



Highlights of the *2000-01 Analysis and P & I*

STATE FISCAL PICTURE



LAO's Revenue Assessment

- The budget's revenue forecast has been superseded by extraordinarily positive developments in December and January. As a result, revenues will exceed the budget forecast by a total of \$4.2 billion—\$2.1 billion each in the current and budget years. (*P&I*, Part Three.)
- These additional funds will be available for any purpose, including increasing the reserve, spending priorities, or tax relief.



Implications for the Budget

- The current fiscal outlook gives the Legislature the best opportunity in two decades to both strategically address major priorities and strengthen the state's underlying fiscal condition.
- In making decisions about these new monies, it is important to strike the right balance between one-time and ongoing commitments. Additional ongoing commitments should not exceed \$2.1 billion annually. (*P&I*, Part One.)



Legislative Input and Oversight Critical for Successful Budget

- Many of the proposals and initiatives in the budget are "works in progress," lacking sufficient detail for review.
- The Legislature will have to determine which of these proposals have merit in concept and then "flush out" the details during hearings this spring.



PROGRAM HIGHLIGHTS

EDUCATION

➤ **Funding Increases Do Not Match Relative Needs of K-14, UC, and CSU**

- The budget proposes to increase the base budgets of the University of California (UC) and the California State University (CSU) by 6 percent for 2000-01. The budget also includes funds above this amount for enrollment growth and the Governor's initiatives. This contrasts with the 2.84 percent base increase for K-12 schools and community colleges. This disparity raises questions given that K-12 schools appear to face greater challenges regarding program quality than do UC and CSU.
- We recommend that these base adjustments be equalized at 2.84 percent (estimated inflation) and that \$134 million be shifted from UC and CSU to increase discretionary funding for K-12 schools. This shift would still leave UC and CSU with total budget increases of 9 percent and 7.4 percent, respectively. (*Analysis*, page E-19.)

➤ **Options for More Education Spending**

- We make various recommendations that would increase Proposition 98 spending above the Governor's proposed 2000-01 level by \$172 million.
- Given the state's current positive fiscal situation, the Legislature may wish to add even more funds to education programs. If so, we suggest that the Legislature place as much emphasis as possible on: (1) general purpose funds for K-12 (*Analysis*, page E-67); (2) equalization funds for K-12 (*Analysis*, page E-67) and community colleges (*Analysis*, page E-174); (3) block grants for disadvantaged schools (*Analysis*, pages E-24 and E-37) and various one-time purposes; and (4) Cal Grants to increase access to higher education. (*Analysis*, page E-13.)

➤ **K-12 Accountability Should Lead to Local Discretion**

- K-12 accountability reforms adopted in the 1999 Special Session logically lead to a shift in the state's budgeting emphasis from a focus on *inputs* to attention to *outcomes*.
- To maximize chances for improving educational results, we believe the state should give local school districts and school sites more flexibility to match funds with local needs. (*Analysis*, pages E-13 and E-67.)

➤ **Teacher Quality and Supply**

- The budget focuses attention on the problem of recruiting teachers to "hard-to-staff" schools, but fails to target the neediest schools. In addition, the effectiveness of its various proposals would be limited by the lack of local discretion.
- We recommend redirecting the funding for four proposed programs into a \$122 million block grant to school districts for teacher recruitment/retention at the one-fifth of K-12 schools with the most pressing needs. (*Analysis*, page E-22.)
- We recommend restoring funding for the Cal Grant T program (providing scholarships for teacher preparation programs) and retargeting the Assumption Program of Loans for Education to schools with the most serious recruitment/retention problems. (*Analysis*, pages E-187 and E-189.)

➤ **Annual Budget Process Is a Partnership With UC and CSU**

- The Governor proposes to guarantee UC and CSU annual 5 percent increases in their base budgets, plus provide funding for enrollment growth, capital needs, and high-priority initiatives. The "Higher Education Partnership" is contingent on progress being made between the administration, CSU, and UC on accountability goals.
- We recommend that the Legislature not endorse annual guaranteed funding because the annual budget process allows the Legislature to hold the segments accountable and maintains the Legislature's flexibility in balancing its budget priorities. (*Analysis*, page E-137.)



HEALTH AND SOCIAL SERVICES

➤ **Legislature Should Consider Changes to Aging with Dignity Initiative**

- In his Aging with Dignity Initiative, the Governor proposes \$272 million (\$140 million General Fund) to establish numerous programs and activities designed to improve nursing home care and develop community-based alternatives to nursing homes.
- We make several recommendations, including the following:
 - Consider alternatives to the proposed long-term care tax credit, such as further expansion of Medi-Cal coverage for seniors and the disabled, that would better target state funds, in addition to making use of available federal monies.
 - Reject the proposed 5 percent pay increase for staff in “distinct part” nursing facilities (which are attached to hospitals) because their rates currently are significantly higher than rates for other nursing homes. (*Analysis*, page C-17.)

➤ **CalWORKs County Performance Incentive System Should Be Changed**

- Under the current California Work Opportunity and Responsibility to Kids (CalWORKs) program, counties receive state payments, or performance incentives, based primarily on savings resulting from recipients who (1) leave the program due to employment or (2) have increased earnings. The Governor proposes to prohibit counties from receiving any new performance incentives until the unmet obligation (about \$500 million) has been paid. The administration also indicates that it will propose legislation to eliminate or “sharply modify” the performance incentive program.
- We find that so far, the performance incentive system has not been effective. Should the Legislature decide to retain such a system, we recommend that it (1) be funded with General Fund monies that can be used by the counties for any purpose, rather than only within the CalWORKs program; and (2) tie the amount of incentive payments to *improvement* in CalWORKs program out-

comes, rather than base the incentives on savings that would have occurred even in the absence of the program. (*Analysis*, page C-148.)

➤ **Wisconsin Child Care System Should Be Tested**

- California has a bifurcated system of subsidized child care. The state is fully funding the child care needs of CalWORKs recipients and former recipients, but is not fully funding the needs of the working poor.
- We recommend legislation be enacted to establish a pilot project to evaluate the costs and programmatic impacts of implementing the Wisconsin child care system in California. By using standardized eligibility criteria for the working poor—irrespective of welfare status—and fully funding the program, this would result in covering more persons. The additional costs would be offset (possibly entirely) by a schedule of co-payments that would be higher than the relatively low co-payments charged currently in California for subsidized child care. (*Analysis*, page C-32.)

➤ **Filling Vacancies Would Reduce Staffing
Increases in Governor's Initiatives**

- The budget requests a net increase of 557 positions for the Department of Health Services in 2000-01, raising the total number of authorized positions in the department to 6,198—an increase of almost 10 percent. Most of the new positions would be for nursing home enforcement (as part of the Governor's Aging with Dignity Initiative) and Medi-Cal antifraud activities.
- The requests for new positions come despite the fact that, as of January 2000, the department had over 900 vacant positions—a vacancy rate of more than 16 percent.
- We recommend that the department evaluate its staffing vacancies in order to identify workload that can be met by filling existing positions instead of adding new positions at an additional cost. (*Analysis*, page C-56.)

➤ **Allocate Funds to Local Child Support Agencies
On Basis of Cost-Effectiveness**

- The Governor proposes additional positions to staff the new Department of Child Support Services, and proposes a General Fund increase of \$23 million



in local assistance funds that would be distributed to the counties to administer the program.

- We recommend (1) reducing the number of administrative positions proposed for the new department, and (2) augmenting the local assistance budget for the counties by \$5 million from the General Fund, with the provision that these funds be distributed on the basis of each county's record of cost-effectiveness (as measured by the ratio of increases in collections to increases in administrative costs). Based on our analysis, the augmentation would result in a net savings to the state in the long run. (*Analysis*, page C-131.)

JUDICIARY AND CRIMINAL JUSTICE

➤ **Comprehensive Approach Needed to Link Mentally Ill Offenders to Community Care**

- An increasing number of offenders are being released from jails and prisons to an inadequate patchwork of supervision, treatment services, and assistance. This approach is costly to taxpayers and public safety because many of these offenders soon commit new crimes and return to jail or prison.
- We discuss several initiatives in the Governor's budget aimed at keeping the mentally ill out of the criminal justice system and suggest that the Legislature consider a more comprehensive approach for addressing these problems. (*Analysis*, page D-13.)

➤ **Major Shifts in Prison Inmate Population Growth**

- The Department of Corrections is projecting that the state's inmate population will grow much more slowly over the next five years than it did in the 1990s.
- Recent prison population data suggest, however, that the growth rate is even slower than the new projections and would indicate that a stabilization in the prison population may now be occurring. (*Analysis*, page D-34.)

➤ **Additional Steps Warranted to Reform Adult Parole System**

- The Governor proposes a significant expansion of the state's force of parole agents as well as expansion of programs to assist inmates who have been released from prison in making a crime-free transition back into the community.
- We recommend that the Legislature approve the Governor's proposal to create a Second Strike Task Force, but consider augmentations to improve the effectiveness of the program. We also recommend denial of the proposal to expand a program to search for offenders who have fled while on parole because the program has not been effective. Finally we offer other options to reform the adult parole system and break the cycle of parole failure and reincarceration. (*Analysis*, page D-45.)

➤ **Hearings for Inmates With Life Terms
Represent Process Without Possibility of Parole**

- An unwritten administration policy that effectively ensures that no prison inmate with a life sentence is released on parole has significant legal, policy, and fiscal ramifications on the state criminal justice system.
- We recommend that the Youth and Adult Correctional Agency and the Board of Prison Terms clarify the scope, intent, and reasons for the administration's policy during budget hearings. (*Analysis*, page D-56.)

➤ **Additional Steps and Clarification Needed in
State's Take Over of Support for Trial Courts**

- Legislation enacted in 1997 shifted primary financial responsibility for support of the state's trial courts from the counties to the state. This resulted in a major new financial responsibility for the state's General Fund, exceeding \$1 billion in 2000-01.
- As implementation of the new funding structure has proceeded, a number of issues have surfaced that will require clarification in additional legislation or changes to budgeting practices, such as distribution of court-related fees, budgeting for locally negotiated salary increases, and management of trial court employees. (*Analysis*, page D-82.)



➤ **Major New Law Enforcement Grant Program Not Justified**

- The budget requests \$100 million for a major new program to assist local law enforcement agencies with technology and school safety equipment. We find that the program is not justified and recommend that funding be deleted. We note that the proposal lacks important details, contains no evidence of the level of demand for equipment funds, and duplicates an existing program. (*Analysis*, page D-107.)

CAPITAL OUTLAY

➤ **Action Steps for Funding Higher Education Capital Outlay**

- With limited resources, the state should invest in higher education capital outlay projects that will result in maximum educational benefit statewide. This can be done by considering all capital outlay proposals across higher education rather than for each segment in isolation of the others and evaluating capital needs using statewide guidelines.
- We recommend several action steps (such as appropriating funds based on statewide priorities rather than equal amounts for each segment) for the Legislature to take, to initiate a review and approval process that will allow the use of limited resources to maximum effect. (*Analysis*, page G-15.)

➤ **Department of Forestry and Fire Protection
Capital Outlay Program Over Budget and Behind Schedule**

- The current estimated cost of 23 projects approved by the Legislature in the *1998-99 Budget Act* and *1999-00 Budget Act* are over budget by a total of \$13.9 million (an average of 52 percent). For several projects, the department has proposed reducing the scope of work and increasing the cost.
- We have withheld recommendation on the department's entire \$62.4 million capital outlay request pending receipt of information addressing the problems in implementing the capital outlay program and documenting what steps will be taken to cure these problems. (*Analysis*, page G-37.)

➤ **Inmate Day Labor Program Should Result in Significant Savings**

- The Department of Corrections uses inmates and private trades personnel to construct various projects throughout the state's prisons. This should result in significant savings in construction costs, yet the department is asking instead for a \$4.6 million (an average of 36 percent) increase in the amount for 18 projects previously approved for construction based on using inmate labor.
- We recommend that if the department cannot commit to providing a significant savings compared to private contracting for construction, the Legislature adopt budget bill language prohibiting the use of inmate day labor on major capital outlay projects. (*Analysis*, page G-51.)

➤ **Construction Cost for UC Buildings Too High**

- The UC is the only segment of higher education that does not use construction cost guidelines. The California Community Colleges and the CSU use guidelines that are reasonable when compared to the cost of comparable buildings throughout the country.
- We reviewed the construction cost of 15 recent UC research facilities and compared these costs with 192 public and private comparable research laboratory buildings constructed since 1980 across the country. The UC facilities range from 46 percent to 32 percent more costly than the comparable buildings.
- We recommend the Legislature apply construction cost guidelines when funding UC facilities. For undergraduate and other nonresearch facilities, we recommend using CSU cost guidelines. For research facilities we recommend reducing the amounts requested in the budget by 32 percent. (*Analysis*, page G-68.)

➤ **The CSU Should Not Seek Nonstate Funds for Projects Involving State Costs Before the Legislature Approves the Project**

- The CSU is requesting a total of \$53.2 million for construction of two projects—the CSU San Marcos, Library Information Center and CSU Monterey Bay, Science/Academic Center—for which CSU has independently begun preliminary plans and working drawings using nonstate funds. The



Legislature, however, was not asked to approve these projects before CSU proceeded and has never had the opportunity to review and consider the need for the project.

- In view of CSU's action on these projects, we have recommended that the Legislature not fund projects when nonstate funds have been solicited prior to legislative approval and direct CSU to discontinue this practice. We also recommend the Legislature deny the requested funds because the projects are not needed at this time. (*Analysis*, pages G-80 and G-81.)

➤ **The CSU Should Explain Its Intentions in Connection with the CSU San Bernardino, Coachella Valley Off-Campus Center**

- The CSU has not provided any information on this new center. There are no capital outlay proposals for the center in CSU's Five-Year Capital Improvement Program. However, CSU has requested \$180,000 in its support budget to move from facilities at the College of the Desert to this new center. The CSU Web site indicates that \$9 million of private funds have been raised to construct the first building of a planned \$29 million CSU campus on a 40-acre site.
- This is another example of CSU proceeding with major developments that have significant state funding implications before receiving legislative approval. We recommend the Legislature not act on the CSU San Bernardino capital outlay proposals until CSU provides a detailed report to the Legislature on its current plans and any commitments CSU has made with regard to this center. (*Analysis*, page G-82.)

TRANSPORTATION

➤ **Transportation Initiative Flawed; Immediate Congestion Relief Unlikely**

- The budget proposes to advance \$3.6 billion of future funds for additional projects in the 2000 State Transportation Improvement Program period. Given Caltrans current vacancies and the length of time it takes to plan and deliver transportation projects, the initiative would provide little immediate congestion relief. (*Analysis*, page A-21.)

- We estimate that the initiative would require Caltrans to hire between 4,000 to 8,000 additional staff mainly in the next two years to design projects. Given Caltrans' track record in hiring and training staff, we doubt that the department would be able to hire and train enough staff in time to deliver these additional projects between 2000-01 through 2003-04. (*Analysis*, page A-20.)
- The budget proposes "use-it-or-lose-it" provisions for two types of local transportation funds—federal transportation funds and gas tax revenues. We conclude that the proposals are unwarranted and recommend against them. (*Analysis*, page A-22.)

➤ **Rail Proposals Inconsistent With State's Funding Process**

- The budget proposes \$71 million from the General Fund to support specific commuter and urban rail capital improvement projects. We recommend that funding be provided in a lump sum amount, instead of individual projects, to be allocated by the California Transportation Commission based on project priorities and readiness. Such an approach is consistent with the current transportation funding process. (*Analysis*, page A-75.)

➤ **Project Delivery Hampered by Vacancies, Project Management, and Funding Fragmentation**

- Caltrans' project delivery has improved, but is still hampered by vacancies, its use of project management, and fragmentation of state and federal funding. We recommend steps to expedite delivery of transportation projects. (*Analysis*, page A-41.)

➤ **Environmental Review Process Should Be Streamlined**

- Most delays in delivering transportation projects occurs during environmental review. We recommend steps the Legislature and Caltrans can take to expedite the environmental review process at both the state and federal level, without compromising the level of review. (*Analysis*, page A-53.)

➤ **Funding Shortfall for Mass Transportation**

- The Public Transportation Account, which funds mass transportation, is projected to experience a shortfall of \$53 million over the four-year period 2000-01 through 2003-04. We recommend enactment of a constitutional



amendment to permit expenditure of gas tax revenues for transit rolling stock. (*Analysis*, page A-27.)

➤ **Comprehensive Passenger Rail Study Needed Before More Expansion in Intercity Rail Service**

- Intercity rail service has increased in recent years. Before the state invests heavily in intercity rail service expansion, we recommend that a comprehensive passenger rail study be conducted in order to determine the state's priorities for rail transportation. (*Analysis*, page A-62.)

➤ **Department of Motor Vehicles' (DMV) Computer Projects In Disarray; More Projects Proposed**

- Over the past ten years, the DMV has spent more than \$50 million to replace three aging databases containing driver licenses, vehicle registration, and other data. These efforts have encountered repeated failures, delays, and cost overruns.
- Currently, two of the three major projects are stalled and the third has been suspended indefinitely. We recommend that the Legislature deny funding for a fourth (and smaller) computer project, and request the Bureau of State Audits to perform an independent audit of DMV's database replacement efforts to identify causes for the delays and solutions to the ongoing difficulties. (*Analysis*, page A-91.)

➤ **Registration-on-the-Web Tangled in High Costs, Technical Limitations**

- The DMV is preparing to offer vehicle registration services on the Internet.
- On-line registration, as proposed by DMV, will be more costly to the state than most other methods due to credit card fees and computer programming costs. In addition, on-line registration would be available only to about 1 percent of vehicle owners due to certain technical limitations.
- We believe that the minimal convenience provided to a small fraction of motorists is not worth the costs and risks of this project. (*Analysis*, page A-97.)

RESOURCES

➤ **Expanded Recycling Program Budget Not Justified**

- Recent legislation expands, by about 15 percent, the range of beverages subject to the state's beverage container recycling program. The legislation also modifies some of the program's administrative rules and expands some recycling-related grant programs.
- The budget provides the Department of Conservation an additional \$5.6 million for increased responsibilities in implementing the program. Based on our review, we conclude that an increase of this magnitude is not justified given the likely workload. We recommend reducing the increase by \$2.1 million. (*Analysis*, page B-73.)

➤ **Coastal Commission Insufficiently Addressing Statutory Duties**

- The California Coastal Commission is inadequately carrying out its statutory responsibilities in protecting the state's coastal resources. In addition, a number of local governments are not fulfilling their responsibilities under the Coastal Act.
- We believe the proposed staffing augmentations to enhance enforcement by the commission are warranted. However, we also recommend several other actions, including adoption of budget bill language and statutory changes, to increase the commission's ability to enforce the Coastal Act. (*Analysis*, page B-87.)

➤ **Watershed Assessment Initiative: A Good Idea, But Will Not Achieve Goals**

- An effective watershed assessment can provide valuable information necessary for improving regulatory and restoration efforts on watersheds. However, our review finds that the administration's proposal to assess North Coast watersheds lacks the components of an effective watershed assessment. Specifically, it is not likely that the proposal will achieve the goals of improving regulatory and restoration efforts for two reasons: (1) the data collection design is flawed and (2) the finished assessments are inadequately linked to regulatory and restoration efforts.



- We recommend the Secretary for Resources report to the Legislature on how data collection and dissemination would be coordinated among the various resources departments and how assessment results would be used to improve regulatory and habitat restoration efforts. (*Analysis*, page B-32.)

➤ **CALFED: Big Dollars, Big Decisions—But Who Is Accountable?**

- The CALFED Bay-Delta Program will soon shift from planning to program implementation, lasting at least 30 years and involving the expenditure of potentially \$10 billion. During this phase, major expenditure and policy decisions will be made related to the type, location, timing, and financing of specific projects.
- Without major changes to CALFED's current loosely configured organizational structure, it will be difficult for the Legislature to hold the program accountable for the policy and expenditure decisions that will be made over the coming years. We recommend the enactment of legislation that establishes a structure that provides clear lines of accountability for these decisions. (*Analysis*, page B-48.)

➤ **"CUPA" Program: State Agencies
Overseeing Program Can Do Better Job**

- Problems exist in the California Certified Unified Program Agency (CUPA) program—a consolidation of various local hazardous material and hazardous waste programs under state oversight—including inconsistent statewide implementation, inadequate service levels in parts of the state, and inadequate state efforts to hold local agencies accountable for their fees.
- We recommend the enactment of legislation requiring the state agencies overseeing the program to take various actions to make the program more effective. (*Analysis*, page B-55.)

➤ **Water Storage Studies: Legislative Oversight Increasingly Important**

- As the Department of Water Resources' studies of water storage alternatives move from the global to a project-specific level, it will become increasingly important for the Legislature to have effective oversight over these studies and the related policy decisions. To enhance legislative oversight, we recommend

that project-specific storage studies be scheduled in the budget act. (*Analysis*, page B-105.)

➤ **Many Policy Issues Unresolved for School Bus Replacement Proposal**

- There are a number of unresolved policy issues surrounding the Governor's \$50 million proposal to replace old diesel school buses with cleaner buses. For example, the administration has yet to determine whether the proposal's primary objective is to achieve the maximum amount of pollution reductions or, alternatively, to modernize the school bus fleet to improve safety while achieving pollution reductions.
- We think that these policy issues should be defined by the Legislature in statute prior to funding the proposal. Until then, we recommend deletion of funding from the budget. (*Analysis*, page B-109.)

GENERAL GOVERNMENT

➤ **Many Budget Proposals Lack Sufficient Justification or Details**

- A number of the proposed augmentations in the General Government portion of the budget are poorly justified or contain inadequate information and detail.
- These include proposals in the Information Technology Innovation Fund (*Analysis*, page F-73), the child support activities at the Franchise Tax Board (*Analysis*, page F-66), the public school construction Web site and "e-business center" in the Department of General Services (*Analysis*, pages F-121 and F-126), the Urban Public Park in the Arts Council (*Analysis*, page F-143), and the juvenile boot camp in the Military Department (*Analysis*, page F-152).

➤ **Legislature Needs More Information on the Formation of The New Department of Managed Care**

- The budget proposes a total of \$27.9 million and 315 positions for the new department in 2000-01. A large amount of this funding and positions is proposed to be implemented administratively in the current year.



- There are numerous details regarding the administration's plans for establishing this new department that are unclear—such as when the Governor will issue an executive order to establish the department in the current year and what the department's priorities and expected progress in organizing itself will be in the budget year. (*Analysis*, page F-36.)

➤ **Department of Food and Agriculture Needs to Develop a Comprehensive Agricultural Pest Plan**

- The budget includes \$72.3 million for the agricultural plant pest program in the Department of Food and Agriculture. This program includes elements such as screening incoming parcels for contaminated agricultural products, inspecting vehicles entering the state, and monitoring pest detection traps.
- The department does not have a comprehensive plan outlining program goals and objectives. Without such a plan, the Legislature will find it increasingly difficult to evaluate the effectiveness of the various elements of this program.
- We recommend that the department provide by October 1, 2000, a comprehensive statewide plan for all plant pest prevention, detection, and eradication programs. This plan should include the coordination of state and county programs. (*Analysis*, page F-52.)

➤ **Agricultural Parcel Inspection Program Is Not a Prudent Use of State Funds**

- The budget includes \$1.9 million and 30 positions to continue the Agricultural Parcels Inspection Program. The program began in 1996-97 as a two-year pilot program and was extended two years by the Legislature.
- The program includes 12 teams—consisting of an agricultural biologist, an agricultural inspector, and a dog trained to detect plant material—that are deployed in the San Francisco Bay Area, the Los Angeles Basin, and the San Diego area. These teams screen over ten million packages per year but this is only 1 percent to 6 percent (depending on the location) of the packages entering the state. In addition, very few packages (only 300 over the program's life) have been found to contain what the department considers harmful pests.

- The program is not a cost-effective use of the state's pest detection funding. We recommend the Legislature delete the \$1.9 million requested to continue the Agricultural Parcel Inspection Program. (*Analysis*, page F-56.)

➤ **Time to Reconsider Approach to Statewide Welfare Automation**

- The Statewide Automated Welfare System (SAWS) is at a critical juncture. Costs are considerable (potentially \$2 billion), much work still needs to be accomplished, making the system work will be technically difficult, and the current funding arrangement does not account for changes in law that occurred since the SAWS strategy was enacted.
- We recommend that the Legislature direct the Health and Human Services Agency, in conjunction with the Department of Information Technology, to reexamine the current approach and report its findings before the Legislature provides additional funding for the project. (*Analysis*, page F-92.)

➤ **"New Economy" Initiative Long on Concept But Short on Substance**

- The budget proposes \$7 million for "new economy" initiatives such as a Next Generation Internet Network and an E-Commerce in Rural Economic Regions Demonstration Project.
- These proposals are conceptual in nature and are not supported by any definitive information. In addition, there are no expected measurable outcomes for the proposals. (*Analysis*, page F-134.)

➤ **Proposed Augmentation for Citizen's Option For Public Safety (COPS) Program Is Flawed**

- The budget proposes a \$21.3 million augmentation to the existing \$100 million COPS program which provides funds to local governments for law enforcement activities. The augmentation would be distributed to local law enforcement agencies so that each agency receives at least \$100,000.
- The proposal is flawed for several reasons. There is no guarantee that agencies would use the additional money as the Governor intends (to hire new officers), the augmentation benefits only very small jurisdictions (those with populations of less than 45,000 persons), and the augmentation does not account for local fiscal conditions (many wealthy communities would be the beneficiaries). (*Analysis*, page F-182.)





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