

DISTRICT COURT OF APPEAL, FOURTH APPELLATE DISTRICT

ITEM 27 of the Budget Bill

Budget page 26
Budget line No. 7

*For Support of the District Court of Appeal, Fourth Appellate District,
From the General Fund*

Amount requested	\$160,196
Estimated to be expended in 1954-55 Fiscal Year	126,327
Increase (26.8 percent)	\$33,869

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$324	\$324	---	26	33
Operating expense	33,418	33,418	---	26	48
Equipment	127	127	---	26	55
Total increase	\$33,869	\$33,869	---	26	57

RECOMMENDATIONS

Amount budgeted	\$160,196
Legislative Auditor's recommendation	160,196
Reduction	None

ANALYSIS

This court has jurisdiction over appeals from superior courts in 10 counties. Court sessions are on a rotating basis of every four months held at San Diego, San Bernardino and Fresno.

An increase of \$33,869 or 26.8 percent appears in the proposed budget for the 1955-56 Fiscal Year. The major portion, \$33,648, of the increase is for rent of building space in Fresno, San Bernardino and San Diego. This item was transferred from the Department of Finance budget where it appeared under the Division of Buildings and Grounds. In addition to the transfer of the amount, there has been an increase in the rent for the three locations.

Approval of this budget is recommended.

GOVERNOR

ITEM 28 of the Budget Bill

Budget page 28
Budget line No. 7

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

Amount requested	\$395,980
Estimated to be expended in 1954-55 Fiscal Year	371,192
Increase (6.7 percent)	\$24,788

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$21,788	\$21,788	---	28	80
Operating expense	2,950	2,950	---	29	14
Equipment	---	---	---	29	17
Total increase	\$24,738	\$24,738	---	29	19

Governor—Continued

RECOMMENDATIONS

Amount budgeted	\$395,930
Legislative Auditor's recommendation	395,930
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Reduction	None

ANALYSIS

The increase of \$24,738 is due primarily to salary adjustments, and temporary help and overtime in the amount of \$2,400. A proposed new position of secretary-stenographer at \$4,740 per annum is requested for the 1955-56 Fiscal Year. The only significant increase in operating expenses occurs in traveling which shows an increase of \$2,000.

We recommend approval of the amount requested.

GOVERNOR

ITEM 29 of the Budget Bill

Budget page 28
Budget line No. 21

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

Amount requested	\$12,000
Estimated to be expended in 1954-55 Fiscal Year	12,000
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Increase	None

RECOMMENDATIONS

Amount budgeted	\$12,000
Legislative Auditor's recommendation	12,000
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Reduction	None

ANALYSIS

We recommend approval of the amount requested.

Governor

SPECIAL SECRET SERVICE EXPENSE

ITEM 30 of the Budget Bill

Budget page 28
Budget line No. 23

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

Amount requested	\$7,500
Estimated to be expended in 1954-55 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

Special Secret Service Expense—Continued

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 31 of the Budget Bill

Budget page 30
Budget line No. 7

For Support of Office of Civil Defense From the General Fund

Amount requested-----	\$1,113,268
Estimated to be expended in 1954-55 Fiscal Year-----	1,012,816
Increase (9.9 percent)-----	\$100,452

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$38,728	\$11,164	\$27,564	34	9
Operating expense-----	50,440	50,440	---	34	10
Equipment-----	12,931	12,931	---	34	11
	<u>\$102,099</u>	<u>\$74,535</u>	<u>\$27,564</u>		
Less:					
Increased					
reimbursements ---	-1,647	-1,647	---	34	14
Total increase -----	\$100,452	\$72,888	\$27,564	34	21

RECOMMENDATIONS

Amount budgeted-----	\$1,113,268
Legislative Auditor's recommendation-----	813,268
Reduction-----	\$300,000

ANALYSIS

The Office of Civil Defense was created as a section of the Governor's Office by Chapter 3 of the Statutes of the Third Extraordinary Session of 1950, as amended by subsequent statutes. This act took effect by adding certain sections to the Military and Veterans' Code. Sections 1518 through 1518.4 specifically establish the Office of Civil Defense, designate that there shall be a director of civil defense, and permit the Governor to appoint such assistants and employees for the Office of Civil Defense as he may deem necessary, as well as fix the salaries for such positions.

This office is responsible for making master plans for civilian defense and relief in the event of any disaster, whether natural or man-made, but particularly in the event of war. It has established and operates a state-wide system of emergency communications and attack warnings. It has procured and stockpiled various supplies, medicines, materials, and equipment useful for disaster relief and available for distribution to any part of the State as required. It is responsible for preparing plans for mass evacuation and transportation in the event of disaster, and in all the foregoing is responsible for sponsoring, encouraging and

Office of Civil Defense—Continued

assisting in the formation of local civil defense organizations throughout the State. Its activities are coordinated as much as possible with the civil defense activities of the Federal Government. The organization consists of a headquarters staff of experts and technicians in many fields, located in Sacramento, and 10 regional offices, each headed by a regional coordinator, and in some regions, particularly the larger ones, aided by an assistant regional coordinator, together with some clerical help.

The cost of these activities for the 1955-56 Fiscal Year is proposed to be increased by \$100,452, or approximately 9.9 percent, from \$1,012,816 estimated to be expended during the current fiscal year, to \$1,113,268. While this increase is, to some extent, occasioned by merit salary adjustments of existing positions and by some increased operating expenses due to the necessity to relocate certain stockpiles of supplies and equipment, the primary influence is the proposal to increase the radiation protection services by 4½ permanent positions, plus operating expenses and equipment required by these positions.

The radiation protection service is normally responsible for the development of plans to minimize the hazards of radiation during and following an atomic explosion by enemy action. Also, it is responsible for research in the dissemination, propagation and transmission of radioactive material resulting from an atomic explosion. However, it is now proposed to broaden the scope of this service to include the peace-time aspects of radiation protection by the establishment of methods and practices in all phases of the peaceful employment of various sources of radiation for the purpose of providing maximum protection to the health, welfare and safety of the people of the State.

At present, there do not appear to be clearly established lines of responsibility as between State and Federal Governments for regulation of the peaceful use of sources of ionizing radiations. Consequently, it might appear that it would be wise for the State to assume such responsibility, at least until clarification of the duties of the Federal and State Governments in the problem. It would appear also that the logical organization, within the State, to assume this responsibility for the time being would be the existing radiation protection service of the Office of Civil Defense, even though normally the regulation and control of safety and health hazards would go to either the State Department of Health or the Department of Industrial Relations, or both. We believe that eventually this peacetime regulation should be transferred to and responsibility be assumed by whichever regularly established state agency seems most logical for the purpose. We recommend approval of this expansion in the radiation protection service.

With regard to the civilian defense activities of the Office of Civil Defense, we believe the time has now arrived when certain major changes are in order. In our analyses of the budget requests for the 1953-54 and 1954-55 Fiscal Years, we pointed out that it was our conviction that the concept of a state regional coordinator system, staffed full-time at state expense, was fundamentally unsound, primarily because it tended to eliminate the establishment of a strong sense of regional responsibility, in both governmental jurisdictions and private industry, for providing strong local defense activities and organizations of civilians. We believe that an effective state-wide chain of command

Office of Civil Defense—Continued

can be established by the appointment of responsible local officials to assume the duties of regional coordinator in conjunction with their regular duties, and who, in the event of need, could function on a full-time basis. To that end, we recommend that the state-operated regional offices and state-paid regional staffs be eliminated, and that some reasonable subsidies be established as partial payment for those individuals assuming the additional duties of regional coordinators, and to allow payment of some additional clerical assistance. We suggest that the sum of \$75,000 be established for this purpose, to be proportionately divided among the 10 regions, in accordance with the magnitude of the job in each region. *The elimination of the state-operated regional offices, together with their staffs, would result in savings of \$202,107 in salaries and wages alone, plus certain operating expense and equipment costs, which would increase this amount substantially. The net result of the elimination of the offices and the establishment of a subsidy, would be a savings well in excess of \$125,000.*

In line with the elimination of the state-operated regional offices, we would recommend a reduction in the Sacramento headquarters staff. Section 1540 of the Military and Veterans' Code provides that the Governor may assign to a state agency any activity concerned with disaster preparedness of a nature related to the existing powers and duties of such agency, and that it shall thereupon become the duty of such agency to undertake and carry out such activity on behalf of the State. We recommend, therefore, that the Division of Law Enforcement be discontinued, and the activities transferred to the Office of the Attorney General; that the Division of Medical and Health Services be eliminated and the duties transferred to the State Department of Public Health; that the Division of Transportation be eliminated and the duties transferred to the Public Utilities Commission, and that the Divisions of Evacuation and Welfare Services and Training, Information and Education be eliminated entirely, and the duties of these divisions, if required, be assigned to the remaining staff. *These recommended changes would result in a savings of \$165,861 in salaries and wages alone. In addition, there would be substantial savings in operating expenses, as well as equipment.*

There exists the possibility that much more use can be made of the California National Guard Reserve in civil defense work. We suggest that a study be undertaken with that end in view. The reserve is composed of many highly trained people whose skills could be put to good use and who appear to be anxious to serve on a voluntary basis.

The over-all savings effected by adopting all of the foregoing recommendations would be approximately \$300,000.

DEPARTMENT OF CIVIL DEFENSE

ITEM 32 of the Budget Bill

Budget page 34
Budget line No. 31

For Support of Fingerprinting Civil Defense From the General Fund

Amount requested.....	\$10,000
Estimated to be expended in 1954-55 Fiscal Year.....	10,000
Increase	None

Revenue Deficiency Fund — 44 —

Department of Civil Defense—Continued

RECOMMENDATIONS

Amount budgeted	\$10,000
Legislative Auditor's recommendation	10,000
Reduction	None

ANALYSIS

Section 1518.4 of the Military and Veterans' Code provides that the Director of Civil Defense shall screen volunteer workers for the purpose of determining loyalty and general fitness to assume their civil defense powers and duties. The section also provides that the Director of the Office of Civil Defense shall contract with the State Bureau of Criminal Identification and Investigation for the performance of such services at cost. This item provides for a continuation of this program. We recommend approval of the item as submitted.

REVENUE DEFICIENCY (RAINY DAY) FUND

ITEM 33 of the Budget Bill

For Use of Revenue Deficiency Fund

ANALYSIS

This item makes available, in the event of an extreme emergency during the 1955-56 Fiscal Year, any money in the Revenue Deficiency Reserve Fund for such an emergency. For purposes of extreme emergency as defined by Sections 1505 and 1505.5 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, by Item 32 of the Budget Act of 1953, and by Item 31 of the Budget Act of 1954. We believe adequate safeguards are established for the use of this money during extreme emergencies.

We recommend approval.

LIEUTENANT GOVERNOR

ITEM 34 of the Budget Bill

Budget page 35
Budget line No. 7

For Support of the Lieutenant Governor From the General Fund

Amount requested	\$45,952
Estimated to be expended in 1954-55 Fiscal Year	46,734
Decrease (1.7 percent)	\$782

Lieutenant Governor—Continued

Summary of Increase

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$1,836	\$1,836	---	35	32
Operating expense -----	---	---	---	35	47
Equipment -----	-\$,618	-\$,618	---	35	54
Total increase -----	-\$782	-\$782	---	35	56

RECOMMENDATIONS

Amount budgeted -----	\$45,952
Legislative Auditor's recommendation -----	45,952
Reduction -----	None

ANALYSIS

There is no significant change in the amount requested for support of the Lieutenant Governor's Office. We recommend approval.

STATE EMPLOYEES' RETIREMENT SYSTEM

ITEM 35 of the Budget Bill

Budget page 36
Budget line No. 20

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

Amount requested -----	\$254,697
Estimated to be expended in 1954-55 Fiscal Year -----	286,788
Decrease (11.2 percent) -----	\$32,091

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages -----	\$5,955	\$5,955	---	39	39
Operating expense -----	-\$4,178	-\$4,178	---	39	40
Equipment -----	-\$,960	-\$,960	---	39	41
Plus:					
Decreased reimburse- ments -----	3,092	3,092	---	39	46
Total increase -----	-\$32,091	-\$32,091	---	39	48

RECOMMENDATIONS

Amount budgeted -----	\$254,697
Legislative Auditor's recommendation -----	254,697
Reduction -----	None

ANALYSIS

The State Employees' Retirement System administers the State Employees' Retirement System and the Legislators' Retirement System. This involves the determination of membership, the accounting for contributions, service and compensation, the computation of payments of all kinds, the investment of funds, the preparation of special valuations and reports.

The budget request for Fiscal Year 1955-56 shows a reduction of \$32,091 from the current year's estimated expenditures. This decrease must be examined in detail to determine the actual change in the activities of the Employees' Retirement System. Two factors which explain this decrease are: