

The code is published in a loose-leaf system so that the Administrative Register pages are inserted. The expense for publishing the Register increases from \$6,500 in 1946-47 to \$10,800 in 1947-48, or an increase of \$4,300 or 65.2 percent. This is based on increased costs of printing and experience in 1946 where one Register was published covering a six-months' period at a cost of \$4,749 or better than \$9,500 a year. The extra \$1,300 is requested as a reserve to meet increasing costs.

Government Code Section 11413 requires that the different agencies, boards and commissions issuing rules and regulations reimburse the Codification Board for the expense of codification and publishing. No schedule of abatements has been worked out by the Department of Finance. In this instance they have failed to comply with the law, and it is our belief that as long as the law was in effect it should have been followed.

Chapter 1334, Statutes of 1945, amended Section 11381 of the Government Code so that a regulation becomes effective on the thirtieth day after it is filed with the Secretary of State, unless it is an emergency regulation. This is in accord with the suggestion in the last report of the Legislative Auditor.

Revenues from the sale of the Code and Register are shown on page 447 of the Budget. Revenues for the Fiscal Year 1946-47 are estimated as \$4,000 and for the 1947-48 Fiscal Year \$1,000.

Recommendations

We recommend that the Codification Board be abolished as a separate organization and that the functions and staff of the Board be transferred to the Division of Administrative Procedures, Department of Professional and Vocational Standards. We further recommend that the activities as carried on by the Board be made self-supporting but that all receipts from the sale of the Administrative Code and Administrative Register be placed in the General Fund.

We recommend that the amount requested by Item 30 be approved as budgeted and be made available to the Division of Administrative Procedures, Department of Professional and Vocational Standards upon the transfer to that Department of the duties and functions of the Codification Board.

State Employees' Retirement System

Analysis of Proposed Expenditures for the 1947-48 Fiscal Year

For Support of Board of Administration of the State Employees' Retirement System

Item 31, page 4 of the Budget Bill, and page 25 of the Budget. Amount requested, \$107,415 for 1947-48 Fiscal Year—from the General Fund.

This represents a decrease of \$26,995, or 20 percent less than \$134,410 expenditures for the 1946-47 Fiscal Year.

This decrease in expenditures results from the discontinuance of the War Savings Bond Division and the fact that the expenditures for actuarial studies made during 1946-47 Fiscal Year are not expected to recur during the 1947-48 Fiscal Year. Expenditures during 1946-47 Fiscal Year were \$20,299 for Special Services and \$17,710 for the War Savings Bond Division. Thus the total decrease amounts to \$38,009.

The foregoing decreases in expenditures are partially offset by an increase in administrative expenditures from \$96,401 in the 1946-47 Fiscal Year to \$107,415 in the 1947-48 Fiscal Year. This increase amounts to \$11,014, or 11.4 percent, and is principally caused by the addition of seven units of personnel with the additional equipment and office facilities thus required. The additional positions are required by the normal increase in the workload plus additional workload resulting from the return of approximately 2,000 United States Employment Service employees from Federal Administration to the California State Department of Employment.

The present charge of \$2.50 per year for each member of local government systems whose records are maintained by the State Employees' Retirement System under contract must be increased next April to offset the cost of an increased staff and salary rates required to maintain these records. It is anticipated that the revenues for the 1947-48 Fiscal Year received under such contracts will not meet the cost of the services performed. It is estimated that under the proposed Budget these costs will average \$3.11 per member. The additional amounts thus required must be recovered through an increase in charges for the next year. To accomplish this such charges must be slightly in excess of the actual costs for the ensuing year. The present costs average approximately \$2.70 per member under outside contracts. *We recommend the charges be set at \$3.50 for each member, and that no allowances be made for additional staff unless at least the actual costs for carrying the contracting systems are fully paid by them.*

We also recommend that the operating methods outlined by the State Employees' Retirement System be reviewed to ascertain the advisability of adopting punched card methods to expedite the clearance of work, and minimize the cost incurred when actuarial studies and administrative analyses are required. Under the present methods such studies are laborious and expensive.

We recommend that Item 31 in the amount of \$107,415 be approved as submitted.

California Commission on Interstate Cooperation

Analysis of Proposed Expenditures for the 1947-48 Fiscal Year

For Support of the California Commission on Interstate Cooperation

Item 32, page 4 of the Budget Bill and page 29 of the Budget. Amount requested is \$17,515 for support—from the General Fund. This is an increase of \$2,840, or 19.4 percent over expenditures of \$14,675 in the 1945-46 Fiscal Year and \$10 over expenditures in the 1946-47 Fiscal Year.

Sections 8000 to 8011 inclusive of the Government Code establish and define the duties of the Commission on Interstate Cooperation.

The commission is composed of:

1. The five members of the Senate Committee on Interstate Cooperation.
2. The five members of the Assembly Committee on Interstate Cooperation.
3. Five officers of the State appointed by the Governor.
4. The Governor is ex officio member.