

Industrial Relations

Items 184-186

Department of Social Welfare—Continued

Summary of Recommended Reductions

	Amount	Budget	
		Page	Line
Direct Operations			
Complaints and Inquires:			
2 Social service consultant I -----	\$15,600	694	76
2 Intermediate typist-clerk -----	9,348	694	77
Licensing:			
1 Social service consultant III -----	9,480	694	79
7 Social service consultant II -----	60,228	694	80
2 Intermediate typist-clerk -----	9,396	694	81
Public Assistance Appeals:			
3 Social Welfare board representatives -----	32,904	694	83
2 Intermediate typist-clerk -----	9,348	694	85
Adoptions:			
2 Adoptions casework supervisor -----	17,208	695	7
1 Adoptions caseworker -----	7,800	695	8
2 Typist-clerk -----	9,348	695	9
From amount requested to improve level of service.			
Management Support			
Funding:			
1 Governmental auditor III -----	9,948	695	24
3 Governmental auditor II -----	24,588	695	25
Reporting:			
6 Associate data processing systems analyst ----	59,688	695	27
1 Intermediate clerk -----	4,674	695	30
Standardization and Direction of Service			
Adult Service:			
1 Social service consultant III -----	9,480	695	37
Food Stamps:			
1 Social service consultant II -----	8,604	695	39
1 General accountant II -----	8,196	695	40

This item is discussed in the Social Welfare summary commencing on page 561 of this analysis.

DEPARTMENT OF INDUSTRIAL RELATIONS

ITEMS 184, 185, and 186 of the Budget Bill

Budget page 698

FOR SUPPORT OF THE DEPARTMENT OF INDUSTRIAL RELATIONS FROM THE GENERAL FUND AND DEPARTMENT OF EMPLOYMENT CONTINGENT FUND

Amount requested from the General Fund -----	\$20,042,719
Amount requested from the General Fund (augmentation) -----	56,257
Amount requested from the Department of Employment Contingent Fund -----	55,963
Total amount requested -----	\$20,154,939
Estimated to be expended in 1965-66 fiscal year -----	19,251,554
Increase (4.7 percent) -----	\$903,385
Increase to improve level of service -----	\$440,147
TOTAL RECOMMENDED REDUCTION (General Fund) -----	\$63,099
(Department of Employment Contingent Fund) -----	\$55,963
Total -----	\$119,062

Department of Industrial Relations—Continued

	Summary of Recommended Reductions		Budget	
	Amount	Page	Line	
Traveling—in-state	\$17,746	703	30	
Support—program augmentation	11,661	699	23	
Traveling—in-state	7,615	702	50	
2 intermediate stenographer	9,336	708	24	
Communications (postal costs)	16,741	various		
Support—Department of Employment Contingent Fund	55,963	698	12	

Summary of Administrative Improvements

	Analysis page
Transfer audits of workmen's compensation self-insurers from Division of Administration to Division of Industrial Accidents	577

Summary of Policy Options

Withdrawal from cases of joint jurisdiction in Fair Employment Practices Division	579
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GENERAL PROGRAM STATEMENT

The Department of Industrial Relations, through its eight line divisions and one self-supporting division, has as its overall objective the promotion and protection of the interests of persons in the state's labor force.

To achieve this objective, the department is engaged in seven programs. The eight line divisions are all involved in at least one of six of these programs. The staff division, administration, through its services participates in all six programs. The self-supporting division, the State Compensation Insurance Fund, implements its own specialized program without the participation of other divisions of the department.

The six active programs involving the line divisions are the regulatory, enforcement, adjudication and conciliation, promotional and advisory, public information and education, and statistical programs.

The growth of the department in personnel and expenditures has far exceeded the rate of population and labor force growth of 14.3 percent and 10.2 percent respectively for the period 1961 through 1965. In fiscal year 1961-62 the department utilized 1,201.6 man-years of staff time and its total support expenditures amounted to \$11,975,485. By fiscal year 1964-65 the personnel had increased by 30 percent to 1,563.2 man-years and total costs had increased by 45 percent to \$17,373,860.

The total expenditures proposed for the budget year amount to \$20,154,939 and are contained in three budget items, two from the General Fund, Item 185 for support in the amount of \$20,042,719 and Item 184 in augmentation of the support item in the amount of \$56,257, and Item 186 from the Department of Employment Contingent Fund in the amount of \$55,963. The total proposed expenditure in the budget year represents an increase of 68.3 percent over the costs of fiscal year 1961-62 and a 38.6 percent increase in personnel over that year. On this basis we project the estimated total support cost of this department in fiscal year 1968-69 as \$22,582,879.

It should also be noted that the Division of Housing is no longer in the department, thus in a comparison of the last actual year's expendi-

Department of Industrial Relations—Continued

tures with the budget year the Division of Housing support costs and personnel for fiscal year 1964-65 must be taken from the totals for that year if a meaningful comparison of expenditures is to be made. After this adjustment the budget year costs are up 21 percent (\$5,509,577) and man-years of employment have increased 13 percent over 1964-65 the last actual expenditure year.

Similarly, if the budgeted costs of this division are deducted from the current year's estimated expenditures, disregarding the pro rata share of administrative costs chargeable to the division, the minimum increase of the proposed departmental budget over the current year is \$1,113,908 or 5.8 percent.

This budget requests 123.9 new positions with an estimated total added salary cost of \$1,012,853. These new positions are in three categories: (1) 47.4 are positions established in the current year—seven to comply with the requirements of new legislation, two for workload increases, 28.4 federally funded MDTA positions and 10 to provide an improved level of service; (2) 70.5 new positions in the current year, 20 of which are due to new legislation, 46.5 are for workload increases and four are to improve the level of service; and (3) six new positions are requested as program augmentation.

ANALYSIS AND RECOMMENDATIONS**Regulatory Program**

This program includes the following organizational divisions of the department: Administration, Industrial Safety, Apprenticeship Standards, Industrial Welfare, Labor Law Enforcement, and Fair Employment Practices.

The program provides for the interpretation of the statutes, the establishment of standards, the issuance of administrative orders and the necessary surveillance to assure the reasonable protection of the public and all workers in the state in matters of industrial safety, health and welfare.

The program for the budget year proposes the continuation of the current level of service including workload increases and additional activities resulting from legislation enacted in the past general session. The program cost is estimated as \$4,743,533. This represents an increase of \$1,020,863 over the fiscal year 1964-65 program expenditures.

Eleven new positions relate to the mandatory functions of auditing self-insurer responsibilities under the Workmen's Compensation Insurance laws, and one position is concerned with establishing standards for control of air pollution within structures by nonregistered vehicles, as required by legislation enacted at the 1965 General Session. Ten new positions are needed for increased workload.

In the implementation of this program in fiscal 1964-65 the department issued 23,625 licenses, revised 11 orders, and made 188,585 inspections. In the budget year it is estimated the department will issue 24,764 licenses, revise 15 orders, and make 165,843 inspections. The transfer of the Division of Housing is reflected in the reductions of the inspection figure.

Department of Industrial Relations—Continued

Administrative Improvements

Transfer of an Operational Function

With the reorganization of the Division of Industrial Accidents and change of its responsibilities under law to include administrative types of functions serving the Appeals Board, as well as the performance of operational tasks associated with the Workmen's Compensation Law it is strongly recommended that consideration be given to transferring the operational function of audits of workmen's compensation self-insurers from the Division of Administration to this division.

The Division of Administration is a staff and administrative division providing housekeeping services and policy guidance to the entire department and with the exception of the self-insurers unit performs no operational tasks.

We believe the transfer of this function to the Division of Industrial Accidents will free the departmental director from the burden of supervision of this unit and yet provide adequate supervision within a division which has correlated responsibilities in this area.

Enforcement Program

The enforcement program includes the services of the following divisions of the department: Administration, Safety, Industrial Welfare, Labor Law Enforcement, and Fair Employment Practices.

This program is the vehicle for enforcement of the regulations, standards and interpretations of law through actions of the department on its own authority or through the courts. Collection of unpaid wages due workers and enforcement of labor laws make up its major activity.

The estimated cost of the program for the budget year is \$2,756,585, an increase over the program cost for 1964-65 of \$539,425.

Of the 32 new positions requested in the various divisions concerned with this program, 30 are requested to maintain the same level of service on the basis of workload standards developed for deputy labor commissioners and their supporting staff and for safety engineers, and two are related to new legislation involving industrial safety engineers.

In fiscal year 1964-65 an amount of \$4,255,000 of unpaid wages were recovered for wage earners and 992 violations of labor law were prosecuted in the courts. These same activities will, it is estimated, result in the recovery of approximately \$5,000,000 in unpaid wages in the budget year.

Traveling—in-state (budget page 703, line 30)----- \$381,910

The Division of Industrial Safety has requested the above amount for "in-state travel" in the budget year, an increase of \$28,946 over the current year. Included in the increase is an amount of \$11,200 to accommodate the travel requirements of the five new safety engineers requested.

We recommend this line item be approved in the reduced amount of \$364,164, thus saving \$17,746.

Department of Industrial Relations—Continued

The price letter issued by the Department of Finance indicates the cost of in-state travel should be budgeted at 1965-66 levels or less. Mileage allowances remain the same, air travel rates have remained constant, gasoline costs are estimated to be less, as are other costs relating to operation of vehicles. The amount we have recommended for approval is the current year estimated cost of traveling in-state plus the \$11,500 which the agency has indicated is the support required for the requested new positions.

Adjudication and Conciliation Program

Five of the divisions of the department participate in this program: Administration, Conciliation, Industrial Accident, Apprenticeship Standards, and Fair Employment Practices.

This program concerns the adjudication of matters in contention between employees and employers in regard to industrial injury claims and the conciliation of labor disputes and unfair employment practices. The objectives of the program are the just and equitable settlement of industrial injury claims and the maintenance of a stable labor relations climate.

It is estimated this program will cost \$7,881,165 in the budget year, an increase of \$1,422,319 over the expenditure of 1964-65. This increase is due in part to the addition of 30 positions at an estimated cost of \$291,672. The majority of these new positions are related to the passage of Chapter 1513 of the Statutes of 1965 (effective January 16) which required an extensive reorganization of the Division of Industrial Accidents. The costs of this reorganization in the current year are supported by an estimated allocation of \$210,025 from the Emergency Fund.

In fiscal year 1964-65 the activities within this program involved participation in 719 labor relations actions, the closing of 1,124 cases of a discriminatory nature, and acceptance of 95,889 filings in regard to industrial injuries and the disposition of 96,273 such cases. During the budget year it is estimated that the department will be involved in 733 labor relations matters, close 1,146 cases of discrimination and receive 105,387 filings on industrial injuries and dispose of 106,140 such cases.

Program augmentation (budget page 699, line 23)----- \$56,257

Two of the proposed new positions requested for program augmentation fall within this program, they are the two senior legal stenographers.

The two senior legal stenographers are requested to bring two referee teams up to the accepted standard staffing pattern.

We recommend that this budget item be approved in the reduced amount of \$44,596 thus saving \$11,661 and denying the request for two senior legal stenographer positions.

In respect to this request for two senior legal stenographers to bring two referee teams up to the standard staffing pattern we point out that in previous years the Division of Industrial Accidents has always

Department of Industrial Relations—Continued

requested and received approval of referee teams of four positions, namely a referee, a hearing reporter, an intermediate typist-clerk and a senior legal stenographer. It appears the division has, at some time in the past, received two senior legal stenographer positions for the approved referee teams which it has chosen to reassign or reclassify to other duties. These positions should now be returned to the status for which approved and any request for new positions should be justified on the basis of the need for those positions.

Traveling—in-state (budget page 702, line 50)----- \$103,747

The Division of Industrial Accidents request for traveling—in-state in the budget year exceeds the current year's estimate by \$13,015 and the last actual year by \$32,273.

We recommend this line item be approved in the reduced amount of \$96,132 reflecting a savings of \$7,615.

This recommendation is based on a review of these costs and the instructions contained in the Department of Finance letter of budget instructions indicating travel should be budgeted at current year levels plus new position travel costs.

2 Intermediate stenographers (budget page 708, line 24)---- \$9,336

The Division of Fair Employment Practices has used an opinion rendered by the Legislative Counsel as justification for continuing certain limited activities under the Fair Housing Act and in support of this contention has requested two clerical positions to fulfill eight responsibilities related to the aforementioned act. These positions are proposed to augment the existing staff in the San Francisco and Los Angeles offices of the division.

It does not appear that two clerical positions can fulfill the responsibilities outlined in the budget, nor has the agency submitted any tangible evidence of specific clerical workload increases. The division now has a total of 20 clerical positions authorized. These positions provide clerical services for 32 management and technical positions. The four senior stenographers authorized are assigned to four managerial positions on a one-to-one basis, making the ratio of clerical assistance to technical positions somewhat more than one clerical position for every two technical positions. This staffing pattern should be adequate to the needs of the division under these circumstances and to provide two additional clerical positions would result in an unjustified increase of this staffing ratio.

Policy Option

With the enactment of the federal Civil Rights Act of 1964, the federal government, through the Commission on Civil Rights acting under Title VII (Equal Employment Opportunity) of the act acquired joint jurisdiction with the California Fair Employment Practice Commission, under the California Fair Employment Practices Act, in many areas of law governing complaints of discriminatory actions in employment matters.

Department of Industrial Relations—Continued

The federal jurisdiction in cases dealing with employers will expand in the next three years to include all but the smallest businesses. Thus the state's activity in the fair employment practice matters can diminish significantly during this period of time and a reduction in state support can follow.

Reductions in state expenditures for these purposes would then be proportional to the numbers of cases surrendered to federal jurisdiction.

Alternatively it would appear that a course of action should now be established which should lead to an agreement with the federal Civil Rights Commission on a schedule of federal reimbursements for those costs borne by the state in cases where joint jurisdiction is deemed to exist.

Promotional Advisory Program

Five divisions of the department participate in this program. These divisions are: Administration, Safety, Apprenticeship Standards, Industrial Welfare, and Fair Employment Practices.

Through this program the department promotes interest in apprenticeship for labor, management and youth, provides consultative advisory services to the public and public agencies, and acts as an agent of the federal government in the sponsorship of "On the Job Training" under MDTA. Its objectives are to create more apprenticeship positions in the state's industries, to provide advice and consultation on matters under the department's jurisdiction relative to the application of laws, standards, and orders to preclude inadvertent violation of legal requirements, and to create as many OJT situations as federal funds will permit.

It is estimated that the budget year cost of this program will be \$2,293,943. This is an increase of \$426,350 over the expenditures of fiscal year 1964-65 for this program. Approximately 63 percent of the increase occurred in the promotional aspects of this program and the remainder in the advisory activity.

The Division of Apprenticeship Standards added 30.4 federally funded positions in the current year to implement the MDTA-OJT activity of promoting approximately 11,000 OJT positions in private industry, and this activity is proposed to continue in the budget year at the same level pending availability of federal funds.

The staffing formula used by the Division of Apprenticeship Standards indicated an overstaffing of two authorized consultants for the budget year. These positions were abolished reducing the total number of consultants to 75.

In fiscal year 1964-65 this department through this program provided 613 local or statewide apprenticeship committees with advisory support. These committees in turn administered programs in which 24,223 active apprentices were registered and from which 4,301 apprentices were certified to journeyman. During this same period, 223,578 man-hours of advisory consultative services were provided to the public and governmental agencies. For the budget year the department estimates it will

Department of Industrial Relations—Continued

serve 609 apprenticeship committees responsible for 24,618 active apprentices and will provide 239,212 man-hours of advisory consultative time to the public and others.

Apprenticeship Training and Information Centers

<i>Department of Employment Contingent Fund (budget page 700, line 54)</i>	\$2,300
<i>Department of Employment Contingent Fund (budget page 704, line 38)</i>	\$53,663

The Division of Apprenticeship Standards implements the California Plan for Equal Opportunity in Apprenticeship and Training by the operation of seven apprenticeship training and information centers in cooperation with the Department of Employment.

In fiscal year 1964-65, the first year this program was operative, an amount of \$42,393 was expended. The seven centers are located in space provided by the Department of Employment and had approximately 5,000 visitors. Of these about 3,000 were counseled, 1,580 tested and 1,590 were referred to joint apprenticeship committees. Two hundred were placed in apprenticeship jobs. Total active apprentices in 1964-65 exceeded the prior year by 2,098, totaling 24,223. Of this 2,098 increase only 200 can be credited to this program.

The current year is projected to cost approximately the same as the prior year at \$47,232. The department is requesting a total of \$55,963 to continue this function in the budget year.

We recommend that the total support funds for this function be deleted.

The Department of Employment is initiating a new specialized service for unemployed youth during the current year. Nine Youth Opportunity Centers will be established throughout the state staffed by a total of 333 positions. These centers are to provide specialized employment services to all youth seeking work with special emphasis on those described as being disadvantaged. The support of these centers will be funded by the federal MDT Act. These centers should, if they are to provide a comprehensive service, include the active promotion of apprenticeship. It is intended that they be "staffed by a group of highly skilled personnel trained to assist youth by means of diagnostic interviewing, testing and counseling, and supporting technical and developmental services . . ." (budget page 538, lines 16 to 20). While this plan obviously could and should include apprenticeship promotion and counseling, there is a strong likelihood that it will not as long as there is a separate program for that function. If apprenticeship is a part of the program of these youth opportunity centers it will duplicate the program of the apprenticeship information and training centers. In either case the continuation of the A.I. & T. centers will tend to defeat one of the major reasons for establishment of the youth opportunity centers. "The centers will provide a focal joint for governmental and community efforts to aid youth, and particularly disadvantaged youth . . ."

Department of Industrial Relations—Continued

“Each center will help provide a youth with the capabilities and occupational competence he needs to make him competitive in the job market . . .” (budget page 538, lines 10 to 14). The concept of a single center serving the various needs of unemployed youth obviously has the advantage of avoiding the numerous referrals between agencies which has been criticized as a defect of the existing programs designed to assist the poor and disadvantaged.

The geographic distribution of the nine Department of Employment youth opportunity centers covers the same areas as six of the seven apprenticeship information and training centers. The only exception is the Eureka Apprenticeship office. It is the plan of the Department of Employment to provide youth opportunity center services to areas not immediately adjacent to these centers on an out station of center personnel to regular employment offices, and it would undoubtedly make adequate arrangements for a substantial industrial center like Humboldt County.

It appears that better service in apprenticeship recruiting can be provided by closing the information and training centers and centralizing youth employment services in one office and at the same time avoid duplicating expenditure of state funds.

Public Information and Education Program

This program is participated in by all the divisions of the department.

Through this program the public and specifically interested segments of industry and labor are provided with advice, information, guidance and education in the department's area of responsibility in industrial relations.

The objective is to make the public, industry and labor aware of their responsibilities and rights under labor law and the nature of the services available to them through the department's various divisions. This objective is achieved through publications, news releases, film clips, slide projections, motion picture films and speaking engagements of staff members.

The estimated program cost for the budget year is \$1,552,165, an increase of \$350,199 over the expenditures for 1964-65.

In the implementation of this program in fiscal year 1964-65 the department printed and made distribution of 397 reports, news releases and periodicals as well as providing qualified speakers on numerous occasions from all staff levels. During the budget year these same activities will continue, requiring the distribution of an estimated 438 reports, news releases, etc., and filling such speaking engagements as may be requested.

Communications (sum of all divisions except Division of Administration) ----- \$181,955

Communications costs within the department are budgeted at both the divisional level and the departmental level. Those communications costs budgeted within the operational division budgets are postal costs

Department of Industrial Relations—Continued

only, those in the administration division budget include the total departmental exchange, telephone and telegraph costs as well as that division's postal costs. In the following discussion we refer only to the operational divisions' budgeted costs of communication (i.e. postal costs) which total \$181,955 for the budget year. In 1964-65 these total postal costs were \$151,059 or \$30,896 less than requested for fiscal year 1966-67.

We recommend the total amount for divisional postage as budgeted be approved in the reduced amount of \$165,214 resulting in a savings of \$16,741.

The Department of Finance letter of budget instructions advised that postage costs should be budgeted at 2.0 and 2.2 percent over 1964-65 costs for second- and third-class rates and at the same rate for first class and air mail. The amount recommended for approval contains not only a 2.2-percent increase for the entire item without making a class rate distinction but included is an additional \$6,000 to accommodate the anticipated increase in service required by the reorganization of the Division of Industrial Accidents and \$4,700 for new position postal costs, and should be adequate for the department's needs.

In connection with these costs we recommend consideration be given to budgeting these costs at the departmental administration level in a manner similar to the telephone and exchange charges. Further, a detailed review of the purpose for which these funds are used is indicated with special attention being given to mailing lists used by the divisions for distribution of publications of the house organ nature and routine reports.

Statistical Program

Only two of the divisions of the department participate in the statistical program, the Division of Administration and the Division of Labor Statistics and Research.

This program has two activities, the development of labor relations statistics on a statewide basis and departmental statistics related to evaluation of performance and workload levels of the various divisions. Incidental to these latter activities and as a result of the acquisition of more sophisticated electronic equipment in the near future the scope and nature of the program will be expanded to include billing processes and other functions of a staff services nature.

The primary objective of the program is the gathering of information concerning industrial relations, its analysis and publication in a form useful to labor, management, government and industry in establishing trends, planning for future activities, comparisons for economic growth or decline, etc.

The estimated cost of the program for fiscal year 1966-67 is \$871,271, an increase of \$194,577 over the last actual full year's expenditure. The addition of 7.5 positions by the Legislature in the current year and the 8.5 positions requested in the budget year account, in part, for this increase.

Department of Industrial Relations—Continued

The normal statistical tasks have increased in proportion to the size of the labor force, number of employers and places of employment, collective bargaining agreements, work stoppages, injuries to workers, and other statistical factors. In addition the continual upgrading of the division's data processing capability has led to greater sophistication and detail being incorporated into the regular statistical program as well as resulting in demands for more departmental statistics. These pressures result in the increased workload reflected in the seven positions approved for the current year and for 3.5 positions of the positions requested in the budget year. The remaining five positions requested in the budget year are required to perform an activity related directly to the statutory reorganization of the procedures related to the review and regulation of workmen's compensation benefits.

In fiscal year 1964-65 the program produced 299 various statistical reports and in the budget year it is estimated that 320 such reports will be developed, published and distributed.

This program receives partial support, not shown in the budget, from the federal government in the form of 11 technical positions, franking privileges and forms. This cooperative agreement has been in effect since 1924. It is understood the Federal Bureau of Labor Statistics is now desirous of terminating the federally supported positions and substituting in their stead, under a contractual agreement, total reimbursement of sufficient funds to support an equal number of similarly qualified state technical positions. Such a contract, if offered, should be carefully reviewed to insure the state's expenditures in support of these positions is in fact fully reimbursed.

Compensation Insurance Program

The State Compensation Insurance Fund is the only departmental organizational unit participating in this program. The program is self-supporting and does not appear as a budget item. The state fund operates in the same manner and under the same laws as do private insurance firms offering industrial accident indemnity insurance to employers within the state.

The objective of the program is to provide the employers of the state with a source of industrial accident insurance at stabilized rates reflecting the local conditions in the state's industries.

The support of the program for the budget year is estimated at \$19,664,000 of which \$2,646,000 is paid to the state in premium tax, this proposed expenditure compares with the actual total expenditures in 1964-65 of \$17,120,301 of which \$2,110,883 were premium tax payments to the state.

As the statutory authority for this program is continuous and it is funded for a Public Service Enterprise Fund a recommendation in this instance is not required.

STATE FIRE MARSHAL

ITEMS 187 and 188 of the Budget Bill

Budget page 710

FOR SUPPORT OF THE STATE FIRE MARSHAL FROM THE
GENERAL AND DRY CLEANERS FUNDS

Amount requested	\$974,662
Estimated to be expended in 1965-66 fiscal year	898,127
Increase (8.5 percent)	\$76,535

TOTAL RECOMMENDED REDUCTION..... None

GENERAL PROGRAM STATEMENT

The State Fire Marshal is directed by Section 13100.1 of the Health and Safety Code to foster, promote and develop ways and means of protecting life and property against fire and panic. There are 63 professional employees directly engaged in the defined functions and 28.1 service personnel supporting them. The statewide operation is managed from the Sacramento headquarters and district offices and from district offices in Los Angeles and San Francisco.

Five-Year Growth

There have been 14 professional employees added to the staff in the past five years as follows:

- 1* fire prevention engineer and
 - 3* deputy state fire marshals for the new tank truck program
 - 1* deputy state fire marshal for the new fire extinguisher program
 - 5 deputy state fire marshals for the new full review of state facility plans program
 - 1* deputy state fire marshal for the new fire works enforcement program
 - 1 deputy state fire marshal for the new camp inspection program
 - 1 fire prevention engineer for the new private institution instruction program
-
- 13 for new program
 - 1* deputy state fire marshal for increased workload in the school plan program
-
- 14 Total additional professional employees

The seven positions denoted by the asterisk are supported by revenue or reimbursement provisions. New legislation preceded budgeting 12 of the 13 new program positions. The one position added on a workload basis represents a 2 percent increase in five years.

There were 3.7 clerical positions (1.5 reimbursable) and an accounting officer added to support the additional professional personnel.

The General Fund cost for support of the State Fire Marshal less estimated revenue has increased from \$483,519 projected for 1962-63 to \$698,437 projected for 1966-67. This \$214,918 increase (44 percent) can be subdivided approximately to a \$116,996 (24 percent) increase

State Fire Marshal—Continued

for the 11.7 new General Fund supported positions and \$97,922 (20 percent) increase for salary increases.

Program Division for Analysis

The State Fire Marshal has modified slightly the subdivision of activities presented in the 1965-66 State of California Sample Program Budgets. The following analysis parallels the most recent presentation of nine definitive activities and despite the fact that it deviates slightly from the breakdown of our 1965-66 analysis of the budget bill, direct comparisons of productivity are possible.

The failure to prorate inservice training and to accurately reflect the clerical cost of the fire extinguisher program represent deficiencies of the allocation.

ANALYSIS AND RECOMMENDATIONS

(1) Engineering and Field Enforcement

The State Fire Marshal is responsible for enforcing the rules he adopts relative to the design and construction of state buildings, schools and dry cleaning plants and for specified other facilities located in areas of his jurisdiction. His staff reviews the plans and conducts site inspection to fulfill this obligation.

Program Plan and Budget for 1966-67

The budget proposes to continue the existing level of services for an estimated cost of \$756,288. The \$135,415 Dry Cleaners Fund reimbursement reduces the General Fund obligation to \$620,873. There are 3 working supervisor fire prevention engineers, 39 deputies and 16½ clerical positions involved in this program. Four of the deputies and one clerical position were added by the 1965-66 Budget Act to implement full plan review of new state facilities as opposed to the spot checks of the past.

Review of Accomplishment

The activity of this staff in 1964-65 is summarized below and compared to 1963-64.

Type facility	Site inspections		Plan reviews	
	1964-65	1963-64	1964-65	1963-64
U. of C. and state colleges	29	30	30	27
Other state facilities	410	725	400	97
City and county facilities	305	304	11	23
Hospitals	2,692	2,592	1,684	1,783
Welfare facilities	2,443	2,115	400	282
Camps	114	141	4	7
Schools	2,616	2,884	28	36
Public assembly facilities	1,410	1,060	26	37
Other facilities	374	275	---	---
Total	10,393	10,086	2,583	2,292
Man-years	22.68	22.83	5.25	5.0
Productivity	458	442	492	458
Clothes-cleaning facilities	5,893	6,283	815	793
Man-years	5.73	5.94	1.31	1.01
Productivity	1,028	1,058	622	785

State Fire Marshal—Continued

The productivity expressed above represents the average number of plans reviewed or site inspections conducted per man-year. Aggregate comparisons of productivity must be assessed cautiously, however, because changing proportions of the type of facility plans reviewed or site inspections conducted have a direct effect on workload and productivity, and may invalidate conclusions drawn from such comparisons. We have urged the State Fire Marshal to modify the basic workload-reporting system to substantiate productivity measurement per type of facility. He has agreed to comply subject to assurance that the program division submitted this year is satisfactory.

Plan reviews are made of the design of new facilities and of the design of modifications to existing facilities, so the number is directly related to construction activity. Site inspections are made to insure that new facilities are properly constructed and to examine the condition of existing facilities. Thus, the number of site inspections required is dependent upon new construction activity, the total number of existing facilities and the frequency of inspections of existing facilities. Only the frequency of inspection is subject to the discretion of the State Fire Marshal. He varies the frequency to allow for the different character of facilities within his responsibility and averages an inspection every year for clothes-cleaning plants and every six months for other facilities.

(2) Certificating Transportation of Flammable Liquids

The State Fire Marshal is directed by Division 14.7 of the Vehicle Code to register any truck, trailer or semitrailer equipped with a cargo tank with a capacity in excess of 120 gallons used for the transportation of flammable liquids. He shall adopt and enforce reasonable regulations regarding the design, construction and maintenance of such vehicles and their fire safety devices and the prevention of intermixing incompatible materials in or on tank vehicles.

Program Plan and Budget for 1966-67

The 1965-66 budget reduced the number of deputies from five to one reporting to a headquarters based fire prevention engineer for this activity to reflect the fact that reimbursements were not sufficient to support the former level of service. However, Chapter 1326 of the Statutes of 1965 deleted a requirement that the tankers be certified every year and substituted the requirement of biennial registration. Accordingly, two deputy state fire marshals and one-half clerical temporary help were reinstated by administrative adjustment to carry out the reduced service required by Chapter 1326. Approval of the two and one-half positions added administratively would result in a total of four professional and one and one-half clerical positions to pursue this activity. Registration of approximately 8,400 vehicles should generate an average yearly revenue of \$72,310 to offset the \$71,266 General Fund cost of the program.

State Fire Marshal—Continued
Review of Accomplishment

The staff of 4.88 professionals inspected 7,536 flammable liquid cargo carriers in 1964-65 for an average of 1,544 inspections per man. This is 22 percent higher productivity than the 1,263 average of 1963-64, but it was accomplished as a crash program in recognition of the urgent need to fully implement this program which has faltered since its 1961 inception. Because of this the inspectors did not have an opportunity to subsequently spot check the tankers to be assured that required modifications were made. The average number of regular inspections per man may diminish as spot checks are made which would reduce the time available for regular inspections and thus reduce apparent productivity.

Recommendations

We recommend approval of the support of the program as budgeted. The 8,400 tankers can be inspected every two years by three professional positions and the fourth supervisory professional can fill in for spot checks as required in addition to coordinating the other aspects of the program.

(3) Fireworks Licensing

The State Fireworks Law, Part 2, Division 2 of the Health and Safety Code charges the State Fire Marshal with the responsibility to classify fireworks and control sale, storage, transportation and public display of fireworks. Manufacturers, importer-exporters, wholesalers, retailers and pyrotechnic operators are licensed for a fee. The staff performs laboratory analyses to classify fireworks and spot checks the major distributors' inventory to insure compliance with the State Fireworks Law.

Program Plan and Budget for 1966-67

The budget proposes to continue the existing staff of two professional and one clerical employees. The \$47,887 fee revenue generated by this activity exceeded the \$38,845 estimate made for budget purposes in 1964. The \$46,300 revenue estimated for 1966-67 exceeds the \$40,180 cost of the activity.

Review of Accomplishment

There were 2,778 licenses awarded in the 1964-65 year and 92 inspections of fireworks inventories. Special circumstances related to retirement of the professional long experienced in this field and the use of only three-tenths of the second authorized professional position has limited the enforcement activity to a minimum.

(4) Equipment and Construction Materials Listings

The State Fire Marshal publishes for distribution, upon the request of manufacturers and suppliers, a list of construction materials, equipment and methods that are in conformity with fire and panic safety standards described by Title 19 of the California Administrative Code.

State Fire Marshal—Continued

The fire prevention engineer responsible for this activity must examine and approve the product or method proposed for sale to the public, including laboratory analysis if necessary.

Program Plan and Budget for 1966-67

The budget proposes continuation of the present level of service for a cost of \$23,999 and indicates \$12,000 reimbursement to the General Fund. The reimbursement in 1965-66, however, has already exceeded the \$12,000 estimated for the current year and will probably total \$20,000.

Review of Accomplishment

The professional responsible for this activity performed a quarter man year of overtime in certifying 333 of 489 materials and methods. The review process has been modified to enable more rapid approvals, elimination of the backlog and increased revenue.

(5) School Plan Engineering

The Department of General Services is directed by Section 15451 of the Education Code to supervise the construction or major alteration of any school building for the protection of life and property. Section 15454 requires approval of plans for construction. The Office of Architecture and Construction fulfills this Department of General Services responsibility and contracts for the services of State Fire Marshal personnel to review the fire safety aspects. The Fire Marshal staff possesses specialized ability and his deputies perform for a significantly lower salary than commanded by the structural engineers employed by the Office of Architecture and Construction. An adequate fire safety review of school plans is assured by this contractual agreement for minimum cost.

Program Plan and Budget for 1966-67

The additional position added administratively in the current year increases the staff to six positions estimated to cost \$80,000 in 1966-67. The full amount is reimbursed by the Office of Architecture from revenue it receives from the school agencies which benefit from the service.

Review of Accomplishment

The staff productivity decreased slightly in 1964-65 to 1,349 plans reviewed by 5.03 professionals for 268 plans per man per year. There were 1,360 plans reviewed in 1963-64 at a ratio of 276 plans per man per year.

(6) Fire Extinguisher Licensing

A test of competency is administered by the State Fire Marshal, prior to the issuance of licenses and certificates to persons who service, charge, test or repair portable fire extinguishers. Firms, persons, corporations and associations that engage in any of the above activities must be licensed or certified. The purpose of such precautions is to in-

State Fire Marshal—Continued

sure that fire extinguishers are in proper order, adequately marked and ready for use in the event of fire emergency.

Program Plan and Budget for 1966-67

The budget provides for continuation of the services of the deputy position assigned from the headquarters staff. The \$17,000 reimbursement from license and registration fees can be compared to the expected \$19,020 cost of the program without allowance for clerical assistance. One clerical position was deleted by the 1965-66 budget in an effort to balance the reimbursement and cost of this program. Elimination of the position, however, did not diminish the clerical work so it is absorbed by the clerical staff supported by the remaining programs.

Review of Accomplishment

The deputy assigned to this responsibility performed one-fifth year overtime in processing 916 licenses and certificates. This is an increase of 16 percent over the 790 processed in 1963-64.

(7) Wearing Apparel and Flame Retardants Registration

Section 13119 of the Health and Safety Code requires that decorative materials in places of public assembly, including schools, must be made from a nonflammable material, or treated and maintained in a flame-retardant condition. Sections 19811 and 19812 commit the State Fire Marshal to establish acceptable levels of flammability for wearing apparel and other cloth and to test for conformance. Approved products and application concerns are listed for a registration fee.

Program Plan and Budget for 1966-67

The existing level of service performed by a deputy and one-half clerical position is proposed by the budget. The \$22,200 revenue expected exceeds the \$19,017 cost of the program.

Review of Accomplishment

There were 283 registrations in 1964-65 compared to 271 the prior year.

(8) Establishing Routes for Transportation of Explosives

Division 14 of the Vehicle Code requires that the State Fire Marshal establish safe highway routes and stopping places for vehicles engaged in the transportation of explosives. The changing character of development adjacent to highway rights-of-way necessitate the continual re-examination of routes designated.

Program Plan and Budget for 1966-67

The budget proposes maintenance of the existing level of activity as pursued by one deputy and a fraction of one clerical position. The total cost is \$19,365.

Review of Accomplishment

There were 335 safe stopping places established in 1964-65 compared to 332 in 1963-64.

State Fire Marshal—Continued

(9) Training

Section 13105 of the Health and Safety Code provides that the State Fire Marshal "shall encourage the adoption of fire prevention measures by means of education, and shall prepare or cause to be prepared for dissemination information relating to the subject of fire prevention and extinguishment." The equivalent of three deputies are involved in this activity. One is responsible for in-service training and conducts classes for fire enforcement officers. A second (added for this purpose by the 1965-66 budget) tours the state to conduct classes for the operators of rest homes and private institutions. The equivalent of the third deputy trains state institution fire departments in fire suppression.

Program Plan and Budget for 1966-67

The budget proposes continuance of the existing staff level for a cost of \$62,395. One clerical position assists the three professionals.

Review of Accomplishment

The staff conducted 25 training sessions for fire enforcement officials, 7 for the operators of private institutions and 72 in public institutions in 1964-65. The staff member added by the 1965-66 budget act will conduct an increased number of sessions for private institution operators in the current and budget years.

We recommend approval of the support of the State Fire Marshal as budgeted.

Department of Justice
PROGRAM AUGMENTATION

ITEM 189 of the Budget Bill

Budget page 713

FOR SUPPORT OF PROGRAM AUGMENTATIONS—DEPARTMENT OF JUSTICE FROM THE GENERAL FUND

Amount requested	\$372,359
Increase to improve level of service	\$372,359
TOTAL RECOMMENDED REDUCTION	\$304,456

Summary of Recommended Reductions

	Amount	Page	Line
4 Senior legal stenographer	\$28,125	713	63
1 Deputy attorney general II, 3 senior special investigator, 1 typist-clerk	50,000	713	80
1 Deputy attorney general III, 1 assistant economic analyst, 1 senior legal stenographer, 1 senior typist-clerk	38,301	713	61
1 Administrative assistant I	9,670	714	8
1 Special agent I	14,640	714	13
2 Senior crime studies analyst, 1 senior clerk	34,000	714	19
1 Associate crime studies analyst, 1 assistant crime studies analyst, 1 senior clerk, 3 intermediate clerk	43,500	714	12
1 Senior crime studies analyst, 1 assistant crime studies analyst, 1 senior clerk, 3 intermediate clerk, 1 intermediate typist-clerk	50,600	714	23
1 Assistant crime studies analyst, 1 senior clerk, 4 intermediate clerks	35,620	714	31