT,
8 THOUGH.

9 MR. HERNANDEZ: HM?

10 MR. FLETCHER: BUT THEY DO PAY IT,
11 THOUGH.

12 MR. HERNANDEZ: THE EMPLOYERS TAKE IT
13 OUT OF THEIR CHECKS.

14 MR. FLETCHER: THAT IS THE POINT I WANT
15 TO MAKE. I WANT THAT IN THE RECORD. THEY DO PAY
16 IT.

17 MR. HERNANDEZ: WE DO PAY. WE DO
18 PARTICIPATE IN THE SYSTEM. AND ALL THE STUDIES
19 AREN'T ACCURATE. PEOPLE SAY WE DON'T PAY. IT IS
20 A MEDICAL INSURANCE PROGRAM. BUT THE REALITY IS
21 IT IS MCDONALD'S WHO HAS US WORK FOR 30 HOURS SO
22 THEY DON'T GIVE US MEDICAL INSURANCE, AS OPPOSED
23 TO ALLOWING US TO WORK FOR 40 HOURS WHERE THEY
24 WOULD HAVE TO PROVIDE IT. THOSE ARE SOME OF THE
25 INEQUITIES THAT HAPPEN IN THOSE SYSTEMS. SO I

1 THINK CORPORATE AMERICA HAS BEEN TAXING OUR HEALTH
2 SYSTEM.

3 BUT WE AS LABORERS HAVE BEEN PAYING
4 INTO THE SYSTEM. MOST OF THE TIME WE CANNOT
5 PARTICIPATE WITH THE SECURITY OF KNOWING THAT WE
6 HAVE FULL-TIME EMPLOYMENT, THAT OUR BOSS CAN'T
7 TAKE ADVANTAGE OF US. SO WHAT HAPPENS IS THEY
8 TAKE AWAY WAGES THAT THEY MIGHT NOT BE REPORTING
9 IN SOME INSTANCES. IN OTHER INSTANCES, WE DON'T
10 GENERATE ANY BENEFITS BY PAYING INTO THE SYSTEM
11 BECAUSE WE ARE WAITING TO BECOME LEGAL RESIDENTS.
12 AND IN ORDER TO DO THAT, YOU CANNOT RECEIVE ANY
13 TYPE OF PUBLIC ASSISTANCE.

14 SEE, YOU HAVE GOT TO UNDERSTAND WE HAVE
15 DIFFERENT POPULATIONS WHEN YOU TALK ABOUT THE
16 LATINO COMMUNITY. EVEN OUR LONG-TERM POPULATIONS
17 AREN'T BEING EMPLOYED.

18 TAYLOR YARD USED TO BE A RAILROAD
19 MAINTENANCE YARD. AND THERE WERE 600 PEOPLE LAID
20 OFF WHEN SOUTHERN PACIFIC CHOSE TO CLOSE ITS
21 DOORS. WELL, THOSE PEOPLE AREN'T THE ONES WORKING
22 IN THE MAINTENANCE YARD AT THE MTA RIGHT NOW.

23 MS. YOUNGBLOOD: I NOTICE THAT YOU DO
24 HAVE YOUR GRAPHIC UP NOW. WOULD YOU PLEASE
25 PROCEED?

1 MR. HERNANDEZ: YES. AGAIN,
2 UNEMPLOYMENT, WHERE YOU HAVE YOUR GREEN AREA -- IT
3 IS GREATER THAN TWICE THE CITY AVERAGE -- AND I
4 HAVE SOME OTHER CHARTS -- YOU HAVE SOME SMALL
5 CHARTS BECAUSE IT WOULD TAKE US TOO LONG TO SHOW
6 YOU ALL THESE CHARTS -- I WISH YOU WOULD HAVE HAD
7 IT SET UP A LITTLE BIT DIFFERENTLY -- BUT AS YOU
8 LOOK AT THE NEEDS, WHETHER IT BE IN HOUSING,
9 EDUCATION ATTAINMENT, THERE ARE 900,000 ADULTS IN
10 THE CITY WHO DON'T HAVE A HIGH SCHOOL DIPLOMA.
11 OUR ENTIRE L.A. UNIFIED SCHOOL DISTRICT POPULATION
12 IS 622,000.

13 BUT IF YOU LOOK AT THE CHARTS, ALL OF A
14 SUDDEN YOU SEE A CLEAR REFLECTION OF ETHNICITY
15 WHEN YOU LOOK AT A CITY BREAKDOWN, AND I WILL PASS
16 THIS DOWN TO YOU. WHETHER IT BE THE AFRICAN
17 AMERICAN COMMUNITY OR THE LATINO COMMUNITY, WE ARE
18 NOT BASICALLY LIVING IN THE AREAS THAT THE RAIL
19 SYSTEM IS GOING TO BE BENEFITING. AND THAT IS THE
20 SYSTEM THAT IS BEING SUBSIDIZED HEAVILY. THE
21 EMPLOYMENT OPPORTUNITIES ARE NOT GOING TO THE
22 COMMUNITIES WITH THE GREATEST NEEDS, THE MAJORITY
23 POPULATION.

24 WE ARE RECEIVING SECONDARY FORMS OF
25 EDUCATION BECAUSE OUR KIDS ARE THE ONES THAT ARE

1 BEING BUSSED. OUR SCHOOLS ARE THE ONES THAT ARE
2 OVERCROWDED. OUR SCHOOLS ARE THE ONES THAT LOOK
3 LIKE PRISONS. OUR SCHOOLS ARE THE ONES WHERE THE
4 ENVIRONMENT IS NOT CONDUCIVE FOR LEARNING.

5 AND I KEEP ON SAYING I WANT TO LOOK
6 INTO THE FUTURE AND SAY WE HAPPEN TO BE
7 ESTABLISHING POLICIES THAT ALLOW FOR THE
8 ADVANCEMENT OF THOSE ZONES, REGARDLESS OF WHO
9 LIVES THERE, BECAUSE IT SHOULDN'T BE BROKEN DOWN
10 ETHNICALLY -- THE REALITY IS PEOPLE LIVE WHERE
11 THEY CAN LIVE BY INCOME.

12 AND, SEE, NOBODY TALKS ABOUT
13 TRANSPORTATION SUBSIDING HOUSING ALONG THOSE
14 CORRIDORS. AND ONE OF THE FEARS PEOPLE ARE HAVING
15 NOW IS THAT AS WE BUILD THIS TRANSPORTATION SYSTEM
16 AND HOOK UP PEOPLE INTO THE WHOLE SYSTEM OF RAIL,
17 IT IS GOING TO BECOME LAND THAT PEOPLE ARE GOING
18 TO WANT TO BUY INTO.

19 PEOPLE ARE GOING TO MOVE US OUT AGAIN
20 BECAUSE WE ARE NOT GOING TO BE ABLE TO AFFORD TO
21 LIVE IN OUR OWN LAND. I GUESS IT WAS GOVERNOR PIO
22 PICO WHO ONCE SAID ONE DAY WE WOULD BE KNOWN AS
23 STRANGERS IN OUR OWN LAND.

24 MS. YOUNGBLOOD: THANK YOU, COUNCIL
25 MEMBER. I AM SURE THAT THE COMMISSIONERS WILL

1 HAVE SEVERAL MORE QUESTIONS FOR YOU. I WOULD LIKE
2 TO MOVE ON TO MR. AVILA.

3 MR. AVILA, WHAT IS YOUR CURRENT
4 OCCUPATION?

5 MR. AVILA: I AM AN ATTORNEY IN PRIVATE
6 PRACTICE, AND I HAVE BEEN IN PRIVATE PRACTICE
7 SINCE 1971.

8 MS. YOUNGBLOOD: DO YOU REPRESENT ANY
9 ORGANIZATIONS, AND, IF SO, WOULD YOU PLEASE
10 INDICATE WHOM?

11 MR. AVILA: YES. I HAVE BEEN THE
12 COUNSEL TO THE LATIN BUSINESS ASSOCIATION, THE
13 HISPANIC CONTRACTORS ASSOCIATION, THE MEXICAN
14 AMERICAN GROCERS ASSOCIATION, AND THE LIST IS
15 PROBABLY LONGER THAN MY ARM, BUT THAT WILL GIVE
16 YOU AN IDEA OF WHAT I DO.

17 MS. YOUNGBLOOD: THANK YOU, SIR. WOULD
18 YOU PLEASE GIVE THE COMMISSION YOUR ASSESSMENT OF
19 THE CURRENT EXTENT OF MINORITY PARTICIPATION IN
20 MTA CONSTRUCTION PROJECTS?

21 MR. AVILA: WELL, I THINK THE MTA IS
22 PROBABLY ONE OF THE FEW ORGANIZATIONS THAT IS
23 MAKING A VERY AGGRESSIVE ATTEMPT AT TRYING TO
24 INCLUDE MANY MINORITIES. BUT I BELIEVE PART OF
25 THE PROBLEM IS THAT WE ARE FACING LEGISLATIVE

1 BARRIERS, SYSTEMATIC BARRIERS, AND OTHER KINDS OF
2 BARRIERS THAT THE MTA AND OTHER SIMILAR
3 ORGANIZATIONS ARE FACING AS A RESULT OF
4 INADEQUATELY PREPARED LEGISLATION THAT EMANATES
5 EITHER OUT OF WASHINGTON OR SACRAMENTO.

6 WHEN I LOOK AT THE ACTIVITY THAT
7 OCCURRED WITH THE CENTURY FREEWAY WHERE MINORITIES
8 WERE GIVEN AN AMPLE OPPORTUNITY TO PARTICIPATE AND
9 THEN I DISCOVER SOME OF THE OTHER AGENCIES,
10 FEDERALLY FUNDED OR NONFEDERALLY
11 FUNDED, CLAIMING THAT THEY CAN'T FIND AND LOCATE
12 MINORITIES TO DO THE WORK, IT IS KIND OF
13 INTERESTING TO SEE HOW THAT'S PLAYED OUT.

14 MTA PROBABLY AND ITS PREDECESSOR LACTC
15 HAD A VERY AGGRESSIVE PROGRAM, BUT ONE OF THE
16 PROBLEMS THAT THEY ARE FACING IS THE SBA SIZE
17 STANDARDS. WHEN MINORITIES- AND WOMEN-OWNED
18 BUSINESSES REACH A CERTAIN LEVEL, THEY ARE DEEMED
19 NONQUALIFIED, NO LONGER ELIGIBLE TO PARTICIPATE IN
20 THE PROGRAM BECAUSE A LOT OF THE FEDERAL SYSTEM'S
21 REQUIREMENTS FOR CERTIFICATION INDICATE THAT YOU
22 MUST COMPLY WITH THE SBA SIZE STANDARDS.

23 AND SEVERAL YEARS AGO MANY OF THE
24 COMMUNITY ORGANIZATIONS WEREN'T AWARE THAT THE SBA
25 SIZE STANDARDS WERE REDUCED. EVEN THOUGH THE

1 ECONOMY AND INFLATION WERE GOING THE OTHER
2 DIRECTION, THE SIZE STANDARDS WERE REDUCED TO OUR
3 DETRIMENT. SO WHAT YOU HAVE IS A SITUATION WHERE
4 CONTRACTS, PARTICULARLY YOUR MTA CONTRACTS WHICH
5 ARE GETTING LARGER AND LARGER IN DOLLAR AMOUNT --
6 AS THEY GO UP, THE SIZE STANDARDS GO DOWN, WHICH
7 MEANS THAT IT REDUCES THE OPPORTUNITY FOR
8 MINORITIES TO PARTICIPATE IN THE PROCESS.

9 SO WE ARE VERY CONCERNED ABOUT THAT,
10 AND WE WOULD HOPE THAT PERHAPS THIS COMMISSION CAN
11 IMPRESS ON CONGRESS THAT SIZE STANDARDS, WHILE
12 THEY ARE IMPORTANT TO TARGET CERTAIN GROUPS,
13 SHOULD NOT BE LIKEWISE USED AS A MEANS TO KEEP
14 MINORITIES OUT OF THE CONTRACTING PROCESS.

15 MS. YOUNGBLOOD: MR. AVILA, WOULD YOUR
16 OBSERVATIONS WITH REGARD TO MINORITY PARTICIPATION
17 BE CONSISTENT FOR ALL MINORITY GROUPS, OR HAVE
18 YOUR OBSERVATIONS BEEN LIMITED TO A SPECIFIC
19 GROUP?

20 MR. AVILA: WELL, I HAVE HAD THE GOOD
21 FORTUNE TO WORK WITH A NUMBER OF COLLEAGUES IN ALL
22 THE MINORITY COMMUNITIES, AND I HAVE WORKED WITH A
23 NUMBER OF DIFFERENT MINORITY ORGANIZATIONS, SO I
24 HAVE SOME FAMILIARITY WITH ASIAN PROBLEMS AND WITH
25 PROBLEMS FACING BLACK BUSINESS ORGANIZATIONS.

1 BUT PRIMARILY I HAVE FOCUSED ON THE
2 LATINO OR HISPANIC COMMUNITY FOR THE LAST
3 21 YEARS. BUT FROM MY OBSERVATIONS, IN SHARING
4 THEM WITH LEGAL COUNSEL INVOLVED WITH THE ASIAN
5 BUSINESS ASSOCIATION AND THE BLACK BUSINESS
6 ASSOCIATION, THEY ALL EXPRESS THE SAME CONCERNS
7 THAT I DO. SO I THINK MY COMMENTS PROBABLY HAVE
8 SOME APPLICATION.

9 MS. YOUNGBLOOD: WOULD YOUR COMMENTS
10 ALSO BE CONSISTENT FOR OTHER MINORITY
11 PARTICIPATION IN ALL MASS TRANSIT RELATED
12 PROJECTS, NOT SPECIFICALLY LIMITED TO THE MTA?
13 YOU MENTIONED A MOMENT AGO YOUR INVOLVEMENT IN THE
14 CENTURY FREEWAY PROJECT.

15 MR. AVILA: I THINK MY COMMENTS
16 PROBABLY ARE APPLICABLE TO ALL OF THE TRANSIT
17 PROGRAMS AS LONG AS THEY ARE FUNDED BY THE
18 DEPARTMENT OF TRANSPORTATION, AND PARTICULARLY
19 WHERE YOU HAVE FEDERALLY FUNDED PROGRAMS. AND WE
20 ARE LOOKING AT IMPLEMENTATION OF GOALS AND GOOD
21 FAITH EFFORT PROGRAMS. I THINK ACROSS THE BOARD
22 THEY ARE VERY MUCH THE SAME.

23 MS. YOUNGBLOOD: THANK YOU VERY MUCH.
24 AT THIS TIME I HAVE NO FURTHER QUESTIONS OF THE
25 WITNESSES, AND I WOULD LIKE TO PASS THEM TO THE

1 COMMISSIONERS.

2 MR. FLETCHER: COMMISSIONER REYNOSO?

3 MR. REYNOSO: I DON'T WANT TO ASK
4 QUESTIONS IN LIGHT OF THE TIME, BUT I WOULD LIKE
5 TO ASK MR. HERNANDEZ TO MAYBE SUBMIT TO US -- I
6 THINK WE HAVE 30 DAYS FROM THE OPEN RECORD -- YOUR
7 RECOMMENDATIONS PARTICULARLY ON CITIZENSHIP. YOU
8 MENTIONED, "SO MANY," QUOTE, "HERE ARE HERE FOR A
9 LONG TIME AND DON'T VOTE." IF YOU HAVE SOME
10 RECOMMENDATIONS ON HOW CITIZENSHIP CAN BE
11 EFFECTUATED MORE QUICKLY OR EVEN, AS HAS BEEN
12 DEBATED IN LOS ANGELES, HAVING NONCITIZENS VOTE ON
13 THOSE MATTERS ON WHICH THEY HAVE AN INTEREST, I
14 THINK THAT WOULD BE OF HELP TO THE COMMISSION.

15 I WOULD LIKE TO ASK MR. AVILA
16 PARTICULARLY TO SUBMIT ANY RECOMMENDATIONS FOR
17 CHANGES IN THE FEDERAL LAW ON CONTRACTING, BECAUSE
18 IT HAS BECOME PRACTICALLY A CRISIS SITUATION OF
19 WHAT LAWS THAT WERE VIEWED AS BEING FAVORABLE TO
20 LABOR AND HELPFUL TO THE COMMUNITY ARE NOW
21 APPARENTLY HANGING UP THE ACCOMPLISHMENT OF THAT.

22 THANK YOU.

23 MR. FLETCHER: WITH RESPECT TO THE
24 VOTING RIGHTS LEGISLATION, TELL ME WHAT YOUR
25 EXPERIENCES ARE, AND WHAT RECOMMENDATIONS WOULD

1 YOU LIKE US TO MAKE WITH REFERENCE TO MORE
2 EQUITABLE OPPORTUNITIES TO VOTE, MR. HERNANDEZ?

3 MR. HERNANDEZ: I THINK THERE HAS TO BE
4 A PROCESS WHERE WE START REALLY DEFINING WHAT
5 MAKES SOMEONE A CITIZEN, AND HOW DO YOU CREATE
6 EQUITY IN THAT PROCESS. TO ME, THE FACT THAT
7 SOMEONE IS HERE WORKING, STAYING OUT OF TROUBLE --
8 AND HAS BEEN DOING IT FOR A LONG TIME -- THEY
9 SHOULD ABLE TO BE A CITIZEN.

10 AND I USE THE EXAMPLE OF MY
11 MOTHER-IN-LAW. YOU NEED TO UNDERSTAND THAT
12 CALIFORNIA AS A STATE HAS THE WORST RECORD OF
13 CITIZENSHIP TURNOVER. I MEAN IF YOU WERE TO APPLY
14 FOR CITIZENSHIP IN NEW YORK, YOU WOULD HAVE AN
15 EASIER TIME THAN YOU DO IN CALIFORNIA. AND MY
16 MOTHER-IN-LAW -- I KEEP ON ASKING HER WHY SHE
17 WOULDN'T, BECAUSE SHE TRIED THREE TIMES IN 1958 TO
18 '62 TO BECOME A CITIZEN. NOW, MY FATHER-IN-LAW
19 WAS ABLE TO. SHE WASN'T BECAUSE SHE KEPT ON
20 FAILING THE ORAL EXAM, THE INTERVIEW.

21 NOW, THE REALITY IS HERE ARE FOLKS WHO
22 OWN TWO HOMES, PAY TAXES. HE WAS A LABORER FOR
23 THE RAILROAD FOR 37 YEARS. SHE WAS A SEAMSTRESS
24 FOR 38 YEARS. THEIR SON IS A MARINE. SHE CANNOT
25 VOTE FOR HER SON-IN-LAW TO SIT ON THE CITY

1 COUNCIL. IT MAKES NO SENSE.

2 MR. GEORGE: ARE YOU SURE SHE WOULD
3 VOTE FOR YOU? WE ARE MAKING ASSUMPTIONS ABOUT
4 THAT.

5 MR. HERNANDEZ: AND I GUESS THAT SHOWS
6 A LITTLE BIT ABOUT MY CHARACTER, BECAUSE I AM
7 WILLING TO TAKE THE CHANCE.

8 MR. GEORGE: MY MOTHER-IN-LAW WOULDN'T
9 VOTE FOR ME, I ASSURE YOU OF THAT.

10 MR. HERNANDEZ: ONE REASON I WAS
11 WILLING TO TAKE THE CHANCE IS SHE MADE BURRITOS
12 FOR THE VOLUNTEERS.

13 BUT I THINK IT IS IMPORTANT THAT WE
14 LOOK AT THAT. THE DEPARTMENT OF IMMIGRATION AND
15 NATURALIZATION SERVICE DOESN'T HAVE AN EMPHASIS ON
16 NATURALIZATION. THEIR EMPHASIS IS ENFORCEMENT.
17 THAT ENFORCEMENT IS A CLOAK OVER A COMMUNITY. IT
18 IS WHAT GIVES PARENTS FEARS ABOUT SENDING THEIR
19 KIDS TO SCHOOL AND WONDERING IF THEY ARE GOING TO
20 COME BACK. IT IS ALSO WHAT GIVES THE EMPLOYERS
21 THE ADVANTAGE TO TAKE ADVANTAGE OF PEOPLE. SO
22 THAT HAS BEEN THEIR FOCUS.

23 DURING THE CIVIL UNREST, THE FEDERAL
24 GOVERNMENT CHOSE TO PUT INS IN MY DISTRICT. THEY
25 DIDN'T CHOOSE TO PROTECT BUSINESSES. THEY CHOSE

1 TO CREATE A FEAR, AND THAT WASN'T RIGHT.

2 MR. FLETCHER: IS YOUR DISTRICT PICO?

3 MR. HERNANDEZ: I HAVE PICO/UNION ALSO.

4 I ALSO HAVE PART OF KOREATOWN, I HAVE CHINATOWN, I
5 HAVE PARTS OF FILIPINOTOWN. I HAVE A TREMENDOUS
6 DISTRICT. HANG OUT WITH ME. YOU WILL LISTEN TO
7 SEVEN NATIONAL ANTHEMS ON A SUNDAY. BUT THE
8 AMERICAN ANTHEM IS THE ONE THAT EVERYBODY STANDS
9 PROUDEST WITH.

10 MR. FLETCHER: ALL RIGHT.

11 MR. HERNANDEZ: BUT I THINK THAT IT IS
12 IMPORTANT THAT WE UNDERSTAND THAT THERE IS NO REAL
13 EMPHASIS ON NATURALIZATION. SINCE THE AMNESTY LAW
14 PASSED, WE HAVE 800,000 PEOPLE IN THE LOS ANGELES
15 REGION WHO QUALIFY FOR AMNESTY, AND THEY ARE GOING
16 TO BE TURNED OVER TO CITIZENSHIP STARTING IN
17 OCTOBER. BUT IT IS NOT THE GOVERNMENT WHO IS
18 PUTTING AN EMPHASIS ON THAT. IT IS OUR
19 ORGANIZATIONS THAT ARE DOING IT WITH VOLUNTEERS.
20 WE ARE NOT WAITING FOR AN APPROPRIATION.

21 THE NUMBERS ARE TREMENDOUS. AND IF
22 PEOPLE UNDERSTOOD WHAT KIND OF IMPACT THAT WOULD
23 HAVE ON THE POLICY MAKING -- BECAUSE ALL OF A
24 SUDDEN POLICY MAKERS WOULD BE HELD MORE
25 ACCOUNTABLE ONCE THOSE FOLKS BECOME CITIZENS --

1 THERE SHOULD BE AN EMPHASIS THERE.

2 BUT THEN AT THE SAME TIME, THESE
3 WAITING PERIODS, BECAUSE OF THE QUOTA THAT WAS
4 INSTITUTED, IT WORKS AGAINST THOSE PEOPLE FROM THE
5 WESTERN HEMISPHERE AS OPPOSED TO THE EASTERN
6 HEMISPHERE. AND I THINK IT WAS DONE PURPOSELY.

7 IF YOU UNDERSTAND, WE CONVERTED TO AN
8 EASIER VOTER REGISTRATION MECHANISM BY ALLOWING
9 YOU TO FILL OUT YOUR OWN FORM. BUT WE ALSO MADE
10 THEM IN ENGLISH ONLY. YOU HAVE TO UNDERSTAND THAT
11 IT MADE A DIFFERENCE. BUT NOW WITH THE NEW VOTING
12 RIGHTS ACT AND THE FACT THAT WE CAN INCLUDE
13 BALLOTS IN DIFFERENT LANGUAGES, I HAD THE PLEASURE
14 OF MEETING A SENIOR CITIZEN KOREAN MAN WHO HAD HIS
15 BALLOT IN KOREAN POINTING TO MY NAME. SO I THINK
16 IT DOES MAKE A DIFFERENCE.

17 SO WE HAVE TO BE FOCUSING ON WHAT
18 CONSTITUTES A CITIZEN IN THE CITY, WHAT GIVES
19 SOMEONE A RIGHT TO PARTICIPATE IN THE POLICY
20 MAKING. I MEAN WHY IS IT THAT CHILDREN'S PARENTS
21 DON'T HAVE THE RIGHT TO HOLD A SCHOOL BOARD
22 ACCOUNTABLE TO THE KINDS OF POLICIES THEY ARE
23 EDUCATING?

24 SO WE HAVE TO LOOK AT IT VERY CLOSELY
25 BECAUSE LOS ANGELES IS NOT LIKE THE REST OF THE

1 UNITED STATES. WE HAVE A DIFFERENT HISTORY HERE.
2 WE HAVE A POPULATION BASE THAT IS MADE UP OF
3 IMMIGRANTS. AND THAT IS OUR FUTURE AS AN
4 INTERNATIONAL CITY WITH AN INTERNATIONAL HARBOR
5 AND AN INTERNATIONAL AIRPORT AND BEING AT THE
6 CENTER OF THE PACIFIC RIM, AT THE SAME TIME HAVING
7 AN ANCHOR TO THE SOUTH.

8 AND SO WE SHOULD LOOK AT THOSE KINDS OF
9 ISSUES IN TERMS OF HOW IT IS THAT WE CAN MAKE A
10 DIFFERENCE IN LOS ANGELES. BUT THAT IS THE
11 BIGGEST FACTOR I THINK THAT IS AFFECTING POLICY
12 MAKING, THE FACT THAT WE DON'T HAVE THE NUMBERS.
13 WE ARE THE NUMBERS, BUT WE DON'T HAVE THE NUMBERS
14 WHEN IT COMES TO THE ABILITY TO AFFECT POLICY
15 MAKERS. YOU KNOW, CLEARLY, WE ARE THE FUTURE OF
16 THE CITY. IT IS NOT LIKE YOU CAN JUST WIPE US
17 OUT.

18 MR. FLETCHER: WITH REFERENCE TO THE
19 MOST RECENT IMMIGRATION LEGISLATION, FOR YOUR
20 INFORMATION, ONE OF THE FIRST CHALLENGES I HAD AND
21 MANY OF US HAD AS MEMBERS OF THE COMMISSION WAS TO
22 DEAL WITH THE MOST RECENT IMMIGRATION LEGISLATION.
23 AND WE FOUND THAT IT DISCRIMINATED MORE THAN IT
24 HELPED.

25 QUESTION NUMBER ONE, DID YOU GET A

1 CHANCE TO TESTIFY ON THAT LEGISLATION AT THE
2 NATIONAL LEVEL?

3 MR. HERNANDEZ: NO, I DIDN'T.

4 MR. FLETCHER: IS THERE A REASON FOR
5 THAT?

6 MR. HERNANDEZ: WELL, NUMBER ONE, ONE
7 LATINO CITY COUNCIL PERSON IN THE HISTORY OF
8 LOS ANGELES HAD JUST GOT ELECTED TWO YEARS AGO.
9 THIS DISTRICT WAS CREATED IN 1987. GLORIA MOLINA
10 REPRESENTED IT THEN. I WAS A BUSINESSMAN BEFORE
11 THAT.

12 MR. FLETCHER: DID SHE TESTIFY ON IT,
13 DO YOU KNOW?

14 MR. HERNANDEZ: I WOULDN'T BE ABLE TO
15 TELL YOU BECAUSE I DON'T KNOW IF SHE DID.

16 MR. FLETCHER: ARE YOU FAMILIAR AT ALL
17 WITH WHAT THE SO --

18 MR. HERNANDEZ: WELL, I KNOW WHAT
19 AMNESTY DID. IT SOLVED THE PROBLEMS UP TO '82.
20 IF YOU UNDERSTOOD WHAT I WAS TALKING ABOUT, THIS
21 QUOTA SYSTEM AS IT RELATES --

22 MR. FLETCHER: THAT IS WHERE I AM
23 COMING FROM.

24 AS YOU EXPLAINED IT, WHAT
25 RECOMMENDATION DO YOU WANT TO GET INTO THIS

1 RECORD?

2 MR. HERNANDEZ: WELL, I THINK IT IS
3 IMPORTANT THAT WE CONSIDER LOOKING AT THOSE
4 NUMBERS AGAIN. ARE WE GOING TO DEAL WITH ALLOWING
5 PEOPLE TO BE PART OF THIS CITY WHO HAVE LIVED HERE
6 FOR MANY YEARS? YOUR WAITING LIST OF PEOPLE SINCE
7 '82 -- AND THAT WAS, AGAIN, 11 YEARS AGO -- YOU
8 NEED TO UNDERSTAND NOW YOU HAVE THE SAME PROBLEMS
9 BUT WORSE. BECAUSE IT WAS 1978 WHEN THE QUOTA
10 SYSTEM WAS ESTABLISHED. AND SO WE FOUND THE
11 PROBLEM THAT ACCUMULATED OVER A 4-YEAR PERIOD.
12 NOW WE HAVE GOT A PROBLEM THAT HAS ACCUMULATED
13 OVER AN 11-YEAR PERIOD, BUT WE DIDN'T CHANGE THAT
14 PART OF THE RULES.

15 SO YOU HAVE PEOPLE WHO HAVE THE LEGAL
16 RIGHT TO IMMIGRATE BECAUSE THEY HAVE CHILDREN WHO
17 WERE BORN HERE OR THEIR PARENTS WERE CITIZENS OR
18 THEIR SISTERS AND BROTHERS ARE CITIZENS. BUT THEY
19 HAVE TO WAIT. AND SO BECAUSE WE DIDN'T ADDRESS
20 THAT LEGISLATION FROM 1978, IT DIDN'T MAKE A
21 DIFFERENCE.

22 MR. FLETCHER: MY THEORY IS THAT -- AND
23 I WANT TO ASK YOU ANOTHER QUESTION WITH REFERENCE
24 TO YOUR STATEMENT ON THE CIVIL RIGHTS
25 LEGISLATION -- MY THEORY IS THAT YOU CAN TRACK

1 WHAT LITTLE PROGRESS BLACK AMERICA HAS MADE ON THE
2 BASIS OF THEIR ENHANCED AND INCREASED ABILITY TO
3 USE THEIR POLITICAL MUSCLE.

4 MR. HERNANDEZ: EXACTLY.

5 MR. FLETCHER: WE MAY HAVE A DIFFERENCE
6 OF OPINION WITH REFERENCE TO HOW WELL THEY HAVE
7 DONE. I THINK MUCH, MUCH MORE NEEDS TO BE DONE ON
8 THE PART OF THOSE WHO HAVE BEEN ELECTED. BUT WHEN
9 YOU COMPARE THE DISPARITIES BETWEEN LATINOS AND
10 AFRICAN AMERICANS, POINTING OUT THAT DISPARITY IS
11 NOT TO SAY THAT THE SYSTEM IS WORKING WELL FOR
12 EITHER ONE OF THEM.

13 MR. HERNANDEZ: I AGREE WITH YOU. ONE
14 OF THE THINGS PEOPLE DON'T TALK ABOUT IS THAT
15 13 PERCENT OF THE AFRICAN AMERICAN COMMUNITY HAS A
16 SPANISH SURNAME. AND THAT POPULATION IS SUFFERING
17 EVEN MORE.

18 I THINK, AGAIN, THIS WHOLE QUESTION OF
19 BEING ABLE TO PARTICIPATE HAS TO BE ADDRESSED.
20 AND MY FEAR IN MY DISTRICT -- YOU NEED TO
21 UNDERSTAND THAT WHEN GLORIA MOLINA GOT ELECTED TO
22 THE CITY COUNCIL SEAT I REPRESENT IN 1987, THERE
23 WERE 38,000 REGISTERED VOTERS, AND THIS WAS AFTER
24 EXTENSIVE EFFORTS. I DO HAVE A STRONG RECORD OF
25 VOTER REGISTRATION.

1 WHEN I RAN FOR OFFICE, THERE WERE
2 33,000 -- TWO YEARS AGO. THIS LAST ELECTION,
3 THERE WERE 27,000. NOW, THAT GIVES ME THE ABILITY
4 TO DO ANYTHING I WANT. THAT IS WHAT IS WRONG WITH
5 THE SYSTEM.

6 MR. FLETCHER: JUST A MOMENT. YOU HAVE
7 BEEN INVOLVED IN THE EEO -- POSSIBLY THE EEO --
8 BUT THE MINORITY BUSINESS SET ASIDE LEGISLATION
9 THAT WAS PUT IN PLACE, AND YOU HAVE SEEN WHAT OUR
10 HOPE WERE WHEN WE PUT IT IN PLACE IN LATE '69,
11 AND PROBABLY WORKED WITH IT ALL THROUGH THE '70S
12 AND '80S.

13 I THINK IT NEEDS REPAIRING,
14 REJUVENATION, OR REDESIGN. DO YOU HAVE ANY
15 THOUGHTS ALONG THOSE LINES THAT YOU WOULD LIKE TO
16 GET INTO THIS REPORT?

17 MR. AVILA: ABSOLUTELY. I THINK THAT
18 ENTIRE SYSTEM OF LEGISLATION NEEDS TO BE
19 REVISITED. I THINK IT NEEDS TO BE STREAMLINED,
20 AND I THINK IT NEEDS TO BE STRENGTHENED.

21 ONE OF THE PROBLEMS THAT MOST MINORITY
22 BUSINESS PEOPLE FACE TODAY IS THAT THEY ARE
23 DEALING WITH A MAZE OF LEGISLATION AND A MAZE OF
24 ELIGIBILITY CRITERIA. IF YOU INTEND TO DO
25 BUSINESS UNDER ANY OF THE MBE, WBE, OR DBE

1 PROGRAMS, YOU WILL FIND THAT THE ELIGIBILITY
2 CRITERIA IS DIFFERENT DEPENDING ON WHO YOU APPLY
3 FOR.

4 LET ME JUST GIVE YOU AN EXAMPLE OF A
5 MAZE THAT I WOULD HAVE TO GO THROUGH IF I INTENDED
6 TO DO BUSINESS IN THE CONSTRUCTION FIELD. I
7 PROBABLY WOULD HAVE TO QUALIFY WITH THE SBA, WITH
8 THE DEPARTMENT OF COMMERCE, WITH ANY OTHER FEDERAL
9 AGENCY, DOT, ET CETERA. SO YOU MAY END UP SEEKING
10 CERTIFICATION WITH 10 OR 12 FEDERAL AGENCIES.

11 IF I INTENDED TO DO BUSINESS WITH THE
12 STATE OF CALIFORNIA, I HAVE ANOTHER 10 TO 12
13 AGENCIES THAT I WOULD HAVE TO OBTAIN CERTIFICATION
14 FOR. IF I INTENDED TO DO BUSINESS IN THE COUNTY
15 OF LOS ANGELES, I AGAIN WOULD HAVE TO QUALIFY WITH
16 ALL OF THE DIFFERENT COUNTY AGENCIES AND
17 DEPARTMENTS. IF I DID BUSINESS IN THE CITY OF
18 LOS ANGELES, I WOULD HAVE TO DO THE SAME THING.

19 I COUNTED AT ONE POINT IN TIME THAT
20 THERE WERE OVER 38 AGENCIES IF I WANTED TO DO
21 CONSTRUCTION WORK. NOW, TYPICALLY IT COSTS
22 ANYWHERE FROM \$1,500 TO \$2,000 IN TERMS OF TIME
23 AND EXPENSE TO FILE ALL OF THOSE APPLICATIONS. SO
24 RIGHT OFF THE BAT, YOU ARE PLACING A FINANCIAL
25 BURDEN ON THE MINORITY BUSINESS PERSON TO BECOME

1 ELIGIBLE THROUGH THE CERTIFICATION PROCESS TO
2 PARTICIPATE.

3 THE OTHER PROBLEM THAT WE RUN INTO IS
4 THE UNEVEN APPLICATION OF THE CRITERIA. WHEN I
5 APPLIED FOR CERTIFICATION WITH A LOCAL AGENCY, I
6 WAS ASKED TO PROVE MY ETHNICITY. IT WAS RATHER
7 DIFFICULT FOR ME BECAUSE MY BIRTH CERTIFICATE
8 SAID, "CAUCASIAN." OBVIOUSLY, IF YOU LOOK AT ME,
9 I PROBABLY DON'T FIT THAT DESCRIPTION, BUT YET IT
10 WAS MY RESPONSIBILITY TO PROVE TO THE
11 CERTIFICATION AGENCY THAT I WAS OF MINORITY
12 EXTRACTION. THERE WAS NO DOCUMENTATION THAT I
13 COULD GO TO. I HAD NOTHING TO PROVE MY ETHNICITY.

14 FINALLY, I GOT THE AGENCY TO AGREE TO
15 ACCEPT A LETTER FROM THE MEXICAN AMERICAN LEGAL
16 DEFENSE AND EDUCATION FUND FROM THE CHAIRMAN AND
17 THE PRESIDENT CERTIFYING THAT AS LONG AS THEY HAVE
18 KNOWN ME FOR THE PAST 21 YEARS, I HAVE BEEN
19 INVOLVED, AND I APPEAR TO BE, AND IT OBVIOUSLY
20 REFLECTS THAT I AM HISPANIC AND FILIPINO, SO
21 THEREFORE I COULD QUALIFY. BUT THAT WAS THE ONLY
22 DOCUMENT, THE ONLY CRITERIA THAT WAS HOLDING UP MY
23 CERTIFICATION IN ORDER TO PARTICIPATE IN THE
24 PROCESS.

25 THE OTHER CONCERN THAT WE HAVE AS

1 MINORITY BUSINESS PEOPLE, THERE IS A SYSTEM OF
2 THIRD PARTY CHALLENGES THAT IS REALLY DEVASTATING
3 TO MINORITY PARTICIPANTS. AND WE DISCOVERED THAT
4 THESE CHALLENGES IN MOST CASES AREN'T BEING
5 INITIATED BY MBE'S, BUT RATHER THEY ARE BEING
6 INITIATED BY MAJORITY-OWNED COMPANIES.

7 MR. FLETCHER: WHO RECEIVE GENERAL
8 CONTRACTS.

9 MR. AVILA: THE ATC NATIONALLY
10 CHALLENGES ON A THIRD PARTY CHALLENGE BASE THE
11 CERTIFICATION OF MINORITIES. AND IT IS NOT
12 BECAUSE THEY WANT TO ELIMINATE THE MINORITY. IT
13 IS A TOOL BY WHICH THEY ELIMINATE THEIR
14 COMPETITION. THE PROBLEM IS THAT WE BECOME PART
15 OF THE JETSAM AND FLOTSOM BECAUSE WE LOSE CONTRACT
16 OPPORTUNITIES WHEN THEY CHALLENGE EACH OTHER.

17 VERY RARELY WILL YOU FIND MINORITIES
18 CHALLENGING THE OTHERS ON THE BASIS OF THEIR MBE,
19 DBE, OR WBE CERTIFICATION. IT IS TYPICALLY DONE
20 BY THE MAJORITY COMPANIES. THE PROBLEM WITH THE
21 THIRD PARTY CHALLENGE SYSTEM, EVEN THOUGH IT IS
22 AKIN TO THE GOVERNMENT'S HOT LINE, THE PROBLEM IS
23 THAT IT VIOLATES THE DUE PROCESS RIGHTS OF THE
24 MINORITY BUSINESS PERSON.

25 BECAUSE STRICTLY ON THE BASIS OF

1 HEARSAY AND INNUENDO, SOMEONE CAN SAY THAT MY LAW
2 FIRM IS NOT OWNED BY AND CONTROLLED BY PERSONS OF
3 MINORITY ETHNICITY. AND THE POINT IS THAT TWO OF
4 THE THREE STOCKHOLDERS IN MY LAW CORPORATION ARE
5 MINORITIES. BUT MY PARTNER HAPPENS NOT TO BE
6 MINORITY, AND WE HAVE BEEN CHALLENGED. AND
7 BECAUSE WE ARE WHO WE ARE, AND BECAUSE OF MY
8 HISTORY FOR THE PAST 21 YEARS IN DEALING WITH MBE
9 ISSUES, THE CHALLENGE IS THROWN OUT. BUT THE FACT
10 IS THAT IT OCCURRED.

11 I REPRESENT A VERY SUCCESSFUL HISPANIC
12 CONCRETE AND STRUCTURAL ENGINEERING COMPANY THAT
13 WAS DOING A LOT OF WORK ON THE CENTURY FREEWAY.
14 AND IT WAS CONSTANTLY BEING CHALLENGED AS A FRONT.
15 THE INDIVIDUAL HAPPENS TO HAVE A NON-HISPANIC LAST
16 NAME. HOWEVER, HE IS PROBABLY MORE MEXICAN THAN I
17 WOULD EVER HOPE TO BE, AND YET HE WAS CHALLENGED
18 FREQUENTLY. WE APPEARED BEFORE NOT LESS THAN SIX
19 ADMINISTRATIVE HEARINGS BEFORE CALTRANS. WE
20 APPEARED IN SACRAMENTO ON A CHALLENGE. AND
21 EVENTUALLY THERE WAS A CHALLENGE ISSUED TO THE
22 DEPARTMENT OF TRANSPORTATION.

23 THE PROBLEM WITH THESE IS IN MOST CASES
24 THEY ARE DESK AUDITS, WHICH MEANS THAT THE
25 PAPERWORK IS SUBMITTED AND SOMEBODY IN AN OFFICE

1 SOMEPLACE RENDERS A DECISION. AND IF YOU HAPPEN
2 TO HAVE SOMEBODY OPPOSING YOU WHO IS FROM THE
3 GOVERNMENT, IT MAKES THE JOB OF OUR REPRESENTATION
4 MUCH MORE DIFFICULT BECAUSE OFTEN PEOPLE WILL GIVE
5 MORE CREDIBILITY TO A STATEMENT FILED BY A PERSON
6 OF THE GOVERNMENT.

7 MR. FLETCHER: LET ME ASK YOU TO DO US
8 A FAVOR, PLEASE. I WOULD APPRECIATE IT IF YOU
9 WOULD DESIGN A FLOW CHART. I CALL IT A "HOSTAGE
10 HOLDING FLOW CHART." THEY HOLD YOU HOSTAGE IN
11 THAT PROCESS WHILE THE WORK IS BEING DONE. WHEN
12 YOU FINALLY GET OUT OF THAT ENTANGLEMENT, THE
13 CONTRACT IS OVER.

14 MY CONCERN IS WITH THE INTERMODAL
15 TRANSPORTATION ACT, 150 SOME BILLION BUCKS, AND
16 THE ADDITIONAL PUBLIC WORKS LEGISLATION COMING
17 DOWN THE TRACK. IT IS IMPORTANT THAT WE BE ABLE
18 TO PUT BOTH THE HOUSE AND THE SENATE COMMITTEES
19 THAT DEAL WITH THOSE APPROPRIATIONS, AS WELL AS
20 THE AGENCIES INVOLVED WITH THOSE SIZABLE
21 CORPORATIONS -- EXACTLY WHY THE MINORITY BUSINESS
22 AND DBE AND ALL OF THOSE DIFFERENT THINGS AREN'T
23 WORKING AND TO THE DEGREE THAT THAT -- THAT
24 ENTANGLEMENT PROCESS, AND THEY REALLY NEED TO SEE
25 IT, A FLOW CHART WITH BOXES AND ALL, THE DIFFERENT

1 CHECKPOINTS WHERE IT GETS RIDICULOUS. AND I HOPE
2 YOU WILL BE ABLE TO GIVE US A REMEDY WITH
3 REFERENCE TO ALL OF THIS MYRIAD OF GOING THROUGH
4 THE MAZE OF BEING CERTIFIED TO DO BUSINESS.

5 I AM KNOWLEDGEABLE ON IT BECAUSE I WAS
6 AN 8A CONTRACTOR. I AM NOT ANYMORE, BUT I HAD
7 CONTRACTS WITH MILITARY BASES ALL OVER THE COUNTRY
8 AND UP ON THE ALASKAN PIPELINE. IT WASN'T NEARLY
9 AS COMPLEX AND COMPLICATED IN THE '70S AS IT WAS
10 RUMORED TO BE IN THE '80S. SO I WOULD APPRECIATE
11 THAT DOCUMENTATION FOR THIS RECORD.

12 MR. AVILA: I WILL DO THAT.

13 MR. FLETCHER: THANK YOU VERY MUCH.

14 ANY OTHER QUESTIONS?

15 MS. YOUNGBLOOD: YES. STAFF HAS SOME
16 ADDITIONAL QUESTIONS TO ASK OF THE WITNESSES, FOR
17 THE RECORD.

18 I WOULD LIKE TO GO BACK TO MR. WALSH,
19 PLEASE. MR. WALSH, DO YOU HAVE ANY ADDITIONAL
20 PERSONAL OBSERVATIONS WITH RESPECT TO YOUR ROLE AS
21 A TEACHER AS TO WHAT YOU HAVE SEEN HAPPEN TO YOUR
22 STUDENTS WHEN THEIR PARENTS HAVE A LACK OF
23 TRANSPORTATION ALTERNATIVES?

24 MR. WALSH: YES. AS A TEACHER IN THE
25 SYSTEM, WHEN I WAS IN THE JUNIOR HIGH SYSTEM, I

1 RAN INTO MANY CHILDREN WHO AT AGE 10 OR 12 YEARS
2 OLD WERE RUNNING THE HOUSEHOLD BECAUSE THE FATHER
3 WAS IN THE COUNTRY OF ORIGIN AND THE MOTHER WAS
4 WORKING AS A DOMESTIC IN OUTLYING SUBURBAN AREAS
5 AND IT WAS IMPOSSIBLE FOR HER TO GET BACK EVERY
6 DAY BECAUSE IN THE EVENING ON THE BUS SYSTEM IT
7 TURNS INTO ABOUT 90 PERCENT MALE AND 10 PERCENT
8 FEMALE -- BECAUSE OF THE DANGER. SO THESE WOMEN
9 HAVE TO LIVE FIVE DAYS A WEEK IN THE VALLEY AND
10 OTHER SUBURBAN AREAS LEAVING THE CHILDREN TO RUN A
11 FAMILY.

12 I WOULD LIKE TO JUST PARENTHETICALLY
13 MENTION THAT A FOOTHILL TRANSIT ZONE WAS CREATED
14 OUT OF A SUBURBAN AREA, THE SAN GABRIEL VALLEY, BY
15 THE MTA, THE LACTC AT THAT TIME, TO ADDRESS
16 SUBURBAN PROBLEMS. AND DURING THE DAYS OF THE
17 CIVIL DISTURBANCE, THIS SYSTEM FUNDED BY THE MTA
18 REFUSED TO COME INTO LOS ANGELES. THEY DROPPED
19 THEIR PASSENGERS, MANY OF WHOM WERE DOMESTICS, ON
20 THEIR WAY HOME ON THURSDAY AND FRIDAY AT THE
21 EL MONTE BUSWAY, AND THEY SAID, "WE ARE NOT COMING
22 INTO L.A. GO FIND AN RTD BUS."

23 WE BROUGHT THIS UP TO THE MTA. WE
24 ASKED FOR A CENSURE. WE ASKED FOR MONEY TO BE
25 DEDUCTED. IN FACT, NOTHING HAPPENED.

1 THERE ARE A GREAT DEAL OF PROBLEMS WITH
2 CHILDREN -- A YOUTH FARE. HOW IS A YOUTH WHO HAS
3 TO PAY \$1.10 TO GET AROUND THE CITY? SUPPOSE A
4 MOTHER JUST WANTS A SHORT TRIP AND SHE HAS GOT A
5 SIX YEAR OLD AND A SEVEN YEAR OLD CHILD AND SHE
6 ISN'T ABLE TO COME UP WITH THE \$42 FOR A PASS? IT
7 IS GOING TO COST HER ROUND TRIP TO GO FIVE OR SIX
8 BLOCKS \$6.60 WITH THOSE CHILDREN OF SIX OR SEVEN
9 YEARS.

10 I THINK THAT IT IS NO COINCIDENCE THAT
11 THE CITY WITH THE MOST OVERCROWDED BUS SYSTEM IN
12 AMERICA HAD THE MOST SERIOUS CIVIL UPRISING IN
13 AMERICA. IT IS TIED. IF YOU CAN'T GET AROUND, IF
14 YOU CAN'T GET A JOB, IF YOU CAN'T GO TO GET A JOB,
15 THIS IS AN INEVITABLE RESULT.

16 MR. HERNANDEZ: I JUST WANTED TO ADD
17 SOMETHING HERE AS FAR AS SCHOOL CHILDREN. YOU
18 NEED TO UNDERSTAND THAT MOST OF THE ROUTES
19 DEVELOPED BY THE BUS SYSTEMS ARE REGIONAL IN
20 PERSPECTIVE AND THEY ARE NOT LOCAL, WHICH IS WHY
21 WE HAVE AS MANY TRANSFERS. MOST PEOPLE'S SOCIAL
22 SERVICE NEEDS TEND TO BE LOCAL.

23 AND YOU ALSO NEED TO UNDERSTAND THAT
24 THE SCHOOL DISTRICT IN ITS BUDGET CUTS BASICALLY
25 HAD TO CUT SOME BUS ROUTES. AND IF YOU WEREN'T

1 PART OF THE BUSSING PROGRAM, THE LOCAL BUSSING
2 PROGRAM WASN'T THERE IN PLACE. AND PRINCIPALS
3 HAVE TOLD ME -- NIGHTINGALE JR. HIGH SCHOOL IS AN
4 EXAMPLE -- BY CUTTING THE ROUTE FROM ANN STREET,
5 THE WILLIAM MEADE HOUSING PROJECT TO
6 NIGHTINGALE -- THE KIDS IT USED TO TAKE THERE --
7 RESULTED IN 70 STUDENTS NO LONGER GOING TO SCHOOL.
8 THE PRINCIPAL CALLED THE HOMES TO TALK TO THE
9 PARENTS ABOUT WHY THEIR KIDS WERE NO LONGER COMING
10 IN. IT WAS BECAUSE THEY WOULDN'T CROSS THE TURF
11 LINES OF THE GANGS. YOU SEE, NOW THEY HAVE TO DO
12 IT BY FOOT. WE HAVE EXPERIENCED THE SAME THING AT
13 BELMONT HIGH SCHOOL. KIDS FROM PICO/UNION HAVE A
14 HARD TIME GETTING OVER TO BELMONT. AND SO LOCAL
15 TRANSPORTATION NEEDS HAVE TO BE ADDRESSED.

16 I JUST FINISHED HOLDING SOME HEARINGS
17 ON SCHOOL VIOLENCE. I FOUND THAT THE KIDS -- THAT
18 ALL THE EXCITEMENT WAS HAPPENING ABOUT -- I DON'T
19 WANT TO Demean IT BECAUSE -- MORE KIDS ARE
20 COMMITTING SUICIDES THAN THE KIDS WHO HAVE BEEN
21 HARMED ON SCHOOL CAMPUSES -- BUT WE FOUND THAT
22 THOSE KIDS WHO WERE PART OF A SHOOTING OR GOT SHOT
23 WERE ALL KIDS WHO WERE BEING BUSSED TO THE
24 SCHOOLS. NONE OF THEM WERE FROM THE HOME SCHOOL
25 ENVIRONMENT.

1 AND THE KIDS' TESTIMONY TO ME WAS, "WE
2 FEEL SAFE AT HOME, AND WE FEEL SAFE AT SCHOOL. IT
3 IS IN BETWEEN THAT WE HAVE A PROBLEM." AND THAT
4 IS WHY THEY ARE PACKING GUNS.

5 MS. YOUNGBLOOD: THANK YOU. THIS
6 QUESTION IS ADDRESSED TO BOTH MR. WALSH AND TO
7 COUNCIL MEMBER HERNANDEZ. WHAT OPPORTUNITIES HAVE
8 BOTH OF YOU, YOU AS A MEMBER OF YOUR ORGANIZATION
9 OR YOU AS A COUNSEL MEMBER, HAD TO MAKE YOUR
10 POSITION KNOWN OR TO BRING THESE ISSUES TO BEAR
11 AND TO BECOME A PART OF THE DECISION MAKING
12 PROCESS? FIRST MR. WALSH, PLEASE.

13 MR. WALSH: WE HAVE A NEW DIRECTOR OF
14 THE MTA. PREVIOUSLY IT HAD BEEN VERY DIFFICULT.
15 WE HAVE BEEN HITTING A STEEL WALL WHEN IT COMES TO
16 THE BUS RIDERS' ISSUES. WE ARE IN A NUTSHELL, AND
17 WE HAVE TALKED TO MR. WHITE ALREADY. WE HAVE
18 TALKED TO MR. WHITE AT MEETINGS ABOUT THIS.

19 WE DON'T WANT TO SEE WHAT HAPPENED IN
20 MIAMI. IN MIAMI THEY BUILT SOMETHING CALLED
21 "METRO RAIL." A COMPANY CALLED SCHIMPLER
22 CORRADINA MADE PROJECTIONS OF THE RIDERSHIP. THEY
23 ARE AT 35 OR 40 PERCENT OF THE RIDERSHIP THAT WAS
24 PROJECTED. AS A RESULT, THE COST OF DEFICITS
25 YEARLY FOR THE RAIL SYSTEM MEANT THAT THEY HAD TO

1 DECIMATE THE BUS SYSTEM. THEY NOW HAVE BUS AND
2 RAIL IN MIAMI -- FEWER PEOPLE THAN THEY HAD BUS
3 ONLY BEING TRANSPORTED.

4 IN FACT, IN LOS ANGELES RIGHT NOW WE
5 HAVE THE BEGINNING OF A RAIL SYSTEM. WE ARE NOW
6 TRANSPORTING ABOUT 90 MILLION PEOPLE FEWER BUS AND
7 RAIL THAN WE DID IN 1985 BUS ONLY. IN OTHER
8 WORDS, WE ARE BUILDING RAIL SYSTEMS, AND FEWER
9 PEOPLE ARE BEING TRANSPORTED.

10 THIS IS A PROBLEM WE BELIEVE THAT THE
11 MTA WILL ADDRESS. AND MR. WHITE HAS BEEN TALKING
12 ABOUT IT, IN TRIMMING THE SCHEDULE OF BUILDING
13 RAIL AND PUTTING MORE MONEY INTO THE BUS SYSTEM.
14 THERE ARE 30,000 BUS STOPS IN THE MTA'S DISTRICT.
15 THERE ARE NOW 16 OR 17 RAIL STOPS. WE CAN'T FEED
16 THE RAIL STOPS AND STARVE THE 30,000 BUS STOPS.

17 MR. HERNANDEZ: ONE OF THE INITIAL
18 THINGS I INITIATED AND THAT WE FOLLOWED THROUGH
19 WITH WAS BASICALLY THE DISSEMINATION OF
20 TRANSPORTATION SCRIP TO SENIORS AND DISABLED
21 PEOPLE. BUT THE CITY OF LOS ANGELES HAD A VERY
22 LIMITED PROGRAM, AND WE FOUND THAT IT ONLY
23 OPERATED WEST OF THE HARBOR FREEWAY AND PRIMARILY
24 OUT IN THE SUBURBS. BECAUSE WE WERE ABLE TO SHOW
25 THE INADEQUACIES AND SO FORTH, WE WERE ABLE TO

1 SECURE ADDITIONAL FUNDING, AND WE EXPANDED THE
2 PROGRAM. AND NOW MANY MORE SENIORS AND DISABLED
3 PEOPLE ARE ELIGIBLE FOR THE SCRIP.

4 AND IT IS FUNNY. BECAUSE IN THE
5 EXPANSION, THERE WAS A REDUCTION OF SERVICE
6 BETWEEN -- NOW YOU HAVE TO BE 65 AS OPPOSED TO 62
7 TO BE A SENIOR. EVERY NOW AND THEN, I AM PULLING
8 OUT \$10 BILLS SO I CAN MAKE UP THE DIFFERENCE TO A
9 SENIOR CITIZEN FOR TWO MONTHS BECAUSE IT MAKES A
10 DIFFERENCE IN THEIR INCOMES.

11 THE OTHER REALITY IS WE HAVE BEEN ABLE
12 TO INTRODUCE A RESOLUTION THAT COUNCIL PASSED
13 ASKING THAT THE MTA CONSIDER TAKING A HIGHER
14 PERCENTAGE OF THEIR BUDGET -- AS OPPOSED TO
15 2 PERCENT, INCREASING IT TO 6 PERCENT -- FOR
16 PURPOSES OF SECURITY SO THAT WE CAN HAVE MORE
17 SECURITY ON THE BUS SYSTEM. BECAUSE WE THINK THE
18 DIFFERENCE SHOULD GO STRICTLY TO BUSES BECAUSE
19 THERE IS A TOTAL INADEQUACY IN TERMS OF HOW THEY
20 ARE SUBSIDIZING SECURITY FOR RAIL SYSTEM VERSUS
21 THE PEOPLE WHO ARE USING THE SYSTEM NOW.

22 WE HAVE ALSO BEEN LOOKING AT
23 TRANSPORTATION QUOTAS BECAUSE WE HAVE SEVERAL
24 APPLICATIONS IN WITH THE FEDERAL GOVERNMENT RIGHT
25 NOW -- BUT THEY HAVE BEEN APPROVED AT 95 PERCENT

1 APPROVAL RATINGS -- IN TERMS OF LOCAL
2 TRANSPORTATION NEEDS SO THAT WE CAN GET SHUTTLE
3 SYSTEMS INTRODUCED INTO THE DISTRICT.

4 AND MORE IMPORTANT -- I KNOW MY
5 COLLEAGUE ALATORRE IS HERE -- I REALLY APPRECIATE
6 THE FACT THAT HE SITS ON THE HOUSING COMMITTEE ON
7 THE CITY COUNCIL BECAUSE WE HAVE BEEN DEVELOPING A
8 LOT OF HOUSING IN OUR DISTRICT THAT IS INCLUSIVE
9 OF SOCIAL SERVICE COMPONENTS SIMPLY BECAUSE OF THE
10 FACT THAT IT IS NOT ACCESSIBLE TO OUR
11 CONSTITUENTS.

12 MS. YOUNGBLOOD: THERE ARE A NUMBER OF
13 OTHER QUESTIONS THAT STAFF HAS, BUT, AGAIN, WE ARE
14 AWARE OF THE TIME CONSTRAINTS. I WOULD LIKE TO
15 ASK WITH CHAIRMAN'S PERMISSION AT THIS TIME IF THE
16 STAFF CAN SUBMIT WRITTEN QUESTIONS IN THE FORM OF
17 INTERROGATORIES TO THE REMAINING WITNESSES AND
18 HAVE THEM RESPOND WITHIN A 30-DAY PERIOD.

19 MR. FLETCHER: CERTAINLY. I CONCUR
20 WITH THAT. THAT WILL BE EXCELLENT.

21 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

22 MR. FLETCHER: IN THE PROCESS, IF YOU
23 HAVE A WRITE-UP ON THAT HEARING THAT YOU SAID YOU
24 HAD, WE WOULD LIKE A WRITE-UP FOR THE RECORD,
25 PLEASE.

1 MR. HERNANDEZ: I WOULD BE MORE THAN
2 HAPPY TO SUBMIT THAT TO YOU.

3 MR. FLETCHER: THANK YOU VERY MUCH.
4 YOU HAVE BEEN VERY HELPFUL TO US.

5 MR. HERNANDEZ: I DID NEED SOME
6 INFORMATION, SOME DEMOGRAPHICS AND SOME CHARTS, IF
7 I COULD GET IT BACK.

8 MR. FLETCHER: COUNSEL, WOULD YOU CALL
9 THE NEXT PANELISTS FOR ME, PLEASE.

10 MS. YOUNGBLOOD: MR. FRANKLIN WHITE,
11 MR. TOM RUBIN, AND COUNCIL MEMBER RICHARD
12 ALATORRE.

13 MR. WANG: MR. WHITE, MR. RUBIN, AND
14 MR. ALATORRE, COULD I ASK YOU TO STAND UP AND
15 RAISE YOUR RIGHT HAND, PLEASE.

16 DO YOU SWEAR, AFFIRM, THAT YOU WILL
17 TRUTHFULLY TESTIFY TO THE BEST OF YOUR ABILITY?

18 (ALL PANELISTS REPLIED IN THE
19 AFFIRMATIVE.)

20 MR. WANG: THANK YOU VERY MUCH. PLEASE
21 BE SEATED, AND WE CAN ASK THE COUNSEL TO BEGIN
22 WITH YOUR QUESTIONING.

23 MS. YOUNGBLOOD: THANK YOU,
24 MR. CO-CHAIRMAN. I WOULD LIKE TO AGAIN REQUEST
25 THAT WE FOLLOW THE SAME FORMAT WHERE STAFF ASKS

1 ALL THE QUESTIONS OF THE WITNESSES AND THEREAFTER
2 PASSES THE WITNESSES OVER TO THE COMMISSIONERS.

3 MR. WANG: BY ALL MEANS, COUNSEL.

4 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

5 WE WOULD LIKE TO BEGIN WITH COUNCIL MEMBER
6 ALATORRE, GIVEN YOUR PREVIOUS TIME COMMITMENT.

7 COUNCIL MEMBER, WOULD YOU PLEASE STATE
8 YOUR CURRENT POSITION?

9 MR. ALATORRE: MY NAME IS COUNCILMAN
10 RICHARD ALATORRE, CITY COUNCILMAN FOR THE 14TH
11 DISTRICT, AND CURRENTLY THE CHAIRMAN OF THE
12 METROPOLITAN TRANSPORTATION AUTHORITY.

13 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

14 I BROKE WITH PREVIOUS PROCEDURE. WOULD
15 ALL OF THE WITNESSES PLEASE STATE THEIR NAME AND
16 TITLE AND ORGANIZATIONAL AFFILIATION?

17 MR. WHITE: MY NAME IS FRANKLIN WHITE,
18 AND I AM THE CHIEF EXECUTIVE OFFICER OF THE
19 METROPOLITAN TRANSPORTATION AUTHORITY.

20 MR. RUBIN: MY NAME IS TOM RUBIN, AND I
21 AM EMPLOYED BY THE LOS ANGELES COUNTY METROPOLITAN
22 TRANSPORTATION AUTHORITY.

23 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

24 COUNCIL MEMBER, THROUGH WHAT PROCESS
25 DID YOU BECOME CHAIRMAN OF THE METROPOLITAN

1 TRANSIT AUTHORITY?

2 MR. ALATORRE: I WAS ELECTED WHEN THE
3 MTA WAS FORMED. I WAS ELECTED ON FEBRUARY THE
4 1ST -- THE FIRST MEETING IN FEBRUARY. I WAS
5 ELECTED BY THE MEMBERSHIP OF THE MTA.

6 MS. YOUNGBLOOD: WHAT ARE YOUR POWERS
7 AND RESPONSIBILITIES AS CHAIRMAN OF THAT BOARD?

8 MR. ALATORRE: WELL, I MAKE THE
9 ASSIGNMENTS FOR THE COMMITTEES. I MAKE
10 APPOINTMENTS TO SOME OF THE COMMISSIONS THAT WE
11 HAVE JURISDICTION OVER. I SET THE AGENDA, SET THE
12 AGENDA FOR THE MTA MEETINGS. THAT IS PRETTY MUCH
13 IT.

14 MS. YOUNGBLOOD: WOULD YOU PLEASE STATE
15 THEN WHAT THE ROLE OF THE MTA BOARD IS WITH
16 RESPECT TO MAKING TRANSPORTATION POLICY DECISIONS
17 IN THE CITY OF LOS ANGELES?

18 MR. ALATORRE: WELL, IT IS NOT JUST IN
19 THE CITY. THE MTA REALLY IS A REGIONAL BOARD MADE
20 UP OF PEOPLE OF LOS ANGELES COUNTY. WE ARE THE
21 POLICY BOARD FOR THE TRANSPORTATION -- IN THE
22 TRANSPORTATION ARENA FOR LOS ANGELES COUNTY. WE
23 ARE THE ONES THAT SET THE AGENDA FOR EXPENDITURES
24 AND MONEY.

25 WE SET THE PROJECTIONS FOR, AS AN

1 EXAMPLE, THE 30-YEAR PLAN THAT WAS ADOPTED BY THEN
2 THE PLANNING WING OF THE MTA NOW WITH THE MERGED
3 WING, WHICH IS PLANNING AS WELL AS OPERATIONS OF
4 PUBLIC TRANSPORTATION IN LOS ANGELES COUNTY.

5 THAT'S PRETTY MUCH IT.

6 MS. YOUNGBLOOD: THANK YOU. COUNCIL
7 MEMBER, I NOTICED YOU WERE SITTING IN THE AUDIENCE
8 THROUGH THE PREVIOUS PANELS' TESTIMONY. WOULD YOU
9 PLEASE GIVE US YOUR OWN ASSESSMENT OF THE CURRENT
10 LEVEL OF SERVICE BEING PROVIDED TO THE
11 CONSTITUENCY SERVED THROUGH THE MTA, PARTICULARLY
12 THE TRANSIT DEPENDENT PERSONS IN LOS ANGELES?

13 MR. ALATORRE: WELL, YOU KNOW, I THINK
14 IT IS SAFE TO SAY THAT IT NEEDS IMPROVEMENT.

15 MS. YOUNGBLOOD: WOULD YOU PLEASE
16 ELABORATE?

17 MR. ALATORRE: WELL, YOU KNOW, WE
18 HAPPEN TO HAVE IN THE INNER CITY PROBABLY THE MOST
19 OVERCROWDING OF ANY OF THE LINES IN THE
20 JURISDICTION THAT WE HAVE. I THINK THAT IT IS
21 SAFE TO SAY THAT IN THE PAST, UNFORTUNATELY
22 TRANSPORTATION AND TAKING CARE OF THOSE THAT ARE
23 REALLY OUR CONSTITUENTS HAVE NOT BEEN TAKEN CARE
24 OF IN THE MANNER I BELIEVE THAT THEY SHOULD.

25 WE HAVE A LONG WAY TO GO. I THINK WE

1 ARE COMMITTED TO A MULTI-MODAL TRANSPORTATION
2 SYSTEM. WE ADOPTED A 30-YEAR PLAN WHICH I THINK
3 IN LIGHT OF THE ECONOMIC REALITIES THAT WE KNOW
4 TODAY HAVE TO BE REVISITED.

5 I THINK IF YOU ASK TRANSIT DEPENDENT
6 PEOPLE WHETHER THEY ARE RECEIVING ADEQUATE
7 SERVICE, THEY ARE GOING TO BE THE FIRST ONES TO
8 TELL YOU, "NO." YOU ASK PEOPLE PROBABLY FROM OUR
9 AGENCY, AND THEY WILL RECOGNIZE THAT IMPROVEMENTS
10 HAVE TO BE MADE BUT PROBABLY NOT AT THE URGENCY
11 THAT THE PEOPLE THAT USE THE BUSES HAVE.

12 THEY WILL CITE TO YOU, THE TRANSIT
13 DEPENDENT PEOPLE WILL CITE TO YOU, THE UNEVEN
14 EXPENDITURE OF RESOURCES. THAT IS DEBATABLE.
15 THEY WILL CITE TO YOU THE FACT THAT WE PAY MORE
16 MONEY TO TAKE CARE OF PEOPLE THAT ARE RIDING RAIL
17 CARS THAN WE DO THE MILLIONS OF PEOPLE THAT USE
18 BUSES EVERY DAY.

19 EVEN WHEN THE SYSTEM IS BUILT OUT, THE
20 SYSTEM AS WE KNOW IT TODAY WITH THE METRO RED
21 LINE, THE BLUE LINE, THE ORANGE LINE, THE WHITE --
22 THE GREEN LINE -- WE ARE ONLY TALKING ABOUT AT
23 BEST MAYBE 11 PERCENT OF THE RIDING PUBLIC. I
24 THINK THE REAL QUESTION IS, WHAT DO WE DO AND HOW
25 DO WE CARE FOR THE OTHER 89 PERCENT OF THE RIDING

1 PUBLIC? AND THAT IS PROBABLY AT ITS BEST WE ARE
2 TALKING.

3 AND I THINK THAT ONE OF THE MEMBERS OF
4 THE FORMER PANEL TALKED ABOUT THE UNEVEN
5 EXPENDITURE OF MONEY. IT IS NOT SO MUCH THE
6 UNEVEN EXPENDITURE OF MONEY. IT IS JUST THAT WE
7 HAVE A SYSTEM THAT IS REGIONAL IN NATURE. AND
8 WITH THAT, THE CORE, THE TRANSIT DEPENDENT PEOPLE
9 THAT HAPPEN NOT TO BE USING BUSES AS A LUXURY --
10 THEY USE IT AS A NECESSITY -- THE EMPHASIS IS NOT
11 PUT ON THAT CONSTITUENCY AS MUCH AS IT IS PUT ON
12 TRANSPORTING PEOPLE REGIONALLY INTO DOWNTOWN
13 LOS ANGELES.

14 TRANSIT DEPENDENT PEOPLE IN MY DISTRICT
15 AS AN EXAMPLE USE THE TRANSPORTATION SYSTEM NOT
16 JUST TO GO TO WORK, BUT THEY USE THE
17 TRANSPORTATION SYSTEM TO MEET THEIR NEEDS, WHETHER
18 IT IS SHOPPING, WHETHER IT IS GOING TO VISIT
19 DOCTORS, AND THE LIKE. AND KIDS -- OBVIOUSLY THEY
20 USE IT TO COMMUTE TO SCHOOL.

21 MS. YOUNGBLOOD: WOULD THEN YOUR
22 ASSESSMENT BE THE SAME FOR PEOPLE WHO ARE NOT
23 TRANSIT DEPENDENT THAT THE LEVEL OF SERVICES IS
24 NOT EQUAL, OR WOULD YOU SAY THAT THE ASSESSMENT
25 WOULD BE BETTER?

1 MR. ALATORRE: I THINK THE EXPENDITURE
2 OF MONEY IS GREATER. YOU HAVE TO LOOK AT
3 LOS ANGELES NOT AS AN URBAN CORE. YOU HAVE TO
4 LOOK AT LOS ANGELES AS A SET OF SUBURBAN
5 COMMUNITIES. AND WITH THAT, OBVIOUSLY WHEN YOU
6 HAVE LINES AND YOU HAVE TO SET UP A REGIONAL
7 SYSTEM, OBVIOUSLY YOU ARE GOING TO SPEND MORE
8 MONEY THE FURTHER OUT THAT YOU GET.

9 AS YOU LOOK AT THE SUBSIDY FOR PEOPLE
10 THAT ARE TRANSIT DEPENDENT, I THINK THEY PAY FOR
11 THEMSELVES. BUT WHEN YOU LOOK AT HOW YOU MOVE
12 PEOPLE IN SUBURBAN COMMUNITIES, THE SUBSIDY
13 OBVIOUSLY IS LARGER.

14 MS. YOUNGBLOOD: COUNCIL MEMBER, WOULD
15 YOU AGREE THAT IT SHOULD BE A GOAL OF ANY
16 TRANSPORTATION SYSTEM TO INCREASE THE MOBILITY OF
17 PEOPLE?

18 MR. ALATORRE: WELL, THAT IS THE
19 PURPOSE. THAT IS OBVIOUSLY THE PURPOSE OF ANY
20 TRANSPORTATION SYSTEM. BUT THEN YOU HAVE TO
21 DEFINE WHO ARE WE REALLY SERVING. BUT MOBILITY
22 CERTAINLY IS ONE OF THE MOST IMPORTANT PARTS OF
23 ANY TRANSPORTATION SYSTEM. AND SOME WOULD ARGUE
24 THAT THE ABILITY FOR PEOPLE THAT HAPPEN TO ONLY
25 HAVE AS A MECHANISM TO GET FROM ONE PLACE TO

1 ANOTHER A BUS SYSTEM -- THEY PROBABLY ARE NOT AS
2 MOBILE AS YOU AND I MAY BE.

3 MS. YOUNGBLOOD: I AM NOT SURE I
4 UNDERSTOOD YOUR RESPONSE, SIR. WOULD YOU PLEASE
5 RESTATE THAT?

6 MR. ALATORRE: WHAT I AM TRYING TO SAY
7 IS THAT MOBILITY IS OBVIOUSLY THE OBJECTIVE OF THE
8 MTA. NOW, WHEN YOU GO OUT INTO SUBURBAN
9 COMMUNITIES, MANY TIMES IT IS A CHOICE THAT PEOPLE
10 MAKE TO RIDE A BUS, AS AN EXAMPLE, OR METROLINK OR
11 THE LIGHT RAIL IN THE SYSTEM THAT WE HAVE NOW.

12 BUT PEOPLE IN THE INNER CITY DON'T HAVE
13 MUCH CHOICE. THEY ONLY HAVE ONE CHOICE, AND THAT
14 CHOICE IS WHATEVER TRANSPORTATION NETWORK THAT WE
15 HAVE. THAT IS BUSSING. AND, CONSEQUENTLY, IF
16 THEY ARE OVER CAPACITY AND IF THEY ARE USED MORE
17 OFTEN, THE WEAR AND TEAR OBVIOUSLY IS GREATER.
18 BUT THOSE INDIVIDUALS DO NOT HAVE THE LUXURY THAT
19 YOU AND I HAVE.

20 AND WE COULD -- IF IT WAS AVAILABLE, WE
21 COULD USE RAIL -- WE COULD USE LIGHT RAIL OR HEAVY
22 RAIL IF WE LIVED IN AREAS LIKE THAT. BUT, SEE,
23 PEOPLE THAT LIVE IN THE INNER CITY ONLY HAVE ONE
24 CHOICE. AND WHEN THE RED LINE IS BUILT OUT, THEY
25 WILL HAVE ANOTHER CHOICE. THE QUESTION WILL BE,

1 HOW MANY OF THEM ARE GOING TO OPT TO USING IT AND
2 WHETHER IN FACT IT IS EVEN AFFORDABLE FOR THEM,
3 AND THAT REMAINS TO BE SEEN.

4 MS. YOUNGBLOOD: COUNCIL MEMBER, YOU
5 JUST HEARD TESTIMONY FROM THE PREVIOUS PANEL THAT
6 INDICATED THAT MOBILITY IS BEING DECREASED. ARE
7 YOU TELLING THE COMMISSION -- IS IT YOUR TESTIMONY
8 THEN, SIR -- THAT WE SHOULD BE LOOKING AT THE
9 REGIONAL SYSTEM AS A WHOLE AND ASSESSING IT ON
10 THAT BASIS AND NOT ON A BASIS OF INCREASING THE
11 MOBILITY OF ALL THE PEOPLE, INCLUDING THE PEOPLE
12 WHO ARE DEPENDENT UPON THAT SYSTEM?

13 MR. ALATORRE: I THINK THAT THE
14 COMMITMENT OF THE MTA IN ITS MISSION STATEMENT IS
15 TO PROVIDE EQUALITY OF SERVICE TO PEOPLE, NOT JUST
16 EXPENDITURE OF DOLLARS IN ONE MODE OF
17 TRANSPORTATION. IT OBVIOUSLY COSTS MORE WHEN YOU
18 BRING PEOPLE FROM DIFFERENT PLACES.

19 IF WE WERE JUST A METROPOLITAN
20 TRANSPORTATION NETWORK, I THINK THE SERVICE WOULD
21 BE DIFFERENT. BUT WITH THE EXPENDITURES OF MONEY
22 THAT WE HAVE, AND RECESSION HITTING US THE WAY
23 THAT IT HAS, AND THE EXPENDITURE BY THE FEDERAL
24 GOVERNMENT AND THE ALLOCATION BY THE FEDERAL
25 GOVERNMENT MORE TOWARD RAIL THAN OPERATIONS -- AND

1 YOU CAN SEE THAT OVER A PERIOD OF THE LAST
2 DECADE -- YOU SEE A REDUCTION IN MONIES COMING
3 FROM THE FEDERAL GOVERNMENT FOR OPERATIONS, AND
4 YOU SEE THAT THAT IS MORE FASHIONABLE, WHICH
5 HAPPENS TO BE RAIL -- THE MONIES HAVE GONE MORE
6 FOR CAPITAL THAN IT HAS GONE FOR OPERATIONS -- AND
7 THE QUESTION OF WHAT OUR COMMITMENT -- YES, OUR
8 COMMITMENT HAS TO BE THE MOBILITY OF PEOPLE
9 IRRESPECTIVE OF WHERE THEY HAPPEN TO LIVE, WHETHER
10 THEY LIVE IN THE INNER CITY OR WHETHER THEY LIVE
11 IN SUBURBAN COMMUNITIES.

12 AND MAYBE WE HAVE TO REVISIT THE IDEA
13 OF THE MTA BEING A REGIONAL CARRIER. SOME WOULD
14 SAY, "JUST TAKE CARE OF PEOPLE IN LOS ANGELES."
15 AND OBVIOUSLY THE COMMITMENT WAS MADE LONG BEFORE
16 I EVEN BECAME A MEMBER OF THE RTD OR THE LACTC.
17 THE DECISION WAS THAT WE WERE GOING TO BE A
18 REGIONAL CARRIER. AND WITH THAT, OBVIOUSLY THERE
19 ARE PROBLEMS.

20 MS. YOUNGBLOOD: COUNCIL MEMBER, WHAT
21 WOULD BE YOUR ASSESSMENT OF THE MTA'S PERFORMANCE
22 IN PROVIDING JOBS AND CONTRACTING OPPORTUNITIES
23 FOR MINORITIES, MINORITY RESIDENTS?

24 MR. ALATORRE: WELL, LIKE ANY OTHER,
25 OBVIOUSLY IT COULD IMPROVE. BUT I THINK THAT WHEN

1 YOU LOOK AT WHAT WE HAVE DONE AND THE COMMITMENT
2 THAT THE MTA AND ITS BOARD HAS IN ITS STATEMENT OF
3 PURPOSE AS IT RELATES TO, NUMBER ONE, EMPLOYMENT
4 OPPORTUNITIES, AND, NUMBER TWO, OPENING UP
5 ECONOMIC OPPORTUNITIES, IF YOU LOOK AT IT FROM THE
6 STANDPOINT OF WHETHER WE FOLLOW THE GUIDELINES, DO
7 WE MEET THOSE STANDARDS? YES, WE MEET THEM.
8 COULD WE DO A BETTER JOB? YES, WE COULD DO A
9 BETTER JOB.

10 I THINK THAT YOU WILL SEE THAT SINCE
11 THE INCLUSION OF THE MEMBERSHIP OF -- I AM NOT
12 JUST TALKING ABOUT MYSELF BUT OF OTHERS THAT SHARE
13 A SIMILAR COMMITMENT, THAT THE NUMBERS HAVE
14 INCREASED, THAT THE COMMITMENT CERTAINLY THAT I
15 HAVE AS A CHAIRMAN AND ULTIMATELY AS A MEMBER OF
16 THE MTA, IS THAT AFRICAN AMERICANS, HISPANICS,
17 ASIANS, AMERICAN INDIANS, SHOULD PLAY A BIGGER
18 ROLE IN THE PARTICIPATION OF THE \$180 BILLION AND
19 WHATEVER COSTS THAT ARE GOING TO BE EXPENDED OVER
20 THE 30-YEAR PERIOD.

21 AND MY COMMITMENT IS TO DO A BETTER JOB
22 AND TO INCREASE THAT PARTICIPATION.

23 MS. YOUNGBLOOD: THANK YOU.
24 PREVIOUSLY, WE REQUESTED SOME DOCUMENTS FROM YOUR
25 OFFICE, COUNCIL MEMBER, AND I WOULD APPRECIATE IT

1 IF YOU WOULD HAVE YOUR ATTORNEY FORWARD THOSE TO
2 US.

3 MR. ALATORRE: OKAY. VERY GOOD. WE
4 WILL GET THEM TO YOU.

5 MS. YOUNGBLOOD: NEXT I WOULD LIKE TO
6 TURN MY QUESTIONING TO MR. WHITE.

7 MR. ALATORRE: EXCUSE ME. I HAVE A
8 TIME CONSTRAINT. THEY HAVE BEEN HOLDING UP THE
9 START FOR ME BECAUSE I MAKE THE QUORUM. AND I
10 JUST WANT KNOW IF THERE ARE ANY OTHER QUESTIONS
11 FOR ME?

12 MS. YOUNGBLOOD: YES, SIR, THERE ARE.
13 I BELIEVE THERE ARE ADDITIONAL QUESTIONS.

14 MR. REYNOSO: I JUST WONDER WHETHER WE
15 MIGHT DO WHAT WE DID WITH THE PREVIOUS PANEL.
16 MAYBE WE COULD SEND INTERROGATORIES TO SOME OF THE
17 WITNESSES, PARTICULARLY IN LIGHT OF THE FACT THAT
18 WE ARE RUNNING SO LATE. AND MAYBE WE COULD MAKE
19 UP SOME TIME THAT WAY.

20 MR. ALATORRE: I WANT TO TRY AND
21 ACCOMMODATE THE COMMISSION. IT IS JUST I WAS TOLD
22 TO BE HERE AT 10:30. MR. MONTEZ TOLD ME TO BE
23 HERE, AND THE SUBPENA TOLD ME TO BE HERE, AND I
24 WANT TO COMPLY WITH THE SUBPENA.

25 MR. FLETCHER: MR. MONTEZ WAS RIGHT.

1 THE SUBPENA WAS RIGHT.

2 COUNSEL, YOUR RESPONSE TO THAT, PLEASE?

3 MS. YOUNGBLOOD: EARLIER I BELIEVE IN
4 OUR CONVERSATIONS I SPOKE WITH A STAFF MEMBER OF
5 YOURS. IT WAS MY UNDERSTANDING THAT THE MEETING
6 STARTED AT 1:00.

7 MR. ALATORRE: NO. THE CITY COUNCIL
8 STARTED AT TEN O'CLOCK.

9 MS. YOUNGBLOOD: I UNDERSTAND THAT,
10 COUNCIL MEMBER. WE ISSUED A SUBPENA, AND I
11 APOLOGIZE FOR ANY INCONVENIENCE. I HAD INDICATED
12 TO ONE OF YOUR STAFF MEMBERS THAT YOU WOULD BE
13 FREE TO GO AT 12:30, AND I WOULD PREFER THAT YOU
14 STAY UNTIL THAT TIME. AND IF AT THAT TIME WE ARE
15 NOT DONE WITH THE REMAINING QUESTIONS, I WOULD BE
16 HAPPY TO SUBMIT WRITTEN INTERROGATORIES TO YOU
17 THROUGH YOUR ATTORNEY.

18 MR. FLETCHER: JUST FOR THE SAKE OF
19 DUAL ACCOMMODATION, IF YOU HAVE ANY MORE QUESTIONS
20 TO ASK OF HIM, CAN YOU ASK HIM NOW, BEFORE YOU GO
21 TO ANY OF THE OTHER MEMBERS?

22 MS. YOUNGBLOOD: THAT WOULD BE FINE.
23 THANK YOU, MR. CHAIRMAN.

24 COUNCIL MEMBER, GIVEN THAT ALL OF THE
25 MTA BOARD MEMBERS ARE ELECTED OFFICIALS,

1 SPECIFICALLY WITH REGARD TO YOURSELF, HOW ARE YOU
2 UTILIZING YOUR POLITICAL INFLUENCE TO EFFECTUATE
3 CHANGES THAT YOU INDICATED A MOMENT AGO WERE
4 NEEDED, SPECIFICALLY WITH REGARD TO PROVIDING JOB
5 OPPORTUNITIES AND CONTRACTING OPPORTUNITIES FOR
6 MINORITIES?

7 AND PLEASE DO NOT LIMIT YOUR RESPONSE
8 TO ONLY CONTRACTING OPPORTUNITIES. THIS WOULD BE
9 WITH REGARD TO INDIVIDUALS WHO ARE SKILLED
10 LABORERS, LABORERS WHO WOULD BE ABLE TO WORK ON
11 MTA PROJECTS AND INITIATIVES THAT ARE UNDERWAY.
12 HOW ARE YOU UTILIZING YOUR OWN PERSONAL INFLUENCE?

13 MR. ALATORRE: OBVIOUSLY, I THINK
14 THAT THE STAFF RECOGNIZES THE COMMITMENT THAT THE
15 COMMISSION HAS, INDIVIDUALLY AND COLLECTIVELY, TO
16 THE IDEA OF NOT ONLY EMPLOYMENT OPPORTUNITIES BUT
17 ALSO AS SUBCONTRACTORS AND PRIME CONTRACTORS FOR
18 THE CAPITAL PROJECTS THAT WE ARE INVOLVED IN.
19 THAT CERTAINLY IS ONE OF THE COMMITMENTS THAT I
20 HAVE AND I BELIEVE THAT A MAJORITY OF THE
21 COMMISSION HAS NOW, TO MAYBE A GREATER EXTENT WITH
22 SOME THAN WITH OTHERS.

23 WE HAVE SET OUT A POLICY ON CAPITAL
24 CONTRACTS THAT THEY HAVE TO MEET A CERTAIN
25 THRESHOLD. AND I BELIEVE MR. WHITE CAN DISCUSS

1 THAT. AND THAT THRESHOLD HAS TO BE MET. WE HAVE
2 SEEN OVER A PERIOD OF YEARS THAT THERE WERE MANY
3 WAYS OF GETTING AROUND IT. AND WE INSIST NOW THAT
4 THERE BE THE MONITORING THAT SHOULD TAKE PLACE.
5 IN ANY OF THE AWARDS THAT ARE GIVEN TO A PRIME
6 CONTRACTOR, WE LOOK AT THE PARTICIPATION OF WOMEN
7 AND MINORITY BUSINESS ENTREPRENEURS.

8 WE ARE GETTING TO THE POINT WHERE WE
9 ARE HAVING MINORITIES THAT ARE THE PRIMES AND NOT
10 JUST THE SUBS. WE HAVE OUTREACH PROGRAMS WHERE WE
11 TRY AND EDUCATE THE SMALL BUSINESS ENTREPRENEUR AS
12 TO THE OPPORTUNITIES THAT WE HAVE. THE INFLUENCE,
13 I BELIEVE, IS UNDERSTOOD BY THE STAFF.

14 THE STAFF MAYBE IN THE PAST TOOK CARE
15 OF THEIR BUSINESS A CERTAIN WAY. THE BUSINESS
16 THAT THEY TOOK CARE OF IS THAT THEY MADE -- THEY
17 DETERMINED WHAT THE ROLES WERE, HOW THEY WERE MET
18 AND WHETHER THEY WERE MET, AND WHETHER THERE WAS
19 GOOD FAITH THAT A PARTICULAR CONTRACTOR WAS
20 INVOLVED IN. THAT, TO ME, WAS NOT SUFFICIENT WHEN
21 I SERVED ON THE RTD. GOALS DIDN'T MEAN ANYTHING
22 TO ME UNLESS THEY WERE MET. WE FORTUNATELY HAD AN
23 INSPECTOR GENERAL THAT UNDERSTOOD. AND HE
24 HAPPENED TO BE A HISPANIC, AND HE UNDERSTOOD WHAT
25 THE THRUST OF THE INTENTIONS WERE OF THE BOARD.

1 NOW, CAN WE IMPROVE? OF COURSE. I
2 THINK WE HAVE A LONG WAY TO GO, BUT I THINK THAT
3 THE STAFF RECOGNIZES THAT THERE IS A COMMITMENT
4 INDIVIDUALLY AND COLLECTIVELY BY A MAJORITY OF THE
5 MEMBERS OF THE MTA.

6 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

7 I WILL SUBMIT THE REMAINING QUESTIONS
8 TO YOUR ATTORNEY.

9 MR. ALATORRE: VERY GOOD.

10 MS. YOUNGBLOOD: THANK YOU VERY MUCH,
11 MR. CHAIRMAN.

12 MR. FLETCHER: YOU ARE FREE TO GO.

13 MR. ALATORRE: THANK YOU VERY MUCH.
14 I APPRECIATE IT VERY MUCH.

15 MS. YOUNGBLOOD: MR. WHITE, I WILL TRY
16 TO BE BRIEF BECAUSE I UNDERSTAND THAT YOU ALSO
17 HAVE A BOARD MEETING THAT YOU NEED TO LEAVE TO
18 ATTEND. YOU ARE, OF COURSE, THE CURRENT EXECUTIVE
19 DIRECTOR OF THE MTA; IS THAT CORRECT?

20 MR. WHITE: CHIEF EXECUTIVE OFFICER.

21 MS. YOUNGBLOOD: THANK YOU VERY MUCH,
22 SIR. WHAT IS THE MTA'S PREVIOUS RECORD REGARDING
23 TITLE VI COMPLIANCE, SPECIFICALLY WITH REGARD TO
24 PROVISION OF SERVICES THROUGHOUT THE COMMUNITY?

25 MR. WHITE: YOU MEAN TRANSPORTATION

1 SERVICES?

2 MS. YOUNGBLOOD: YES, SIR.

3 MR. WHITE: LET ME ANSWER THE QUESTION
4 IN A DIFFERENT WAY, TAKING INTO ACCOUNT PERHAPS
5 SOME OF THE OBSERVATIONS THAT WERE MADE BY THE
6 PREVIOUS PANEL, ALSO TAKING INTO ACCOUNT THE FACT
7 THAT I AM, I THINK, AS YOU KNOW, IN MY 11TH OR
8 12TH WEEK.

9 BUT I THINK THE TRANSPORTATION
10 SERVICES, GIVEN THE POPULATION PRESSURE IN THIS
11 AREA, GIVEN THE HORIZONTAL NATURE OF THE
12 COMMUNITY, IS PRETTY GOOD IN COMPARABLE TERMS,
13 THAT IS, TO OTHER CITIES OF ITS ILK. OF COURSE,
14 LOS ANGELES BECAUSE OF ITS HUGE SIZE AND THE
15 COUNTY BECAUSE OF ITS HUGE SIZE FACE REALLY A
16 TRANSPORTATION DILEMMA MUCH BEYOND ALMOST ANY
17 OTHER CITY YOU CAN THINK ABOUT BECAUSE MOST CITIES
18 ARE NOT THIS FLAT, MOST CITIES ARE NOT NEAR AS
19 AUTOMOBILE DEPENDENT AS THIS ONE IS, AND ON AND ON
20 AND ON.

21 NOW, LET ME COME TO THE MATTER OF HOW
22 ONE OUGHT TO VIEW THE RIDERSHIP FALL-OFF THAT WAS
23 DISCUSSED EARLIER -- AND, I THINK, SUGGESTING THAT
24 THE POOR QUALITY OF BUS SERVICE OR PERHAPS THE
25 FARES WERE THE PRINCIPAL REASONS FOR THAT

1 FALL-OFF. THAT IS HOW I INTERPRETED THOSE
2 COMMENTS.

3 I DON'T THINK THOSE COMMENTS ARE
4 ACCURATE, AND I THINK PEOPLE WHO LOOK AT
5 TRANSPORTATION HISTORICALLY AND LOOK AT IT
6 NATIONWIDE HAVE REACHED OTHER CONCLUSIONS. THE
7 FACTS ARE THAT TRANSIT RIDERSHIP IS DOWN
8 EVERYWHERE. IT IS DOWN IN ALL OTHER COMMUNITIES.
9 AND I DON'T WANT TO BE THAT ABSOLUTE. IT IS DOWN
10 IN MOST OTHER COMMUNITIES, INCLUDING THOSE WHERE
11 THERE HAS BEEN AN INCREASE IN THE POPULATION.

12 SO ONE IS CONFUSED ABOUT WHY THERE IS
13 AN INCREASE IN THE POPULATION AND WHY IS TRANSIT
14 RIDERSHIP DOWN. AND I THINK THE ANSWER THAT
15 PROFESSIONALS IN THE FIELD HAVE ARRIVED AT AS TO
16 WHY THAT IS THE CASE -- I THINK IT IS ALSO TRUE IN
17 LOS ANGELES, ALTHOUGH I HAVE BEEN HERE SUCH A
18 SHORT TIME -- I THINK THOSE FACTORS ARE
19 PRINCIPALLY TWO.

20 THE FIRST IS CHANGE IN THE RESIDENTIAL
21 PATTERNS IN MOST CITIES, AN INCREASE IN
22 SUBURBANIZATION TO A MUCH LARGER DEGREE THAN THE
23 PLANNERS HAD EVER FORECASTED. AND THIS, OF
24 COURSE, TIES TO WHAT IS THE CONNECTION BETWEEN
25 LAND USE PLANNING AND RESIDENTIAL DEVELOPMENT.

1 THE FACT OF THE MATTER IS IN MOST OF THE COUNTRY
2 THERE IS VERY LITTLE, AND SO YOU HAVE SUBURBS
3 INCREASING AT A TREMENDOUS RATE SO THAT THE OLD
4 TRANSPORTATION PATTERNS DON'T WORK ANYMORE. AND
5 THAT IS FACTOR NUMBER ONE. PEOPLE HAVE TO USE AN
6 AUTOMOBILE.

7 THE SECOND FACTOR, WHICH IS EQUALLY
8 IMPORTANT, IS THE RISE IN AFFLUENCE DURING THE
9 '80S. MANY MORE PEOPLE WERE ABLE TO ACQUIRE
10 AUTOMOBILES THAN IN PRIOR DECADES. AND IN THE
11 CASE OF LOS ANGELES, YOU HAVE TO LOOK
12 PRE-RECESSION. ABSOLUTELY BOOM ECONOMY FOR A VERY
13 LONG TIME, MANY MORE PEOPLE REGISTERING
14 AUTOMOBILES. THE STAFF PROBABLY KNOWS BETTER, AND
15 I CAN'T RECALL THE RATE, BUT LET ME TELL YOU, IT
16 IS A PHENOMENAL RATE.

17 SO YOU PUT TOGETHER THE CHANGE IN WHERE
18 PEOPLE LIVE AND MORE AUTOMOBILE OWNERSHIP AND THE
19 LAG IN THE ADJUSTMENT OF THE TRANSPORTATION
20 MACHINERY, AND THAT IS WHY TRANSIT RIDERSHIP IS
21 DOWN. IT IS DOWN IN NEW YORK. IT IS DOWN IN
22 CHICAGO. IT IS DOWN IN LOS ANGELES. THIS IS NOT
23 TO SAY CONDITIONS HAVE NOTHING TO DO WITH IT. IT
24 IS TO SAY THE PROBLEM IS MUCH MORE COMPLICATED
25 THAN THAT.

1 MR. FLETCHER: IS IT DOWN IN HOUSTON?

2 MR. WHITE: I DON'T KNOW HOUSTON IN
3 PARTICULAR, BUT IF I HAD TO BET, I WOULD SAY,
4 "YES," BECAUSE I KNOW WHAT THE PATTERN IS
5 NATIONWIDE.

6 AND ALL OF THE TRANSIT MANAGERS WHEN
7 THEY GET TOGETHER, THEY GET TOGETHER TO MOAN AND
8 TRY TO ANALYZE THIS PROBLEM TO FIND OUT, "WHY IS
9 OUR POPULATION GROWTH IN URBAN CENTERS -- TRANSIT
10 RIDERSHIP IS DOWN WHEN THE OPPOSITE OUGHT TO BE
11 OCCURRING?"

12 AND IF YOU DON'T LOOK AT THE
13 RESIDENTIAL PATTERNS, YOU WON'T UNDERSTAND THE
14 ANSWER.

15 MS. YOUNGBLOOD: THANK YOU VERY MUCH,
16 SIR. I WOULD LIKE TO ASK THE PREVIOUS QUESTION A
17 DIFFERENT WAY THEN. DO YOU PERCEIVE A DISPARITY
18 OR A DIFFERENCE IN THE LEVEL OF SERVICES BEING
19 PROVIDED TO VARIOUS USERS OF THE MASS TRANSIT
20 SYSTEMS IN LOS ANGELES?

21 MR. WHITE: I THINK THE ANSWER TO THAT,
22 IF ONE WERE TO COMPARE BUS SERVICE -- AND YOU HAVE
23 TO ASK WHICH BUS SERVICE -- BUT BUS SERVICE TO THE
24 CONDITION IN THE RAIL SYSTEM, THE LITTLE BIT OF IT
25 THAT HAS BEEN OPENED SO FAR, I THINK THE ANSWER TO

1 THAT WOULD BE, "YES," BECAUSE, BY AND LARGE, THE
2 BUS SYSTEM SERVES AN INNER CITY POPULATION BESET
3 WITH ALL OF THE SOCIAL PROBLEMS THAT ALL OF US
4 KNOW WELL, FOR WHICH THE TRANSPORTATION SECTOR
5 LACKS THE CAPABILITY TO SOLVE ALL OF THOSE
6 PROBLEMS, AND REFLECTS IN ITS MACHINERY THE SAME
7 CONDITIONS THAT BESET THE SCHOOL SYSTEM AND OTHER
8 SERVICE CENTERS WITHIN THOSE NEIGHBORHOODS.

9 I THINK IF YOU PHYSICALLY ARE IN BOTH
10 PLACES, DEPENDING ON WHERE YOU ARE IN THE BUS
11 SYSTEM, YOU COULD NOT CONCLUDE OTHERWISE.

12 MS. YOUNGBLOOD: THANK YOU. HAS THE
13 MTA AS OF YET DEVISED A PLAN TO DEAL WITH THESE
14 PROCEDURE DISPARITIES?

15 MR. WHITE: I WOULD SAY THAT THE MTA IS
16 IN THE PROCESS OF DOING THAT, WHICH IS WHAT THE
17 CHAIRMAN INDICATED A FEW MOMENTS EARLIER. BUT I
18 THINK TO PUT THE COMPARISON IN CONTEXT, AND I HATE
19 TO KEEP DOING IT, BUT THAT IS THE ONLY WAY WE CAN
20 THINK CRITICALLY ABOUT THESE QUESTIONS, I WOULD
21 PREFER TO GO BACK AND ASK THIS QUESTION.

22 WHAT IS L.A. COUNTY ATTEMPTING TO DO,
23 AND IN THE COURSE OF ATTEMPTING TO DO IT, DO WE
24 HAVE CONDITIONS WHICH ARE UNDESIRABLE IN
25 COMPARISON BETWEEN SOME OF THE MODES? AND I THINK

1 THE ANSWER IS CLEARLY "YES," THEY ARE UNDESIRABLE,
2 AND "YES," WE OUGHT TO BE DEALING WITH THEM.

3 BUT THE SITUATION I AM TRYING TO
4 EXPLAIN AND ELUCIDATE HAS TO DO WITH SOMETHING
5 VERY BASIC THAT HAS TO UNDERLIE THIS CONVERSATION,
6 AND THAT IS THAT LOS ANGELES COUNTY, DRIVEN BY THE
7 CLEAN AIR ACT, DRIVEN BY ICE TEA, WHICH REQUIRES
8 VARIOUS AND SUNDRY OTHER ACTIVITIES IN ORDER TO
9 CONTINUE ELIGIBILITY FOR FEDERAL FUNDS, HAS
10 EMBARKED ON AN ENORMOUS RAIL CONSTRUCTION PROGRAM.

11 AND AS ONE OR TWO OF THE OTHER
12 WITNESSES HAS EXPLAINED BEFORE, ONCE YOU EMBARK ON
13 THAT, THAT DETERMINES YOUR SUBSIDY LEVEL. SO ONE
14 CAN'T BE AGHAST AT SUBSIDY DIFFERENCES WITHOUT
15 UNDERSTANDING THEY FLOW NATURALLY FROM THE
16 DECISION TO CREATE A REGIONAL RAIL NETWORK. THAT
17 IS POINT ONE. POINT TWO IS WHEN YOU CREATE A
18 BRAND NEW REGIONAL RAIL NETWORK AND YOU WANT TO
19 HAVE PEOPLE USE IT AND YOU WANT IT TO BE
20 ATTRACTIVE AND SO ON, IT IS GOING TO LOOK
21 DIFFERENT FROM THE BUS SYSTEM THAT WAS THERE
22 BEFORE. SO WE ARE SUFFERING FROM THAT IN THE
23 COMPARISON.

24 I DO BELIEVE THAT AS WE CREATE A
25 REGIONAL RAIL NETWORK AND AS WE SPEND ENORMOUS

1 SUMS IN DOING THAT, WHICH WE ARE DOING, WE MUST BE
2 CONSCIOUS OF THE CONDITIONS IN THE BUSES. WE MUST
3 BE CONSCIOUS THAT THOSE DIFFERENCES WILL BE
4 HEIGHTENED, AND WE OUGHT TO BE ALLOCATING THAT
5 MONEY IN A WAY THAT AS BEST IT CAN ELIMINATE THOSE
6 DIFFERENCES.

7 BUT WE SHOULDN'T KID OURSELVES. WE ARE
8 NOT GOING TO BE ABLE TO ELIMINATE ALL OF THOSE
9 DIFFERENCES ANY MORE THAN IN ANY OTHER SERVICE IN
10 GOVERNMENT ONE WOULD DRIVE DOWNTOWN OR IN THE
11 INNER CITY AND NOT EXPECT TO SEE CONDITIONS WHICH
12 ARE DIFFERENT IN THE SUBURBS.

13 SO WHILE I THINK WE HAVE TO DO A BETTER
14 JOB, AND IT MUST BE PART OF OUR OBJECTIVE, WE HAVE
15 TO BE REALISTIC ABOUT WHAT IS GOING TO BE
16 POSSIBLE, IN FACT.

17 MS. YOUNGBLOOD: IN RESPONSE TO THE
18 PREVIOUS QUESTION, YOU MENTIONED "ICE TEA" AND
19 CERTAIN REQUIREMENTS THAT ONCE YOU EMBARK UPON
20 THAT PATH MUST BE MET. WHAT OF THE ECONOMIC
21 DEVELOPMENT REQUIREMENTS OR COMPONENTS OF ICE TEA
22 HAS THE MTA GONE ABOUT IMPLEMENTING AND CARRYING
23 OUT?

24 MR. WHITE: IN MY SHORT TIME, I MUST
25 TELL YOU THAT WHEN I ARRIVED FROM NEW YORK, I

1 COULD NOT BE MORE PLEASED WITH HOW AGGRESSIVE
2 LOS ANGELES COUNTY HAS BEEN BOTH WITH RESPECT TO
3 MINORITY PARTICIPATION IN CONTRACTS THERE LET BUT
4 ALSO CONCERN AND AGGRESSIVENESS WITH RESPECT TO
5 EMPLOYMENT. I HAVE BEEN IN A NUMBER OF MAJOR
6 CITIES AND HAVE NOT SEEN ANY IN WHICH THE ATTITUDE
7 AND BEHAVIOR HAS BEEN SO AGGRESSIVE.

8 IT DOESN'T MEAN IT IS PERFECT, BUT I
9 THINK IF IT ISN'T PERFECT, IT IS NOT FOR LACK OF A
10 DESIRE TO IMPROVE ON BOTH THOSE SCORES.

11 MS. YOUNGBLOOD: WOULD YOU PLEASE CITE
12 ANY SPECIFIC EXAMPLES OF THE SAME?

13 MR. WHITE: WELL, I HAVE LIVED AND
14 WORKED IN NEW YORK CITY, LIVED AND WORKED IN
15 WASHINGTON, D.C., LIVED AND WORKED IN RICHMOND,
16 VIRGINIA, AND IN NONE OF THOSE PLACES WAS THE
17 FERVOR AS STRONG AS IT IS HERE.

18 MS. YOUNGBLOOD: I GUESS MY QUESTION,
19 MR. WHITE, IS SPECIFIC EXAMPLES OF ECONOMIC
20 DEVELOPMENT PLANS THAT HAVE BEEN CARRIED OUT IN
21 SPECIFIC COMMUNITIES. AND WE HAD PREVIOUSLY
22 INDICATED THAT IF YOU WOULD LIKE TO CALL UPON
23 STAFF, YOU MAY DO SO.

24 MR. WHITE: I WILL DO THAT, IF I HAVE
25 TO.

1 LET ME TELL YOU IN GENERAL HOW THAT IS
2 DONE IN OUR PROGRAM. THE ECONOMIC DEVELOPMENT
3 THAT WE OF NECESSITY CREATE IN OUR PROGRAM IS THAT
4 WE ARE BUILDING, AND THAT CREATES JOBS AND
5 OPPORTUNITIES FOR FIRMS, BOTH MINORITY AND
6 NONMINORITY. WE ALSO OPEN STATIONS, AND PART OF
7 THE JOB OF LOCATING A STATION, THINKING ABOUT ITS
8 DESIGN, IS TO ENCOURAGE ECONOMIC DEVELOPMENT
9 AROUND THOSE STATIONS. NOW WE HAVE A VERY LARGE
10 AND ACTIVE SO CALLED "JOINT DEVELOPMENT PROGRAM."

11 THOSE ARE THE WAYS IN WHICH WE HAVE
12 TRIED TO DO THAT. WE HOLD JOB FAIRS, WE HOLD MBE
13 FAIRS. WE DO AN ENORMOUS AMOUNT OF REACHING OUT
14 TO MINORITIES AND THE BUSINESS COMMUNITY IN
15 GENERAL ABOUT THE OPPORTUNITIES THAT THE MTA WILL
16 PRESENT IN THE COURSE OF SPENDING \$180 BILLION
17 OVER 30 YEARS, WHICH IS THE PLAN.

18 NOW, STAFF, HELP ME ABOUT WHAT I HAVE
19 LEFT OUT.

20 THERE ARE A NUMBER OF OTHER ACTIVITIES
21 THAT WE WILL SUPPLEMENT IN THE RECORD. I THINK
22 PRIVATELY WE HAVE TALKED ABOUT THEM. I WON'T
23 LEAVE THIS MATERIAL. WE WILL MAKE SURE WE GET
24 THEM TO YOU TO SUPPLEMENT MY ANSWER.

25 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

1 I WOULD LIKE TO PASS THE WITNESS AT THIS TIME TO
2 THE COMMISSIONERS.

3 MR. FLETCHER: PANEL?

4 I HEARD YOU SAY YOU WERE IN WASHINGTON.
5 WHEN WERE YOU THERE?

6 MR. WHITE: I WORKED FOR THE CARTER
7 WHITE HOUSE IN '78 TO '81.

8 MR. FLETCHER: WERE YOU INVOLVED AT THE
9 TIME WE STARTED PUTTING IN THE WASHINGTON METRO
10 SYSTEM?

11 MR. WHITE: I WAS NOT. I WAS AN
12 ASSISTANT TO STUART EIZENSTAT ON THE DOMESTIC
13 POLICY STAFF.

14 MR. FLETCHER: SO YOU DID NOT HAVE ANY
15 INVOLVEMENT --

16 MR. WHITE: I DID NOT HAVE
17 TRANSPORTATION. BUT I LIVED IN SILVER SPRING,
18 KNOW THE SUBWAY SYSTEM, RODE IT, AND AM FAMILIAR
19 WITH NOT ONLY WHAT THEY DID BUT WITH THEIR TRANSIT
20 PROBLEMS.

21 MR. FLETCHER: THE REASON I ASKED FOR
22 HOUSTON WHEN I ASKED FOR COMPARISONS IS, IN MY
23 MIND, THERE ARE A LOT OF COMMONALITIES BETWEEN
24 L.A. STRETCHED ALL OVER THE PLACE AND HOUSTON.
25 AND SO THAT WAS THE REASON I ASKED FOR THAT.

1 YOU SAID SOME THINGS THAT CONCERNED ME.
2 I HEAR THAT YOU WERE IMPRESSED BY THE QUALITY OF
3 THE EFFORT THAT IS BEING MADE TO INCLUDE MINORITY
4 AND WOMEN ENTREPRENEURS FOR JOB OPPORTUNITIES. I
5 GUESS WHAT I AM CONCERNED WITH IS -- I AM NOT THAT
6 INTERESTED IN COMPARING LOS ANGELES TO SOME OTHER
7 CITY -- I AM INTERESTED IN COMPARING LOS ANGELES
8 TO LOS ANGELES GOALS AND OBJECTIVES.

9 ON A SCALE OF 1 TO 10, HAVE THEY
10 CROSSED THE 50-YARD LINE IN TERMS OF PRODUCTIVITY,
11 OR ARE THEY STILL STRUGGLING IN THE DEFENSE END OF
12 THE FIELD?

13 MR. WHITE: I THINK THAT THE GOALS THAT
14 WERE SET BY THE PRIOR BOARDS -- AND THERE WERE TWO
15 BEFORE THE CONSOLIDATION -- HAVE GENERALLY BEEN
16 ACHIEVED. AS OF MARCH OF '93, THE OVERALL MWBE
17 PARTICIPATION IS ON THE ORDER OF 23 PERCENT. THE
18 GOALS THAT THE BOARD HAD SET WERE 20 TO 25
19 PERCENT, SO I THINK THEY WERE ACCOMPLISHED.

20 MR. FLETCHER: THAT IS IN TERMS OF
21 CONTRACTS.

22 MR. WHITE: THAT IS IN TERMS OF THE
23 RAIL CONSTRUCTION PROGRAM.

24 MR. FLETCHER: COULD YOU SUBMIT FOR THE
25 RECORD YOUR COMPLIANCE AUDIT AND REVIEW PROCESS

1 WITH RESPECT TO PRIME AND MINORITY CONTRACTORS?

2 MR. WHITE: WE WILL DO THAT. I AM
3 REMINDED THAT ON PAGE 12 OF MY WRITTEN TESTIMONY
4 WHICH HAS BEEN DISTRIBUTED, THERE IS AN EXTENSIVE
5 DISCUSSION ON PAGE 12 OF THE ECONOMIC DEVELOPMENT
6 ACTIVITIES IN WHICH WE ARE ENGAGED.

7 MR. FLETCHER: THANK YOU VERY MUCH.

8 THAT'S ALL I HAVE, COUNSEL.

9 MS. YOUNGBLOOD: THANK YOU VERY MUCH.
10 AS WITH COUNCIL MEMBER ALATORRE, I WOULD LIKE TO
11 REQUEST PERMISSION AT THIS TIME, MR. CHAIRMAN, TO
12 SUBMIT THE REMAINDER OF THE QUESTIONS FOR THIS
13 WITNESS TO HIS ATTORNEY IN THE FORM OF WRITTEN
14 INTERROGATORIES.

15 MR. FLETCHER: YOU HAVE MY PERMISSION.

16 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

17 THANK YOU VERY MUCH, MR. WHITE.

18 MR. FLETCHER: THANK YOU, MR. WHITE.

19 PROCEED, COUNSEL.

20 MS. YOUNGBLOOD: MR. RUBIN, WHAT IS
21 YOUR CURRENT ASSESSMENT OF THE MTA'S PERFORMANCE
22 WITH REGARD TO PROVIDING JOB OPPORTUNITIES FOR
23 MINORITIES?

24 MR. RUBIN: I BELIEVE THAT HAS TO BE
25 BROKEN INTO TWO PARTS. ONE IS DIRECT EMPLOYMENT

1 BY THE MTA ITSELF. THE SECOND IS EMPLOYMENT
2 THROUGH CONTRACTING.

3 MS. YOUNGBLOOD: IF YOU WOULD PLEASE
4 RESPOND FIRST TO THE FIRST PORTION OF THAT.

5 MR. RUBIN: AT THE PRESENT TIME, THE
6 MTA EMPLOYS APPROXIMATELY 75 -- I'M SORRY --
7 78 1/2 PERCENT OF OUR TOTAL EMPLOYEES ARE
8 MINORITY, FEMALE, OR BOTH MINORITY AND FEMALE.
9 THIS IS IN EXCESS OF THE LOS ANGELES COUNTY LABOR
10 MARKET. AND WE BELIEVE WE HAVE A VERY SOUND
11 RECORD FOR MANY, MANY YEARS, DECADES IN EMPLOYMENT
12 OF MINORITIES AND FEMALES.

13 MS. YOUNGBLOOD: NOW, WOULD YOU RESPOND
14 TO THE SAME QUESTION WITH REGARD TO CONTRACTING
15 OPPORTUNITIES?

16 MR. RUBIN: I BELIEVE THAT MR. WHITE
17 RESPONDED IN THIS AREA. I AM IN CHARGE OF HUMAN
18 RESOURCES OR WAS IN CHARGE OF HUMAN RESOURCES FOR
19 SCRTD, SO I AM FAMILIAR WITH THE EMPLOYMENT
20 NUMBERS. I AM LESS FAMILIAR WITH THE CONTRACTING
21 NUMBERS.

22 I DO KNOW THAT WE HAVE A VERY STRONG
23 PROGRAM, AND THIS IS AGENCYWIDE, AND, BELIEVE ME,
24 THE LAST THING YOU WANT TO BE IS AN MTA STAFF
25 PERSON BRINGING A PROCUREMENT TO THE BOARD FOR

1 APPROVAL THAT DOES NOT HAVE A SUBSTANTIAL
2 PARTICIPATION BY DBE'S. THAT IS NOT A PLEASANT
3 EXPERIENCE.

4 MR. FLETCHER: THAT IS GOOD TO HEAR.

5 MS. YOUNGBLOOD: EARLIER, MR. RUBIN,
6 YOU HEARD A PREVIOUS PANELIST, MR. WALSH, DEFINE
7 THE TERM "TRANSIT DEPENDENT." WOULD YOU PLEASE
8 DESCRIBE FOR THE COMMISSION THE TRANSIT DEPENDENT
9 POPULATION IN LOS ANGELES IN TERMS OF RACE AND
10 ETHNICITY, WHERE THEY COMMUTE TO, THEIR TIME SPENT
11 IN TRANSIT, THEIR USE OF TRAVEL MODES, AND WHERE
12 THEY LIVE?

13 MR. RUBIN: WELL, IT IS A VERY COMPLEX
14 QUESTION. I WILL DO WHAT I CAN. YOU ASKED ME TO
15 PREPARE SOME NUMBERS. I HAVE A TABLE THAT I HAVE
16 PROVIDED YOU ON THE PASSENGER DEMOGRAPHICS WHICH
17 DOES SPEAK TO OUR PASSENGERS. IN OUR LATEST
18 ON-BOARD SURVEY WHICH WAS DONE IN JANUARY OF THIS
19 YEAR, APPROXIMATELY 48 PERCENT OF OUR BUS RIDERS
20 WERE HISPANIC, 23 PERCENT WERE BLACK, 8 PERCENT
21 WERE ASIAN, AND APPROXIMATELY 19 PERCENT WERE
22 WHITE. OUR RIDERSHIP WAS APPROXIMATELY 40 PERCENT
23 MALE AND 60 PERCENT FEMALE.

24 OUR RIDERSHIP, I BELIEVE, WOULD BE
25 PROPERLY DESCRIBED AS SOCIALLY/ECONOMICALLY

1 DISADVANTAGED TO A LARGE PART. 62 PERCENT OF OUR
2 RIDERSHIP HAS HOUSEHOLD INCOMES UNDER \$15,000 A
3 YEAR, WHICH IS THE POVERTY LEVEL IN LOS ANGELES
4 COUNTY. SO OUR RIDERSHIP IS VERY LARGELY A
5 TRANSIT DEPENDENT GROUP.

6 IN OTHER SURVEYS THAT WE HAVE DONE,
7 APPROXIMATELY 15 PERCENT OF OUR RIDERS OWN A CAR,
8 AND WELL UNDER 50 PERCENT OF OUR RIDERS HAVE
9 ACCESS TO A CAR. SO THE BUS RIDERSHIP IS VERY
10 MUCH A TRANSIT DEPENDENT GROUP. AS FAR AS WHERE
11 THEY GO, WELL, THERE ARE WELL OVER A MILLION
12 RIDERS, A MILLION TWO OR SO A DAY, AND THEY ARE
13 GOING ALL OVER.

14 HOWEVER, AS IN MOST LARGE CITIES, OUR
15 TRANSIT PATTERN IS BASICALLY PRIMARILY A HOME TO
16 WORK DOWNTOWN CENTRAL BUSINESS DISTRICT. IN THE
17 CENTRAL BUSINESS DISTRICT, OVER 30 PERCENT OF THE
18 WORKERS GET THERE ON TRANSIT. BUT COUNTYWIDE, OUR
19 PERCENTAGE IS WELL UNDER 10 PERCENT.

20 SO FOR THE PEOPLE THAT ARE GOING FROM
21 EITHER THE INNER CITY OR TO A LESSER EXTENT THE
22 SUBURBS TO DOWNTOWN, WE DO HAVE AN EXTENSIVE ROUTE
23 SYSTEM THAT HAS A GREAT DEAL OF UTILIZATION. WE
24 ALSO HAVE FAIRLY GOOD COUNTER-COMMUTE SERVICE.
25 THE PEOPLE WHO ARE GOING FROM DOWNTOWN TO THE

1 SUBURBS IN MANY CASES DO HAVE GOOD SERVICE. I
2 KNOW THE LINE I USE -- I GO DOWNTOWN EVERY
3 MORNING -- IS ONE OF THE MAIN FEEDER LINES TO AND
4 FROM THE SAN FERNANDO VALLEY.

5 WE HAVE AS MUCH IF NOT MORE SERVICE
6 FROM THE DOWNTOWN TO THE OUTLYING AREAS. THE
7 PROBLEM, OF COURSE, IS IT IS FROM THE DOWNTOWN TO
8 THE OUTLYING AREAS. AND BY AND LARGE, THE PEOPLE
9 DON'T LIVE DOWNTOWN. SO THEY HAVE TO FIRST GET TO
10 DOWNTOWN, THEN TRANSFER, AND GO IN THE OTHER
11 DIRECTION. AND THIS IS LESS CONVENIENT, OF
12 COURSE, THAN FOR THE PEOPLE THAT HAVE A
13 DESTINATION DOWNTOWN.

14 WE ALSO HAVE A GREAT DEAL OF CROSS-TOWN
15 SERVICE. THESE ARE ROUTES THAT DO NOT TOUCH
16 DOWNTOWN. ONE OF OUR BUSIEST LINES, ONE OF THE
17 BUSIEST LINES IN THE UNITED STATES, IS ON VERMONT
18 AVENUE, WHICH CARRIES ALMOST 60,000 PEOPLE A DAY
19 AND DOESN'T COME WITHIN TWO OR THREE MILES OF
20 DOWNTOWN.

21 HOWEVER, BY AND LARGE, THE PEOPLE THAT
22 DO NOT WORK DOWNTOWN HAVE LESS ACCESS THAN THE
23 PEOPLE WHO DO WORK DOWNTOWN, AND THIS IS NOTHING
24 THAT IS UNIQUE TO LOS ANGELES. THIS IS COMMON TO
25 EVERY LARGE CITY AND SMALL CITY IN THE UNITED

1 STATES. IT IS JUST A FACT OF LIFE THAT MORE
2 PEOPLE GO DOWNTOWN. SO YOU PUT MORE SERVICE
3 DOWNTOWN. AND THE PEOPLE WHO AREN'T GOING THERE
4 JUST DON'T GET AS GOOD SERVICE.

5 AND AS THE POPULATION AND THE JOBS
6 CONTINUE TO SPREAD OUT, THE SITUATION GETS WORSE
7 AS FAR AS BEING ABLE TO PROVIDE TRANSIT SERVICE TO
8 THE PEOPLE WHO NEED IT.

9 MS. YOUNGBLOOD: THANK YOU VERY MUCH.
10 I WOULD LIKE TO PASS THE WITNESS TO THE CHAIRMAN
11 AT THIS TIME.

12 MR. FLETCHER: THANK YOU VERY MUCH. I
13 DON'T RECALL HEARING YOUR DEFINITION OF "TRANSIT
14 DEPENDENT."

15 MR. RUBIN: WE GENERALLY BREAK IT INTO
16 "TRANSIT DEPENDENT" AND "CHOICE RIDERS." TRANSIT
17 DEPENDENT RIDERS ARE THOSE THAT DO NOT HAVE A
18 PRACTICAL ALTERNATIVE TO TRANSIT, TO GETTING TO
19 WHERE THEY WANT TO GO. GENERALLY SPEAKING, THEY
20 DO NOT OWN AN AUTOMOBILE. THEY DO NOT HAVE ACCESS
21 TO AN AUTOMOBILE. THEY DO NOT HAVE THE
22 OPPORTUNITY TO CARPOOL OR VAN POOL. AND WHERE
23 THEY WANT TO GO IS JUST TOO FAR AWAY TO WALK,
24 ET CETERA, ET CETERA. THE OTHER ALTERNATIVES,
25 SUCH AS BIKES, JUST ARE NOT PRACTICAL.

1 CHOICE RIDERS ARE THOSE THAT DO HAVE AN
2 ALTERNATIVE AND ACTIVELY CHOOSE TO TAKE MASS
3 TRANSIT. GENERALLY SPEAKING, CHOICE RIDERS OWN A
4 CAR OR HAVE READY ACCESS TO A CAR.

5 MR. FLETCHER: NOW, I HEARD YOU SAY
6 THAT YOU FEEL RATHER UNCOMFORTABLE TAKING A
7 CONTRACTING OPPORTUNITY BEFORE YOUR OVERSIGHT
8 BOARD WITHOUT ADEQUATE OR ACCEPTABLE
9 MINORITY/WOMEN BUSINESS PARTICIPATION.

10 MR. RUBIN: YES, SIR.

11 MR. FLETCHER: TELL ME ABOUT THE
12 ASSESSMENT PROCESS. HOW DO YOU KNOW WHEN YOU GO
13 BEFORE THEM THAT YOU ARE GOING TO HAVE SOMETHING
14 THAT THEY WILL AGREE WITH?

15 MR. RUBIN: WELL, THE BOARD HAS SET
16 TARGETS, AND THEY HAVE SET POLICY, AND THEY HAVE
17 GONE FAR BEYOND WHAT IS REQUIRED BY THE FEDERAL
18 LAW. THE FEDERAL LAW, OF COURSE, REQUIRES THAT WE
19 MEET CERTAIN TARGETS OR WE SET TARGETS AND STRIVE
20 FOR THE TARGETS ON AN AGENCYWIDE BASIS AND BY
21 CERTAIN CATEGORIES.

22 OUR BOARD HAS GONE FARTHER AND WANTS TO
23 GO DOWN TO INDIVIDUAL CONTRACTS. AND SO THEY
24 DON'T WANT SOMEBODY TO COME IN AND SAY, "WELL, WE
25 DON'T HAVE ANY DBE PARTICIPATION ON THIS ONE, BUT

1 WE ARE GOING TO MAKE IT UP ON ANOTHER CONTRACT."
2 OUR BOARD HAS TOLD US VERY CLEARLY THAT THEY WANT
3 TO SEE DBE PARTICIPATION ON EVERY SINGLE CONTRACT
4 OR THERE BETTER BE A DAMN GOOD REASON WHY.

5 AND BELIEVE ME, SIR, THEY MEAN IT.

6 MR. FLETCHER: COULD WE HAVE A COPY OF
7 THAT POLICY STATEMENT FOR THE RECORD, PLEASE?

8 MR. RUBIN: I AM SURE WE CAN GET THAT
9 TO YOU, YES, SIR.

10 MR. FLETCHER: I APPRECIATE THAT. I
11 DON'T THINK I HAVE ANY ADDITIONAL QUESTIONS.

12 DO YOU, SIR?

13 MR. REYNOSO: NO. I WILL SUBMIT MINE
14 IN WRITING. THANK YOU.

15 MR. ANDERSON: YES, PLEASE. MR. RUBIN,
16 WOULD YOU SAY THAT THE TRANSIT DEPENDENT
17 INDIVIDUALS IN THE INNER CITY HAVE BEEN
18 DISADVANTAGED ON THE DECISION TO BUILD A REGIONAL
19 RAIL SYSTEM?

20 MR. RUBIN: IN MY OPINION, SIR, YES,
21 THEY HAVE.

22 MR. ANDERSON: AND HOW SIGNIFICANTLY
23 WOULD YOU SAY THEY HAVE BEEN DISADVANTAGED?

24 MR. RUBIN: I WOULD SAY THAT WE HAVE
25 LOST AS MUCH AS 25 PERCENT OF THE POTENTIAL

1 RIDERSHIP. AT THE PEAK, WE WERE CARRYING ALMOST
2 500 MILLION RIDERS A YEAR.

3 SINCE THE DECISION WAS MADE TO PUT MORE
4 MONEY INTO RAIL, OUR RIDERSHIP HAS FALLEN TO A
5 LITTLE OVER 400 MILLION A YEAR, AND IT WILL
6 PROBABLY BE LESS THAN THAT THIS YEAR. AND I
7 BELIEVE THOSE TWO FACTORS ARE VERY CLOSELY
8 INTERTWINED. THERE HAVE BEEN OTHER FACTORS, BUT I
9 BELIEVE THAT IS THE BIG ONE.

10 MR. ANDERSON: CERTAINLY THE PROVISION
11 OF SERVICES TO TRANSIT DEPENDENT INDIVIDUALS IS
12 NOT THE ONLY CONSIDERATION OF A TRANSPORTATION
13 SYSTEM. IN YOUR OPINION, IS IT GIVEN A HIGH
14 ENOUGH PRIORITY IN THE CURRENT SYSTEM?

15 MR. RUBIN: IN MY PERSONAL OPINION, NO,
16 SIR.

17 MR. ANDERSON: THANK YOU VERY MUCH.

18 MS. YOUNGBLOOD: AGAIN, MR. CHAIR, I
19 WOULD LIKE PERMISSION TO SUBMIT THE REMAINDER OF
20 MY QUESTIONS TO THIS WITNESS IN WRITING.

21 MR. FLETCHER: SO BE IT.

22 MS. YOUNGBLOOD: THANK YOU.

23 IN ADDITION, MR. CHAIR, I NOTICE THAT
24 MR. WHITE CAME BACK TO THE PODIUM, AND I AM NOT
25 CERTAIN IF HE HAD AN ADDITIONAL COMMENTS.

1 MR. WHITE: I HAD TWO THOUGHTS I WANTED
2 TO EXPRESS AND FELT GUILTY WHEN I GOT OUTSIDE OF
3 THE ROOM THAT I HAD NEGLECTED TO MENTION THEM.

4 MR. FLETCHER: GLAD FOR THE GUILT.

5 MR. WHITE: THE FIRST IS THAT I WANTED
6 TO THE MAKE SURE, IN LIGHT OF COMMENTS MADE NOT AT
7 THIS PANEL BUT EARLIER, THAT I HAD INDICATED TO
8 THE COMMISSION THAT IT SHOULD NOTE THAT THE RAIL
9 LINES WHICH WERE INITIALLY UNDER CONSTRUCTION AND
10 ARE OPEN NOW -- NAMELY, THE RED LINE, THE BLUE
11 LINE -- THE GREEN LINE SOON TO BE OPEN -- ALL RUN
12 THROUGH MINORITY POPULATIONS. YOU WOULD NOT HAVE
13 KNOWN THAT, I THOUGHT, FROM SOME OF THE COMMENTS
14 EARLIER. IN FACT, PROBABLY 60 PERCENT OF THE
15 RIDERSHIP ON THE GREEN LINE ARE MINORITY
16 POPULATION. SO I THINK THAT IS AN IMPORTANT FACT.

17 THE OTHER IMPORTANT FACT RELATES TO WHY
18 DOES ONE BUILD A RAIL SYSTEM OF THIS KIND. AND I
19 MAY HAVE TOUCHED ON THAT INDIRECTLY, BUT I THINK
20 IT OUGHT TO BE SAID EXPRESSLY. MY VIEW IS, AND I
21 HAVE SAID IT IN A NUMBER OF ARENAS, THE BOARD
22 MEMBERS HAVE SAID IT AND UNDERSTAND IT, IS
23 ECONOMICALLY WITH THE GROWTH THAT IS PREDICTED IN
24 THIS REGION AND IN THIS BASIN, WITHOUT A RADICAL
25 IMPROVEMENT IN THE TRANSPORTATION SYSTEM, THIS

1 AREA ECONOMICALLY IS DEAD. WE WILL HAVE GRIDLOCK.
2 BUSINESS WHICH HAS BEGUN TO LEAVE ALREADY WILL
3 LEAVE IN INCREASING NUMBERS IF TRANSPORTATION
4 WHICH IS SO VITAL A PART OF THE BUSINESS CLIMATE
5 DOES NOT IMPROVE.

6 THERE ARE PEOPLE, AS MANY OF YOU KNOW,
7 WHO GET UP AT 4:00 A.M. TO GO TO WORK IN THIS
8 REGION. WHILE THEY WILL DO THAT FOR A WHILE, MY
9 HUMBLE OPINION IS THEY WILL NOT DO IT FOR A
10 LIFETIME. AND FOR COMPANIES THAT HAVE HAD TROUBLE
11 ATTRACTING PEOPLE TO THIS REGION, IT WILL BECOME
12 AN EVER MORE IMPORTANT CONCERN IN DECISIONS TO
13 STAY OR DECISIONS TO LOCATE HERE DESPITE THE
14 WEATHER.

15 ALL OF WHICH IS TO SAY THE JUDGMENTS
16 THAT WERE MADE EARLIER IN THIS REGION TO PASS THE
17 VARIOUS PROPOSITIONS, TO GET STARTED ON A MACRO
18 REGIONAL RAIL SYSTEM THAT WILL ALLOW YOU TO COPE
19 WITH THE TRANSPORTATION AND TRAVEL DEMANDS OF THE
20 YEARS 2015 AND 2030 WERE, IN MY OPINION, THE RIGHT
21 LONG TERM STRATEGIC DIRECTIONS FOR THIS AREA. SO
22 IF THAT IS TRUE, AND I RECOGNIZE SOME PEOPLE MAY
23 SAY, "THAT IS NOT TRUE," BUT IF IT IS TRUE, THEN
24 THE DILEMMA, THE CHOICES THAT YOU HAVE TO MAKE IN
25 ALLOCATING TRANSPORTATION DOLLARS, BECOME EVEN

1 MORE DIFFICULT.

2 AND I THOUGHT THAT POINT NEEDED TO BE
3 MADE. I THANK YOU.

4 MR. FLETCHER: IN MY OWN CASE, I AM
5 KIND OF FAMILIAR WITH LOS ANGELES WHEN IT HAD THE
6 D CAR AND THE U CAR THAT USED TO BE AT 12TH AND
7 CENTRAL AVENUE, AND WHEN THE U CAR WENT ALL THE
8 WAY OUT TO CENTRAL BOULEVARD, AND THE RED CAR WENT
9 ALL THE WAY DOWN TO LONG BEACH. SO I AM KIND OF
10 FAMILIAR WITH THE RAIL TRANSPORTATION AS WELL AS
11 HOW GENERAL MOTORS TALKED YOU OUT OF IT.

12 THE INTERMODAL TRANSPORTATION ACT, AS
13 YOU WELL KNOW, IS EARMARKED FOR \$150 BILLION, I
14 GUESS IT IS, TO DEAL WITH OUR TRANSPORTATION
15 SYSTEMS. AND AS FAR AS I AM CONCERNED, THERE IS A
16 CONSIDERABLE AMOUNT OF CONTRACTING AND JOB
17 OPPORTUNITIES IN THAT LEGISLATION ALL OVER THE
18 COUNTRY.

19 FOR YOUR INFORMATION, THE COMMISSION
20 JUST HELD A BRIEFING, NOT A HEARING, IN DENVER
21 OVER THE BUILDING OF THAT \$2 1/2 BILLION AIRPORT
22 THERE. AND THE MERE FACT THAT WE TOOK A LOOK
23 CAUSED A CHANGE IN ATTITUDE WITH REFERENCE TO THE
24 ABILITY TO FIND MINORITY AND WOMEN CONTRACTORS.
25 THEY JUST CAME OUT OF THE SAND SOMEWHERE,

1 LIKewise, WITH RESPECT TO JOB OPPORTUNITIES.

2 BUT I WOULD LIKE TO HAVE FOR THE RECORD
3 YOUR APPROACH, YOUR PROCESS, HOW IT WORKS, AND
4 WHAT THE OUTCOME HAS BEEN SO THAT THE MEMBERS OF
5 THE HOUSE AND SENATE OVERSIGHT COMMITTEE ON
6 TRANSPORTATION CAN UNDERSTAND THAT IT IS WORKING
7 SOMEWHERE TO THE DEGREE THAT IT IS SO THEY WILL
8 UNDERSTAND THAT WHAT WE ARE ASKING FOR IS NOT
9 UNREASONABLE, THAT IT IS REASONABLE, THAT IT IS
10 BEING DONE, THAT THE BOARD EXPECTS THAT IT BE
11 DONE, THAT THE STAFF EXPECTS TO CARRY OUT THE
12 BOARD'S EXPECTATIONS, AND THE RESULTS CAN BE
13 MEASURED IN TERMS OF PERSON HOURS OF WORK BY
14 MINORITIES AND WOMEN, AS WELL AS DOLLARS AND
15 CONTRACTING OPPORTUNITIES.

16 MR. WHITE: WE WILL SUPPLY THAT. THANK
17 YOU.

18 MR. FLETCHER: ALL RIGHT.

19 CALL THE NEXT PANEL, PLEASE, COUNSEL.

20 MS. YOUNGBLOOD: YES. WE WOULD LIKE TO
21 CALL THE NEXT PANEL, MR. ROBERT MCMANUS AND
22 MR. STEWART TAYLOR. AND, IN ADDITION, IF THEY ARE
23 ACCOMPANIED BY ANY OF THEIR STAFF, WOULD THEY
24 PLEASE COME FORWARD AS WELL.

25 MR. FLETCHER: IF YOU WOULD REMAIN

1 STANDING, I WILL SWEAR YOU IN. WILL YOU RAISE
2 YOUR RIGHT HAND, PLEASE.

3 DO YOU SWEAR OR AFFIRM THAT YOU WILL
4 TRUTHFULLY TESTIFY TO THE BEST OF YOUR ABILITY?

5 (ALL PANELISTS RESPONDED IN THE
6 AFFIRMATIVE.)

7 MR. FLETCHER: THANK YOU VERY MUCH.
8 COUNSEL?

9 MS. YOUNGBLOOD: THANK YOU VERY MUCH,
10 MR. CHAIRMAN.

11 AT THE OUTSET, IN THE INTEREST OF
12 TRYING TO CATCH UP ON OUR LOST TIME, THERE ARE A
13 NUMBER OF QUESTIONS THAT THE COMMISSION HAS
14 ADDRESSED TO THESE WITNESSES. THEY HAVE TRAVELED
15 QUITE A DISTANCE TO COME AND TESTIFY, BUT I WOULD
16 ASK THE CHAIRMAN TO GIVE STAFF PERMISSION TO
17 SUBMIT QUESTIONS TO THESE WITNESSES IN THE FORM OF
18 INTERROGATORIES.

19 THERE ARE SEVERAL QUESTIONS AND SEVERAL
20 WILL BE ASKED. BUT THE REMAINDER I WOULD ASK THE
21 CHAIR TO PLEASE PERMIT US TO SEND IN THE FORM OF
22 INTERROGATORIES.

23 MR. FLETCHER: YOU HAVE MY PERMISSION
24 TO DO SO.

25 MS. YOUNGBLOOD: THANK YOU VERY MUCH,

1 MR. CHAIRMAN.

2 WOULD EACH OF THE WITNESSES PLEASE
3 STATE YOUR NAME AND CURRENT POSITION?

4 MR. MCMANUS: I AM ROBERT MCMANUS. I
5 AM CURRENTLY ACTING AS THE ADMINISTRATOR IN THE
6 TRANSITION FROM THE BUSH TO THE CLINTON
7 ADMINISTRATION. I AM OTHERWISE THE ASSOCIATED
8 ADMINISTRATOR FOR GRANTS MANAGEMENT OF THE FTA,
9 AND I HAVE BEEN IN THAT POSITION FOR SOME
10 12 YEARS, AND I HAVE BEEN WITH THE AGENCY SINCE
11 1965, AND I HAVE ACTED IN TRANSITIONS. THIS IS
12 THE THIRD TIME. SO I AM KIDDED ABOUT BEING THE
13 DESIGNATED "ACTING ADMINISTRATOR."

14 MR. DOCTOR: SOME OF US UNDERSTAND
15 THAT.

16 MR. TAYLOR: MY NAME IS STEWART TAYLOR.
17 I AM THE REGIONAL ADMINISTRATOR OF THE FEDERAL
18 TRANSIT ADMINISTRATION OF REGION IX, HEADQUARTERED
19 IN SAN FRANCISCO.

20 MS. SCHRUTH: I AM SUSAN SCHRUTH. I AM
21 THE ACTING DIRECTOR OF CIVIL RIGHTS FOR THE FTA IN
22 WASHINGTON.

23 MS. YOUNGBLOOD: THANK YOU VERY MUCH.
24 I WOULD LIKE TO START WITH MR. TAYLOR.

25 MR. TAYLOR, WOULD YOU PLEASE DESCRIBE

1 THE PROCESS AT THE REGIONAL LEVEL THROUGH WHICH
2 THE FTA PROVIDES FUNDING FOR THE LOCAL MASS
3 TRANSIT PROJECTS?

4 MR. TAYLOR: FUNDS ARE ALLOCATED TO
5 CITIES AND STATES THROUGH THE FEDERAL LEGISLATIVE
6 PROCESS IN WASHINGTON. SO EACH AREA RECEIVES AN
7 ALLOCATION BOTH ON A FORMULA BASIS AND A
8 DISCRETIONARY BASIS. WITH THESE FUNDS IN PLACE,
9 EACH "GRANTEE," AS WE CALL THEM, EACH AGENCY,
10 RECEIVES FUNDS, AND IN MY REGION IX, WHICH
11 ENCOMPASSES CALIFORNIA, HAWAII, AND THE PACIFIC
12 TERRITORIES, THE GRANTEES, NUMBERING AROUND 95,
13 SUBMIT ON AN ANNUAL BASIS APPLICATIONS FOR FUNDING
14 THROUGH THE VARIOUS SECTIONS OF THE FEDERAL
15 TRANSIT ACT.

16 THESE APPLICATIONS CONTAIN A NUMBER OF
17 REQUIREMENTS THAT ARE LAID OUT IN FEDERAL
18 REGULATIONS, AMONG THEM THE CIVIL RIGHTS
19 REQUIREMENTS. MY STAFF REVIEW THESE APPLICATIONS.
20 AND IF THEY MEET ALL OF THE REGULATIONS, WE THEN
21 PREPARE A GRANT, AND GRANTS ARE AWARDED. THIS
22 TAKES PLACE ON A QUARTERLY BASIS THROUGHOUT A
23 YEAR. BUT, BASICALLY, IT IS AN ANNUAL CYCLE.

24 MS. YOUNGBLOOD: IT IS OUR
25 UNDERSTANDING THAT A NUMBER OF MASS TRANSIT

1 PROJECTS ARE CURRENTLY BEING FUNDED IN
2 LOS ANGELES. WHAT IS THE LARGEST MASS TRANSIT
3 PROJECT THAT IS CURRENTLY BEING FUNDED IN
4 LOS ANGELES, AND WILL YOU PLEASE DESCRIBE THE
5 LEVELS OF FUNDING BEING PROVIDED?

6 MR. TAYLOR: THE LARGEST PROJECT IN THE
7 LOS ANGELES AREA IS THE RED LINE RAPID TRANSIT
8 PROJECT. IT IS EXPECTED TO COST OVER THE LIFE OF
9 THE CONSTRUCTION SOME \$5.3 BILLION, WHICH MAKES IT
10 THE LARGEST CIVIL WORKS IN THE UNITED STATES.
11 THIS PROJECT HAS BEEN ONGOING SINCE 1986, AND
12 FUNDS THAT HAVE BEEN ALLOCATED HAVE BEEN GRANTED
13 TO LOS ANGELES, AND NOW THE METROPOLITAN
14 TRANSPORTATION AUTHORITY EXCEEDS SOME \$2 BILLION.
15 THE FIRST SEGMENT OF THAT LINE WAS JUST OPENED IN
16 JANUARY.

17 MS. YOUNGBLOOD: THANK YOU, SIR. AFTER
18 A GRANT HAS BEEN MADE, DOES THE FTA CURRENTLY HAVE
19 IN PLACE A PROCEDURE FOR ASSESSING GRANTEE
20 PERFORMANCE ON THEIR FEDERALLY FUNDED PROJECTS?
21 AND IF SO, WOULD YOU PLEASE DESCRIBE THAT AND
22 PARTICULARLY PLEASE ANSWER THAT QUESTION WITH
23 REGARD TO ASSESSING THEIR PERFORMANCE IN THE AREA
24 OF CIVIL RIGHTS.

25 MR. TAYLOR: THE FEDERAL TRANSIT

1 ADMINISTRATION HAS AN ELABORATE OVERSIGHT PROGRAM.
2 WE EXERCISE A GREAT DEAL OF ACTIVITY IN OUR
3 STEWARDSHIP OF TAXPAYERS' FUNDS. THERE ARE A
4 NUMBER OF PROCESSES THAT WE FOLLOW IN THIS
5 OVERSIGHT ROLE.

6 FIRST OF ALL, IN THE ACTUAL AWARD OF
7 THE GRANT, AS I MENTIONED PREVIOUSLY, WE HAVE WHAT
8 I WILL CALL A CHECKLIST OF REQUIREMENTS
9 ESTABLISHED BY REGULATIONS THAT A PARTICULAR
10 GRANTEE MUST MEET. THEN WE HAVE A SERIES OF
11 OPERATIONS TO SEE THAT THE GRANTEE IS FOLLOWING
12 THE REQUIREMENTS OF THE VARIOUS ACTS.

13 ONE OF THOSE IS CALLED THE "ANNUAL
14 AUDIT." THIS IS WHERE WE GO INTO A GIVEN TRANSIT
15 AGENCY AND EXAMINE ITS PERFORMANCE OVER THE
16 PREVIOUS YEAR. ONE OF THOSE ELEMENTS IN THE
17 ANNUAL AUDIT IS THE CIVIL RIGHTS PERFORMANCE. AND
18 WE SEE WHETHER THE GRANTEE IS PERFORMING HIS
19 REQUIREMENTS AS FAR AS SO CALLED TITLE VI, THAT
20 IS, PROVIDING SERVICES TO MINORITIES, EEO
21 PERFORMANCE, AS WELL AS DBE PERFORMANCE.

22 A MORE ELABORATE PROCESS IS CALLED THE
23 "TRIENNIAL REVIEW." THIS, AS THE NAME IMPLIES, IS
24 A PROCEDURE ONCE EVERY THREE YEARS BY WHICH
25 USUALLY THROUGH A SPECIALIST FIRM WE EXAMINE THE

1 OVERALL PERFORMANCE OF THAT AGENCY. IT JUST SO
2 HAPPENS THAT THIS VERY PAST FRIDAY WE PERFORMED A
3 DESK REVIEW -- THAT IS, LOOKED OVER THE PAPERS --
4 PRECEDING AN ACTUAL REVIEW OF THE METROPOLITAN
5 TRANSPORTATION AUTHORITY WHICH WILL TAKE PLACE
6 LATER THIS SUMMER HERE.

7 THIS TRIENNIAL REVIEW PROCESS EXAMINES
8 A NUMBER OF ASPECTS REGARDING MINORITIES AND THE
9 WHOLE CIVIL RIGHTS EFFORT. WITH REGARD, FOR
10 EXAMPLE, TO DBE PERFORMANCE, WE LOOK TO SEE
11 WHETHER THE AGENCY HAS A FULL-TIME STAFF, WE LOOK
12 TO SEE WHETHER THE CIVIL RIGHTS PERFORMANCE HAS
13 BEEN APPROVED PREVIOUSLY IN THE ANNUAL GRANT
14 MAKING PROCESS BY OUR OFFICE OF CIVIL RIGHTS. WE
15 MAKE A WORK FORCE ANALYSIS. WE SEE THAT IT IS
16 APPROPRIATE. WE EXAMINE THE GOALS OF THE AGENCY.

17 A VERY IMPORTANT ASPECT OF CIVIL RIGHTS
18 COMPLIANCE IS THE COMPLAINT PROCESS. WE SEE
19 WHETHER THE TIME FRAME FOR ADJUDICATING A
20 COMPLAINT IS REASONABLE, AND WE ALSO EXAMINE
21 CAREFULLY THE RECORD OF HANDLING COMPLAINTS IN THE
22 SPECTRUM OF CIVIL RIGHTS ISSUES. WE LOOK TO SEE
23 WHETHER THE DBE OFFICER IS FULL TIME AND, A VERY
24 IMPORTANT FACTOR, TO WHOM THAT DBE OFFICER
25 REPORTS. WE ARE VERY CONCERNED THAT HE REPORT TO

1 THE EXECUTIVE DIRECTOR OR SOMEONE EQUALLY SENIOR.

2 MS. YOUNGBLOOD: THANK YOU, SIR. WITH
3 REGARD TO THE FTA'S OWN COMPLAINT PROCESS,
4 PARTICULARLY AGAIN ADDRESSING YOUR COMMENTS TO
5 CIVIL RIGHTS COMPLAINTS, WHAT IS THE PROCEDURE IN
6 THE REGION FOR HANDLING INCOMING COMPLAINTS
7 PERHAPS REGARDING ANY OF THE ISSUES YOU ADDRESSED,
8 EEO, TITLE VI, DBE, OR OTHERWISE?

9 MR. TAYLOR: THE REGIONAL OFFICERS
10 THROUGHOUT THE UNITED STATES ARE BASICALLY IN A
11 GRANT MAKING AND OVERSIGHT ROLE. WE DO NOT HAVE
12 SPECIALISTS WHO DEAL WITH THE ISSUES OF SPECIFIC
13 COMPLAINTS. AND I WOULD LIKE TO TURN THE ANSWER
14 TO THAT OVER TO MS. SCHRUTH.

15 MS. YOUNGBLOOD: THAT WOULD BE FINE.
16 THANK YOU, SIR.

17 MS. SCHRUTH: THE CURRENT PROCEDURE FOR
18 HANDLING COMPLAINTS IS LAID OUT IN A
19 DEPARTMENTWIDE ORDER, 1,012. AND IN THAT ORDER,
20 THE SECRETARY'S OFFICE OF CIVIL RIGHTS HAS THE
21 PRIMARY RESPONSIBILITY FOR RECEIVING COMPLAINTS,
22 MAKING A DETERMINATION OF INVESTIGATIVE MERIT, AND
23 THEN INVESTIGATING THE COMPLAINT.

24 SO CURRENTLY UNDER THE SYSTEM THAT WE
25 USE NOW, ANY COMPLAINT WHICH COMES TO THE FEDERAL

1 TRANSIT ADMINISTRATION IS REFERRED TO THE
2 SECRETARY'S OFFICE FOR THOSE STEPS. UNDER CERTAIN
3 CIRCUMSTANCES, THE SECRETARY'S OFFICE CAN AND HAS
4 REFERRED COMPLAINTS BACK TO THE FTA FOR HANDLING
5 DIRECTLY BY THE OFFICE OF CIVIL RIGHTS.

6 MS. YOUNGBLOOD: I'M SORRY. I WAS
7 TAKING CARE OF ANOTHER MATTER WHEN YOU WERE
8 ANSWERING THE FIRST PART OF THAT QUESTION.
9 SPECIFICALLY WITH REGARD TO REGION IX, WHAT IS THE
10 STATUS OF THAT PROCESS?

11 MS. SCHRUTH: IT IS A NATIONAL PROCESS.
12 IT IS UNIFORM THROUGHOUT. ANY TIME A COMPLAINT
13 COMES INTO THE REGIONAL OFFICE, IF IT ALLEGES
14 DISCRIMINATION ON ANY BASIS, THAT COMPLAINT MUST
15 BE REFERRED TO THE OFFICE OF CIVIL RIGHTS IN
16 WASHINGTON. WE THEN ARE REQUIRED TO FORWARD IT TO
17 THE SECRETARY'S OFFICE OF CIVIL RIGHTS.

18 MS. YOUNGBLOOD: ARE THERE ANY CIVIL
19 RIGHTS PERSONNEL STATIONED OUT IN THE FIELD?

20 MS. SCHRUTH: THERE ARE CURRENTLY FOUR
21 REGIONAL CIVIL RIGHTS OFFICERS IN FOUR SEPARATE
22 REGIONS.

23 MS. YOUNGBLOOD: DO YOU KNOW WHERE
24 THOSE ARE, MS. SCHRUTH?

25 MS. SCHRUTH: CHICAGO, DENVER, KANSAS

1 CITY, AND SEATTLE.

2 MS. YOUNGBLOOD: THANK YOU VERY MUCH.

3 I WOULD LIKE TO TURN MY QUESTIONING OVER TO
4 MR. MCMANUS AT THIS TIME.

5 MR. MCMANUS, WHAT ARE YOUR
6 RESPONSIBILITIES AS THE ACTING ADMINISTRATOR OF
7 THE FTA?

8 MR. MCMANUS: I AM RESPONSIBLE FOR THE
9 EXECUTIVE DIRECTION OF THE AGENCY, EXCEPT FOR WHAT
10 DELEGATIONS THE SECRETARY RETAINS TO HIMSELF.

11 MS. YOUNGBLOOD: THANK YOU.

12 MS. SCHRUTH -- AND, AGAIN, SINCE
13 MS. SCHRUTH IS ACCOMPANYING YOU, EITHER ONE OF YOU
14 CAN ANSWER THIS -- WHAT ARE THE RESPONSIBILITIES
15 OF THE OFFICE OF CIVIL RIGHTS?

16 MR. MCMANUS: ARE YOU ASKING ME THAT
17 QUESTION?

18 MS. YOUNGBLOOD: EITHER YOU OR
19 MS. SCHRUTH CAN RESPOND.

20 MR. MCMANUS: WELL, THE OFFICE OF CIVIL
21 RIGHTS IS RESPONSIBLE FOR THE ENFORCEMENT OF THE
22 THE FOUR BASIC CIVIL RIGHTS PROGRAMS OF THE
23 AGENCY: THE TITLE VI, THE EEO ACTIVITY, THE DBE
24 ACTIVITY, AND THE ADA, AMERICANS WITH DISABILITIES
25 ACT, ACTIVITIES.

1 AND IT IS RESPONSIBLE -- ACTUALLY HAS
2 FUNCTIONAL DIRECTION OF THE PROGRAM THROUGHOUT THE
3 ORGANIZATION SUBJECT TO THE DELEGATIONS THAT WERE
4 JUST WORKED OUT AT THE END OF THE LAST
5 ADMINISTRATION, WHERE THE ADMINISTRATOR MAINLINED
6 SOME OF THE CIVIL RIGHTS ACTIVITIES IN THE
7 REGIONAL OFFICES AND -- ACTUALLY IN THE DIRECTION
8 OF ELIMINATING THE ACTUAL POSITION OF CIVIL RIGHTS
9 OFFICER AND REASSIGNING THE STAFF. THAT ACTUALLY
10 WAS ACCOMPLISHED TOWARD THE END OF THE LAST
11 ADMINISTRATION.

12 BUT THE CIVIL RIGHTS OFFICE AS IT NOW
13 FUNCTIONS HAS EXECUTIVE DIRECTION WITH RESPECT TO
14 FUNCTIONAL PERFORMANCE. AND I THINK THE CURRENT
15 ADMINISTRATION, THE CURRENT SECRETARY, HAS AN
16 EXTREMELY HIGH INTEREST IN THIS WHOLE SUBJECT AREA
17 AS DOES THE INTENDED DESIGNEE, THE INTENDED
18 NOMINEE OF THE AGENCY, MR. LINTON.

19 SO THAT IS ESSENTIALLY THE FUNCTION OF
20 THE OFFICE. IT IS A HEADQUARTER'S POLICY
21 DIRECTION AND ENFORCEMENT AGENCY FOR CIVIL RIGHTS
22 ACTIVITIES.

23 DO YOU WANT TO SUPPLEMENT THAT IN ANY
24 WAY, SUSAN?

25 MS. SCHRUTH: THAT IS GENERALLY WHAT WE

1 DO.

2 MS. YOUNGBLOOD: THANK YOU. WHAT ARE
3 THE CURRENT STAFFING LEVELS IN THE OFFICE OF CIVIL
4 RIGHTS, BOTH NATIONAL AND REGIONAL? YOU HAVE
5 ALREADY EXPLAINED THEIR AREAS OF RESPONSIBILITY.

6 MR. MCMANUS: WELL, AT THE NATIONAL
7 LEVEL, I THINK THERE ARE CURRENTLY 17 FTE'S, FULL
8 TIME EQUIVALENT POSITIONS, AND THAT INCLUDES TWO
9 CIVIL RIGHTS OFFICERS WHO HAVE RESPONSIBILITY FOR
10 REGIONS I THROUGH IV. IN THE REGIONAL OFFICES,
11 THERE ARE THE FOUR THAT SUSAN REFERRED TO.

12 MS. YOUNGBLOOD: YOU MAY WANT TO SUBMIT
13 THIS IN WRITING LATER, BUT THESE CIVIL RIGHTS
14 PERSONNEL ARE RESPONSIBLE FOR FIELDING AND, I
15 GUESS, MONITORING COMPLAINTS REGARDING WHAT LEVEL
16 OF GRANT DISTRIBUTION FOR THE FTA?

17 MR. MCMANUS: WELL, THEY ARE
18 RESPONSIBLE FOR ADVISING THE REGIONAL
19 ADMINISTRATORS IN THEIR REGIONAL OFFICE WITH
20 RESPECT TO COMPLIANCE -- PARTICULARLY WITH EACH
21 NEW GRANT WITH RESPECT TO THE CIVIL RIGHTS
22 REQUIREMENTS OF TITLE VI, WHICH HAS GOTTEN
23 EXTENSIVE DISCUSSION ON EARLIER PANELS HERE, THE
24 DETERMINATION HAS TO BE MADE THAT THE BENEFITS OF
25 THE PROGRAM -- AND THIS IS A FINANCIAL ASSISTANCE

1 AGENCY THAT SPENDS CLOSE TO \$4 BILLION A YEAR
2 CURRENTLY AND MAY BE SPENDING CLOSE TO
3 \$4 1/2 BILLION IN FISCAL '94 -- TO ENSURE THAT
4 THOSE BENEFITS ARE IN FACT WIDESPREAD AND
5 AVAILABLE TO THE POPULATION THAT IS INTENDED TO BE
6 BENEFITED UNDER TITLE VI -- THAT IS THE KEY, A
7 VERY KEY PART OF OUR CIVIL RIGHTS PROGRAM -- AND
8 THEN THEY ARE RESPONSIBLE FOR THE OTHER THREE THAT
9 I MENTIONED.

10 BUT, SPECIFICALLY, THE UPFRONT REVIEW
11 WITH RESPECT TO THE BENEFITS OF THE GRANT PROGRAMS
12 IS VITAL. BUT IT ISN'T ONE ABOUT WHICH WE GET A
13 LOT OF COMPLAINTS. IN FACT, WE REALLY DON'T HAVE,
14 PARTICULARLY FROM THE LOS ANGELES AREA, A LOT OF
15 CURRENT COMPLAINTS ABOUT THE FOUR ACTIVITIES UNDER
16 ANY OF THE CIVIL RIGHTS PROGRAMS.

17 MS. YOUNGBLOOD: HOW MANY COMPLAINTS
18 HAVE YOU RECEIVED IN THE PAST SEVERAL YEARS FROM
19 THE LOS ANGELES AREA, PARTICULARLY WITH REGARD TO
20 THE MTA? IT IS A NEWLY CREATED BODY, THEREFORE,
21 ITS PREDECESSOR ORGANIZATIONS, THE LACTC AND --

22 MR. MCMANUS: I CAN'T COMMENT WITH
23 RESPECT TO THE SEVERAL YEARS. BUT I THINK WE
24 CURRENTLY ONLY HAVE ABOUT FOUR TO SIX, SOMETHING
25 LIKE SIX COMPLAINTS.

1 MS. YOUNGBLOOD: WHAT WOULD BE THE
2 NATURE OF THOSE COMPLAINTS, PLEASE?

3 MS. SCHRUTH: THERE ARE TWO
4 ACCESSIBILITY-BASED COMPLAINTS AND FOUR DBE-BASED
5 COMPLAINTS.

6 MS. YOUNGBLOOD: MR. CHAIRMAN?

7 MR. FLETCHER: YES.

8 MS. YOUNGBLOOD: I WOULD LIKE TO PASS
9 THE WITNESSES AT THIS TIME.

10 MR. FLETCHER: DEFINE "ACCESSIBILITY
11 COMPLAINTS," PLEASE.

12 MS. SCHRUTH: THOSE WHICH ALLEGE
13 DISCRIMINATION BASED ON 504, OR THE AMERICANS WITH
14 DISABILITIES ACT.

15 MR. FLETCHER: I KNOW WHAT IT IS BASED
16 ON, BUT DEFINE WHAT YOU MEAN BY "ACCESSIBILITY."
17 DO YOU MEAN THEY CAN'T GET TO THE JOB OR THEY
18 CAN'T GET TO THE CONTRACTS?

19 MS. SCHRUTH: I'M SORRY. THAT SERVICE
20 IS NOT BEING PROVIDED TO THEM BASED ON THE FACT
21 THAT THEY ARE A PERSON WITH A DISABILITY -- EITHER
22 A HEARING IMPAIRMENT, VISUAL IMPAIRMENT, THEY USE
23 A WHEELCHAIR -- THAT SERVICE IS BEING DENIED TO
24 THEM AS PRESCRIBED UNDER EITHER SECTION 504 OF THE
25 REHAB ACT OF '73 OR THE AMERICANS WITH

1 DISABILITIES ACT. IT IS BASED ON THAT CONDITION.

2 MR. FLETCHER: IS THAT UNIQUE TO THIS
3 PARTICULAR JURISDICTION WHERE YOU ARE CONCERNED,
4 OR WOULD YOU FIND THE SAME THING ACROSS THE
5 COUNTRY?

6 MS. SCHRUTH: THAT IS THE MOST FREQUENT
7 COMPLAINT BASIS THAT WE HAVE -- ARE THOSE BASED ON
8 ACCESSIBILITY ISSUES. AND IT IS NATIONAL. I
9 WOULD SAY THAT SIX COMPLAINTS IS AN AVERAGE AMOUNT
10 FOR A METROPOLITAN AREA.

11 MR. FLETCHER: HOW LONG HAVE YOU BEEN
12 IN THE CURRENT JOB?

13 MS. SCHRUTH: CURRENT JOB FOUR MONTHS.

14 MR. FLETCHER: HOW LONG HAVE YOU BEEN
15 IN THE EEO ENFORCEMENT BUSINESS?

16 MS. SCHRUTH: WELL, I HAVE BEEN AN
17 ATTORNEY FOR 14 YEARS.

18 MR. FLETCHER: INSIDE THE GOVERNMENT?

19 MS. SCHRUTH: YES.

20 MR. FLETCHER: WHICH AGENCY?

21 MS. SCHRUTH: I HAVE WORKED FOR THE
22 FEDERAL TRANSIT ADMINISTRATION, THE NATIONAL
23 HIGHWAY TRAFFIC AND SAFETY ADMINISTRATION, THE
24 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND
25 THE FEDERAL REGISTER.

1 MR. FLETCHER: YOU HAVE BEEN THERE HOW
2 LONG ALTOGETHER?

3 MS. SCHRUTH: 14 YEARS I HAVE BEEN IN
4 THE FEDERAL GOVERNMENT.

5 MR. FLETCHER: WOULD YOU DISTINGUISH
6 FOR ME, IF YOU WILL, THE PLUSES AND THE MINUSES
7 AFRICAN DESK AUDIT AS IT PERTAINS TO MINORITY
8 BUSINESS OPPORTUNITIES AND JOB OPPORTUNITIES?

9 MS. SCHRUTH: AS OPPOSED TO NOT DOING
10 ONE?

11 MR. FLETCHER: AS OPPOSED TO GOING INTO
12 THE FIELD AND FINDING OUT WHAT IS GOING ON.

13 MS. SCHRUTH: WELL, I THINK A DESK
14 AUDIT PROVIDES YOU WITH INFORMATION ABOUT WHETHER
15 THEY HAVE COMPLIED WITH THE PAPER REQUIREMENTS OF
16 THE REGULATION. A FIELD AUDIT IS GOING TO GIVE
17 YOU THE OPPORTUNITY TO TALK TO THE CLIENT BASE AS
18 WELL AS THE REGULATED ENTITY TO FIND OUT WHAT IS
19 REALLY GOING ON.

20 MR. FLETCHER: DURING THE PERIOD THAT
21 YOU HAVE BEEN THERE -- THIS ISN'T FAIR -- I SHOULD
22 MAKE SURE YOU UNDERSTAND WHERE I AM COMING FROM --
23 I HAVE HAD CONSIDERABLE EXPERIENCE INSIDE THE
24 GOVERNMENT WHERE EEO IS CONCERNED AND WHERE
25 AFFIRMATIVE ACTION IS CONCERNED AS WELL AS

1 MINORITY BUSINESS CONTRACTS, SO I AM REALLY NOT
2 ASKING A THEORETICAL QUESTION. I AM ASKING WHAT
3 ACTUALLY HAPPENS.

4 AS TO THE TRANSPORTATION DEPARTMENT --
5 I WILL QUALIFY -- WHAT I AM ABOUT TO SAY IS THAT I
6 RAN WHAT WAS CALLED A "PROCUREMENT SUPPORT
7 DELIVERY SYSTEM EFFORT" FOR UMTA WHEN STANLEY WAS
8 THE UMTA ADMINISTRATOR. AND WE DID PROCUREMENT
9 FAIRS IN 25 CITIES -- WE WERE SUPPOSED TO -- WE
10 DID PROCUREMENT FAIRS IN 9 CITIES -- AND WITHIN A
11 90-DAY PERIOD, WE CAME UP WITH 20,000 BONA FIDE
12 MINORITY AND WOMEN CONTRACTORS WHO WERE BONDABLE
13 AND WHO COULD ALSO GET LINES OF CREDIT TO PERFORM
14 ON THEIR CONTRACT. IN FACT, THE RECORD SHOWED
15 THAT IN THAT 9-WEEK PERIOD, WE WERE RESPONSIBLE
16 FOR A HALF BILLION DOLLARS' WORTH OF PROCUREMENTS.
17 AND AFTER THAT, THEY CUT THE CONTRACT.

18 ONE OF THE WAYS, I MIGHT ADD, THAT WE
19 DID OUR WORK WAS BY YOUR GRANTS. AS YOU WELL
20 KNOW, AT THAT TIME -- I DON'T KNOW WHAT IT IS
21 NOW -- AT THAT TIME EACH TRANSIT AUTHORITY FOR
22 UMTA AT LEAST HAD TO INDICATE WHAT THEY WERE GOING
23 TO BE BUYING IN THE NEXT YEAR -- HOW MANY BUSES,
24 THIS, THAT, AND THE OTHER THEY WERE GOING BE
25 BUYING.

1 AND THE WAY WE CONDUCTED OUR
2 PROCUREMENT FAIRS WAS ON THE BASIS OF WHETHER
3 THOSE GRANTEES HAD ACTUALLY SET IN PLACE A SYSTEM
4 TO DO THEIR BUSINESS. WHAT WE FOUND IS THAT AFTER
5 THE EFFECTIVENESS OF THAT PROCUREMENT FAIR, ALL
6 AFRICAN SUDDEN IT APPEARED THAT TRANSPORTATION
7 CHANGED ITS MIND ABOUT FIELD AUDITS AND STARTED
8 DOING DESK AUDITS.

9 AND IT HAS BEEN SUGGESTED TO ME THAT
10 THE MINUTE THEY STARTED DOING DESK AUDITS, THE
11 VOLUME OF CONTRACTS, THE VOLUME OF CONTRACT
12 DOLLARS, AND THE VOLUME OF THE HOURS WORKED BY
13 MINORITIES AND WOMEN WENT DOWN. YOU WERE IN
14 TRANSPORTATION AT THAT TIME. IS THERE ANY
15 VALIDITY TO THAT ALLEGATION?

16 MS. SCHRUTH: I DON'T KNOW. I THINK
17 THAT THERE HAS BEEN LESS STAFF IN THE FIELDS DOING
18 FIELD AUDITS IN GENERAL. AND I DO THINK THAT THAT
19 IS CHANGING. WE CURRENTLY HAVE A FIVE-YEAR
20 PROGRAM TO BEGIN DOING COMPLIANCE REVIEWS WHICH
21 WILL BE IN-FIELD EXAMINATIONS OF GRANTEES IN THE
22 CIVIL RIGHTS ARENA.

23 MR. FLETCHER: WHEN DID THAT BECOME THE
24 ORDER OF THE DAY?

25 MS. SCHRUTH: SINCE I HAVE BEEN THERE,

1 WE HAVE BEEN WORKING ON SPECIFIC CONTRACTS. IN
2 THE LAST FISCAL YEAR, WE HAD MONEY SET ASIDE TO
3 BEGIN DOING COMPLIANCE REVIEWS. AND WE ARE NOW
4 IMPLEMENTING THAT.

5 MR. FLETCHER: THE CIVIL RIGHTS
6 COMMISSION HAS ISSUED A BOOK WE CALL THE GREEN
7 BOOK. THE GREEN BOOK IS ABOUT A BRIEFING WE DID
8 ON THE \$2 1/2 BILLION AIRPORT THAT IS GOING IN IN
9 IN DENVER, COLORADO. AND AT THE TIME THAT WE DID
10 THAT BRIEFING, THE CURRENT SECRETARY OF
11 TRANSPORTATION WAS THE MAYOR OF DENVER.

12 WHAT WE FOUND OUT AT THAT TIME -- AND
13 ANY OF YOU CAN ANSWER IF THERE HAS BEEN A
14 CHANGE -- WHAT WE FOUND OUT AT THAT TIME IS THE
15 PEOPLE SITTING IN THE FIELD TOLD US THAT IN TERMS
16 OF BUDGET, IN TERMS OF TRAVEL ORDERS, AND IN TERMS
17 OF AUDIT PROCESSES, THE TRANSPORTATION
18 DEPARTMENT'S AUDITING PROGRAM HAD COLLAPSED AND
19 THAT FLAT OUT NOTHING WAS HAPPENING.

20 AND SO WHEN WE TOOK A LOOK AT DENVER,
21 IT DIDN'T VALIDATE ALL OF THOSE FACTS, BUT IT
22 SUGGESTED THAT THE CONTRACTORS BEHAVED AS IF THEY
23 DID NOT EXPECT TO BE HELD ACCOUNTABLE FOR THE
24 AFFIRMATIVE ACTION PROGRAM, FOR THE MINORITY
25 BUSINESS PROGRAM; IN FACT, THEY COULD SEND THE

1 HEADQUARTERS WHATEVER THEY WANTED TO SEND THEM BY
2 WAY OF NUMBERS, AND NOBODY WOULD COME OUT IN THE
3 FIELD TO VALIDATE THAT.

4 NOW, DO YOU EXPECT THAT TO CHANGE?

5 MR. MCMANUS: MAY I EXPLAIN THAT?

6 MR. FLETCHER: PLEASE DO.

7 MR. MCMANUS: WAS THAT WITH RESPECT TO
8 THE FTA OR WITH RESPECT TO THE DOT AT LARGE?

9 MR. FLETCHER: IN THIS INSTANCE, WE
10 USED THE AIRPORT.

11 LET ME GO BACK AND SAY THAT DURING MY
12 CHAIRMANSHIP HERE I HAVE CONCENTRATED, AND HAVE
13 BEEN ABLE TO GET THE MEMBERS OF THE COMMISSION TO
14 GO ALONG CONSIDERABLY, ON ECONOMIC OPPORTUNITIES
15 AT THE JOB AND CONTRACTING OPPORTUNITIES CREATED
16 BY TAXPAYERS' DOLLARS.

17 ONE OF THE FIRST PLACES WE WENT TO
18 LOOK -- BECAUSE THEY WERE BRAGGING ABOUT THIS
19 BEAUTIFUL BIG AIRPORT THAT WAS GOING INTO
20 DENVER -- ONE OF THE FIRST PLACES WE DECIDED TO GO
21 INTO THE FIELD WAS TO DENVER TO SEE JUST HOW WELL
22 THAT 10 PERCENT SUBSIDIZED DIVISION WORKED. SO IN
23 THIS INSTANCE, WE WERE LOOKING AT THE DENVER
24 AIRPORT.

25 BUT AS FAR AS I AM CONCERNED AND WHAT

1 PEOPLE INSIDE TRANSPORTATION TELL US, IS THAT
2 THERE HAS BEEN SOMETHING OF A PULL BACK ACROSS THE
3 BOARD -- THE FEDERAL HIGHWAY ADMINISTRATION, THE
4 RAILWAY ADMINISTRATION -- THE CONTRACTORS HAD
5 DECIDED THAT WITH A DESK AUDIT -- PEOPLE INSIDE
6 UNDERSTOOD THAT A DESK AUDIT WOULD NOT PROVIDE THE
7 NECESSARY INFORMATION TO GO TO COURT OR TO EVEN
8 CHALLENGE WHAT THEY WERE DOING. SO THEY TOLD US
9 AND TOLD ME IN PARTICULAR THAT A DESK AUDIT
10 DOESN'T WORK.

11 AND ONE OF THE REASONS THAT OUR
12 PERFORMANCE IS SO LOUSY AND ONE OF THE REASONS THE
13 CONTRACTORS DON'T FEAR US IS BECAUSE THEY KNOW WE
14 CAN'T GET OUT IN THE FIELD TO GET THE DATA NEEDED
15 TO PUT TOGETHER A GOOD CASE.

16 MR. MCMANUS: I WOULD LIKE TO COMMENT
17 ABOUT THAT WHOLE SUBJECT, MR. CHAIRMAN -- I THINK
18 IT IS A VITAL ONE -- FROM SEVERAL DIFFERENT
19 PERSPECTIVES.

20 DURING THE '80S WITH RESPECT TO THE
21 FTA, THERE WAS A REDUCTION IN THE SIZE OF THE
22 AGENCY THAT TOOK PLACE OVER ABOUT A TEN-YEAR
23 PERIOD OF ABOUT 27 PERCENT OR SO. WE WERE
24 RECENTLY AT A FTE LEVEL, FULL-TIME EQUIVALENT
25 LEVEL, OF SOME 568 POSITIONS INCLUDING THE

1 REGIONAL OFFICES. IN THE EARLY '80S, THAT
2 WITHERED DOWN TO ONE POINT AT WHICH IN THE LATE
3 '80S, AROUND '89, WE WERE AT AN FTE LEVEL OF ABOUT
4 406.

5 AS THAT WAS HAPPENING, THERE WAS --
6 WITH RESPECT TO OVERSIGHT ACTIVITIES OF ALL KINDS,
7 NOT JUST CIVIL RIGHTS -- THERE WAS SOME DRAWBACK
8 OF FIELD VISITS. SEEING THAT, WHAT WE TRIED TO DO
9 WAS TO FIND ANOTHER WAY TO HAVE A PRESENCE.

10 IN FACT, I DON'T MIND SAYING THAT I
11 GENERATED THE RESPONSE WHEREBY WE WORKED WITH THE
12 CONGRESSIONAL COMMITTEES AND WITH THE
13 ADMINISTRATION IN SEEKING LEGISLATION THAT WOULD
14 PERMIT US TO USE PROGRAM DOLLARS TO RETAIN
15 CONTRACTORS. AND SO WE DID THAT WITH RESPECT TO
16 CONSTRUCTION MANAGEMENT FIRST, BECAUSE THAT WAS
17 THE PRECIPITATING FACTOR. WE HAD A BAD SITUATION
18 IN MIAMI BECAUSE OF OVERSIGHT.

19 MR. FLETCHER: I RECALL.

20 MR. MCMANUS: AND SO THEN WE BEGAN WITH
21 CONSTRUCTION MANAGEMENT. THEN AS I SAW WHAT WAS
22 HAPPENING, I SUGGESTED THAT WE FURTHER SEEK
23 FURTHER AMENDMENT OF THAT AUTHORITY TO ADD
24 MANAGEMENT FINANCIAL OVERSIGHT SAFETY, AND THAT
25 WAS DONE IN 1990.

1 AND NOW WHAT WE HAVE DONE IS --
2 EFFECTIVELY FOR THOSE FUNCTIONS WE HAVE SOMETHING
3 LIKE 79 FULL-TIME EQUIVALENTS WHICH HELP RESTORE
4 SOME OF THAT LOSS.

5 MR. FLETCHER: WHAT WAS IT AT THE PEAK?

6 MR. MCMANUS: THE LOSS AT THE PEAK --
7 WE WERE DOWN TO 406 FULL-TIME EQUIVALENTS FROM
8 568. WE ARE NOW BACK UP TO -- THE LAST
9 ADMINISTRATOR SAW THAT SITUATION AND WAS IMPRESSED
10 BY WHAT WAS HAPPENING AND REQUESTED SOME
11 RESTORATION. HE WAS SUCCESSFUL FOR TWO YEARS AND
12 NOT THE THIRD YEAR. SO WE ARE CURRENTLY BACK UP
13 TO AROUND 470 OR SO. THEN WITH THE 79 FTE'S FROM
14 CONTRACTING, WE ARE NEAR WHERE WE WERE AT 568.

15 WE DON'T HAVE THE STAFF TO OVERSEE THE
16 CONTRACTORS, AND WE ARE NOW IN ANOTHER DOWNTREND,
17 WHERE FOR THE NEXT THREE YEARS IT IS GOING TO BE A
18 CONTRACTION OF THE SIZE OF THE AGENCY, OF ALL
19 AGENCIES IN THE GOVERNMENT UNDER THE CURRENT
20 ADMINISTRATION.

21 BUT WHAT I AM TRYING TO SAY TO YOU IS
22 THAT WE ARE NOT JUST SITTING BY IDLY AND LETTING
23 THAT HAPPEN. WITH RESPECT TO THE CIVIL RIGHTS
24 PROGRAM, WE MEAN TO USE CONTRACTORS, AND THAT IS
25 THE LATEST FUNCTION TO GET THE HEAVY ATTENTION.

1 MR. FLETCHER: CONTRACTING OUT TO
2 CONTRACT COMPLIANCE COMPANIES?

3 MR. MCMANUS: YES, TO DO THE FIELD
4 VISITS WITH OUR FIELD STAFF -- TO DO THESE FIELD
5 VISITS.

6 AND OUR INTENTION IS TO GET A LEVEL OF
7 SUPPORT. AND WE HAVE THE FINANCIAL ABILITY TO DO
8 THIS WITH THE STRUCTURE WE SET UP UNDER THE
9 AMENDMENT TO THE LAW, SECTION 23(H) OF OUR LAW.
10 SO WE WILL BE ABLE TO REVIEW THE LARGEST
11 GRANTEES -- THERE ARE ABOUT 50 OF THEM -- AT LEAST
12 ONCE EVERY THREE YEARS IN AN INTENSE WAY, THREE OR
13 FOUR YEARS. AND THAT WILL BE AN INTENSE SUBJECT
14 MATTER REVIEW OF ALL CIVIL RIGHTS ACTIVITIES.

15 THEN IN THE TRIENNIAL REVIEWS THAT
16 MR. TAYLOR MENTIONED OF ALL ADMINISTRATIVE AND
17 LEGISLATIVE REQUIREMENTS THAT ALSO GO ON EVERY
18 THREE YEARS -- THAT IS A RECONNAISSANCE TYPE
19 SURVEY -- WE WILL PICK UP ON THE RESULTS OF THESE
20 INTENSIVE REVIEWS OF THE CIVIL RIGHTS PROGRAM AND
21 FOLLOW UP IN THE TRIENNIAL REVIEW. SO THERE IS A
22 DOUBLE EFFECT THERE. WE DO THE SAME THING FOR
23 PROCUREMENT. WE DO IT FOR FINANCIAL MANAGEMENT
24 OVERSIGHT. WE DO IT FOR CONSTRUCTION. SO IF THE
25 DETAILED REVIEW FINDS NONCOMPLIANCE OR PROBLEM

1 AREAS, IT WILL BE FOLLOWED UP WITH A TRIENNIAL
2 REVIEW AS WELL AS WITH COUNSELING AND TECHNICAL
3 ASSISTANCE AND CONFERENCES THAT ARE PART OF THE
4 BASIC ACTIVITY OF THE CIVIL RIGHTS PROGRAM.

5 SO WHAT I AM SAYING TO YOU IS THAT
6 THERE IS THIS -- THERE WAS A TONE SETTING EFFECT
7 THAT YOU REFERRED TO WITHOUT DOUBT IN THOSE YEARS.
8 AND WHAT IS HAPPENING NOW IS THAT THERE IS A VERY
9 FORCEFUL REVERSAL OF THAT TONE SETTING
10 PARTICULARLY BY THE CURRENT SECRETARY IN EVERY
11 DIMENSION OF THE CIVIL RIGHTS PROGRAM.

12 IN FACT, I WANT TO SUBMIT FOR THE
13 RECORD, IF YOU ARE NOT FAMILIAR WITH IT, A TALK
14 THAT SECRETARY PENA GAVE JUST WITHIN THE PAST
15 SEVERAL DAYS IN WASHINGTON, PARTICULARLY ON THE
16 DBE ACTIVITY, THE CONTRACTING, WHERE HE REVIEWED
17 WHAT OUR EXPERIENCE HAS BEEN AND HIS INTENTION TO
18 MAKE THE DOT PERFORMANCE IN THIS AREA A MODEL FOR
19 THE WHOLE GOVERNMENT.

20 TONE SETTING IS VERY IMPORTANT. I
21 WOULD AGREE WITH YOU. IT HAS THE EFFECTS THAT YOU
22 ALLUDED TO. BUT I MADE THIS EXTENSIVE COMMENT TO
23 POINT OUT THAT AT THE PERFORMANCE LEVEL, WE HAVE
24 TAKEN MANAGEMENT STEPS TO PROTECT OURSELVES AND
25 SEE TO IT THAT THE INTENT OF THE LAW IS APPLIED.

1 MR. FLETCHER: I HAVE ONE OTHER
2 QUESTION, AND THEN I WILL CEASE. HOW DO YOU GO
3 ABOUT DETERMINING OR SETTING STANDARDS IN
4 DETERMINING WHETHER A COMPANY IS IN FACT MAKING A
5 GOOD FAITH EFFORT? ANY OF YOU.

6 THEY LAY OUT THEIR AFFIRMATIVE ACTION
7 PROGRAM, AND PART OF IT SAYS "A GOOD FAITH
8 EFFORT." AND IF THEY CAN'T DO IT, THEN THEY CAN
9 COME BACK AND GET A CHANGE ORDER AND SAY, "WE
10 LOOKED. WE COULDN'T FIND THEM. SO WE ARE GOING
11 TO ASK TO BE RELIEVED OF CERTAIN SPECIFICATIONS IN
12 OUR AFFIRMATIVE ACTION PROGRAM."

13 HOW DO YOU EVALUATE THAT?

14 MR. MCMANUS: WE DO COLLECT -- WE DO
15 HAVE INFORMATION. WE DO HAVE A REPORTING SYSTEM.
16 I MAY ASK SUSAN TO ELABORATE ON IT. BUT WE ARE
17 NOT JUST TAKING, YOU KNOW, PIOUS HOPES AND
18 EMOTIONAL STATEMENTS ABOUT INTENT OR INABILITY TO
19 COMPLY WITH A REQUIREMENT. WE ARE LOOKING AT HARD
20 DATA.

21 IT IS NOT ALWAYS EASY TO COME BY, BUT
22 WE HAVE GOOD DATA IN THE LOS ANGELES AREA AND FOR
23 MOST OF THE LARGE GRANTEES. BUT THE LEVEL OF
24 DETAIL IS -- IF THE DATA IS REPORTED IN THE
25 AGGREGATE, THEN YOU CAN SLUFF OVER A LOT OF

1 PROBLEMS. WHEN YOU GET DOWN TO THE DETAIL ON HOW
2 MANY MINORITIES ARE IN SPECIFIC CLASSIFICATIONS OF
3 EMPLOYMENT WITHIN AN AGENCY, THAT IS WHERE THE
4 EXAMINATION GETS MORE TELLING.

5 AND THAT ISN'T -- WITH RESPECT TO L.A.,
6 THE L.A. ORGANIZATION, THE LACMTA -- SO FAR, I
7 THINK THE DATA SHOWS THAT THERE IS A PRETTY GOOD
8 LEVEL OF PERFORMANCE RIGHT ACROSS THE BOARD.

9 THE SECRETARY, ON THE OTHER HAND, HAD A
10 VISIT FROM HISPANIC ORGANIZATIONS IN THE NEW YORK
11 AREA WHO WERE VERY DISSATISFIED WITH THE
12 PERFORMANCE THERE WHEN YOU GOT BELOW THE SURFACE
13 AND BEGAN LOOKING AT WHAT THE PERFORMANCE LEVEL
14 WAS WITH RESPECT TO SPECIFIC JOB CLASSIFICATIONS.

15 I GUESS A SHORT ANSWER TO YOUR QUESTION
16 IS THAT YOU CAN ONLY GET AT IT BY SEEING SOME
17 INFORMATION, SEEING SOME DATA. AND WE GET IT IN
18 THE EEO PROGRAMS THAT HAVE TO BE SUBMITTED.

19 DO YOU WANT TO SUPPLEMENT THAT, SUSAN?

20 MS. SCHRUTH: THE ONLY THING THAT I
21 WOULD ADD IS THAT WE ARE IN THE PROCESS OF
22 DEVELOPING A COMPLIANCE MANUAL FOR THE FOUR CIVIL
23 RIGHTS PROGRAMS, AND THAT WILL BE SOMETHING THAT
24 EACH INVESTIGATOR WILL USE, AND IT WILL GO THROUGH
25 AN ANALYSIS OF THE DIFFERENT CONCLUSIONS OR

1 REPRESENTATIONS, THE DIFFERENT PLANS THE GRANTEES
2 HAVE SUBMITTED, WHETHER THEY CAN BE VERIFIED OR
3 NOT.

4 AND I THINK THE NATURE OF COMPLIANCE
5 REVIEWS, IN OUR MIND AT LEAST, IS TO QUESTION SOME
6 OF THE ASSUMPTIONS THAT THE GRANTEES ARE MAKING;
7 IN THE EEO AREA, TO TAKE A LOOK AT THE NUMBERS, TO
8 SEE IF THEIR UTILIZATION STUDY THAT IS REQUIRED BY
9 REGULATION IN FACT REPRESENTS WHAT WE CONSIDER TO
10 BE AN ACCURATE UTILIZATION. SO, FOR COMPLIANCE,
11 WE WILL LOOK BEHIND THE GRANTEE'S ANALYSIS TO SEE
12 IF WE COME UP WITH THE SAME CONCLUSIONS THAT THE
13 GRANTEE HAS.

14 THE OTHER THING THAT WE HAVE GOING FOR
15 US, I THINK, IS ACTUAL KNOWLEDGE IN OUR REGIONAL
16 OFFICES OF ALL OF THE GRANTEES. WE HAVE SEASONED
17 PROFESSIONALS IN THE REGIONS THAT I THINK ARE
18 OVERWORKED, AND THEY WOULD CERTAINLY LIKE SOME OF
19 THE WASHINGTON STAFF TO BE REASSIGNED OUT TO THE
20 REGIONS. BUT THOSE ARE THE PEOPLE WHO WORK WITH
21 THE GRANTEES EVERY DAY. AND WE HAVE BEEN ABLE TO
22 RELY ON THEIR KNOWLEDGE OF THE LOCALE AS WELL AS
23 WHAT THE GRANTEE IS REPRESENTING TO US.

24 AND THE FINAL PIECE OBVIOUSLY IS THE
25 STANDARD THAT IS IDENTIFIED IN THE STATUTE. THAT

1 YOU ALWAYS HAVE TO GO BACK TO, I BELIEVE, IN A
2 CIVIL RIGHTS REVIEW.

3 MR. FLETCHER: AS WELL AS THE STANDARDS
4 IN THEIR OWN AFFIRMATIVE ACTION PROGRAM; RIGHT?

5 MS. SCHRUTH: YES. BUT THEY NEED TO BE
6 CONSISTENT WITH OUR REQUIREMENTS AS WELL.

7 MR. FLETCHER: THEY ALSO NEED TO BE
8 CONSISTENT WITH WHAT THEY DO INTERNALLY WHEN THEY
9 REALLY WANT TO GET IT DONE. LET ME SAY THAT
10 AGAIN, NOW.

11 WHEN I DO AUDITS -- I AM A PROFESSIONAL
12 AUDITOR FOR THE EEO -- I OFTEN AUDIT A COMPANY
13 AGAINST ITS OWN STANDARDS. AND I WILL ASK THE
14 COMPANY, "SHOW ME HOW YOU DO IT WHEN YOU REALLY
15 WANT TO GET IT DONE. WHAT IS THE SALARY OF THE
16 PEOPLE, WHAT IS THE STAFFING PATTERN, THE HOURS
17 DEVOTED TO IT, THE OFFICE SPACE, THE COMPUTERS?
18 LET'S COMPARE THE TWO, AND LET'S SEE WHICH ONE YOU
19 REALLY WANT TO GET DONE."

20 NOW, IT IS MY VIEW THAT A GOOD FAITH
21 EFFORT STARTS NOT EXTERNAL TO THE COMPANY BUT
22 INTERNAL. "SHOW US HOW YOU BEHAVE INSIDE WHEN YOU
23 REALLY WANT TO GET IT DONE." AND THE COMPARISON
24 BETWEEN THE TWO IS OFTEN SHOCKING. WHEN THEY
25 REALLY WANT TO GET IT DONE AND THROW THE RESOURCES

1 BEHIND IT, IT IS SHOCKING BETWEEN WHAT THEIR
2 COMMITMENT IS TO EEO AND THEIR ACTUAL STAFFING AND
3 THAT SORT OF THING.

4 SO I AM SAYING THAT WE ARE AT A POINT
5 NOW WHERE WE HAVE TO BE VERY SPECIFIC IN OUR
6 SOPHISTICATION OF EVALUATING A GOOD FAITH EFFORT.
7 AND IT STARTS INSIDE THE COMPANY AS OPPOSED TO
8 EXTERNALLY.

9 MS. SCHRUTH: I WOULD AGREE WITH YOU.

10 MR. FLETCHER: I WOULD APPRECIATE, FOR
11 THE RECORD, THE NEW PROCESS. I HAVE PEOPLE
12 TELLING ME THAT TRANSPORTATION IS TURNING AROUND
13 UNDER THE NEW SECRETARY. THEY INTEND TO BEGIN TO
14 MAKE IT HAPPEN. I WOULD LIKE TO HAVE FOR THE
15 RECORD WHATEVER NEW DIRECTIVES AND WHATEVER NEW
16 PROCESSES, INCLUDING THE SPEECH THAT YOU ARE
17 TALKING ABOUT, WITH REFERENCE TO HOW WE GO ABOUT
18 GETTING THIS DONE.

19 MR. MCMANUS: WE WILL BE GLAD TO DO
20 THAT. WE WOULD BE PLEASED TO DO THAT. THE SPEECH
21 IS QUITE EXPLICIT, AND I THINK YOU WILL FIND IT
22 IMPRESSIVE.

23 MR. FLETCHER: I BEG YOUR PARDON?

24 MR. MCMANUS: I THINK YOU WILL FIND THE
25 SPEECH IMPRESSIVE. IT IS VERY EXPLICIT ABOUT

1 PRECISELY HOW THE SECRETARY WOULD LIKE TO CLOSE IN
2 ON THE PROBLEMS HERE.

3 MR. FLETCHER: RUSS?

4 MR. REDENBAUGH: YES. I HAVE ONE
5 QUESTION FOR MR. TAYLOR.

6 IN YOUR OPENING REMARKS, SIR, YOU
7 DESCRIBED A RATHER SOPHISTICATED PROCESS OF
8 GRANTING AND REVIEWING. WHICH ASPECTS OF THAT
9 PROCESS ARE TROUBLESOME AND ARE NOT AS EFFECTIVE
10 AS THEY MIGHT BE?

11 MR. TAYLOR: WELL, THAT IS A DIFFICULT
12 QUESTION TO ANSWER BECAUSE IT IS A PROCESS THAT
13 HAS BEEN IN PLACE FOR MANY YEARS. THERE IS A
14 CERTAIN EVOLUTION ABOUT IT, BUT IT IS SOMETHING
15 THAT OUR GRANTEES ARE ACCUSTOMED TO, THEY KNOW HOW
16 IT WORKS, AND BY AND LARGE, THEY MEET THE
17 REQUIREMENTS.

18 MR. REDENBAUGH: BUT I WOULD PRESUME
19 THAT IN ANY PROCESS AS COMPLICATED AS THE ONE YOU
20 HAVE DESCRIBED, THERE ARE STEPS OR ACTIVITIES
21 WHICH ARE TROUBLESOME OR WITH WHICH PEOPLE
22 SOMETIMES HAVE DIFFICULTY COMPLYING. AND I AM
23 ASKING YOU TO DIRECT OUR ATTENTION TO THOSE.

24 MR. MCMANUS: I THINK THE DELICATE ONE
25 IS THE ONE THAT WE HEARD IN EARLIER PANELS TODAY

1 ON THE QUESTIONS THAT THE COMMISSION PUT TO THE
2 PREVIOUS PANELS.

3 WHEN YOU ARE ENGAGED IN RAPID TRANSIT
4 FIXED HIGHWAY CONSTRUCTION, WHAT HAPPENS TO YOUR
5 EXISTING SERVICE? I WAS MOVED BY MR. WALSH'S
6 COMMENTS EARLIER TODAY AND HIS REFERENCE TO MIAMI
7 AND THE DECAY OF THE BUS SERVICE DOWN THERE WHILE
8 THE RAIL SYSTEM WAS BEING BUILT.

9 I AM VERY FAMILIAR WITH THAT. IN FACT,
10 WHEN WE SAW THAT BEGINNING TO HAPPEN SOME YEARS
11 AGO, WE WROTE AND DEALT WITH MIAMI SAYING THAT
12 THEY HAD BETTER BE CAREFUL OR THEY WERE GOING TO
13 BE IN TROUBLE WITH SECTION 19 OF OUR ACT, WHICH IS
14 THE SPECIFIC SUPPLEMENTARY AUTHORITY IN OUR ACT
15 PERTAINING TO CIVIL RIGHTS, THE WHOLE PANORAMA.

16 MR. REDENBAUGH: I APPRECIATE YOUR
17 RESPONSE.

18 MR. MCMANUS: I AM TRYING TO GET TO IT.

19 MR. REDENBAUGH: IF YOU WOULD.
20 SPECIFICALLY, I AM ASKING ABOUT THE GRANTING
21 PROCESS.

22 MR. MCMANUS: WELL, THIS IS PART OF THE
23 GRANTING PROCESS. THE POINT BEING THAT IF YOU
24 CAN'T SAY THAT YOU ARE DELIVERING SERVICE -- YOU
25 ARE DELIVERING, FOR EXAMPLE, YOUR FORMULA PORTION

1 RESOURCE AND PROVIDING OR MAINTAINING YOUR CURRENT
2 SERVICE BECAUSE YOU ARE DEVOTING CONSTRUCTION
3 DOLLARS AND OPERATING COSTS TO THE ACTIVITY
4 ASSOCIATED WITH CONSTRUCTION -- THAT ALWAYS
5 HAPPENS WHEN YOU ARE RUNNING A SYSTEM WHILE YOU
6 ARE ALSO BUILDING ANOTHER ELEMENT IN IT -- THEN
7 YOU DO HAVE A PROBLEM ON HOW YOU DEAL WITH A
8 GRANTEE AND WHETHER YOU WITHDRAW, WHETHER YOU
9 IMPOSE SOME KIND OF A SANCTION, WHETHER YOU SAY,
10 "LET'S PAUSE FOR THOUGHT HERE." AND IT IS A VERY
11 DELICATE THING TO DO BECAUSE YOUR RAIL SYSTEM IS
12 THE RESULT OF A LOT OF COMMUNITY POLITICS AND
13 CONGRESSIONAL POLITICS AS WELL. IT IS NOT AN EASY
14 THING TO DEAL WITH.

15 THAT HASN'T JUST HAPPENED IN MIAMI. I
16 WAS STRUCK WITH MR. RUBIN'S CANDOR WHEN HE WAS
17 ASKED THAT QUESTION ABOUT SERVICE. LET'S NOT KID
18 OURSELVES. THERE ARE THOSE TENSIONS.

19 MR. REDENBAUGH: ARE THERE OTHER
20 ASPECTS OF THE GRANTING PROCESS ITSELF THAT ARE
21 DIFFICULT OR NEED IMPROVEMENT?

22 MR. TAYLOR: I CAN THINK OF TWO
23 EXAMPLES AS MR. MCMANUS WAS SPEAKING. IT IS NOT
24 IMPROVING THE PROCESS, BUT TWO OF THE REQUIREMENTS
25 CAN BE TROUBLESOME. ONE IS THE SO CALLED 13(C)

1 SECTION WHERE THERE MUST BE A SIGN-OFF BY THE
2 DEPARTMENT OF LABOR. AND WHAT THIS INVOLVES IS
3 PASSING THE PARTICULAR GRANT TO THE LABOR
4 ORGANIZATIONS FOR THEIR APPROVAL. AND THE UNIONS
5 CAN AT TIMES USE THIS AS A CLUB TO GAIN THEIR OWN
6 WAY IN MATTERS, SO THIS CAN CAUSE SOME DELAYS.

7 A SECOND AREA IS THE THIRD PARTY
8 CONTRACTING AREA WHERE WE HAVE ESTABLISHED IN THE
9 PAST YEARS A REQUIREMENT THAT A CERTAIN AMOUNT OF
10 AN AGENCY'S OPERATIONS BE CONTRACTED OUT TO THE
11 PRIVATE SECTOR. AGAIN, THERE IS A PROBLEM WITH
12 THE LABOR ORGANIZATION BEING JEALOUS OF THEIR
13 RIGHTS AND THEIR GAINS WITHIN THIS PUBLIC TRANSIT
14 AGENCY. AND FROM A POLITICAL STANDPOINT, IT HAS
15 BEEN DIFFICULT FOR THESE AGENCIES TO REACH OUT
16 WITH THE PRIVATE CONTRACTING WORK. AND THIS TOO
17 CAN CAUSE DELAYS.

18 MR. REDENBAUGH: THANK YOU, MR. TAYLOR.
19 THAT IS VERY RESPONSIVE.

20 ARE THERE OTHER ASPECTS OF THE PROCESS
21 WHICH IF CHANGED COULD REALLY STREAMLINE THE WORK
22 THAT YOU DO AND ACCELERATE THE GRANTING PROCESS?

23 MR. TAYLOR: IT IS A COMPLEX PROCESS,
24 BUT THE OTHER SIDE OF THE COIN IS THAT IT IS
25 NECESSARY IN ORDER TO MAKE SURE THAT OUR GRANTEES

1 COMPLY WITH THIS PANOPLY OF REGULATIONS. I THINK
2 IF WE ATTEMPTED TO STREAMLINE IT, WE WOULD OPEN
3 OURSELVES TO CRITICISM THAT WE ARE NOT PROVIDING
4 THE NECESSARY STEWARDARDSHIP.

5 NOW, UNDER THE PREVIOUS ADMINISTRATION,
6 A GREAT DEAL OF STREAMLINING DID TAKE PLACE. THAT
7 IS TO SAY, THE REGIONAL ADMINISTRATORS WERE GIVEN
8 A GREAT DEAL MORE EMPOWERMENT TO APPROVE GRANTS
9 THAN HAD BEEN THE CASE PREVIOUSLY. ALMOST THE
10 ENTIRE GRANT MAKING CYCLE INVOLVED WASHINGTON
11 HEADQUARTERS. THIS WAS TIME CONSUMING AS THE
12 GRANTS WENT THROUGH THE WASHINGTON BUREAUCRACY, AS
13 SMALL AS IT IS.

14 MUCH OF THIS NOW IS PERFORMED LOCALLY
15 AT THE REGIONAL HEADQUARTERS, AND THERE HAS BEEN A
16 DEFINITE SPEED UP AND STREAMLINING IN THE GRANT
17 MAKING PROCESS.

18 MR. REDENBAUGH: THANK YOU.

19 MR. FLETCHER: COUNSEL?

20 MS. YOUNGBLOOD: YES, MR. CHAIRMAN.

21 STAFF WOULD LIKE TO SUBMIT THE REMAINDER OF ITS
22 QUESTIONS TO THE WITNESSES IN WRITING IN THE FORM
23 OF INTERROGATORIES.

24 MR. FLETCHER: ALL RIGHT. THANK YOU.

25 YOU HAVE BEEN VERY HELPFUL. AND IT

1 MIGHT HELP YOU TO KNOW THAT ART TEELE IS NOW THE
2 CHAIRMAN OF THE MIAMI COMMISSION, AND HE HAS GOT
3 TO LIVE WITH SOME OF THE MESS HE HELPED TO CREATE.

4 MR. DOCTOR: WE WOULD LIKE TO CALL
5 WITNESSES GWENE PATTON, KAREN MUCTHISON, AND KENNY
6 JONES.

7 MR. WANG: WOULD THE APPLICANTS REMAIN
8 STANDING AND WILL YOU RAISE YOUR RIGHT HAND.

9 DO YOU SWEAR OR AFFIRM THAT YOU WILL
10 TRUTHFULLY TESTIFY TO THE BEST OF YOUR ABILITY?

11 (ALL PANELISTS REPLIED IN THE
12 AFFIRMATIVE.)

13 MR. WANG: THANK YOU.

14 THIS HAS TO DO WITH THE JOB TRAINING
15 PARTNERSHIP ACT. WE ARE VERY, VERY HAPPY TO SEE
16 THREE PARTICIPANTS WHO ARE HERE TO OFFER THEIR
17 EXPERIENCES. SO WE MAY PROCEED, PLEASE.

18 MR. GLICK: VICE CHAIRMAN WANG, EILEEN
19 RUDERT, OUR STAFF ECONOMIST AND SOCIAL SCIENTIST,
20 WILL CARRY THE QUESTIONING FOR THESE WITNESSES.

21 MR. WANG: THANK YOU. PLEASE PROCEED.

22 MS. RUDERT: MS. PATTON, ARE YOU
23 CURRENTLY OR HAVE YOU RECENTLY BEEN ENROLLED IN A
24 JOB TRAINING PROGRAM FUNDED BY THE JOB TRAINING
25 PARTNERSHIP ACT?

1 MS. PATTON: YES. I HAVE RECENTLY
2 GRADUATED FROM --

3 MS. RUDERT: CAN YOU MOVE YOUR
4 MICROPHONE CLOSER, PLEASE.

5 MS. PATTON: I AM STILL A PARTICIPANT
6 OF THE PROGRAM.

7 MS. RUDERT: WHAT OCCUPATION OR JOB ARE
8 YOU TRAINING FOR?

9 MS. PATTON: I HAVE BEEN TRAINING FOR
10 OFFICE PROCEDURES. I JUST FINISHED TRAINING AT
11 THE LOS ANGELES URBAN LEAGUE. AND I AM BACK AT
12 THE SCHOOL FOR MORE TRAINING.

13 MS. RUDERT: AND CAN YOU DESCRIBE THE
14 TYPE OF TRAINING YOU RECEIVED? I UNDERSTAND YOU
15 WERE IN CLASSROOM TRAINING AND THEN YOU HAD SOME
16 ON-THE-JOB TRAINING; IS THAT CORRECT?

17 MS. PATTON: THAT'S CORRECT. I HAD
18 TRAINING IN WORD PERFECT AND TYPING AND BASIC
19 OFFICE PROCEDURES. AND I WAS TRANSFERRED OVER TO
20 THE HEADQUARTERS OF THE URBAN LEAGUE FOR
21 ADDITIONAL TRAINING OUTSIDE OF THE CLASSROOM.

22 MS. RUDERT: AND YOU FINISHED YOUR
23 ON-THE-JOB TRAINING?

24 MS. PATTON: AND I FINISHED MY
25 ON-THE-JOB TRAINING.

1 MS. RUDERT: WHAT ARE YOU DOING NOW?

2 MS. PATTON: RIGHT NOW I AM IN THE
3 PROCESS OF JOB SEARCH, AND I AM LOOKING FOR
4 PERMANENT EMPLOYMENT.

5 MS. RUDERT: I UNDERSTAND THAT YOU ARE
6 A MOTHER OF A YOUNG CHILD AND ARE RECEIVING AID TO
7 FAMILIES WITH DEPENDENT CHILDREN, KNOWN AS "AFDC"?

8 MS. PATTON: YES.

9 MS. RUDERT: CAN YOU TELL US HOW MUCH A
10 MONTH YOUR AFDC PAYMENTS ARE AND WHAT OTHER
11 BENEFITS YOU RECEIVE FROM AFDC IN ADDITION TO A
12 MONTHLY CHECK?

13 MS. PATTON: I GET ABOUT \$511 MONTHLY.
14 AND I ALSO GET MEDI-CAL BENEFITS AND FOOD
15 ASSISTANCE.

16 MS. RUDERT: AND DO YOU ALSO RECEIVE A
17 CHILD CARE SUBSIDY FROM JTPA?

18 MS. PATTON: THAT'S CORRECT. MY SCHOOL
19 PROVIDES ME WITH APPROXIMATELY \$40 A WEEK FOR
20 CHILD CARE.

21 MS. RUDERT: AND DOES THAT COVER THE
22 ENTIRE COST OF THE --

23 MS. PATTON: NO. IT'S A MAJORITY OF
24 THE COST. I PAY \$70. THEY PAY \$40, AND I PAY THE
25 REMAINING.

1 MS. RUDERT: OKAY. SO YOU PAY \$40 --

2 MS. PATTON: I PAY \$30, AND THEN THEY
3 WILL PAY THE \$40 A WEEK.

4 MS. RUDERT: SO AT LEAST DURING THE
5 TIME THAT YOU WERE IN THE ON-THE-JOB TRAINING, YOU
6 WERE RECEIVING YOUR ON-THE-JOB TRAINING WAGES; IS
7 THAT CORRECT?

8 MS. PATTON: THAT'S CORRECT. I WAS
9 RECEIVING MINIMUM WAGE OF \$4.25 AN HOUR WITH
10 ON-THE-JOB TRAINING.

11 MS. RUDERT: AND A SUBSIDY FOR THE COST
12 OF CHILD CARE AND A MONTHLY AFDC CHECK AND YOUR
13 OTHER AFDC BENEFITS; IS THAT CORRECT?

14 MS. PATTON: THAT'S CORRECT.

15 MS. RUDERT: I AM GOING TO ASK THE
16 COMMISSIONERS TO CONTINUE QUESTIONING NOW.

17 MR. GLICK: PLEASE PROCEED, VICE
18 CHAIRMAN WANG.

19 MR. WANG: YOU ARE DONE WITH YOUR PART
20 OF IT?

21 MR. GLICK: BUT WE RESERVE THE RIGHT TO
22 COME BACK.

23 MR. WANG: OKAY. COMMISSIONER
24 REDENBAUGH?

25 MR. REDENBAUGH: YES. THANK YOU.

1 WHAT LEVEL OF EXPECTED COMPENSATION DO
2 YOU HAVE?

3 MS. PATTON: I EXPECT TO RETAIN A JOB
4 THAT WILL HELP ME TO BE INDEPENDENT WITHOUT AID
5 AND HOPEFULLY TO LIVE INDEPENDENTLY, YOU KNOW,
6 RETAIN A PERMANENT JOB SO I CAN TAKE CARE OF
7 MYSELF AND MY CHILD.

8 MR. REDENBAUGH: AND WHAT LEVEL OF
9 INCOME WOULD YOU EXPECT?

10 MS. PATTON: TO BE ABLE TO LIVE
11 INDEPENDENTLY WITHOUT AID, MAYBE -- PROBABLY
12 \$1,100, MAYBE \$1,000 A MONTH.

13 MR. REDENBAUGH: AND WHAT IS THE
14 RELATIONSHIP BETWEEN THE INCOME THAT YOU EARN AND
15 YOUR CAPACITY TO CONTINUE TO RECEIVE AFDC?

16 MS. PATTON: THE INCOME THAT I WAS
17 EARNING AT THE ON-THE-JOB TRAINING WAS MINIMUM
18 WAGE, THEREFORE, IT DIDN'T AFFECT MY AID FROM THE
19 AFDC. SO I WAS NOT CUT OFF FROM THE AFDC, SINCE
20 IT WAS A TEMPORARY JOB.

21 MR. REDENBAUGH: IF IT WERE A PERMANENT
22 JOB, AT WHAT INCOME LEVEL OR HOURLY WAGE LEVEL
23 WOULD YOU THEN BECOME CUT OFF?

24 MS. PATTON: THE PROCESS IS AFTER YOU
25 RETAIN A PERMANENT JOB AND -- YOU HAVE TO MAKE --

1 I'M NOT SURE OF THE EXACT AMOUNT HOURLY -- BUT YOU
2 HAVE TO MAKE SO MUCH MONEY A MONTH, AND THEN YOU
3 RECEIVE BENEFITS FOR A YEAR AFTER YOU RETAIN
4 PERMANENT EMPLOYMENT, AND THEN YOU WILL BE CUT
5 OFF.

6 MR. REDENBAUGH: OKAY. THANK YOU.

7 MR. REYNOSO: WHAT IS YOUR OWN
8 EXPECTATION OF BEING ABLE TO FIND A JOB THAT WILL
9 PAY \$1,000, \$1,100, \$1,200 A MONTH? JUST FROM
10 TALKING TO YOUR FRIENDS, TALKING TO OTHER PEOPLE
11 THAT HAVE GONE THROUGH THIS PROGRAM, DO YOU SEE
12 YOURSELF IN A COUPLE OF MONTHS OR THREE MONTHS
13 HAVING A JOB LIKE THAT?

14 MS. PATTON: YES, I DO. I HAVE THE
15 TRAINING FOR THE JOB, THE TRAINING THAT I RECEIVED
16 AT THE URBAN LEAGUE. I WILL RECEIVE PRETTY
17 MUCH -- THE WAGES THAT I EXPECT RELATE TO THE
18 TRAINING THAT I RECEIVED.

19 MR. REYNOSO: DOES THAT MEAN THAT YOU
20 ARE TRAINING FOR A SPECIFIC JOB, THAT IS, IF YOU
21 DO WELL, THEN YOU ARE GOING TO GET THAT JOB, OR
22 WILL YOU SIMPLY GO OUT ON THE MARKET?

23 MS. PATTON: THE TRAINING THAT I
24 RECEIVE IS TRAINING THAT WILL HELP ME TO OBTAIN A
25 JOB RECEIVING ANYWHERE FROM THAT AMOUNT UP.

1 MR. REYNOSO: AND BASED ON WHAT YOU
2 KNOW, YOU ARE PRETTY OPTIMISTIC YOU WILL BE ABLE
3 TO FIND THAT TYPE OF JOB?

4 MS. PATTON: RIGHT. I HAVE FOUND A FEW
5 JOBS THAT ARE BASICALLY FOR THAT AMOUNT.

6 MR. REYNOSO: I NOTICE THAT IN THE
7 MATERIAL WE GOT, IT SAYS THAT YOU ARE HOPING TO GO
8 ON TO SCHOOL AND GO TO LAW SCHOOL. SINCE I AM A
9 LAW PROFESSOR, I AM EXCITED ABOUT THAT.

10 MS. PATTON: THAT'S RIGHT.

11 MR. REYNOSO: WHAT PLANS DO YOU HAVE IN
12 TERMS OF CONTINUING YOUR TRAINING? ARE YOU GOING
13 TO SIGN UP FOR COMMUNITY COLLEGE TRAINING AT NIGHT
14 OR WHAT?

15 MS. PATTON: ONCE I HAVE RETAINED
16 EMPLOYMENT PERMANENTLY, I WILL BE ABLE TO WORK OUT
17 A SCHEDULE WHERE I WILL BE ABLE TO GO TO SCHOOL AT
18 NIGHT A COUPLE OF TIMES A WEEK AND STUDY BUSINESS
19 AND LAW.

20 MR. REYNOSO: THANK YOU.

21 MR. WANG: JUST ONE MORE QUESTION FROM
22 ME. IF YOU CAN HELP US BY YOUR PERSONAL
23 EXPERIENCE ON THE AFDC PART OF IT, HOW LONG WOULD
24 YOU SAY YOU -- NOT JUST YOU, PER SE, BUT IN
25 GENERAL -- HOW LONG WOULD YOU SAY THAT A PERSON

1 SHOULD REALLY CONTINUE TO RECEIVE THIS TYPE OF
2 BENEFIT AS IT IS INTENDED, TO CONTINUE TRAINING
3 AND THEN CONTINUE TO WORK?

4 MS. PATTON: IN MY OPINION -- I HAVE
5 ONLY BEEN RECEIVING AID FOR LESS THAN A YEAR, FOR
6 ABOUT A YEAR. AND, IN MY OPINION, I DON'T THINK
7 ANYONE SHOULD STAY LONGER THAN, YOU KNOW, TWO
8 YEARS MAYBE. IT'S NOT ABOUT -- YOU KNOW, A
9 PERSON -- IF A PERSON FEELS THAT -- IT'S A HELP --
10 THAT'S A FACT -- BUT IF YOU FEEL THAT YOU CAN GO
11 ON AND DO MORE AND BE RELIEVED OF THAT AID, THEN
12 THAT'S FINE. BUT I FEEL NO MORE THAN TWO YEARS.
13 BUT IT ALL DEPENDS ON THE PERSON'S SITUATION.

14 MR. WANG: THANK YOU.

15 MR. RUDERT: MS. PATTON, YOU INDICATED
16 THAT YOU HOPED TO MAKE \$1,100 A MONTH TO LIVE
17 INDEPENDENTLY. FOR THE JOB THAT YOU ARE TRAINING
18 FOR, WHAT HOURLY WAGE DO YOU EXPECT TO MAKE?

19 MS. PATTON: ANYWHERE FROM \$6.50 TO
20 \$7.00. ACTUALLY, SINCE I HAVE HAD THE ON-THE-JOB
21 TRAINING, I HAVE BEEN HIRED, BUT IT IS NOT A
22 PERMANENT POSITION. IT IS A POSSIBILITY THAT IT
23 WILL BE PERMANENT, BUT THE WAGE IS \$7.00 AN HOUR.

24 MS. RUDERT: YOU SAY THAT IS A JOB YOU
25 HAVE INTERVIEWED FOR?

1 MS. PATTON: UH-HUH, THAT IS A JOB THAT
2 I HAVE RETAINED FOR THE SUMMER.

3 MS. RUDERT: HAVE YOU HAD ANY OTHER JOB
4 INTERVIEWS FOR PERMANENT JOBS?

5 MS. PATTON: I HAVE BEEN ON A FEW
6 INTERVIEWS, AND MOST OF THE JOBS THAT I HAVE BEEN
7 ON, THEIR PAY IS PRETTY MUCH \$6.00 AND UP. I HAVE
8 BEEN ON A FEW SINCE I HAVE BEEN IN THE PROGRAM,
9 YES.

10 MS. RUDERT: AND DO YOU AT THIS POINT
11 HAVE ANY PROSPECTS OF A PERMANENT JOB?

12 MS. PATTON: I HAVE A FEW INTERVIEWS
13 COMING UP, AND, HOPEFULLY -- YEAH, THEY WILL BE
14 PERMANENT -- THEY ARE PERMANENT POSITIONS. I AM
15 JUST PRETTY MUCH INTERVIEWING.

16 MS. RUDERT: OKAY. THANK YOU.

17 MS. MUCTHISON AND MR. JONES, ARE YOU
18 CURRENTLY OR HAVE YOU RECENTLY BEEN PARTICIPANTS
19 IN JOB TRAINING AT THE MAXINE WATERS EMPLOYMENT
20 PREPARATION CENTER?

21 MR. JONES: YES, MA'AM.

22 MS. MUCTHISON: YES, MA'AM.

23 MS. RUDERT: WHAT OCCUPATIONS ARE YOU
24 TRAINING FOR?

25 MS. MUCTHISON: WE ARE TRAINING IN THE

1 ELECTRONIC COMMUNICATIONS FIELD.

2 MS. RUDERT: AND IS THIS TRAINING
3 FUNDED BY THE FEDERAL PROGRAM, THE JOB TRAINING
4 PARTNERSHIP ACT, KNOWN AS THE JTPA?

5 MS. MUCTHISON: YES, IT IS.

6 MS. RUDERT: WHEN DID YOU BEGIN
7 TRAINING?

8 MS. MUCTHISON: WELL, I BEGAN TRAINING
9 IN OCTOBER OF '92.

10 MS. RUDERT: AND KENNY, MR. JONES?

11 MR. JONES: ALSO OCTOBER OF '92.

12 MS. RUDERT: MS. MUCTHISON, HOW LONG
13 DID YOU EXPECT YOUR TRAINING TO LAST?

14 MS. MUCTHISON: WELL, I WAS UNDER THE
15 IMPRESSION THAT IT WAS A HUNDRED HOUR COURSE, SO
16 ABOUT THAT -- MAYBE FOR THREE TO FOUR, MAYBE FIVE
17 MONTHS. AS IT TURNED OUT, IT HAS BECOME EXTENDED
18 TO A YEAR UNDER THE IMPRESSION OR -- WE WERE LED
19 TO BELIEVE THAT IF WE STAYED FOR A LONGER PERIOD
20 OF TIME, WE WOULD GET ADDITIONAL TRAINING IN OTHER
21 AREAS BESIDES JUST CABLE SPLICING, WHICH WOULD BE
22 RADIO COMMUNICATIONS. AND THAT NEVER DID
23 MATERIALIZE. IT HASN'T YET.

24 MS. RUDERT: AND, MR. JONES, HOW LONG
25 DID YOU EXPECT YOUR TRAINING TO LAST?

1 MR. JONES: FOR SIX MONTHS, ROUGHLY SIX
2 MONTHS. WELL, AFTER THE SIX MONTHS, IT GOT TO BE
3 WHERE THE INSTRUCTOR, OUR TEACHER, GOT STUCK ON
4 HIMSELF. AND IT WAS ONLY HIS REVIEWING -- HIS
5 REMINISCING ON HIS LIFE, WHAT HE HAD DID OUT THERE
6 IN HIS TRAINING BUT NOT IN THE CLASSROOM.

7 SO BASICALLY WHEN I ORIGINALLY JOINED,
8 IT WAS FOR SIX MONTHS. IT HAS BEEN OVER SIX
9 MONTHS, AND WE STILL ARE ON THE FIRST THING THAT
10 HE TALKED ABOUT THE FIRST MONTH WHEN I FIRST
11 JOINED. SEE, I WENT TO THE PROGRAM FOR SIX MONTHS
12 BEFORE I REALLY ACTUALLY ENROLLED IN IT BECAUSE
13 THAT'S THE INTEREST THAT I HAD IN THIS CLASS,
14 ELECTRONIC COMMUNICATIONS. I WAS DEEPLY INDEBTED
15 AND VERY LOYAL TO GOING THERE, AND, YOU KNOW, TO
16 GET SOME KIND OF TRAINING TO OBTAIN A TRADE
17 UP-TO-DATE.

18 MS. RUDERT: HAVE YOU ATTENDED CLASSES
19 CONTINUOUSLY THROUGHOUT YOUR TRAINING?

20 MR. JONES: I BEG YOUR PARDON?

21 MS. RUDERT: HAVE YOU ATTENDED CLASSES
22 CONTINUOUSLY THROUGHOUT YOUR TRAINING?

23 MR. JONES: TO THE POINT I SLEPT IN A
24 TRUCK ON THE STREET.

25 MS. MUCTHISON: AND I HAVE A REPLY TO

1 THAT, ALSO. ON A REGULAR BASIS, YES, I DID
2 ATTEND. THERE DID BECOME A POINT IN TIME THOUGH
3 THAT, I MUST SAY, I WAS GETTING VERY FRUSTRATED
4 WITH IT, AND I STAYED AWAY FOR ABOUT A MONTH. I
5 HAVE SINCE GONE BACK. BUT ON A CONTINUOUS BASIS
6 UNTIL I GOT FRUSTRATED, YES.

7 AS IT TURNS OUT UPON GOING BACK, YOU
8 FIND OUT THAT YOU DIDN'T MISS ANYTHING BECAUSE THE
9 SAME TOPIC IS STILL BEING COVERED. THE SAME
10 AREAS, YOU KNOW, ARE STILL THERE. THE TRAINING IS
11 STILL AS SHALLOW AS IT WAS WHEN YOU GOT IT.

12 MR. JONES: EXCUSE ME. MAY I SAY
13 SOMETHING?

14 MS. RUDERT: SURE.

15 MR. JONES: WE WAS LED TO BELIEVE THAT
16 THE COMPANIES OF AT&T, SPRINT, PAC BELL, NORTHERN
17 TEL WAS ALL IN A PARTNERSHIP WITH THE MAXINE
18 TRAINING PROGRAM AND --

19 MS. MUCTHISON: AND THEY WOULD SPONSOR
20 US AND STAND BEHIND US, AND THEY WOULD BE READY
21 AND WILLING TO HIRE US, YOU KNOW, PROVIDED, OF
22 COURSE, THAT THEY GOT THE CONTRACTS TO TAKE THIS
23 ON.

24 AND, IN FACT, SOME OF THESE COMPANIES
25 DID COME TO THE SCHOOL AND SPEAK WITH THE

1 STUDENTS. HOWEVER, THERE WAS NEVER ANY COMMITMENT
2 MADE BY THE COMPANIES TO ANY OF THE STUDENTS. IT
3 WAS ALWAYS A VERY VAGUE MAYBE TYPE OF SITUATION.
4 AND THEN ON THE OTHER HAND THE INSTRUCTOR LED US
5 TO BELIEVE THAT THERE WAS NOTHING "IFFY" ABOUT
6 THOSE PEOPLE COMING.

7 BUT COME TO FIND OUT, THERE HAS BEEN --
8 NO ONE HAS RECEIVED A JOB. AND, LIKE I SAID, THIS
9 IS -- I HAVE BEEN THERE SINCE OCTOBER. NOT ONE
10 PERSON HAS RECEIVED A JOB. NO ONE HAS TAKEN ANY
11 TESTS FOR PAC BELL, AT&T, SPRINT OR GTE OR
12 ANYTHING ELSE. I AM WAITING FOR THIS \$25 OR \$30
13 AN HOUR THAT WAS -- AND I CAN'T SAY "PROMISED"
14 BECAUSE IT'S NOT REALLY HIS RESPONSIBILITY, I
15 SUPPOSE, IF WE DON'T GET A JOB.

16 BUT I THINK REALLY WHAT UPSETS ME MOST
17 ABOUT THE PROGRAM IS THAT YOU ARE LED TO BELIEVE
18 ALL OF THESE GREAT POSSIBILITIES ARE OUT THERE FOR
19 YOU IF YOU JUST GO ON AND TAKE HEED TO WHAT HE IS
20 SAYING AND LEARN YOUR LESSON AND APPLY YOURSELF
21 FROM THAT SCHOOL. YOU REALLY THINK THERE IS GOING
22 TO BE SOME PAYOFF AT THE END OF THE RAINBOW.

23 AND COME TO FIND OUT THIS IS JUST
24 NOTHING BUT A BUNCH OF DISAPPOINTMENTS AND
25 REALLY -- REALLY A PACK OF LIES. AND THAT'S

1 REALLY -- IT'S REAL -- IT'S JUST REALLY
2 FRUSTRATING.

3 MR. JONES: EXCUSE ME. AND TO REALLY
4 MAKE IT MORE BLUNTLY, KAREN AND MYSELF HAD THE TWO
5 HIGHEST SCORES IN THE MAXINE WATERS SCHOOL AS OF
6 THIS TIME. OUR SCORES WERE THAT HIGH. THEY WERE
7 SO HIGH UNTIL THEY HAD PROMISED HER A JOB. AND
8 ALL SHE HAD TO DO IS GO TO THE DOCTOR AND GET A
9 T.B. TEST.

10 SHE WENT AND DID THAT, CAME BACK.
11 THERE WAS NO JOB. SEE, IT'S ALL A BIG FRONT, ALL
12 THIS TALK. BUT THEN WHEN IT COMES TO SHOW AND
13 TELL TO WHERE YOU WANT TO DO SOMETHING FOR
14 YOURSELF, REBUILD HERE L.A., IT DON'T GO LIKE
15 THAT. YOU GET PUSHED BACK.

16 MS. MUCTHISON: YEAH. YOU KNOW, AND
17 THERE'S NOTHING WRONG WITH RECEIVING THE TRAINING.
18 YOU KNOW, THERE'S NO ONE SAYING THAT THEY DON'T
19 WANT TO LEARN -- BECAUSE EVERYBODY'S THERE. AND
20 MOST OF THE STUDENTS THERE WERE THERE BECAUSE THEY
21 DID WANT TO BE TRAINED.

22 MR. JONES: AT THAT PARTICULAR TIME.

23 MS. MUCTHISON: BUT THEN -- I JUST
24 CAN'T UNDERSTAND THE BLATANT LIES. IT'S LIKE YOU
25 ARE JUST BEING STRUNG ALONG TO SOME UNKNOWN END.

1 AND THAT'S WHAT'S REALLY -- IT'S JUST REALLY
2 FRUSTRATING. AND IT DOESN'T HAVE TO BE THAT WAY.
3 IF THERE ISN'T A PARTNERSHIP, IF IT'S NOT A JOB
4 TRAINING PARTNERSHIP, DON'T REPRESENT IT AS SUCH.

5 MR. JONES: YEAH, DON'T SAY IT. BECAUSE
6 NOW -- WE WAS IN A CLASSROOM OF, LET'S SAY, OF
7 30 STUDENTS. WE WAS UP AT A QUOTA OF 30 STUDENTS.
8 WE ARE DOWN TO ABOUT A HANDFUL, 5. SO YOU CAN SEE
9 THE FRUSTRATION IN THAT CLASSROOM -- HOW EVERYBODY
10 JUST GOT TIRED OF BEING LIED TO, GOT TIRED OF
11 BEING PROMISED, GOT TIRED OF BEING MISLED.

12 AT ONE TIME -- JUST LIKE I SAID, I WENT
13 TO THAT SCHOOL FIVE MONTHS BEFORE I OFFICIALLY
14 JOINED IT. THAT'S HOW INTERESTED I WAS IN THE
15 PROGRAM. AFTER GETTING IN OFFICIALLY -- MORE
16 LIES, MORE DISAPPOINTMENTS.

17 NOW I DON'T WANT NOBODY TO
18 MISUNDERSTAND ME. THIS IS A GOOD PROGRAM, BUT
19 THERE'S A LOT OF CHANGES NEED TO BE MADE. AND IF
20 YOU DON'T, YOU ARE NOT GOING TO HAVE NO SCHOOL
21 BECAUSE PEOPLE ARE GOING TO KEEP DROPPING OUT
22 BECAUSE PEOPLE ARE TIRED OF BEING -- I DON'T WANT
23 TO SAY THAT WORD -- BUT "CRAPPING" AROUND.

24 MS. MUCTHISON: ONE MORE POINT. I
25 DON'T WANT TO TAKE UP TOO MUCH TIME, BUT WE HAVE

1 SO MUCH TO SAY. IT'S EVEN GOTTEN SO BAD -- AND
2 WHICH -- FIRST OF ALL, THE BLACK COMMUNITY AND
3 EVERY COMMUNITY NEEDS HELP -- OKAY -- SOME KIND OF
4 ASSISTANCE. SO IT'S NOT TO SAY THAT -- "WE'RE SO
5 DAMN OBJECTIVE, WE'RE SO DAMN OBJECTIVE, LET'S
6 WIPE IT OFF THE FACE OF THE EARTH." NO. SO DON'T
7 GET THAT IMPRESSION AT ALL.

8 I FORGOT WHAT I WAS GOING TO SAY.
9 WELL, ANYWAY, WE NEED IT. SO KEEP THAT IN MIND.
10 IT DOES NEED A LITTLE BIT MORE REGULATION.

11 MR. JONES: JUST LIKE I SAID, FIVE
12 MONTHS I WAS GOING TO IT BEFORE I ENROLLED.

13 I HAVE BEEN STABBED THREE TIMES, THREE
14 IN HERE AND ONCE ON THE SIDE, AND NOT ONCE DID
15 THAT SCHOOL TRY TO GIVE ME ANY KIND OF HELP. WITH
16 THIS WIDE OPEN, I STILL WENT TO SCHOOL ON A DAILY
17 BASIS AND WAS NOT LATE. THAT'S DETERMINATION.
18 ALL THIS WAS WIDE OPEN, AND I STILL WAS THERE.

19 MS. RUDERT: THANK YOU, KENNY. I AM
20 GOING TO ASK THE COMMISSIONERS IF THEY WOULD LIKE
21 TO QUESTION YOU NOW.

22 MR. WANG: COMMISSIONER REYNOSO?

23 MR. REYNOSO: YES. I TAKE IT FROM WHAT
24 YOU SAY THAT YOU CONSIDER THE SCHOOL AND THE
25 TRAINING THAT YOU GOT GOOD; IS THAT RIGHT?

1 MR. JONES: OH, YES. AS FAR AS THE
2 TRAINING -- YOU HAVE GOT TO GET SOMEBODY THAT CAN
3 TRAIN US. YOU DON'T HAVE -- THERE'S NO, AT THIS
4 PARTICULAR TIME -- A TEACHER OR AN INSTRUCTOR IN
5 THAT KIND OF COMMUNICATION. YOU DON'T HAVE THAT
6 THERE YET. YOU NEED TO HAVE SOMEBODY AND -- PUT
7 SOMEBODY IN THERE, SOMEBODY THAT IS NOT GOING TO
8 REMINISCE ON THEIR PAYMENT, TELL YOU ABOUT HOW
9 MUCH MONEY THEY MADE. NOBODY WANT TO HEAR THAT.
10 I WANT TO KNOW HOW MUCH MONEY I CAN GO OUT THERE
11 AND MAKE.

12 MR. REYNOSO: I MEANT IN TERMS OF THE
13 TRAINING. I TAKE IT THE CENTER IS TRYING TO TRAIN
14 YOU TO DO CERTAIN JOBS IN THE ELECTRONIC MEDIA,
15 APPARENTLY WITH THE TELEPHONE.

16 MS. MUCTHISON: YES.

17 MR. REYNOSO: DO YOU THINK THAT YOU
18 HAVE LEARNED HOW TO DO SOME OF THAT WORK?

19 MR. JONES: I LEARNED THAT MUCH JUST BY
20 HAVING A TELEPHONE MYSELF. WE WANT TO KNOW HOW TO
21 GO IN A MANHOLE, TO OPEN A MANHOLE AND CHECK FOR
22 GAS AND MAKE SURE THAT THE MANHOLE TOP IS NOT
23 GOING TO BUST YOU IN THE FACE.

24 MS. MUCTHISON: NO. I CAN ANSWER IT IN
25 A NUTSHELL, NO. DO I FEEL LIKE THE TRAINING HAS

1 BEEN ADEQUATE? NO, I DON'T. DO I FEEL LIKE
2 MAXINE WATERS SCHOOL NEEDS TO BE THERE? YES,
3 BECAUSE I AM SURE THAT THERE ARE SOME VERY
4 TALENTED AND GIFTED, CREATIVE TEACHERS IN THERE,
5 AND THERE ARE PUPILS COMING AWAY WITH SOMETHING.

6 IN OUR PARTICULAR INSTANCE, IT'S NOT
7 SO. IT'S JUST NOT SO. THE INSTRUCTOR TAKES YOU
8 TO A CERTAIN POINT, AND THEN YOU DON'T GO BEYOND
9 IT. YOU DON'T. SO ON THE WHOLE, I SUPPOSE -- I
10 CAN'T SPEAK FOR EVERYBODY THAT IS GETTING TRAINING
11 THERE, BUT IN MY EXPERIENCE WITH TWO CLASSES THAT
12 I HAVE BEEN IN, NO, I DON'T FEEL THAT THE TRAINING
13 HAS BEEN ADEQUATE. IN FACT, I HAVE BEEN VERY,
14 VERY DISAPPOINTED AND VERY DISILLUSIONED.

15 MR. JONES: I DON'T WANT NOBODY HERE TO
16 GET THE WRONG IMPRESSION. WE NEED THE SCHOOL IN
17 SOUTH CENTRAL. I AM JUST HERE JUST TELLING YOU
18 JUST THE SIMPLE TRUTH. PLEASE DON'T TAKE THE
19 SCHOOL. JUST GET SOMEBODY IN THERE THAT CAN RUN
20 IT LIKE A TRADE IS SUPPOSED TO BE RAN.

21 MR. REYNOSO: SO YOU ARE SAYING THAT
22 THE SCHOOL NEEDS TO BE THERE AND THAT SOME
23 PROGRAMS -- CERTAINLY WE HAVE ALREADY HEARD FROM
24 MS. PATTON THAT HER EXPERIENCE IS A GOOD ONE --
25 AND YOU ARE SAYING NO DOUBT OTHER PERSONS HAD GOOD

1 EXPERIENCES --

2 MS. MUCTHISON: WELL, ANYWAY, SHE
3 WASN'T ENROLLED IN THE MAXINE WATERS PROGRAM. SHE
4 WAS UP UNDER THE URBAN LEAGUE, AND I AM SURE THE
5 URBAN LEAGUE IS A TOTALLY DIFFERENT PROGRAM. SO I
6 DON'T KNOW. THE TWO CAN'T BE COMPARED.

7 MR. JONES: I KNOW, AND THEY ARE TOO
8 DIFFERENT.

9 MR. REYNOSO: BUT AS I HEARD YOU, ONE
10 OF YOUR MAIN CONCERNS WAS THAT EVEN IF YOU HAD HAD
11 GOOD TRAINING, YOU WEREN'T SURE THAT YOU WOULD
12 ACTUALLY HAVE A JOB WAITING FOR YOU.

13 MS. MUCTHISON: OH, YOU ARE ABSOLUTELY
14 RIGHT.

15 MR. JONES: YOU ARE ABSOLUTELY RIGHT.

16 MS. MUCTHISON: YOU ARE ABSOLUTELY
17 RIGHT. FIRST OF ALL, IN THE ELECTRONIC
18 COMMUNICATIONS FIELD, YOU NEED -- AND LET ME TELL
19 YOU -- WE ARE VERY POOR. WE RECEIVE GENERAL
20 RELIEF ASSISTANCE AND FOOD STAMPS. WE BARELY HAVE
21 ENOUGH TO COVER THE RENT AND TO BUY OUR FOOD.

22 MR. REYNOSO: WHAT IS GENERAL
23 ASSISTANCE AT THIS TIME?

24 MR. JONES: GENERAL AID.

25 MR. REYNOSO: IN LOS ANGELES COUNTY,

1 WHAT IS THAT NOW?

2 MS. MUCTHISON: IT IS \$315 A MONTH AND
3 \$111 WORTH OF FOOD STAMPS, SO THAT IS NOT VERY
4 MUCH.

5 MR. JONES: FOR TWO PEOPLE.

6 MS. MUCTHISON: RIGHT.

7 MR. REYNOSO: RIGHT.

8 MS. MUCTHISON: AS FAR AS IF WE HAD
9 RECEIVED EXCELLENT TRAINING, DO I FEEL LIKE WE
10 WOULD HAVE BEEN READY AND PREPARED TO GO OUT AND
11 GET A JOB? NO. THERE IS NO WAY. YOU NEED A
12 TRUCK OR AT LEAST A CAR. WHICH I DON'T -- YOU
13 NEED THE TOOLS. TOOLS ARE GOING TO COST YOU
14 \$1,500. AND THIS IS JUST TO GET STARTED ON A
15 BASIC JOB.

16 A LOT OF TIMES -- ESPECIALLY THIS IS A
17 RECESSIONARY TIME -- PEOPLE CAN PICK AND CHOOSE
18 WHO THEY WANT TO WORK. WHY SHOULD THEY PICK
19 SOMEBODY -- "WHAT, YOU HAVE NO EXPERIENCE?"

20 AND THEN I SAID, "WELL, MY INSTRUCTOR
21 SO AND SO TOLD ME HERE." THE INSTRUCTOR HAS DONE
22 SOME THINGS WITH THESE COMPANIES THAT IF I GO IN
23 THERE AND SAY, "WELL, I'M FROM HIM," THEY'RE GOING
24 TO TURN ME DOWN, TOO, BECAUSE OF SOME ROTTEN
25 THINGS THAT HE HAS DONE TO THE COMPANY. SO, NO, I

1 DON'T EXPECT TO GET A JOB OUT OF THAT AT ALL,
2 BECAUSE YOU NEED THE TOOLS, YOU NEED THE TRUCKS,
3 UNLESS, OF COURSE -- BECAUSE HE PRESSES THE
4 ENTREPRENEURSHIP END OF IT.

5 YOU KNOW, "GO OUT AND DO IT YOURSELF.
6 GO OUT AND DO IT YOURSELF. GO OUT AND DO IT
7 YOURSELF." WHICH IS FINE, IF I HAD THE TRUCK AND
8 TOOLS TO GO OUT AND DO IT MYSELF. THAT'S
9 WONDERFUL.

10 AND THEN IF YOU GO TO APPLY FOR LIKE A
11 COMPANY LIKE PAC BELL WHICH HAS AN 80 PERCENT
12 FAILURE RATE -- OF EVERYBODY WHO TAKES THE TEST,
13 80 PERCENT FAIL -- SO IF YOU DO GET A JOB WITH A
14 COMPANY, THEN THAT'S WONDERFUL BECAUSE THEN YOU
15 HAVE YOUR TRUCK AND TOOLS, BUT THEN YOU DON'T GET
16 GOOD PAY.

17 I MEAN HE WAS PROMISING \$25, \$30 AN
18 HOUR. AND NOW HE'S TALKING PAC BELL -- \$9 AN
19 HOUR. WELL, THAT'S A BIG JUMP.

20 MR. JONES: AND NOT ONLY THAT, HE CAME
21 AT ONE POINT SAYING THIS LADY WAS GOING TO SPONSOR
22 US WITH A TRUCK AND TOOLS. THIS IS ONLY IN HIS
23 IMAGINATION, SOMETHING HE IMAGINED. BUT HE
24 CLAIMED HE TALKED TO THE LADY ON THE PHONE AND THE
25 LADY SAID SHE WOULD TAKE SO MANY STUDENTS AND FUND

1 THEM AND ALL THAT. THAT DIDN'T HAPPEN. NONE OF
2 THAT TRANSPIRED.

3 MS. MUCTHISON: AND, AGAIN, I HAVE TO
4 EMPHASIZE THIS AGAIN. YOU KNOW, IT'S GOOD TO GET
5 THE TRAINING, AND IT'S GOOD THAT THAT PROGRAM IS
6 HERE, AND THEY DO HELP US OUT WITH A LITTLE
7 STIPEND FOR FOOD AND A LITTLE STIPEND FOR
8 TRANSPORTATION WHICH -- WE HAD TO REALLY RAISE
9 SAND IN ORDER TO GET THAT, TOO.

10 MR. JONES: EXCUSE ME A SECOND. YES,
11 THEY GIVE YOU FOOD EVERY TWO WEEKS. BUT ME AND
12 THIS WOMAN HERE HAVE BEEN IN A TRASH CAN JUST TO
13 KEEP OURSELVES GOING TO SCHOOL. THAT'S HOW
14 DEDICATED AND LOYAL WE ARE ABOUT THAT PROGRAM, AND
15 THAT'S HOW SERIOUS WE ARE.

16 MS. MUCTHISON: AND THE ONLY THING THAT
17 I HAVE TO SAY, "JUST DON'T LIKE WAVE CARROTS IN
18 FRONT OF PEOPLE." THAT'S NOT RIGHT. YOU KNOW, IF
19 THE JOBS AREN'T THERE, THEN DON'T TRY TO REPRESENT
20 THAT THEY ARE THERE. SAY WHAT'S REAL.

21 I'M UNDER THE IMPRESSION BECAUSE IT'S
22 THE JOB PARTNERSHIP TRAINING ACT THAT THERE IS
23 GOING TO BE A JOB FOR ME WHEN I GET OUT BECAUSE
24 I'M THINKING THAT THE TWO ARE WORKING IN TANDEM,
25 AND COME TO FIND OUT THAT EVERYTHING IS JUST A

1 PIPE DREAM.

2 MR. JONES: I KNOW THEY DON'T WORK
3 TOGETHER.

4 MS. MUCTHISON: IT'S JUST A PIPE DREAM.
5 AND THAT REALLY, REALLY DEMORALIZES YOU.

6 MR. REYNOSO: THANK YOU VERY MUCH.

7 MR. WANG: COMMISSIONER REDENBAUGH?

8 MR. REDENBAUGH: NO QUESTIONS.

9 MR. WANG: JUST ONE MORE QUESTION. HOW
10 LONG HAS THIS MAXINE WATERS PROGRAM BEEN IN
11 EXISTENCE?

12 MS. MUCTHISON: THIS ELECTRONIC
13 COMMUNICATIONS CLASS HAS JUST STARTED THIS YEAR.

14 MR. JONES: BUT TO ANSWER YOUR
15 QUESTION, I WOULD SAY ABOUT 20 YEARS.

16 MS. MUCTHISON: THE ACTUAL SCHOOL?

17 MR. WANG: THE ACTUAL SCHOOL.

18 MS. MUCTHISON: RIGHT, ABOUT 20 YEARS.

19 MR. JONES: ABOUT 20 YEARS.

20 MR. WANG: SO THEY HAVE ACTUALLY
21 TRAINED MANY, MANY PEOPLE; RIGHT?

22 MS. MUCTHISON: YES, THEY HAVE TRAINED
23 QUITE A FEW PEOPLE. WE ARE JUST TALKING ABOUT --
24 AND I DID SAY THIS EARLIER -- THAT I'M SURE THERE
25 ARE PEOPLE COMING IN THAT'S GETTING EXCELLENT

1 TRAINING AND GETTING JOBS, AND THEY ARE GETTING
2 HELP.

3 IT'S JUST MY EXPERIENCE WITH THE TWO
4 CLASSES THAT I HAVE BEEN IN, I HAVE BEEN MISLED
5 AND DISILLUSIONED. AND, IN FACT, I WILL GO
6 FURTHER THAN THAT. I HAVE JUST BEEN STRAIGHT OUT
7 LIED TO. AND I DON'T THINK THERE IS ANY REASON
8 FOR THAT.

9 MR. WANG: AND HOW LARGE IS THE TOTAL
10 STUDENT BODY IN THE TRAINING PROGRAM?

11 MS. MUCTHISON: ALL OF THEM?

12 MR. WANG: RIGHT.

13 MS. MUCTHISON: I WOULD SAY -- I WOULD
14 SAY, I GUESS, 2,000 STUDENTS. I MEAN I REALLY
15 DON'T KNOW.

16 MR. JONES: EXCUSE ME. - YES, THERE'S
17 PEOPLE WHO HAVE GRADUATED OUT OF THAT SCHOOL. BUT
18 THEY GRADUATED UP UNDER -- I'M TRYING TO USE THE
19 RIGHT WORD -- FALSE -- OKAY -- THEY PROMISED THEM,
20 THE PEOPLE THEY HAD THERE, "YOU ARE GOING TO GET
21 \$20 AN HOUR."

22 BUT WHEN IT FINALLY GO DOWN, WHEN THEY
23 WALK OUT AND GO ACROSS THE STREET AND ACTUALLY PUT
24 IN APPLICATION, THEY'RE DOWN TO MINIMUM WAGE -- IF
25 ANYTHING, \$8 AT THE MOST. BUT THEY HAVE BEEN

1 PROMISED THIS HERE. THEY HAVE BEEN PROMISING
2 THAT. BUT THE PEOPLE THERE ARE SO HUNGRY, AND
3 THEY'VE COMPLETED THE COURSE AND ARE TIRED OF
4 GETTING PLAYED AROUND WITH -- THEY WILL TAKE THAT.
5 SO PEOPLE HAVE GRADUATED. BUT IT HASN'T BEEN WHAT
6 THEY WAS PROMISED. IT DIDN'T COME THROUGH.

7 MR. WANG: I DON'T THINK ANYONE CAN
8 PROMISE YOU ANYTHING. USUALLY --

9 MR. JONES: THEY DO THIS REGULARLY.
10 THEY DO THIS ON A REGULAR BASIS.

11 MR. WANG: USUALLY THEY SAY "THE
12 POTENTIAL. THE POTENTIAL IS IF YOU CAN REALLY GET
13 INTO THIS, YOU CAN EARN \$100 AN HOUR."

14 MS. MUCTHISON: OKAY, NO. I'M SORRY TO
15 CUT YOU OFF, BUT, YES, THERE HAVE BEEN PROMISES
16 MADE TO THE POINT THAT I HAVE HEARD STUDENTS SAY
17 THAT THEY WERE THINKING ABOUT TRYING TO SUE THE
18 SCHOOL FOR MAKING PROMISES TO THEM AND THEN NOT
19 FILLING -- NOT COMING THROUGH WITH IT, NOT
20 FULFILLING IT.

21 I DON'T KNOW IF THAT IS A VALID LAWSUIT
22 OR NOT. I WAS TALKING TO THE PRINCIPAL OF THE
23 SCHOOL ABOUT IT. AND HE KIND OF SAID, "IT'S NOT
24 VALID, IT'S NOT VALID." BUT FOR STUDENTS TO GET
25 TO THAT POINT WHERE THEY FEEL LIKE THEY HAVE TO GO

1 AND GET A LAWSUIT, THAT'S PRETTY SERIOUS.

2 MR. WANG: I AM NOT QUESTIONING YOU
3 ABOUT WHAT YOU ARE SAYING. BUT THE LAW BASICALLY
4 SAYS, IF I UNDERSTAND IT CORRECTLY, THAT YOUR
5 SALARY AFTER TRAINING ONLY NEEDS TO BE 20 PERCENT
6 ABOVE MINIMUM WAGE.

7 MS. MUCTHISON: NO, SEE, NO ONE HAS
8 EVER TOLD US THAT.

9 MR. WANG: THAT IS JTPA LAW. SO I
10 DON'T THINK THE SPONSOR WANTS TO PROMISE YOU \$20
11 WHEN THEY ONLY NEED TO IN A SENSE HELP YOU TO FIND
12 A JOB 20 PERCENT ABOVE MINIMUM WAGE AND THEY WILL
13 DO THEIR BEST TO DO THAT. WHY SHOULD THEY GET
14 THEMSELVES INTO SUCH A JAM BY PROMISING YOU \$20 AN
15 HOUR WHICH WILL GET YOU FRUSTRATED?

16 MS. MUCTHISON: THAT'S A GOOD POINT. I
17 DON'T KNOW EITHER. THIS IS THE FIRST TIME THAT I
18 HAVE HEARD OF IT -- IT'S ONLY SUPPOSED TO BE
19 20 PERCENT ABOVE THE MINIMUM WAGE. THIS IS THE
20 FIRST TIME I'VE -- NO ONE HAS EVER SAID -- AND I'M
21 SURE NONE OF THE STUDENTS AT THE SCHOOL KNOW THAT
22 BECAUSE THIS IS THE FIRST TIME I HAVE HEARD IT.

23 MR. WANG: WE WILL LOOK INTO THIS.

24 MR. JONES: PLEASE LOOK INTO IT BECAUSE
25 THEN YOU WILL FIND OUT THAT THEIR PROMISE WAS \$30

1 AN HOUR. THEY HAD THAT TO WHERE AT ONE POINT --

2 MS. MUCTHISON: I WAS BELIEVING I WAS
3 GOING TO GET IT AT ONE POINT.

4 MR. JONES: AND TO THE POINT OF BEING
5 MORE HONEST WITH YOU, WHEN SHE USED TO COME HOME,
6 I COULDN'T SEE NOTHING BUT DOLLAR SIGNS LOOKING AT
7 HER.

8 MR. WANG: WE WISH YOU LUCK.

9 MS. PATTON, I HOPE YOU FIND A GOOD JOB.

10 AND I HOPE YOU, MS. MUCTHISON AND
11 MR. JONES, WILL CONTINUE WITH THE PROGRAM.

12 THE NEXT GROUP WILL BE A GROUP OF
13 TRAINING PROVIDERS AND PROGRAM ADMINISTRATORS WHO
14 WILL PERHAPS CLARIFY SOME OF THE POINTS THAT JUST
15 WERE MADE HERE.

16 COUNSEL, WOULD YOU INVITE THOSE WHO
17 ARE SUPPOSED TO COME UP?

18 MR. GLICK: VERY WELL, COMMISSIONER.
19 WE HAVE SOPHIA ESPARZA, THE CHICANA SERVICE ACTION
20 CENTER; LOU DANTZLER, DIRECTOR OF CHALLENGERS BOYS
21 AND GIRLS CLUBS; SUSAN CLEERE FLORES, DIRECTOR OF
22 THE YOUTH AND EMPLOYMENT SERVICES DIVISION, AND
23 THE COMMUNITY DEVELOPMENT DEPARTMENT OF THE CITY
24 OF LOS ANGELES; AND VIRGIL ROBERTS OF DICK GRIFFEY
25 PRODUCTIONS.

1 MR. WANG: I WOULD LIKE TO ASK YOU TO
2 REMAIN STANDING WHILE I SWEAR YOU IN. YOU CAN
3 RAISE YOUR RIGHT HAND.

4 DO YOU SWEAR OR AFFIRM THAT YOU WILL
5 TRUTHFULLY TESTIFY TO THE BEST OF YOUR ABILITIES?

6 (ALL PANELISTS RESPONDED IN THE
7 AFFIRMATIVE.)

8 MR. WANG: THANK YOU VERY MUCH.

9 PLEASE BE SEATED AND WELCOME TO
10 PARTICIPATE IN THIS HEARING. AND I WOULD ASK
11 COUNSEL TO PROCEED WITH THE QUESTIONING.

12 MS. RUDERT: THANK YOU. I WILL BEGIN
13 WITH MS. ESPARZA.

14 MS. ESPARZA, AS DIRECTOR OF THE CHICANA
15 SERVICE ACTION CENTER, COULD YOU DESCRIBE FOR US
16 WHERE THE CENTER IS LOCATED, WHAT IT DOES, AND
17 WHAT IT IS?

18 MS. ESPARZA: THE CHICANA SERVICE
19 ACTION CENTER IS A COMPREHENSIVE WOMEN'S CENTER
20 WHERE WE PROVIDE HUMAN SERVICES. OUR
21 ADMINISTRATIVE OFFICE IS LOCATED AT 134 EAST FIRST
22 STREET, WHICH IS DIRECTLY ACROSS THE STREET FROM
23 CITY HALL, BUT WE HAVE A TOTAL OF 18 ADDITIONAL
24 FACILITIES THAT PROVIDE NOT JUST EMPLOYMENT AND
25 TRAINING, BUT SHELTERS FOR THE HOMELESS.

1 DOMESTICALLY, WE OPERATE SHELTERS FOR DOMESTIC
2 VIOLENCE, WE HAVE GENDER/ETHNIC PROJECTS, WOMEN IN
3 NONTRADITIONAL PROGRAMS, A CHILD CARE CENTER. SO
4 IT IS COMPREHENSIVE IN A SENSE.

5 MS. RUDERT: AND HOW LONG HAS IT
6 EXISTED?

7 MS. ESPARZA: WE ARE CELEBRATING OUR
8 23RD YEAR IN EXISTENCE.

9 MS. RUDERT: WE UNDERSTAND THAT THE
10 CENTER OPERATES JTPA TRAINING PROGRAMS UNDER
11 CONTRACTS TO BOTH THE CITY AND COUNTY OF
12 LOS ANGELES; IS THAT CORRECT?

13 MS. ESPARZA: YES, IT IS.

14 MS. RUDERT: HOW MUCH OF THE CENTER'S
15 BUDGET IS FUNDED THROUGH THE JTPA PROGRAM?

16 MS. ESPARZA: I WOULD PROBABLY SAY THAT
17 ABOUT 65 PERCENT OF OUR OPERATION IN TOTAL IS
18 THROUGH JTPA.

19 MS. RUDERT: AND APPROXIMATELY HOW
20 MANY PEOPLE DOES THE CHICANA SERVICE ACTION CENTER
21 PLACE IN JOBS IN A PROGRAM A YEAR AS A RESULT OF
22 THE JTPA PROGRAM?

23 MS. ESPARZA: OUR AGGREGATE PROGRAM IN
24 TOTAL PROBABLY PLACES ABOUT 420 PEOPLE IN
25 EMPLOYMENT PER YEAR.

1 MS. RUDERT: MS. ESPARZA, IN YOUR
2 EXPERIENCE, HOW MUCH MUST A WELFARE MOTHER EARN TO
3 REPLACE THE AFDC BENEFIT SHE LOSES WHEN SHE
4 BECOMES EMPLOYED?

5 MS. ESPARZA: WELL, I THINK IN TERMS
6 OF -- IT HAS TO BE ANYWHERE BETWEEN -- A MINIMUM
7 BETWEEN \$9.50 PER HOUR TO \$11.00 PER HOUR. AND
8 THAT IS CONTINGENT ON WHETHER SHE RECEIVES -- OR
9 AN AFDC PERSON IS RECEIVING GRANT SUBSIDIES, IF
10 THEY ARE RECEIVING FOOD STAMPS AND MEDI-CAL, IF IT
11 WERE JUST A STRAIGHT GRANT -- AND RIGHT NOW THE
12 STATE OF CALIFORNIA IS REVISITING ITS PAYMENT
13 SCHEDULE -- BUT AT MINIMUM \$9.50 AND AT MAXIMUM
14 \$11.00.

15 MS. RUDERT: I AM GOING TO ASK THE
16 COMMISSIONERS TO CONTINUE QUESTIONING YOU AT THIS
17 POINT, AND I MAY RETURN TO QUESTIONING YOU LATER.

18 MR. WANG: COMMISSIONER REDENBAUGH?

19 MR. REDENBAUGH: THANK YOU.

20 IF I UNDERSTAND WHAT YOU ARE SAYING,
21 THEN, A PERSON WHO IS IN THE AFDC PROGRAM MUST
22 EARN, LET'S SAY, \$10.00 AN HOUR TO HAVE THE SAME
23 AFTER TAX EQUIVALENT AS IF SHE WERE NOT WORKING?

24 MS. ESPARZA: THAT IS CORRECT. BECAUSE
25 YOU NEED TO FACTOR IN THE MEDICAL BENEFITS THAT

1 MAY OR MAY NOT BE ASSOCIATED. YOU MAY HAVE AN
2 EMPLOYER WHO MAY PROVIDE THE INSURANCE FOR THE
3 EMPLOYEE. THEY MAY NOT PROVIDE THE INSURANCE FOR
4 THE CHILDREN THAT ARE PRESENTLY RECEIVING IT
5 THROUGH AFDC, THROUGH MEDI-CAL. YOU HAVE THE FOOD
6 SUBSIDY WHICH ALLOWS HER TO PURCHASE, WHICH MAY
7 NOT BE A CASH AWARD BUT DEFRAYS THAT COST. AND IN
8 ADDITION TO WHICH, IN SOME SITUATIONS, YOU HAVE
9 RENTAL ASSISTANCE OR SOME TYPE OF OTHER BENEFITS
10 THAT ARE ASSOCIATED WITH THAT PARTICIPANT.

11 MR. REDENBAUGH: I ACCEPT YOUR
12 CALCULATION. I WANT TO PURSUE IT A LITTLE
13 FURTHER, THOUGH. THEN, IN EFFECT, THAT PERSON IS
14 PAYING A HUNDRED PERCENT TAX, THAT IS, THEY NEED
15 TO WORK 40 HOURS A WEEK PLUS TRANSFER TIME, AND IN
16 EXCHANGE FOR THAT, THEY ARE NO BETTER OFF IN TERMS
17 OF MONEY THAN IF THEY DIDN'T WORK.

18 MS. ESPARZA: THAT'S CORRECT.

19 MR. REDENBAUGH: AND I PRESUME THAT
20 THERE IS NOT AN OVERABUNDANCE OF \$10.00 AND \$11.00
21 AN HOUR JOBS?

22 MS. ESPARZA: THAT IS CORRECT.

23 MR. REDENBAUGH: ISN'T THIS TERRIBLY
24 DISCOURAGING?

25 MS. ESPARZA: WELL, I THINK IT WOULD BE

1 IF YOU WERE ONLY LOOKING AT THE PUBLIC ASSISTANCE
2 POPULATION WHO MIGHT BE ON AFDC. BUT JTPA SERVES
3 A NUMBER OF PEOPLE WHO ARE NOT JUST ON AFDC. YOU
4 HAVE PERSONS WHO MAY BE ON GENERAL RELIEF, PEOPLE
5 WHO MAY BE ON UNEMPLOYMENT INSURANCE BENEFITS,
6 PERSONS WHO MAY HAVE ABSOLUTELY NO TYPE OF OTHER
7 TYPE OF PUBLIC ASSISTANCE WHERE THE \$10.00 AN HOUR
8 AVERAGE WAGE OF PLACEMENT WOULD NOT NECESSARILY BE
9 A FACTOR.

10 MR. REDENBAUGH: BUT IF WE COULD JUST
11 CONFINE OURSELVES TO THE AFDC POPULATION, DOESN'T
12 IT MAKE IT VERY DIFFICULT FOR PEOPLE TO TRANSITION
13 FROM THAT PROGRAM TO WORKING?

14 MS. ESPARZA: IT IS VERY DIFFICULT.
15 THERE IS ALMOST A BUILT-IN DISINCENTIVE THROUGH
16 THE AFDC PROGRAM TO GET THEM TO WORK.

17 MR. REDENBAUGH: TO ME, IT WOULD LOOK
18 MORE LIKE A COMPLETE PROHIBITION THAN IT IS AN
19 INCENTIVE. IT WOULD TAKE AN UNUSUAL PERSON TO DO
20 THAT. WOULD YOU RECOMMEND, FOR EXAMPLE, THAT THE
21 AFDC BENEFITS BE PHASED OUT RATHER THAN DROPPED
22 OUT?

23 MS. ESPARZA: YES. THE DISCUSSION HAS
24 BEEN THAT PERHAPS IN ORDER TO MOVE PERSONS INTO
25 FULL-TIME GAINFUL EMPLOYMENT THAT THE ENTRY LEVEL

1 POINT OF \$10 AN HOUR WOULD NEED TO BEGIN TO BE
2 PHASED OUT AS THAT PERSON MOVED UP THE CAREER
3 LADDER IN ORDER TO MAKE IT COST EFFECTIVE FOR THAT
4 PERSON TO WANT TO WORK EVEN IF IT WEREN'T TO
5 COMPENSATE FOR WHATEVER THE DIFFERENTIAL MIGHT BE
6 WITH THE JOB.

7 MR. REDENBAUGH: MY PERSONAL BELIEF IS
8 THAT THERE IS SOMETHING VERY MORALLY WRONG WITH
9 PREVENTING PEOPLE FROM WORKING.

10 THAT IS THE ONLY QUESTION I HAVE. I
11 WOULD LIKE TO PERHAPS COME BACK.

12 MR. WANG: THANK YOU, COMMISSIONER
13 REDENBAUGH.

14 MR. REYNOSO?

15 MR. REYNOSO: NO.

16 MR. WANG: MR. ANDERSON?

17 MR. ANDERSON: NO.

18 MR. WANG: JUST TO CONCLUDE THIS PART
19 OF THE QUESTIONS, MS. ESPARZA, WOULD YOU SAY THAT
20 IF THE BENEFIT CAN REALLY BE CARRIED OVER A PERIOD
21 OF TIME ALLOWING THE PERSON TO CONTINUE TO WORK
22 AND THEN PROGRESS TO A POINT WHERE THE PERSON
23 WOULD HAVE SUFFICIENT INCOME FROM THE JOB TO COVER
24 ALL THE EXPENSES AND BECAUSE IT MAY NOT BE OF
25 BENEFIT ANYMORE, HOW LONG A PERIOD DO YOU THINK IT

1 WOULD BE? THE YOUNG LADY SAID SHE WOULD HOPE THAT
2 WITHIN TWO YEARS --

3 MS. ESPARZA: WELL, IT REALLY VARIES.
4 IT VARIES BASED ON THE NUMBER OF CHILDREN THAT A
5 PERSON MAY HAVE, IT VARIES ON THE AGES OF THE
6 CHILDREN THAT THEY WOULD HAVE IN TERMS OF BEING
7 ABLE TO EFFECTIVELY DEAL WITH MEDICAL/HEALTH
8 COVERAGE, PERHAPS CHILD CARE. IT MEANS
9 STABILIZING A PERSON IN TOTAL TO MOVE THEM TOWARD
10 PERMANENT SELF-SUFFICIENCY. AND THAT REALLY IS A
11 CASE-BY-CASE ISSUE.

12 THERE IS NO MAGICAL POINT THAT YOU
13 COULD SAY THAT IT WOULD BE A YEAR, TWO YEARS, EVEN
14 FIVE YEARS. BUT IT WOULD SEEM TO ME THAT A
15 LEVERAGING OF RESOURCES IN TERMS OF THE PERSON
16 WORKING AND LEVERAGING PART OF THE GRANT AWARD
17 THAT THEY ARE RECEIVING MIGHT BE A MORE COST
18 EFFECTIVE WAY FOR US TO MOVE PERSONS TOWARD
19 EMPLOYMENT.

20 AND I HAVE TO ADD THAT PART OF THE
21 BENEFIT IN TERMS OF MOVING A PERSON TOWARD
22 EMPLOYMENT IS IT IS NOT JUST THE WAGE THAT THEY
23 INITIALLY GAIN BUT ALSO THE EXPERIENCE THAT THEY
24 NEED TO HAVE IN ORDER TO BE ABLE TO MOVE UP THE
25 CAREER LADDER. AND I THINK THAT IS REALLY

1 IMPORTANT AND OFTEN OVERLOOKED AND MISSED.

2 I CAN GIVE YOU EXAMPLES OF NUMEROUS
3 PEOPLE WHO HAVE COME THROUGH OUR ORGANIZATION WHO
4 WERE AFDC PERSONS WHO STARTED OFF AS PERHAPS CLERK
5 TYPISTS OR RECEPTIONISTS IN A SMALL OFFICE AND
6 EVENTUALLY MOVED UP TO BECOMING THE OFFICE MANAGER
7 IN AN INSURANCE COMPANY, AND WE HAVE THOSE SUCCESS
8 STORIES. BUT IT IS A MATTER OF TRANSITIONING AND
9 GIVING THAT PERSON THE FULL SUPPORT THAT THEY NEED
10 TO HAVE.

11 MR. WANG: IS IT ANY DIFFERENT TO RUN A
12 PROGRAM IN SOUTH CENTRAL THAN ANY OTHER PART OF
13 THE CITY?

14 MS. ESPARZA: WELL, THERE ARE
15 INHERENTLY MORE DIFFICULT PROBLEMS IN TERMS OF
16 OPERATIONS. THERE ARE OPERATIONAL OVERHEAD COSTS
17 THAT ARE A LITTLE MORE DIFFICULT IN TERMS OF
18 PROVIDING SERVICE IN SOUTH CENTRAL.

19 FIRST OF ALL, IT IS FINDING AT THIS
20 POINT IN TIME TODAY, AND TODAY -- EVEN PRIOR TO
21 OUR CIVIL UNREST SITUATION, IT WAS DIFFICULT TO
22 FIND SPACE. BUT NOW PRESENTLY WITH RESPECT TO SO
23 MANY BUILDINGS NOT BEING THERE, YOU CAN'T FIND A
24 BUILDING. YOU CAN'T FIND SPACE.

25 IF YOU DO MOVE IN THERE, YOU HAVE THE

1 ADDITIONAL PROBLEMS IN TERMS OF RECEIVING
2 INSURANCE COVERAGE AND BEING ABLE TO MEET IN
3 COMPLIANCE WITH THE JTPA REGULATIONS, THE PRESENT
4 ONES AND SOME OF THE PROPOSED NEW AMENDED ONES
5 THAT ARE GOING TO CALL FOR A NUMBER OF FACTORS --
6 IF YOU CAN EVEN GET AN INSURANCE CARRIER WHO IS
7 WILLING TO INSURE YOU TO DO THAT.

8 ALSO, IT IS DIFFICULT TO FIND -- AND BY
9 "INSURANCE CARRIER," I AM NOT JUST TALKING ABOUT
10 LIABILITY INSURANCE. I AM ALSO TALKING ABOUT A
11 WORKERS' COMPENSATION INSURANCE CARRIER WHO IS
12 WILLING TO FUND YOU OFF YOUR OPERATION IN TERMS OF
13 ALLOWING YOUR STAFF TO OPERATE FROM THAT AREA
14 BECAUSE THEY FEEL THAT IT IS A SIGNIFICANTLY MORE
15 INHERENT -- AN INHERENTLY HIGHER CRIME AREA, AND
16 THEY JUST DON'T WANT TO DEAL WITH IT.

17 AT PRESENT SOME -- I GUESS IT WAS ABOUT
18 TWO WEEKS AGO, MAYBE A MONTH AGO, THERE WERE
19 NOTICES THAT WERE SENT OUT TO A VAST NUMBER OF
20 BUSINESSES IN THE SOUTH CENTRAL AREA TO BUSINESS
21 OWNERS WHERE THE INSURANCE JUST SAID, "COME. YOU
22 ARE AT TERM. WE ARE NOT GOING TO INSURE YOU
23 ANYMORE."

24 SO AS AN OPERATOR, YOU HAVE TO
25 UNDERSTAND THOSE PROBLEMS.

1 MR. WANG: WHAT CAN WE DO?

2 MS. ESPARZA: I THINK THAT SERVICE TO
3 THAT AREA, AS I CAN SEE IT, HAS NOT NECESSARILY
4 BEEN A PROBLEM IN TERMS OF OUR BEING ABLE TO REACH
5 AND SERVICE THAT COMMUNITY. THERE ARE OBVIOUS
6 PROBLEMS AS WELL IN TERMS OF SERVING THAT
7 COMMUNITY AND BEING IN THERE, AND ONE OF THE
8 ISSUES IS TRANSPORTATION.

9 AT YOUR EARLIER PANEL YOU HAD, THERE
10 WERE DISCUSSIONS ABOUT WHETHER WE HAD ADEQUATE
11 SERVICE OR BUS SERVICE. THAT PARTICULAR AREA OF
12 TOWN HAS VERY POOR BUS SERVICE, SO ACCESS IN THAT
13 AREA MAY BE MORE DIFFICULT THAN IF YOU OPERATE IN
14 ANY OTHER AREAS.

15 WHAT ARE THE SOLUTIONS? I THINK
16 THAT -- OUR ORGANIZATION IS PRESENTLY NOT LOCATED
17 IN THE SOUTH CENTRAL L.A. AREA. BUT WE SERVICE
18 22 PERCENT OF OUR POPULATION WHO ARE CITY CONTRACT
19 OUT OF SOUTH CENTRAL, AND WE HAVE TO FIND WAYS BY
20 WHICH TO DO IT, AND THAT IS TO ACTUALLY GO IN AND
21 BUS THESE PEOPLE OUT OURSELVES, CO-LOCATING IN AN
22 ADJACENT -- RIGHT ON THE BORDER AREA, HAVING TO
23 LOOK AT NEW AND DYNAMIC APPROACHES IN TERMS OF
24 REACHING THAT POPULATION IN GETTING SERVICES.

25 MR. WANG: WE WILL COME BACK TO THIS.

1 COUNSEL, PLEASE PROCEED.

2 MS. RUDERT: MS. ESPARZA, IN YOUR VIEW,
3 DO THE HISPANIC AND AFRICAN AMERICAN AND ASIAN
4 COMMUNITIES EACH RECEIVE THEIR FAIR SHARE OF JTPA
5 SERVICES?

6 MS. ESPARZA: NO, I DON'T FEEL THAT
7 THEY DO. I THINK THAT THERE MAY BE -- AND I THINK
8 YOU ARE TALKING ABOUT TWO ISSUES. IN TERMS OF THE
9 LATINO COMMUNITY, I KNOW THAT WE HAVE AN
10 UNDERSERVICE IN THAT COMMUNITY, AND WE ALSO HAVE
11 AN OVERSERVICE TO THE AFRO-AMERICAN COMMUNITY IN
12 THE SYSTEM. HOWEVER, IN AGGREGATE, THERE ARE ALSO
13 OTHER GROUPS THAT ARE NOT BEING SERVED ADEQUATELY,
14 AND THAT IS THE LIMITED ENGLISH PROFICIENT PERSON
15 OR THE NON-ENGLISH SPEAKING PERSON, THE DISABLED.

16 AND I AM NOT REALLY SURE IN TERMS OF
17 WHAT WE HAVE, BUT THE CITY OF LOS ANGELES, I AM
18 SURE, PROBABLY HAS MORE SPECIFIC AND FINITE
19 STATISTICS. BUT I HAVE WITH ME A FORM THAT SHOWS
20 THAT FOR THE HISPANIC COMMUNITY, FOR EXAMPLE, THE
21 LATINO COMMUNITY, WE HAVE -- IN THE CITY OF
22 LOS ANGELES 54.46 PERCENT -- ALMOST 55 PERCENT OF
23 THE PERSONS WHO ARE HISPANIC ARE IN POVERTY AND
24 THAT'S AGES BETWEEN 14 AND 64. AND THE PERCENT
25 SERVED IN 1991-'92 PROGRAM YEAR, WE SERVED

1 45 PERCENT, 45.2 PERCENT. THAT WAS AN
2 UNDERSERVICE OF 17 PERCENT JUST TO REACH PARITY IN
3 TERMS OF REPRESENTATION. AND IN '92-'93, WE HAD
4 SERVICE OF 42 PERCENT, WHICH MEANT THAT OUR
5 UNDERSERVICE INCREASED BY 22 PERCENT.

6 AND THAT IS SIGNIFICANT BECAUSE THE
7 HISPANIC POPULATION CONTINUES TO GROW ANNUALLY.
8 WE ARE LOOKING AT 1990 CENSUS FIGURES, WHICH ARE
9 NOW THREE YEARS OLD. SO WE KNOW THAT EVERY YEAR
10 THE HISPANIC POPULATION HAS PROBABLY INCREASED
11 BEYOND 54 PERCENT, AND YET OUR UNDERSERVICE KEEPS
12 GROWING, AND, LIKEWISE, WITH OUR LIMITED ENGLISH
13 SPEAKING POPULATIONS.

14 AND ONE CAN MAKE SOME DEDUCTIONS OFF OF
15 THAT, THAT THAT PROBABLY IS BOTH THE ASIAN
16 COMMUNITY THAT IS BEING UNDERSERVED THROUGH THE
17 LIMITED ENGLISH SPEAKING POPULATION AS WELL AS
18 HISPANICS, BECAUSE THOSE ARE THE TWO LARGEST
19 LIMITED ENGLISH PROFICIENT PERSONS. AND
20 UNDERSERVICE TO THE LIMITED ENGLISH SPEAKERS FOR
21 '91-'92 WAS AT 47 PERCENT, AND UNDERSERVICE IN
22 '92-'93 WAS 53 PERCENT TO THEM.

23 MS. RUDERT: YOU HAD A CHART THAT YOU
24 WERE REFERRING TO THERE. WOULD YOU LIKE TO SUBMIT
25 THAT FOR THE RECORD?

1 MS. ESPARZA: SURE, YES.

2 MS. RUDERT: PLEASE HAND IT TO THE
3 CLERKS BEHIND YOU.

4 THANK YOU.

5 (DOCUMENT INTRODUCED.)

6 MR. WANG: AT THIS VERY MOVEMENT, IF I
7 CAN ASK FOR ACKNOWLEDGMENT, WE HAVE A LITTLE BIT
8 OF A DILEMMA HERE, BUT WE WANT TO ACCOMMODATE ONE
9 OF OUR INVITED GUESTS BECAUSE SHE IS ABOUT TO TAKE
10 AN AIRPLANE SO SHE WANTS TO SEE WHETHER WE CAN
11 ACCOMMODATE HER. WE SAID, "WE WILL." SO AS SOON
12 AS SHE COMES IN, WE WILL JUST INTERRUPT FOR A FEW
13 SECONDS AND HAVE HER COME TO THE PODIUM.

14 WHY DON'T WE PROCEED.

15 MR. GLICK: MR. VICE CHAIR, OUR NEXT
16 WITNESS, AND I AM EMBARRASSED THAT WE ARE
17 INTERRUPTING THE PANEL, BUT WE WILL CONTINUE AS
18 SOON AS WE CAN, WILL BE MS. ANTONIA HERNANDEZ, WHO
19 IS THE PRESIDENT OF THE MEXICAN AMERICAN LEGAL
20 DEFENSE AND EDUCATION FUND, AND WE ARE ANXIOUS TO
21 HAVE HER TESTIMONY, BUT SINCE SHE HAS ANOTHER
22 ENGAGEMENT WHICH SHE ABSOLUTELY CANNOT MISS, I BEG
23 THE INDULGENCE OF THE PANEL AND WOULD ASK YOU TO
24 CALL MS. HERNANDEZ TO THE STAND AT THIS TIME.

25 MR. WANG: COULD YOU COME UP.

CERTIFICATE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I, SHARON HONG MORTEN, HEREBY CERTIFY
THAT THE FOREGOING IS A FULL, TRUE, AND CORRECT
STATEMENT OF THE PROCEEDINGS HAD AND THE TESTIMONY
GIVEN BY THE WITNESSES AT THE HEARING HELD
JUNE 16, 1993, PAGES 639 TO 896, AS TAKEN DOWN BY
ME IN STENOGRAPHY AND THEREAFTER TRANSCRIBED INTO
TYPEWRITING UNDER MY SUPERVISION.


