

GOVERNOR

ITEM 26 of the Budget Bill

Budget page 28
Budget line No. 8

For Support of the Governor's Office From the General Fund

Amount requested	\$335,009
Estimated to be expended in 1953-54 Fiscal Year	345,700
Decrease (3.0 percent)	<u>\$10,691</u>

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	—\$7,171	—\$7,171	---	28	66
Operating expense	—1,000	—1,000	---	28	80
Equipment	—2,520	—2,520	---	29	7
Total increase	<u>—\$10,691</u>	<u>—\$10,691</u>	---	29	10

RECOMMENDATIONS

Amount budgeted	\$335,009
Legislative Auditor's recommendation	<u>335,009</u>
Reduction	None

ANALYSIS

The amount requested for the support of the Governor's Office for the Fiscal Year 1954-55 is \$10,691 or 3.0 percent less than is estimated to be expended during the current fiscal year. In all three categories, salaries and wages, operating expenses and equipment, a decrease in proposed budget is indicated.

This budget provides for the purchase of the automobiles used by Governor's Office but heretofore purchased and maintained by the California Highway Patrol.

We recommend approval of the amount requested.

**Governor
GOVERNOR'S RESIDENCE**

ITEM 27 of the Budget Bill

Budget page 28
Budget line No. 22

For Support of the Governor's Residence From the General Fund

Amount requested	\$12,000
Estimated to be expended in 1953-54 Fiscal Year	<u>12,000</u>
Increase	None

RECOMMENDATIONS

Amount budgeted	\$12,000
Legislative Auditor's recommendation	<u>12,000</u>
Reduction	None

ANALYSIS

This is the customary amount. We recommend approval of the amount requested.

**Governor
SPECIAL SECRET SERVICE EXPENSE**

ITEM 28 of the Budget Bill

Budget page 28
Budget line No. 24

*For Special Contingent Expenses of the Governor's Office
From the General Fund*

Amount requested	\$7,500
Estimated to be expended in 1953-54 Fiscal Year	7,500
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Increase	None

RECOMMENDATIONS

Amount budgeted	\$7,500
Legislative Auditor's recommendation	7,500
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Reduction	None

ANALYSIS

The amount of \$7,500 is requested for contingent expenses (secret service) of the Governor's Office. This is the customary amount. This item is exempt from the usual budgetary and claim audits provided for state expenditures by Sections 12410, 13320, 16003 and 17031 of the Government Code. Historically, this secret fund has always been available for the Governor's Office, appearing in the Controller's Report of 1850 as an appropriation to the Governor's Contingent Fund. In the 1853-54 Fiscal Year, the title of the appropriation changed to Contingent Fund of the Governor and in 1872 it was changed to Special Contingent (Secret Service). In its purpose, this fund is similar to the one provided the Attorney General for secret investigations. The entire amount appropriated to the Governor's Office for this purpose in previous years has been entirely expended.

We recommend approval as budgeted.

OFFICE OF CIVIL DEFENSE

ITEM 29 of the Budget Bill

Budget page 30
Budget line No. 7

For Support of Office of Civil Defense From the General Fund

Amount requested	\$1,055,419
Estimated to be expended in 1953-54 Fiscal Year	1,079,464
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Decrease (2.3 percent)	\$24,045

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	—\$63,444	—\$63,444	---	32	77
Operating expense	35,001	35,001	---	33	37
Equipment	5,570	5,570	---	33	44
Increased reimbursements	—1,172	—1,172	---	33	48
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Total increase	—\$24,045	—\$24,045	---	33	56

RECOMMENDATIONS

Amount budgeted	\$1,055,419
Legislative Auditor's recommendation	1,055,419
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Reduction	None

Office of Civil Defense—Continued
ANALYSIS

The State Office of Civil Defense is proposing that for the 1954-55 Fiscal Year it be permitted to expend substantially the same amount of money as is estimated to be expended for the current fiscal year. There is a comparatively small reduction of \$24,000, which represents 2.3 percent less than the sum of \$1,079,464 expected to be expended by the end of the current fiscal year. However, this reduction is actually composed of a much more substantial reduction in salaries and wages due to the continued deletion of positions as agreed to at the last session of the Legislature, which has been partially offset by increased operating expenses.

The number of positions filled and authorized in the 1952-53 Fiscal Year was 149.6. In the current fiscal year the total has been reduced to 128.3, and for the proposed 1954-55 Fiscal Year, it is further reduced to 114.5, or a net reduction, since the 1952-53 Fiscal Year, of approximately 35 positions. For the same period, the cost of salaries and wages has been reduced from \$840,163 to a proposed amount of \$670,454; a difference of approximately \$170,000. On the other hand, operating expenses are expected to be increased by about \$35,000 over the amount estimated to be expended during the current fiscal year, primarily because of the additional maintenance and supplies required by the growing pool of communications, radiological and fire control equipment. Expenditures for equipment are of small consequence in this budget request.

Recommendation

In our analysis of the budget request for the 1953-54 Fiscal Year, we pointed out that it was our conviction that the concept of a full-time state regional coordinator system at state expense was fundamentally unsound, and we recommended that it be eliminated. Although there have been reductions in the total staff for civil defense, in our opinion, the considerations presented last year relative to the system of regional officers as part of a state chain of command, are still pertinent, and we repeat from our printed analysis of last year:

“We do not believe it is necessary, nor do we believe it a good policy to maintain a large group of full-time civil defense employees in order to provide a chain of command to take over during periods of extreme emergency.

“It is on this basis of thinking that we are recommending the elimination of state regional staffs. Direct supervision of the training and organization of volunteer units should be assumed by the local civil defense organization. With the State providing over-all direction only and advisory assistance as required, and with local governments assuming direction of local activities, we believe the state staff can be reduced considerably in the near future over reductions recommended herein.

“If it is determined that it is necessary to establish a state chain of command, we see no reason why persons presently responsible for local functions, if integrated into a state sponsored civil defense plan, cannot be prepared to assume responsibilities immediately within the framework of such a state chain of command.

Office of Civil Defense—Continued

“We emphasize the necessity for clarifying to the fullest extent possible the relationship which will be maintained between the state civil defense organization and the federal military responsibility in the event of atomic attack. Although the official position of the United States Army has been stated to be one which has no responsibility for civil defense, we do not believe that the Legislature has ever been clearly told that in the event of an attack upon a vital metropolitan area the military will not establish control under martial law and that the chain of command will not be, during the extreme emergency period, a military command. The resolving of this question is essential to proper programing of a state expenditure program for civil defense.”

We recognize the need for a continued and active liaison among local agencies and between local agencies and the state organization. We suggest that such an active liaison can be carried out primarily by the top-level technical people in the Office of Civil Defense who are responsible for law enforcement services, evacuation and welfare services, medical and health services, fire services, transportation, et cetera. It would appear logical to assume that these people would be in constant circulation and in constant communication with all local agencies to prevent as much as possible the lagging of local interest in a problem that becomes more and more nebulous with the passage of time and the failure of potential emergencies to develop.

Attention is directed to the fact that the regional coordinator system represents at least 25 percent of the total proposed expenditures for the 1954-55 Fiscal Year. There are 34 positions involved, of which 18 are coordinators or assistant coordinators, and 16 are clerical, at a total cost for salaries and wages alone of approximately \$202,000. In addition, operating expenses, office rentals and similar costs would probably bring the total up to \$250,000 or \$260,000. It would appear that the magnitude of such cost for a system which is questionable, requires serious consideration, particularly in view of the fact that most other states, even those on the eastern seaboard having a high degree of industrial vulnerability, have not found it necessary or desirable to establish a regional state-supported system of coordinators. In view of the fact that legislative committees studied the civil defense function and organization thoroughly in the last session, and redefined the scope of the agency, and also because this is a Budget Session, we have not recommended a further reduction in the agency budget. We believe, however, that reconsideration of the activity along lines suggested above should be undertaken at the 1955 General Session.

**Office of Civil Defense
CALIFORNIA DISASTER ACT**

ITEM 30 of the Budget Bill

Budget page 33
Budget line No. 67

For Support of the California Disaster Act From the General Fund

Amount requested	\$25,000
Estimated to be expended in 1953-54 Fiscal Year	25,000
Increase	None

California Disaster Act—Continued

RECOMMENDATIONS

Amount budgeted	\$25,000
Legislative Auditor's recommendation	25,000
Reduction	None

ANALYSIS

This item provides for a continuation of the program of processing fingerprints and verifying identifications of civil defense volunteer workers. The proposed expenditure is substantially the same as is estimated for the current fiscal year. The actual processing is done by the Department of Justice through a contractual arrangement with the Office of Civil Defense.

We recommend approval of the item as submitted.

REVENUE DEFICIENCY (RAINY DAY) FUND

ITEM 31 of the Budget Bill

For Use of Revenue Deficiency Fund

ANALYSIS

This item makes available, in the event of an extreme emergency during the 1954-55 Fiscal Year, any money in the Revenue Deficiency Reserve Fund for such an emergency. For purposes of extreme emergency as defined by Section 1505 of the Military and Veterans Code, it provides that this money or so much as necessary shall be transferred to the Emergency Fund upon direction of the Governor, Controller and Director of Finance and pursuant to the recommendation of the California State Disaster Council. Upon termination of the state of extreme emergency, the unencumbered balance of the money so transferred shall be returned to the Revenue Deficiency Reserve Fund.

The same use of the "Rainy Day" Fund as provided by this item was made by Item 269.1 of the Budget Act of 1951 by statute during the 1950-51 and 1952-53 Fiscal Years, and by Item 32 of the Budget Act of 1953. We believe adequate safeguards are established for the use of this money during extreme emergencies.

We recommend approval.

LIEUTENANT GOVERNOR

ITEM 32 of the Budget Bill

Budget page 34
Budget line No. 7

For Support of the Lieutenant Governor From the General Fund

Amount requested	\$48,018
Estimated to be expended in 1953-54 Fiscal Year	42,007
Increase (14.3 percent)	\$6,011

Summary of Increase

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$3,177	\$3,177	---	34	34
Operating expense	---	---	---	34	49
Equipment	2,834	2,834	---	34	56
Total increase	\$6,011	\$6,011	---	34	58

Lieutenant Governor—Continued

RECOMMENDATIONS

Amount budgeted	\$48,018
Legislative Auditor's recommendation	48,018
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Reduction	None

ANALYSIS

The amount of \$48,018 requested for support of the office of the Lieutenant Governor for the 1954-55 Fiscal Year represents an increase of \$6,011, or 14.5 percent, over the amount of \$42,007 estimated for expenditure in the current fiscal year. It should be noted, however, that the amount of \$38,770 approved for support during the current year has been augmented by an allocation from the Emergency Fund in the amount of \$3,045 and an allocation from the Salary Increase Fund in the amount of \$192.

The allocation from the Emergency Fund was for the purpose of providing additional stenographic assistance to the office. This augmentation will provide, during the current year, additional temporary help and an additional secretary for six months at a cost of \$2,616.

This additional help was requested on the basis of additional work load which developed under the former Lieutenant Governor and the additional secretarial position has been requested for the budget year on the assumption that activities in this office will continue at a high level. The additional position will provide permanent secretarial help in both the Los Angeles and Sacramento offices of the Lieutenant Governor. We have consistently urged that additional responsibilities in State Government be placed in this office and we are disposed, therefore, to recommend approval of the increase proposed by this budget, subject to a work load review at the end of the budget year to determine if activities in this office justify keeping both the Los Angeles office and the Sacramento office open on a full-time basis.

The amount of \$2,400 is provided to replace the Lieutenant Governor's automobile which is scheduled to reach 100,000 miles during the budget year.

We recommend approval as submitted.

STATE EMPLOYEES' RETIREMENT SYSTEM

ITEM 33 of the Budget Bill

Budget page 35
Budget line No. 20

For Support of the State Employees' Retirement System From the General Fund

Amount requested	\$285,474
Estimated to be expended in 1953-54 Fiscal Year	260,142
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Increase (9.7 percent)	\$25,332

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$10,683	\$10,683	---	38	62
Operating expense	22,992	22,992	---	38	63
Equipment	-1,577	-1,577	---	38	64
Less increased reimbursements	14,600	14,600	---	38	68
Total increase	\$25,332	\$25,332	---	38	70