

**LEGISLATURE**

Items 0110-0130 from the  
General Fund

Budget p. LJE 1

Requested 1982-83 .....	\$99,210,000
Estimated 1981-82.....	104,529,000
Actual 1980-81 .....	77,984,000
Requested decrease (excluding amount for salary increases) \$5,319,000 (-5.1 percent)	
Total recommended reduction .....	None

**1982-83 FUNDING BY ITEM AND SOURCE**

Item	Description	Fund	Amount
0110-001-001—Senate		General	\$30,335,000 (D)
0120-011-001—Assembly		General	46,373,000 (B)
0130-021-001—Joint Committees		General	18,765,000 (C)
Subtotal of Legislature's Appropriation			95,473,000 (E)
Expenditures from Contingent Funds		Contingent	1,900,000 (D)
Expenditures from General Fund Carry-over Balances		General	1,837,000 (F)
Total			\$99,210,000 (G)

**GENERAL PROGRAM STATEMENT**

Under the terms of a ballot measure adopted in 1972, the Legislature convenes in even-numbered years on the first Monday in December and remains in session, except for recess, until November 30th of the following even-numbered year.

Bills may be introduced in either the first or second year, and bills introduced in the first and not enacted are automatically carried over to the second. The Budget Bill is introduced and enacted annually.

The Legislature had 2,071 employees at the end of 1981.

**ANALYSIS AND RECOMMENDATIONS**

*We recommend approval.*

The budget provides \$99,210,000 for support of the Legislature in the budget year. This amount is \$5,319,000 or 5.1 percent lower than estimated expenditures in the current year. Table 1 outlines the sources and uses of funds for legislative expenses.

Historically, legislative appropriations have been augmented by balances carried over from prior years. In the budget year, 3.8 percent of expenditures (\$3.7 million of the \$99.2 million proposed) will be funded from carry-over balances and transfers.

**Table 1**  
**The Legislature Budget Summary**  
**(in thousands)**

Source of Funding	Estimated 1981-82	Proposed 1982-83	Change
General Fund (appropriations and transfers).....	\$99,746	\$95,473 (E)	-\$4,273
General Fund (carry-over) * .....	-903	1,837	2,740
Totals, General Fund.....	\$98,843	\$97,310	-\$1,533

**LEGISLATURE—Continued**

Transfers to and carry-over balances in Assembly and Senate Contingent Funds .....	5,686	1,900	-3,786
Totals, All Funds .....	\$104,529	\$99,210	-\$5,319
Program			
Senate .....	\$32,393	\$30,335	-\$2,058
Assembly .....	48,512	46,373	-2,139
Joint expenses .....	23,624	22,502	-1,122
Total Expenditures .....	\$104,529	\$99,210	-\$5,319

<sup>a</sup> From prior appropriation for printing.

The \$5,319,000 reduction results from two factors. First, certain one-time costs incurred in 1981-82 relating to the Capitol restoration project and reapportionment have been eliminated from the 1982-83 request. Second, the Legislature has reduced its base budget by 5 percent.

**CONTRIBUTIONS TO LEGISLATORS' RETIREMENT FUND**

The budget estimates that \$720,000 will be transferred from the General Fund to the Legislators' Retirement Fund in 1982-83. This amount is \$60,000, or 9.1 percent, more than the estimated contribution in the current year.

Existing law specifies the amount that the state must contribute to the Legislators' Retirement Fund. The current contribution rate—18.81 percent of members' salary—was established in 1977. Prior to that time the system was funded on a pay-as-you-go basis. As a result, there was virtually no fund balance, and each year a Budget Act appropriation was necessary to augment member contributions in order to meet current benefit obligations. In 1977, the Legislature appropriated \$27,436,508 to eliminate the unfunded liability of the system. (The unfunded liability is the excess of accrued benefits over system assets.) The Legislature also established a state contribution rate that, in combination with member contributions, was supposed to fully fund benefits being earned by active members. The Legislature took these actions based on an actuarial valuation of the system as of June 30, 1973.

The most recent actuarial valuation of the system reports that the system again faces an unfunded liability, estimated at \$24,802,500 as of June 30, 1980. Although a transfer from the fund's reserve account, described below, reduced the liability to \$17,328,500, by June 30, 1982, this unfunded liability will have grown to \$18,715,000. In addition, the actuary reports that the "normal" cost of the retirement program—that is, the cost to fund benefits being earned by active members—has risen from 18.81 percent of salaries to 21.33 percent of salaries.

The Public Employees' Retirement System (PERS), which administers the LRS, concludes that the unfunded liability resulted from (1) an increase in the unfunded liability between the 1973 valuation estimate and the 1977 appropriation of the \$27,436,508 to eliminate the funded liability, (2) the growing ratio of nonactive to active members, and (3) a higher-than-anticipated inflation rate. Retirees' benefits are adjusted annually to reflect the full change in the Consumer Price Index.

Interest earned by the LRS in excess of the interest credited to members' contributions is deposited in the Reserve for Interest Guarantee. PERS has approved the transfer of \$7,474,000 from the reserve to the fund,

in order to reduce the unfunded liability. This leaves a balance of \$562,800 in the reserve. PERS recommends that the Legislature appropriate in the 1982 Budget Act an additional \$18,715,000 to completely eliminate the estimated June 30, 1982, unfunded liability, or alternatively to fund the liability by transferring an amount equal to 25 percent of members' salaries from the General Fund to the LRS each year.

To restrict the growth of the unfunded liability in the future, PERS also recommends legislation (1) placing a cap on the annual cost-of-living adjustment to retirees' benefits and (2) increasing the General Fund contribution for "normal" costs of the system from 18.81 percent to 21.33 percent of payroll.

### LEGISLATIVE COUNSEL BUREAU

Item 0160 from the General  
Fund

Budget p. LJE 6

Requested 1982-83 .....	\$14,412,000
Estimated 1981-82.....	9,968,000
Actual 1980-81 .....	8,453,000
Requested increase (excluding amount for salary increases) \$4,444,000 (+44.6 percent)	
Total recommended reduction .....	\$107,000

#### SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS

*Analysis  
page*

1. *Data Processing Funds Not Needed. Reduce Item 0160-001-001 by \$107,000.* Recommend deletion of funds that will not be needed until 1983-84.

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#### GENERAL PROGRAM STATEMENT

The Legislative Counsel Bureau provides legal assistance to the members and committees of the Legislature. The bureau provides legal opinions, drafts bills, provides legal counsel, supplies attorney support for legislative committee hearings, and represents the Legislature in litigation. It prepares necessary indices and tables to identify legislative measures, and compiles and indexes statutes and codes. The bureau also operates a data processing system which is used for payroll, personnel, and accounting systems by both houses of the Legislature, and in the drafting of bills. Beginning in 1981-82, the bureau is implementing a legislative information system which will provide information on legislative actions on an automated basis.

The bureau has a staff of 234.5 personnel-years in the current year.

#### ANALYSIS AND RECOMMENDATIONS

The budget proposes a General Fund appropriation of \$14,412,000 for support of the bureau in 1982-83. This is an increase of \$4,444,000, or 44.6 percent, above estimated current-year expenditures. Additionally, the bureau anticipates budget-year reimbursements of \$131,000, for a total expenditure of \$14,543,000 in 1982-83. This amount will increase by the amount of any salary or staff benefit increase approved for the budget year.

**LEGISLATIVE COUNSEL BUREAU—Continued**

In addition to increases for price and merit salary adjustments, the requested increase in the bureau's budget results from the following factors:

1. **Increased General Office Workload.** Due to increasing legislation, requests for legal opinions, and other services, the bureau's workload has increased markedly in recent years. In response to the increased workload, the bureau requests 7.25 new positions for the office's legal, indexing, and library divisions. Two positions are proposed for the bureau's personnel and accounting division, to bring its staffing more in line with that of other state agencies of similar size. In addition, the bureau proposes eight positions for its support division, which provides clerical assistance to the other divisions. These new positions, together with the cost of staff benefits and related equipment (for example, desks, chairs, and typewriters), result in increased expenditures of approximately \$0.3 million. Our analysis indicates that the additional staff will allow the Legislative Counsel to respond to the increasing workload demands without reductions in the level of service it provides to the Legislature.

2. **Office Consolidation.** During the current year, the bureau consolidated its data processing division, which has a currently-authorized staff of 48 positions, in new quarters. The full-year cost of this consolidation results in an increased facilities operations and communications cost of about \$90,000.

3. **Data Processing Expansion.** The budget includes about \$3.8 million—in operating expenses and personal services—for the implementation of the automated legislative information system for both houses of the Legislature. This amount includes the full-year costs of implementation activities undertaken in the current year plus the cost of expanding the system during the budget year. The system will provide current information on legislative activities (for example, the status of bills), and will be installed in offices of all members and committees. Computer terminals, which will be linked to the bureau's central data processing unit, should improve and speed the flow of information to members of the Legislature and their staffs.

The bureau advises that under its current plans, it will install the system in about 70 offices (35 in each house) by July 1, 1982. To the extent possible, remaining offices will be brought into the system during 1982–83. To carry out this implementation schedule, the bureau's operating expenses for such items as expanded computer usage and individual terminals for member and committee staff offices are projected to increase by approximately \$3.3 million. In addition, a proposed staffing increase of 20 positions—ranging from systems software specialists to computer operators and office assistants—is required to establish the necessary programs, operate and maintain the system, and input data into the system on a timely basis. This increase in staffing would increase bureau costs for salaries, benefits and equipment by about \$0.5 million.

**Unneeded Data Processing Funds**

*We recommend deletion of \$107,000 in General Fund support (Item 0160-001-001) to eliminate funds for data processing that will not be needed in the budget year.*

Our analysis of the bureau's proposed data processing system implementation plan indicates that a portion of the funds requested for

computer capacity and associated hardware will not be needed until 1983-84. Accordingly, we recommend deletion of these funds, for a General Fund savings of \$107,000 (Item 0160-001-001).

**CALIFORNIA LAW REVISION COMMISSION**

Item 0170 from the General Fund

Budget p. LJE 8

Requested 1982-83 .....	\$407,000
Estimated 1981-82.....	398,000
Actual 1980-81 .....	380,000
Requested increase (excluding amount for salary increases) \$9,000 (+2.3 percent)	
Total recommended reduction .....	None

**GENERAL PROGRAM STATEMENT**

The California Law Revision Commission consists of 10 members—one from each house of the Legislature, seven appointed by the Governor, and the Legislative Counsel who is a nonvoting member.

Under the commission's direction, a staff of eight employees (including five professional positions) studies statutory and decisional law, as requested by concurrent resolution of the Legislature, for the purpose of recommending reforms. The commission currently has before it 31 topics assigned by the Legislature.

**ANALYSIS AND RECOMMENDATIONS**

*We recommend approval.*

The budget proposes an appropriation of \$407,000 from the General Fund for support of the commission in 1982-83, which is \$9,000, or 2.3 percent, above the estimated current-year expenditure. This amount will increase by the amount of any salary or staff benefit increase approved for the budget year.

The increase will be used to fund salary and staff benefit increases, and is needed to meet the ongoing workload requirements of the commission.

**COMMISSION ON UNIFORM STATE LAWS**

Item 0180 from the General Fund

Budget p. LJE 10

Requested 1982-83 .....	\$49,000
Estimated 1981-82.....	46,000
Actual 1980-81 .....	43,000
Requested increase \$3,000 (+6.5 percent)	
Total recommended reduction .....	None

**GENERAL PROGRAM STATEMENT**

The Commission on Uniform State Laws sponsors the adoption by California of uniform codes or statutes developed by the National Conference of Commissioners wherever compatibility with the laws of other jurisdictions is considered desirable. The commission consists of seven members—four appointed by the Governor, two members of the Legislature (one selected by each house), and the Legislative Counsel.

**ANALYSIS AND RECOMMENDATIONS**

*We recommend approval.*

The budget proposes an appropriation of \$49,000 from the General Fund for support of the commission in 1982-83. This is \$3,000, or 6.5 percent, more than estimated current-year expenditures. The increase will cover projected increases in travel costs and annual membership dues that the state pays to the national organization.

**JUDICIAL**

Item 0250 from the General Fund and the State Transportation Fund

Budget p. LJE 11

Requested 1982-83 .....	\$41,074,000
Estimated 1981-82.....	34,815,000
Actual 1980-81 .....	28,988,000
Requested increase (excluding amount for salary increases) \$6,259,000 (+18.0 percent)	
Total recommended reduction .....	\$3,967,000

**1982-83 FUNDING BY ITEM AND SOURCE**

Item	Description	Fund	Amount
0250-001-001	Judicial Support	General	\$38,424,000
0250-001-044	Judicial Support	State Transportation	52,000
0250-101-001	Legislative Mandates	General	2,598,000
	Total		\$41,074,000