

In addition it will allow for additions to farm equipment and operations, which should tend to reduce future food costs of the institution.

For Purchase of Supplies and Equipment

Item 220, page 41, of the Budget Bill in the amount of \$60,000 for other current expenses. This is for restoration of normal operating complement of supplies, maintenance of which was not kept up during the war years. We propose that one-half of this appropriation be deferred until 1948-49. This should take advantage of probable price declines in 1947-48 and should work no hardship on the institution.

We recommend that Item 220 be reduced to \$30,000.

For Construction, Etc., at Sonoma State Home

Item 221, page 41, of the Budget Bill and page 652 of the Budget. Amount requested, \$7,500. This amount is for capital outlay, and each item should be justified without reference to prior year expenditures.

We recommend that Item 221 be granted for the amount requested. Two items of expenditure are proposed. \$3,500 is budgeted for repairs, improvements, and additions to the lighting system at the poultry ranch, and \$4,000 is for repair of pasteurizers and installation of pre-cooling equipment, including compressors.

In addition to General Fund expenditures for capital outlay, it is proposed to spend \$17,000 from the Postwar Employment Reserve, which does not require additional appropriation. This brings the total of capital expenditures of Sonoma State Home to \$24,500.

For Acquisition of Site of Maximum Security Institution

Item 222, page 41, of the Budget Bill and page 559 of the Budget. Amount requested is \$25,000 for acquisition of real property for maximum security institution. The proposed amount is to be reappropriated out of the balance in the appropriations made by Chapter 27, Statutes of 1944 (Fourth Extra Session) in the amount of \$400,000.

We recommend approval.

Office of Adjutant General

For Support of the Office of the Adjutant General

Item 223, page 41 of the Budget Bill and pages 653 to 662 of the Budget. Amount requested is \$1,358,625 for support—from the General Fund. This is an increase of \$600,588, or 79.2 percent over 1946-1947.

The expenditure of \$758,037 in 1946-47 was for both the State Guard and the National Guard. In 1947-48, however, the State Guard will have been dissolved and the National Guard will have been fully reactivated. All expenditures for the State Guard, therefore, will have been eliminated.

Distribution of the proposed increase of \$600,588 for support is shown, as follows, by object of expenditure.

	<i>Estimated</i>	<i>Proposed</i>	<i>Increase or decrease</i>	
	<i>1946-47</i>	<i>1947-48</i>	<i>Amount</i>	<i>Percent</i>
Salaries and wages-----	\$473,532	\$583,188	\$109,656	23.2
Operating expenses-----	282,355	475,700	193,345	68.5
Equipment-----	2,150	299,737	297,587	13,841.2
Totals-----	\$758,037	\$1,358,625	\$600,588	79.2

Salaries and wages are budgeted to increase by \$109,656 or 23.2 percent, \$123,165 of which is for 52 proposed new positions. These proposed new positions are itemized as follows:

<i>No. of positions</i>	<i>Classification</i>	<i>Salary range</i>	<i>Cost</i>
Proposed New Positions			
1	Captain (Property Inspector)	386 (253 + 90 + 43 40)*	\$4,637
1	Second Lieutenant (Property Inspector)	328 (210 + 75 + 43 40)	3,936
1	Personnel Record Officer (ML)	175 (10) 215	2,580
1	Supervising Account Clerk, Grade 1	250 (15) 310	3,000
1	Superintendent, National Guard Training Camp	325 (20) 405	3,900
1	Military Property Custodian, Grade 2	200 (10) 240	2,400
7	Military Property Custodian, Grade 1	170 (10) 210	14,280
4	Janitor	150 (10) 190	7,200
9	Building Maintenance Man	180 (10) 220	19,440
1	Carpenter	230 (10) 270	2,760
1	Painter	230 (10) 270	2,760
1	Plumber	230 (10) 270	2,760
10	Mechanic's Helper	160 (10) 200	19,200
11	Groundsman	160 (10) 200	21,120
-	Temporary help		4,500
1	Captain (Engineer Group Headquarters)	(230 + 90 + 42)	4,346
1	Captain (Cavalry Group Headquarters)	(230 + 90 + 42)	4,346
52	Totals -----		\$123,165

* Amounts enclosed in parantheses opposite pay rates of commissioned officers and enlisted men represent the following: (1) Base pay, (2) Rental allowance, (3) Subsistence, or (1) Base pay, (2) Subsistence.

This budget request provides for payment of all company funds directly from National Guard Headquarters in Sacramento, rather than from separate company funds. This is in line with recommendations previously made by the Legislative Auditor.

Headquarters of the National Guard is planned to conform to the regular Army organization. The United States property and ordinance officer is federally paid, but assistants are a financial responsibility of the State.

The following is an authoritative statement of the financial responsibility of the Federal Government made recently in connection with the proposed postwar National Guard program.

“The Federal Government will supervise the instruction and will furnish the outdoor training facilities, the pay, and all uniforms, equipment, and ammunition.

“When the requirements for a balanced force in the Army of the United States necessitate the allocation to a state of troops or equipment, the housing or storage of which would impose an inequitable burden upon the State or Territory, such allocation will be made with the understanding that the Federal Government will contribute its equitable share of the expense of constructing and maintaining the required facilities.

“It will be noted that the provision of adequate armories and storage facilities remain the basic responsibility of the State, the Federal Government sharing the responsibility only where the

requirements of a balanced force in the Army of the United States necessitates troop or equipment allocations to the state to an extent imposing an 'inequitable burden' on the state. In War Department Memorandum 130-5-1, we find the following definition of the 'inequitable burden':

"'Inequitable burden.' That burden imposed on the states in providing storage facilities, housing, and other facilities for troops not required in the performance of duties of the National Guard of the several states, but necessary to provide a balanced force as a component of the Army of the United States."

The Federal Government has agreed to pay 75 percent of the expense of upkeep and operations of all "Base Commands." This is interpreted by the Adjutant General to mean such installations as Camp San Luis Obispo and the Metropolitan Airport at Van Nuys. In addition, almost all equipment is issued by the Federal Government and maintained without cost to the State.

We believe that the above statement of federal responsibility expresses the policy that the State should pay only its share for a National Guard strength sufficient for the purpose of protecting the internal welfare of the State, and that the cost of any complement over and above this strength determined to be necessary to the over-all needs of national defense should be borne by the Federal Government. We believe that this principle should be applied to costs of any special units or facilities designed primarily for purposes of national defense, as well as to the total numerical strength of the National Guard.

The present plan for the National Guard calls for a maximum strength of 21,000 men, with 190 units expected to be activated by July, 1947. If, however, a Federal law is passed establishing universal training, the full authorized strength of 43,000 will be maintained.

Ten positions are requested in this Budget as property inspectors or as custodians. Property in the possession of the State Guard which is acceptable to the National Guard as being usable, and equivalent, or superior, to the property which would otherwise be issued, will be turned over to the National Guard. It is believed that all Federal property, including commercial property, will be turned in to arsenals for disposition before the end of the current fiscal year.

In view of the volume of property inspection which it will be necessary to undertake during the 1947-48 Fiscal Year, the proposed 10 positions appear justified.

Likewise, additional maintenance personnel will unquestionably be required for new installations necessary to provide for the proposed expansion in the guard.

Operating expenses are budgeted to increase 68.5 percent over 1946-47. Certain operating expenses will of necessity be high in the initial stages of re-activation. Generally, however, proposed expenses appear to be increased proportionately to proposed increased personnels and operations.

Equipment is budgeted to increase from \$2,150 in 1946-47 to \$299,737 in 1947-48. Equipment items proposed consist primarily of replacements for vehicles, steel lockers, and new and replaced office equipment.

The amount of \$65,000 budgeted for uniform allowance is based on legislation to be proposed increasing the allowance to \$100 for the first 12 months service and \$50 for each subsequent 12 months period. This compares with \$25 per annum now provided.

We recommend reducing the proposed amount to \$50 for the first year's service and \$25 for each subsequent 12 months period thereafter.

We recommend that Item 223 be reduced by \$32,500 to \$1,326,125.

Capital Outlay

In addition to the amount requested for support of the Adjutant General, the Governor has proposed that \$5,000,000 be appropriated to the Postwar Employment Reserve for construction of National Guard armories. This is included in the total of \$128,446,250 proposed to be transferred from surplus to the Postwar Employment Reserve for augmentation of existing capital outlay appropriations as provided in Section 4 of the Budget Bill. From this \$5,000,000 item the Governor proposes to spend \$1,000,000 for armories in 1946-47. (See Budget p. 95).

For Maintenance of High School Cadets

Item 224, page 42 of the Budget Bill, and pages 660-661 of the Budget. Amount requested is \$117,836—from the General Fund. This is an increase of \$73,476 or 165.6 percent over expenditures of \$44,360 in the 1945-46 Fiscal Year and \$9,624 or 8.9 percent over expenditures of \$108,212 in 1946-47.

Proposed increase of \$9,624 for 1947-48 is distributed by object of expenditure as follows:

	<i>Estimated</i>	<i>Proposed</i>	<i>Increase or decrease</i>	
	<i>1946-47</i>	<i>1947-48</i>	<i>Amount</i>	<i>Percent</i>
Salaries and wages -----	\$25,412	\$26,536	\$1,124	4.4
Operating expenses -----	78,400	83,900	5,500	7.0
Equipment -----	4,400	7,400	3,000	68.2
Totals -----	\$108,212	\$117,836	\$9,624	8.9

Salaries and wages, which are for supervision and administration of the program comprise 22.5 percent of total expenditures proposed, and represent an increase of only 4.4 percent, the major part of which is for merit salary adjustments.

Operating expenses are proposed to increase \$5,500 or 7 percent, accounting for the principal amount of total increase in this program. This increase is for materials used, including armament, ammunition, and insignia, and for costs of the instructors' school. At the close of the last school term the High School Cadet program was being used by 70 schools with a total enrollment of 5,349 cadets, although this number fluctuates widely during the year.

The proposed appropriation does not contemplate any material increase in number of cadets, but is based upon a somewhat intensified program, including greater use of ammunition and armaments, and increased maintenance for added instructors in the instructors' school.

We recommend that the amount of \$5,000 budgeted for insignia and expendable equipment be reduced to \$4,000, a 33 $\frac{1}{3}$ percent increase over the previous year. This should adequately provide for any price increases in materials purchased.

Equipment is budgeted at \$7,400, including \$3,500 for replacement of automobiles, \$1,000 for flags and guidons and \$2,000 for procurement of obsolete rifles. The replacement of automobiles should permit a reduction of the amount needed for operation of automobiles during the 1947-48 Fiscal Year. There are now six automobiles, two of which were recently purchased. Provision is made in this budget for replacement of the remaining four. With all automobiles new or practically new, repairs, parts, and operating costs should be reduced to a minimum. *We recommend a reduction of automobile parts and servicing to \$500, and tires and tubes to \$100, saving \$1,200 in operating expenses.*

Recommendations

We recommend that Item 224 be reduced by \$2,200 to \$115,636.

Department of Motor Vehicles

Analysis of Proposed Expenditures for the 1947-48 Fiscal Year

For Support of Department of Motor Vehicles

Items 225 and 226 on page 42 of the Budget Bill and page 663 of the Budget. *Amount requested \$12,066,020 from the Motor Vehicle Fund and \$935,316 from the Motor Vehicle License Fee Fund, respectively, making a total of \$13,001,336.*

This represents an increase of \$2,202,348, or 20.4 percent, over expenditures of \$10,798,988 for the 1946-47 Fiscal Year.

The grand total of expenditures has increased \$9,223,456 actual for 1945-46 to actual and estimated of \$11,709,253 in the 1946-47 Fiscal Year. Total revenues collected by the State from motor vehicles for 1946-47 Fiscal Year are estimated at \$44,364,722 and for 1947-48 are estimated at \$47,479,657, an increase of \$3,114,935, or 7 percent. In other words, while expenditures of the department are budgeted to increase \$2,204,936 or an increase of 18.8 percent, revenues only increased 7 percent.

The following table shows the increases in expenditures for support by function:

Table I—Department of Motor Vehicles—Analysis of Expenditures for Support by Function, 1946-47, Compared With 1947-48

<i>Function</i>	<i>Actual and estimated</i>	<i>Estimated and proposed</i>	<i>Increase or decrease</i>	
	<i>1946-47</i>	<i>1947-48</i>	<i>Amount</i>	<i>Percent</i>
Division of Administration	\$793,073	\$922,007	\$128,934	16.3
Division of Registration	3,740,515	3,887,178	146,663	3.9
Division of Enforcement	4,783,882	6,144,854	1,360,972	28.4
Division of Drivers' Licenses	1,215,524	1,676,860	461,336	38.0
Land and Buildings	265,994	370,437	104,443	39.3
Totals, Support	\$10,798,988	\$13,001,336	\$2,202,348	20.4

One factor contributing to the increase in proposed expenditures for support of the Division of Administration, as shown above by Table I, is the request for the new Accident Prevention Bureau which is presented for Legislative consideration for the first time in this Budget. Explained below.