

Project "e" is for the construction of a recreation center and storage facilities between two wings of the hospital in order to provide a meeting and recreation point for the nonambulatory patients in the hospital. Generally speaking, the hospital facilities at the Veterans' Home are limited to surgical cases and severe illnesses, and consequently few of these patients are able to go to the regular recreational facilities on the grounds. We believe this project is justified. We recommend approval of four of the projects as outlined and disapproval of the construction and equipment of an additional chronic and convalescent barracks.

ITEM 362 of the Budget Bill

Budget page 1054
Budget line No. 42

For Minor Construction, Veterans' Home of California, From the General Fund

Amount budgeted	\$38,607
Legislative Auditor's recommendation	38,607
<hr/>	
Reduction	None

This item will provide for 12 essential minor projects of construction, repair and improvement needed to prevent further deterioration in the older building and to provide for more adequate utilization of facilities. Estimates of cost have been carefully reviewed and are believed to be satisfactory. We recommend approval of this item as requested.

LOCAL ASSISTANCE

**Department of Education
CHILD CARE CENTERS**

ITEM 363 of the Budget Bill

Budget page 1060
Budget line No. 9

For Support of Child Care Centers From the General Fund

Amount requested	\$5,340,000
Estimated to be expended in 1950-51 Fiscal Year	5,800,000
<hr/>	
Increase (11.3 percent)	\$540,000

RECOMMENDATIONS

Amount budgeted	\$5,340,000
Legislative Auditor's recommendation	None
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Reduction	\$5,340,000

ANALYSIS

The amount requested for support of Child Care Centers is \$5,340,000 for the 1951-52 Fiscal Year. In addition, \$41,943 is provided in the budget for the Department of Education for state-level supervision of this program. This is a total expenditure program of \$5,381,943 for the 1951-52 Fiscal Year.

There is also a proposed deficiency of \$1,800,000 to extend Child Care Centers from February 15, 1951, through June 30, 1951, and the Department of Education's budget request contains a proposed deficiency of \$15,521 for supervision for the same period. This makes a total deficiency request of \$1,815,521 for the 1950-51 Fiscal Year.

We do not believe that Child Care Centers are a state responsibility nor that they should be supported by state revenues except as an emergency manpower mobilization effort. The need for this type of service is one which should be largely borne by the individual, and where because of unusual circumstances, such as the wartime employment conditions out of which this program arose, a program of this nature may justify support out of public funds, we believe that it should be carried on primarily by local taxes. If the State embarks upon a permanent Child Care Center program and departs from the principle that this is an emergency measure, the State will ultimately be flooded with demands for centers in every community of the State. However, except in a real employment emergency the program is not state-wide in character and its financing should not be placed on a state-wide basis. The State provides support for free inspection and licensing of boarding homes for care of children under 16 years of age and for inspection and licensing of institutions, including day nurseries, providing care for children. These day nurseries are operated by individuals for profit or by charitable organizations. A total of 280 day-care nurseries are now licensed by the State Department of Social Welfare.

The Aid to Needy Children program provides for payment to a needy caretaker for care of children in their own home. Payments were made to 55,137 families for care of needy children in November, 1950. If persons in receipt of aid to needy children payments also avail themselves of the service of child care centers, two types of state aid will go to the same family. The extent to which these programs contribute to the solution of the general problem should be carefully considered in determining whether, and when, the State should give support to this program, as well as the amount of assistance granted.

TEACHERS' RETIREMENT SYSTEM

ITEM 364 of the Budget Bill

Budget page 1061
Budget line No. 40

For Transfer to Teachers' Permanent Fund for Operation of the State Teachers' Retirement System From the General Fund

Amount requested	\$4,952,500
Estimated to be expended in 1950-51 Fiscal Year	5,368,000
Decrease (7.7 percent)	\$415,500

ANALYSIS

The amount requested is computed as follows:

Retirement allowances	\$5,666,401
Less: Surpluses from prior appropriations	713,901
Net total	\$4,952,500

The amount requested from the General Fund is \$4,952,500 for payment of teachers' retirement. This amount covers that part of anticipated payment allowances not provided for by member contributions made for services since 1944 or by current contributions of school districts and other employing agencies. We recommend approval of the amount requested.

TEACHERS' RETIREMENT SYSTEM

ITEM 365 of the Budget Bill

Budget page 1061
Budget line No. 41

*For Transfer to the Retirement Annuity Fund for Operation of the State
Teachers' Retirement System From the General Fund*

Amount requested	\$11,437,060
Estimated to be expended in 1950-51 Fiscal Year	11,282,000
	\$155,060
Increase (1.4 percent)	\$155,060

ANALYSIS

The amount requested is computed as follows :

Retirement allowances	\$12,551,850
Less:	
Surpluses from prior appropriations	1,114,790
	\$11,437,060
Net total	\$11,437,060

The amount requested from the General Fund is \$11,437,060 for payment of Teachers' Retirement Allowances. This amount covers that part of the estimated allowances to be paid during 1951-52 which is not funded by members' contributions for services performed since 1944, or by current contributions of school districts and other employing agencies. The amount requested also includes subventions to local retirement systems in accordance with Section 14565 of the Teachers' Retirement Act. We recommend approval of the amount requested.

**Department of Education
FREE TEXTBOOKS**

ITEM 366 of the Budget Bill

Budget page 1062
Budget line No. 28

*For Publishing, Purchasing, and Shipping Free Textbooks, Department of
Education, From the General Fund*

Amount requested	\$4,284,366
Estimated to be expended in 1950-51 Fiscal Year	2,542,671
	\$1,741,695
Increase (68.5 percent)	\$1,741,695

ANALYSIS

The amount requested for publishing, purchasing, and shipping of free textbooks is \$4,284,366 for the 1951-52 Fiscal Year. This is \$1,741,695, or 68.5 percent higher than the estimated expenditure of \$2,542,671 in the 1950-51 Fiscal Year.

Article IX, Section 7 of the Constitution of the State of California makes provision for free textbooks in elementary schools as follows :

State and County Boards of Education—Free Textbooks

“Sec. 7. The Legislature shall provide for the appointment or election of a State Board of Education, and said board shall provide, compile, or cause to be compiled, and adopt, a uniform series of textbooks for use in the day and evening elementary schools throughout the State. The state board may cause such textbooks, when adopted, to be printed and published by the Superintendent of State Printing, at the State Printing Office; and wherever and however such textbooks may be printed and published, they shall be furnished and distributed by the State free of

cost or any charge whatever, to all children attending the day and evening elementary schools of the State, under such conditions as the Legislature shall prescribe. The textbooks, so adopted, shall continue in use not less than four years, without any change or alteration whatsoever which will require or necessitate the furnishing of new books to such pupils, and said state board shall perform such other duties as may be prescribed by law. The Legislature shall provide for a board of education in each county in the State. The county superintendents and the county boards of education shall have control of the examination of teachers and the granting of teachers' certificates within their respective jurisdictions."

The Education Code supplements the language of the State Constitution. Section 11151 provides that the State Board of Education shall adopt and provide one or more basic textbooks in each of the studies prescribed for the elementary schools of California by Section 10302 of the Education Code, except in art and in morals and manners. Section 11151 also provides that the board may also adopt and provide other textbooks, supplementary books, and teachers' manuals for use in the elementary schools of the State. The board may also adopt and provide teachers' manuals for use in the kindergarten schools of the State. The board may cause such textbooks, supplementary books, and teachers' manuals to be printed by the State Department of Finance.

The courses listed by Section 10302 include:

- | | |
|---|---|
| 1. Reading | 8. Civics, including a study of the Declaration of Independence and the Constitution of the United States |
| 2. Writing | 9. Music |
| 3. Spelling | 10. Art |
| 4. Language Study | 11. Training for healthful living |
| 5. Arithmetic | 12. Morals and Manners |
| 6. Geography | 13, 14, and 15. Elective |
| 7. History of the United States and of California | |

The major cost of the free textbook subvention is due to the printing and royalty costs of both basic and supplementary texts. These charges for the 1951-52 Fiscal Year are estimated to be as follows:

1. Reading—basic, grades 1-8.....	\$125,800
2. Reading—supplementary, grades 1-8.....	160,700
3. Spelling—basic, grades 3-8.....	176,500
4. Arithmetic—basic, grades 3-8.....	149,350
5. Language—basic, grades 4-8.....	448,400
6. Science—basic, grades 1-8.....	1,820,500
7. Science—supplementary, grades 3-5.....	78,000
8. Civics—basic, grades 7 and 8.....	7,200
9. History and Geography—basic, grades 4-8.....	177,040
10. History and Geography—supplementary, grades 4-8.....	108,250
11. Music—basic, grades 1-8.....	276,256
12. Textbook on Mexico.....	504,000
Total	\$4,031,996

The balance, or \$252,370 of the free textbook budget, includes \$39,162 for salaries and wages, \$135,700 for bulletin printing, \$29,000 for storing and shipping, and \$38,000 for freight, cartage, and express.

We recommend against the inclusion of certain items under bulletin printing, on the basis that these bulletins should not come under the subvention budget of free textbooks, but logically should be included and justified under the budget request for departmental administration. Budgeting some of this bulletin printing under free textbooks is merely

distorting the costs that should legitimately be charged against the support budget of the Department of Education.

Examples of some of the titles which we would recommend be transferred to administration include:

1. California Journal of Elementary Education	\$4,500
2. Teachers Guide to Education in Later Childhood	60,000
3. Guide to Better Practices in Classification and Promotion of Pupils	1,600
4. Guide to Teaching Cerebral Palsied Children	800
5. Guide to Teaching Hard of Hearing Pupils	800
6. The Social Studies Program for the Public Schools of California	3,200
Totals	\$70,900

We recommend that the budget request for free textbooks be approved providing that certain bulletin printing items be allotted to administration and the balance to the free textbook budget request.

Numerous school administrators have pointed out that the legal requirement that the State Board of Education shall cause the adoption or re-adoption of basic textbooks at least as frequently as eight years although no more frequently than four years, is wasteful and unnecessary. It has been suggested that the elimination of the requirement that textbooks be adopted or readopted in not less than eight years be removed from the Code and the State Board of Education be permitted to cause to be used basic textbooks until such time as the board determines that the adoption of a new series of textbooks is necessary. This would not permit the State Board of Education to adopt a new series in less than four years but might help to reduce the present high cost of textbook adoptions. We recommend that consideration be given to a revision of the law relating to adoptions.

Subventions for Social Welfare
LOCAL INSPECTION OF HOMES AND AGENCIES, CARE FOR
AGED AND CHILDREN

ITEM 367 of the Budget Bill

Budget page 1069
 Budget line No. 62

For Reimbursement of Expenses Incurred by Counties and Cities in Maintaining Approved Services of the Licensing and Inspection of Agencies for Child Care and Agencies for the Care of the Aged, From the General Fund

Amount requested	\$604,800
Estimated to be expended in 1950-51 Fiscal Year	549,500
Increase (10.1 percent)	\$55,300

ANALYSIS

We recommend approval of this item in the sum of \$604,800 as requested.

**REIMBURSEMENT TO COUNTIES FOR ADMINISTRATION AND
CARE OF ADOPTIONS**

ITEM 368 of the Budget Bill

Budget page 1070
Budget line No. 8

For Reimbursement to Counties for the Cost of Administering Adoption Programs Under License Issued Pursuant to Section 225m of the Civil Code and for the Portion of the Cost and Care of Children Relinquished for Adoption From the General Fund

Amount requested	\$1,199,000
Estimated to be expended in 1950-51 Fiscal Year	595,446
Increase (101.4 percent)	\$603,554

ANALYSIS

We recommend approval of this item in the amount of \$1,199,000 as requested. However, we direct attention to our comments in the analysis of the budget for the Department of Social Welfare concerning the mounting costs of this service.

**Youth Authority
JUVENILE HOMES AND CAMPS**

ITEM 369 of the Budget Bill

Budget page 1070
Budget line No. 49

For Reimbursements to Counties for Maintenance of Juvenile Homes and Camps, Youth Authority, From the General Fund

Amount requested	\$854,400
Estimated to be expended in 1950-51 Fiscal Year	840,000
Increase (1.7 percent)	\$14,400

We recommend approval of this item in the amount of \$854,400 as requested.

**Public Health
AID TO LOCAL HEALTH DEPARTMENTS**

ITEM 370 of the Budget Bill

Budget page 1071
Budget line No. 52

For Assistance to Cities, Counties, Local Health Agencies and Local Health Districts, for Health Departments From the General Fund

Amount requested	\$2,994,613
Estimated to be expended in 1950-51 Fiscal Year	2,711,645
Increase (10.4 percent)	\$282,968

ANALYSIS

We recommend approval of this item in the amount of \$2,994,613 as requested. These funds are allocated to local health departments to enable them to meet minimum standards established by the State Board of Health in accordance with a formula prescribed for the distribution of such funds. The increase in state funds is attributable to increased population. In addition to this sum, the Federal Government allocates federal funds in the sum of \$800,713 in like manner.

TUBERCULOSIS SANITORIA

ITEM 371 of the Budget Bill

Budget page 1072
Budget line No. 9

For Subsidies to Counties, and Cities and Counties for Maintenance of Tuberculosis Sanitoria, Department of Public Health, From the General Fund

Amount requested	\$4,936,772
Estimated to be expended in 1950-51 Fiscal Year	4,768,013
Increase (3.5 percent)	\$168,759

ANALYSIS

We recommend approval of this item in the amount of \$4,936,772 as requested for state grants-in-aid to counties for the treatment and care of tuberculosis patients in accordance with provisions of the Health and Safety Code.

CRIPPLED CHILDREN SERVICES

ITEM 372 of the Budget Bill

Budget page 1072
Budget line No. 40

For Assistance to Counties for Crippled Children From the General Fund

Amount requested	\$1,350,280
Estimated to be expended in 1950-51 Fiscal Year	996,848
Increase (35.5 percent)	\$353,432

ANALYSIS

We recommend approval of this item in the amount of \$1,350,280 as requested. It is noted that the 1950-51 appropriation is to be augmented by a deficiency in the sum of \$133,109. The deficiency and the increase in the 1951-52 request is due to expansion of existing local programs and the inclusion of four counties not previously conducting approved programs.

RHEUMATIC FEVER AND RHEUMATIC HEART DISEASE

ITEM 373 of the Budget Bill

Budget page 1073
Budget line No. 10

For Assistance to Counties, and Cities and Counties, to Be Expended for Services to Children Suffering From Rheumatic Fever and Rheumatic Heart Disease, Department of Public Health, From the General Fund

Amount requested	\$479,255
Estimated to be expended in 1950-51 Fiscal Year	400,000
Increase (19.8 percent)	\$79,255

ANALYSIS

We recommend approval of this item in the sum of \$479,255 as requested. This program is discussed in the analysis of the budget request for crippled children services in the Department of Public Health.

CEREBRAL PALSID CHILDREN

ITEM 374 of the Budget Bill

Budget page 1073
Budget line No. 39

For Reimbursement to Local Agencies Employing Technical Personnel for the Treatment of Minors, With Cerebral Palsy Attending Special Schools or Classes, Department of Public Health, From the General Fund

Amount requested -----	\$86,832
Estimated to be expended in 1950-51 Fiscal Year -----	38,592
	<hr/>
Increase (125 percent) -----	\$48,240

ANALYSIS

We recommend approval of the amount as requested for assistance to school districts for employment of physical therapists. This program is discussed as a part of crippled children services under the budget request of the Department of Public Health.

MOSQUITO AND GNAT CONTROL

ITEM 375 of the Budget Bill

Budget page 1073
Budget line No. 64

For Subsidies to Local Districts and Other Public Agencies for the Control of Mosquitoes and Gnats, Department of Public Health, From the General Fund

Amount requested -----	\$400,000
Estimated to be expended in 1950-51 Fiscal Year -----	400,000
	<hr/>
Increase -----	None

ANALYSIS

We recommend approval of \$400,000 for assistance to local agencies in the work of controlling mosquitoes and gnats as provided in the Health and Safety Code.

ASSISTANCE TO LOCAL AGENCIES FOR HOSPITAL CONSTRUCTION

ITEM 376 of the Budget Bill

Budget page 1074
Budget line No. 10

This item reappropriates unexpended balances as of June 30, 1951, of moneys appropriated by Item 491 of the Budget Act of 1950, less the amount of \$1,254,700 which will revert to the General Fund.

These funds would provide for continued participation in the Federal Hospital Construction Program on a matching basis. A decrease in available federal funds has resulted in balances in existing appropriations. It is estimated that the amount of \$1,536,910 will be made available for expenditure by this item which will finance the State's share of the proposed hospital construction program for 1951-52. This represents a decrease of \$1,587,134 or 50.8 percent under the amount of \$3,124,044 estimated for expenditure during the current year.

We recommend approval as requested.

ITEM 377 of the Budget Bill

Budget page 1075
Budget line No. 62

For Allocation to the State Water Resources Board for Reallocation to the Los Angeles Flood Control District From the Flood Control Fund of 1946

Amount requested ----- \$832,500

We recommend approval of \$832,500 as requested to provide state cooperation with the Federal Government in the construction of projects for flood control in the Los Angeles and San Gabriel Rivers and Ballona Creek, pursuant to Section 29 of the State Water Resources Act of 1945.

Department of Public Works

FLOOD CONTROL

ITEM 378 of the Budget Bill

Budget page 1075
Budget line No. 66

For Allocation to the Water Resources Board for Reallocation to the City of San Diego From the Flood Control Fund of 1946

Amount requested ----- \$964,000

We recommend approval of \$964,000 as requested to provide for state cooperation in the work of improvement on the San Diego River and Mission Bay, San Diego County, pursuant to Section 46.5 of the State Water Resources Act of 1945.

Subventions for Other Purposes

SALARIES OF SUPERIOR COURT JUDGES

ITEM 379 of the Budget Bill

Budget page 1078
Budget line No. 45

For State's Share of Salaries of Judges of Superior Courts From the General Fund

Amount requested ----- \$1,167,250

Estimated to be expended in 1950-51 Fiscal Year ----- 1,167,250

Increase ----- None

RECOMMENDATIONS

Amount budgeted ----- \$1,167,250

Legislative Auditor's recommendation ----- 1,167,250

Reduction ----- None

ANALYSIS

Under the provisions of Section 736(b) of the Political Code, the State contributes \$5,750 per year towards the salary of each judge of the superior courts. The amount budgeted is to provide this amount for each of the 203 judges authorized by existing law. The 1949 General Session added 18 additional superior court judges costing the State an additional \$103,500 annually.

COUNTY VETERANS' SERVICE OFFICERS

ITEM 380 of the Budget Bill

Budget page 1079
Budget line No. 9

*For Contribution to Counties Toward the Compensation and Expenses of
County Service Officers From the General Fund*

Amount requested -----	\$197,177
Estimated to be expended in 1950-51 Fiscal Year -----	330,549
Decrease (40.0 percent) -----	<u>\$133,372</u>

RECOMMENDATIONS

Amount budgeted -----	\$197,177
Legislative Auditor's recommendation -----	197,177
Reduction -----	<u>None</u>

ANALYSIS

The State reimburses the counties for approximately 45.0 percent of the cost of county services maintained for assistance to veterans. Total expenditures for this program in 1951-52 are estimated at \$350,384. This is an increase of \$19,835, or 6.0 percent above 1950-51. The following counties have not established service offices: Alameda, Alpine, Los Angeles, and San Francisco.

The services of the county veterans' officers appear to fulfill a greater need than is the case of the services performed by the veterans' organizations on the contract to the Department of Veterans' Affairs. Therefore, we recommend approval of this item as budgeted, although we have recommended that the State support of services by veterans' organizations be discontinued.

The Budget Act appropriation for 1951-52 shows a reduction of \$112,823 from the appropriation for 1950-51. It is proposed to use in 1951-52 the remaining balance of \$153,207 which is available from a continuing appropriation made in 1945. The Budget document in the past three years has not shown a balance available even though the Budget Bill item did not provide that appropriations were in lieu of the continuing appropriation of 1945.

COUNTY AGRICULTURAL COMMISSIONERS

ITEM 381 of the Budget Bill

Budget page 1079
Budget line No. 44

*For Salaries of County Agricultural Commissioners or Compensation for Services
Performed for County Agricultural Departments, Department of Agriculture,
From the General Fund*

Amount requested -----	\$101,260
Estimated to be expended in 1950-51 Fiscal Year -----	97,514
Increase (3.8 percent) -----	<u>\$3,746</u>

ANALYSIS

We recommend approval of this item as requested.

WORKMEN'S COMPENSATION FOR CIVIL DEFENSE WORKERS

ITEM 382 of the Budget Bill

Budget page 1080
Budget line No. 8

For Furnishing of Workmen's Compensation to Civil Defense Workers, Office of Civil Defense, From the General Fund

Amount requested -----	\$5,000
Estimated to be expended in 1950-51 Fiscal Year -----	2,000
 Increase (150 percent) -----	 \$3,000

ANALYSIS

We recommend approval of this item in the amount of \$5,000.

BOARD OF STATE HARBOR COMMISSIONERS, SAN FRANCISCO

ITEM 383 of the Budget Bill

Budget page 1088
Budget line No. 37

For Support of the Board of State Harbor Commissioners, San Francisco, From the San Francisco Harbor Improvement Fund

Amount requested -----	\$3,782,739
Estimated to be expended in 1950-51 Fiscal Year -----	3,344,974
 Increase (13.0 percent) -----	 \$437,765

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$30,337	\$26,874	\$3,463	1093	34
Operating expense -----	399,478	399,478	---	1093	35
Equipment -----	7,950	7,950	---	1093	36
 Total increase -----	 \$437,765	 \$434,302	 \$3,463		

RECOMMENDATIONS

Amount budgeted -----	\$3,782,739
Legislative Auditor's recommendation -----	3,782,739
 Reduction -----	 None

ANALYSIS

The sum of \$3,782,739 budgeted for support of the board for the 1951-52 Fiscal Year represents the estimated cost of administration, port operation, port maintenance and the operation of the State Belt Line Railroad. The increase of \$437,765 over the current year is due mainly to additional repairs and improvements of equipment, piers and wharfs.

The sum of \$3,463 extended as new services represents the salary of one proposed new position of senior harbor engineer on a part-year basis. This request is made in anticipation of the retirement of the chief engineer in the immediate future and the need for an understudy to the supervising harbor engineer who will succeed to the duties of the chief engineer. We concur in the request as it appears to be reasonable in view of the responsibilities attached to the operations and maintenance of the harbor.

The activities of the port are supported from revenues derived from various fees, tolls, tonnage tax, rentals and other charges which accrue to the Harbor Improvement Fund. The unbudgeted balance in the fund is estimated to be 2.6 million dollars as of June 30, 1952, with revenues estimated at 4.8 million dollars for the 1951-52 Fiscal Year as against