

The Pacific Marine Fisheries Commission was approved by the Legislature in 1947 by Chapter 1447, Statutes of 1947, and \$11,000 was set as California's share of the expenses for the support of that commission.

#### **Recommendation**

We recommend that Item 285 be approved in the amount of \$11,000, as requested.

### **PROFESSIONAL AND VOCATIONAL STANDARDS—DEPARTMENTAL ADMINISTRATION**

The budget for Departmental Administration of the Department of Professional and Vocational Standards appears on pages 583 and 584 of the budget document. The amount of \$84,968 is requested for support for the 1948-49 Fiscal Year. This is an increase of \$11,455 or 15.6 percent over the actual and estimated expenditures of \$73,513 for 1947-48.

This increase results principally from the anticipation that the position of assistant administrative advisor will be filled for a full year as compared to a half year during 1947-48, and the equivalent of one more man-year will be reflected for intermediate stenographer-clerk positions due to a full-time filling of these positions during the 1948-49 Fiscal Year. The remainder of the increase is attributable to normal salary increases plus the increased cost of services and materials.

There is no direct appropriation for support of this organization since the necessary funds are obtained from assessments against the several agencies in the Department of Professional and Vocational Standards.

#### **Recommendation**

*We recommend approval of this Budget in the amount of \$84,968 as submitted.*

*We also recommend that the Department of Finance be charged with the responsibility for creation of a central pool of commonly used office equipment such as typewriters, adding machines, desks, tables and files, which can be used by the various agencies of state government to meet seasonal peak loads.* This action would eliminate the present necessity for the purchase of equipment required to meet the peak workloads in each state agency and would eliminate the present condition under which such equipment stands idle or is held in reserve during the greatest part of the year. The support of such a central pool would be similar to an automobile pool and could be furnished by an appropriation for support made to the Department of Finance or by a plan of financial reimbursement in the form of rentals to be paid to the Department of Finance by agencies using equipment from the pool. It would be an integral part of this plan that the Department of Finance should maintain the equipment in proper working condition, by having the necessary repairs and cleaning of the machines done during idle time. It is probable that, if the Department of Finance obtains a report of equipment held by the agencies of state government for use primarily at peak periods, more than enough equipment will be available to start

such a pool. It should not be necessary to make a large appropriation to purchase equipment to establish the pool.

We recommend that the pool be established during the 1948-49 Fiscal Year with respect to the agencies in the Department of Professional and Vocational Standards.

The Budgets of the Department of Professional and Vocational Standards for the 1948-49 Fiscal Year contain reserves equal to approximately 10 percent of the operating expenses of such agencies before the addition of such reserves. These reserves appear in the operating expense category for the 1948-49 Fiscal Year. These reserves total \$70,696. The reserves are intended to eliminate the necessity for small deficiency appropriations for these special fund agencies.

*It is a matter of legislative policy as to whether or not such reserves for contingency shall be allowed.* We believe that the policy determination is an important one for, while the reserves for these particular agencies may be relatively small, the application of the policy to the larger state agencies would result in creation of reserves which in the aggregate would be great in amount. Other agencies have already evidenced interest in this matter.

*While recognizing the administrative problems which have given rise to the proposed creation of reserves for contingencies, we recommend against the use of such reserves.*

Pending a policy decision of the Legislature relative to the allowance of the proposed reserves for contingencies, we have not recommended the deletion of the reserves in commenting upon each of the Budgets for this department. If the Legislature should decide against the creation of such reserves, the Department of Finance should delete the reserves from all special fund agencies in the Department of Professional and Vocational Standards and make the necessary adjustments in the Budget Bill items.

The attention of the Department of Professional and Vocational Standards is directed to the need for better workload data to support the budgetary request of its agencies. Some of the agencies provide very adequate workload data while others provide almost none of any value in budgetary analysis. *We recommend that the agencies of this department be required to furnish workload data relative to the expenditures for the three years shown in the next budget presented to the Legislature.*

#### **For Support of the Division of Administrative Procedure from the General Fund**

Item 286 of the Budget Bill and pages 585 and 586 of the Budget. The amount requested is \$102,143 from the General Fund. This represents an increase of \$14,422 or 16.4 percent over the actual and estimated expenditures of \$87,721 for 1947-48. The foregoing net appropriation amount is the net balance required for support of this agency after deduction of reimbursements from other agencies for hearing and other services in the amount of \$32,000 for 1948-49. The net appropriation of \$102,143 added to the \$32,000 from other agencies produces a total of \$134,143 for support for the 1948-49 Fiscal Year. This represents an increase of \$17,100 or 14.6 percent over the comparable figure of \$117,043 for 1947-48.

The Budget for the Codification Bureau appears adequately justified by workload.

**Recommendation**

We recommend approval of Item 286 in the amount of \$102,143 as requested.

**For Support of State Board of Accountancy from the Accountancy Fund**

Item 287 of the Budget Bill and pages 587 and 588 of the Budget. The amount requested is \$105,739 from the Accountancy Fund. This represents a decrease of \$1,555 or 1.4 percent from the actual and estimated expenditures of \$107,294 for 1947-48.

One new position of intermediate typist-clerk is requested by this agency for the 1948-49 Fiscal Year but a corresponding reduction has been made in the amount requested for temporary help. The budgetary request of this agency is well justified by its workloads.

**Recommendation**

We recommend approval of Item 287 in the amount of \$105,739 as requested.

**For Support of State Board of Architectural Examiners, from the Board of Architectural Examiners Fund**

Item 288 of the Budget Bill and pages 589 and 590 of the Budget. The amount requested in the Budget is \$27,737 from the Architectural Examiners Fund. This represents an increase of \$1,629 or 6.2 percent over actual and estimated expenditures for the 1947-48 Fiscal Year. There is no significant increase in the proposed expenditures of this agency for the 1948-49 Fiscal Year; and the operations of the agency are fairly constant.

**Recommendation**

We recommend that Item 288 in the amount of \$27,737 be approved as requested.

**For Support of the State Athletic Commission from the Athletic Commission Fund**

Item 289 of the Budget Bill and pages 591 and 592 of the Budget. The amount requested is \$146,418 from the Athletic Commission Fund.

This represents an increase of \$12,130 or 9 percent over actual and estimated expenditures of \$134,288 for 1947-48.

The increase in the Budget of the Athletic Commission may be attributed to normal salary increases, the proposed addition of one new position of assistant chief athletic inspector in the amount of \$3,020, and to an anticipated increase in rental costs for 1948-49. The additional position of chief athletic inspector appears justified for the 1948-49 Fiscal Year in view of the increase in the work of the commission occasioned by the frequency with which boxing and wrestling contests are being held and will continue to be held during that fiscal year. The increase in the number of these matches is stimulated largely by preparation for the Olympic games.

We recommend the Department of Finance review this position when the 1949-50 Budget is presented for the express purpose of determining whether the condition justifying its creation exists at that time.

**Recommendation**

We recommend that Item 289 in the amount of \$146,418 be approved as requested.

**For Support of State Board of Barber Examiners from the State Board of Barber Examiners Fund**

Item 290 of the Budget Bill and pages 593 and 594 of the Budget. The amount requested is \$97,443 from the State Board of Barber Examiners Fund. This represents an increase of \$11,968 or 14 percent over actual and estimated expenditures of \$85,465 for 1947-48.

The increase in the expenditures for this agency during the 1948-49 Fiscal Year may be attributed chiefly to normal salary increases plus the increased cost of services and material. No new positions are requested.

*We recommend that the additional automobile shown on page 593 of the Budget line 73 in the amount of \$1,575 be disallowed.* This car, a light sedan, is requested for use by a board member who now has to use a car assigned to another board member when traveling to hearings and examinations. The justification of this item as presented at the preliminary budget hearing indicates "this makes traveling very difficult." We do not feel that the purchase of a new car for this board member is justified since the board members ordinarily start from approximately the same localities traveling to the same destinations where examinations, meetings and other activities occur. In our opinion, the members of the board can and should travel together.

**Recommendation**

We recommend that Item 290 be approved in the amount of \$95,858, a reduction of \$1,575 or 1.6 percent from the \$97,433 requested.

**For Support of Board of Chiropractic Examiners from the State Board of Chiropractic Examiners' Fund**

Item 291 of the Budget Bill and pages 595 and 596 of the Budget. The amount requested is \$31,366 from the State Board of Chiropractic Examiners' Fund. This represents an increase of \$2,371 or 8.2 percent over actual and estimated expenditures of \$28,995 for 1947-48.

The workload of this agency is expected to increase during the 1947-48 Fiscal Year due to a large number of veterans enrolled in chiropractic schools and whose examinations will have to be examined during the 1948-49 Fiscal Year. The only item in the Budget warranting particular attention is an increase in the per diem of board members to cover the cost of examining and grading the papers of these applicants.

**Recommendation**

We recommend approval of Item 291 in the amount of \$31,366 as requested.

**For Support of Board of Registration for Civil and Professional Engineers  
from the Civil Engineers Fund**

Item 292 of the Budget Bill and pages 597 and 598 of the Budget. The amount requested is \$103,104 from the Civil Engineers Fund. This represents a decrease of \$520 or 0.5 percent from actual and estimated expenditures of \$103,624 during 1947-48.

The amount requested by this board for support during the 1948-49 Fiscal Year includes \$1,575 for an additional automobile as shown on page 597, line 75, of the Budget. This car is requested for use by the executive secretary.

We believe that this officer should travel overnight by train to and from Los Angeles, thus saving the working time which would be devoted to travel by automobile during the day and being in better working condition after such trips. We recommend that the additional automobile in the amount of \$1,575 be disallowed.

**Recommendation**

We recommend that Item 292 be approved in the amount of \$101,529, a reduction of \$1,575 or 1.5 percent from the amount of \$103,104 requested.

**For Support of Contractors License Board from the Contractors License Fund**

Item 293 of the Budget Bill and pages 599 and 600 of the Budget. The amount requested is \$432,016 from the Contractors License Fund. This represents an increase of \$71,199 or 19.7 percent over actual and estimated expenditures of \$360,817 for 1947-48.

This increase may be almost entirely attributed to the proposed addition of ten new investigator positions, together with the necessary travel, automobile operation and other expense and equipment items related thereto.

The proposed increase in the number of investigator positions for this agency are not supported by an increase in workload as evidenced by a decrease in the volume of original licenses and miscellaneous fees. This decrease is offset almost entirely by the anticipated increase in the number of licenses to be renewed during the 1948-49 Fiscal Year as compared with 1947-48.

The ten additional investigator positions were requested by the board and the construction industry at large in the belief that this additional personnel was required to adequately investigate and stop the operations of unlicensed persons acting as contractors in violation of the law. Such persons are now perpetrating countless frauds upon the public and to this extent the public interest is involved. The allowance of the ten positions is a matter of policy inasmuch as their addition is not justified by workload increase.

*Due to the great activity in the building industry at this time and the apparent immediate need for policing the industry we recommend that the ten positions be allowed on the condition that the Department of Finance critically review this matter with respect to the 1949-50 Budget and that at that time the positions be deleted if the general conditions in the industry have been improved sufficiently to allow such action.*

**Recommendation**

We recommend that Item 293 in the amount of \$432,016 be approved as requested.

**For Support of State Board of Cosmetology from the Board of Cosmetology Contingent Fund**

Item 294 of the Budget Bill and pages 601 and 602 of the Budget. The amount requested is \$160,452. This is an increase of \$20,850 or 14.9 percent over actual and estimated expenditures of \$139,602 for 1947-48.

The increases in all categories for this agency appear adequately justified by workload. The amount of \$4,725 is requested for three additional automobiles. This request appears justified as these vehicles are to be used by traveling inspectors who now use their own cars and travel more than 1,000 miles per month.

**Recommendation**

We recommend that Item 294 be approved in the amount of \$160,452 as requested.

**For Support of Board of Dental Examiners from the State Dentistry Fund**

Item 295 of the Budget Bill and pages 603 and 604 of the Budget. The amount requested is \$50,421 from the State Dentistry Fund. This represents a decrease of \$1,916 or 3.7 percent from actual and estimated expenditures of \$52,337 for 1947-48.

The decrease in the amount requested for support of the Board of Dental Examiners for the 1948-49 Fiscal Year is due principally to the reduction in the cost of printing due to the fact that the directory published by the agency is issued biennially and will not be issued during the 1948-49 Fiscal Year.

**Recommendation**

We recommend that Item 295 in the amount of \$50,421 be approved as requested.

**For Support of the Detective License Bureau from the Private Detective Fund**

Item 296 of the Budget Bill and pages 605 and 606 of the Budget. The amount requested is \$26,418. This represents an increase of \$4,044 or 18.1 percent over the actual and estimated expenditures of \$22,374 for 1947-48.

The changes in the various items shown in this budget are nominal. The amount requested appears adequately justified by workload.

**Recommendation**

We recommend that Item 296 in the amount of \$26,418 be approved as requested.

**For Support of State Board of Dry Cleaners from the Dry Cleaners' Fund**

Item 297 of the Budget Bill and pages 607 and 608 of the Budget. The amount requested is \$142,883. This is an increase of \$15,889 or 12.5 percent over the actual and estimated expenditures of \$126,994 for 1947-48.

This increase may be chiefly attributed to the request for two new positions as follows:

<i>Explanation</i>	<i>No.</i>	<i>Salary range</i>	<i>1948-49</i>
Supervising inspector-----	1	\$281-341	\$3,372
Inspector-----	1	243-295	2,916
<b>Totals-----</b>	<b>2</b>		<b>\$6,288</b>

In view of the fact that the staff of this agency will include only 12 field men in addition to the executive secretary, it does not appear that the additional position of supervising inspector is justified. This agency would be administratively top-heavy if the proposed position were allowed. The executive secretary should be able to adequately supervise the field staff of this agency. The staff of the agency at present includes a supervising account clerk, grade 1 who should be able to adequately supervise the clerical staff of the agency.

We recommend that the new supervising inspector position in the amount of \$3,372 be disallowed.

One of the two additional automobiles requested in the budget for the Board of Dry Cleaners for the 1948-49 Fiscal Year was intended for use by the proposed new supervising inspector. *We recommend that this automobile in the amount of \$1,575 be disallowed in view of the recommended disallowance of the position.*

**Recommendation**

We recommend that Item 297 be approved in the amount of \$137,936. This is a reduction of \$4,947 or 3.5 percent from the \$142,883 requested.

**For Support of the State Board of Funeral Directors and Embalmers from the Funeral Directors and Embalmers Fund**

Item 298 of the Budget Bill and pages 609 and 610 of the Budget. The amount requested is \$30,074 from the Funeral Directors and Embalmers Fund. This represents a decrease of \$1,069 or 3.4 percent from the actual and estimated expenditures of \$31,143 for 1947-48.

The decrease in this Budget is caused chiefly by the substantial decrease in the pro-rata charges for services rendered the Department by other state agencies. The amount requested in this Budget is justified by anticipated workload. During the 1947-48 Fiscal Year it is anticipated that applicants for examination will decline due to the decreased college enrollment in mortuary science courses. This will be offset, however, by the fact that standards have been raised and the period of apprenticeship has been doubled thus requiring the continuation of the same amount of administrative activity by this agency.

### **Recommendation**

*We recommend that Item 298 in the amount of \$30,074 be approved as requested.*

#### **For Support of Bureau of Furniture and Bedding Inspection from the Bureau of Furniture and Bedding Inspection Fund**

Item 299 of the Budget Bill and pages 611 and 612 of the Budget. The amount requested is \$157,136. This represents an increase of \$13,389, or 9.3 percent over actual and estimated expenditures of \$143,747 during 1947-48.

The increase in this budget may be attributed chiefly to the request for two new positions: A furniture and bedding materials analyst at \$3,540, and a laboratory assistant at \$2,280, or a total of \$5,820. The workload of this agency has grown tremendously during the past few years and shows no indication of decreasing. The new positions requested in this budget are greatly needed to permit the agency to test samples submitted to it for analysis.

The increase in the operating expenses of the agency are chiefly due to the provision for the reserve for contingencies.

This budget includes provision for two additional automobiles in the amount of \$3,150. The request for these automobiles appears justified since they are required for two investigators who now drive their own vehicles and whose mileage exceeds 1,000 miles per month.

### **Recommendation**

*We recommend that Item 299 be approved in the amount of \$157,136 as requested.*

#### **For Support of State Board of Guide Dogs for the Blind from the General Fund**

Item 300 of the Budget Bill and page 613 of the Budget. The amount requested is \$1,688 from the General Fund. This represents an increase of \$13 or 0.8 percent over actual and estimated expenditures of \$1,675 during 1947-48.

*Whether this agency shall be continued by support from the General Fund is a matter of legislative policy.*

Since the anticipated revenues from all possible sources will amount to only \$125 for the 1948-49 Fiscal Year compared with an anticipated expenditure of \$1,688 for support of this agency, it is apparent that the agency is not self-supporting. The amount necessary for the support of this agency during the 1947-48 Fiscal Year in excess of the revenues available for such purposes will have to be provided by appropriation from the Emergency Fund. The Budget as presented provides for the entire appropriation for support of this agency from the General Fund in order to simplify the financing. This action is based on the recommendation of the Department of Finance that legislation be enacted abolishing the Guide Dog Fund. *If this agency is to be continued we recommend such action in the interest of simplifying financial procedures.*

**Recommendation**

With the reservation relative to the legislative policy involved in the continuation of this agency by support from the General Fund in view of this agency's inability to support itself from revenues of the Guide Dog Fund, we recommend approval of the Budget in the amount of \$1,688 as requested.

**For Support of the State Board of Medical Examiners from the Contingent Fund  
of the Board of Medical Examiners**

Item 301 of the Budget Bill and pages 614 and 615 of the Budget. The amount requested is \$156,268 from the Contingent Fund of the Board of Medical Examiners. This represents an increase of \$15,504 or 11.1 percent over the actual and estimated expenditures of \$140,764 for 1947-48.

The increase in this budget results from the addition of a proposed new position of intermediate stenographer-clerk in the amount of \$2,280 and in an increase of \$2,603 in the amount provided for board members per diem for 1948-49 as compared with 1947-48 Fiscal Year. The increase in the per diem for board members results from legislation raising the per diem from \$10 to \$30 effective December 19, 1947.

The new intermediate stenographer-clerk position appears adequately justified by the workload of this agency, particularly in view of the work involved in the processing of renewals of licenses and the preparation of the annual medical directory.

As in the case of other agencies in the Department of Professional and Vocational Standards the reserve for contingencies provided in this budget accounts for most of the increase in operating expenses for the 1948-49 Fiscal Year.

**Recommendation**

We recommend that Item 301 in the amount of \$156,268 be approved as requested.

**For Support of Board of Nurse Examiners from Board of Nurse  
Examiners Fund**

Item 302 of the Budget Bill and pages 616 and 617 of the Budget. The amount requested is \$103,064 from the Board of Nurse Examiners' Fund. This represents an increase of \$7,799 or 8.2 percent over estimated and actual expenditures of \$95,265 for 1947-48.

The increases in this budget may be attributed to normal salary increases since there are no new positions requested, to the increased cost of services and materials, and to the reserve for contingencies.

**Recommendation**

We recommend that Item 302 be approved in the amount of \$103,064 as requested.

**For Support of State Board of Optometry from the State Optometry Fund**

Item 303 of the Budget Bill and pages 618 and 619 of the Budget. The amount requested is \$25,278. This represents an increase of \$2,379 or 10.4 percent over actual and estimated expenditures of \$22,899 for 1947-48 Fiscal Year.

There are no new positions requested in this budget. The increase results from normal salary adjustments, the increased cost of services and materials, and the reserve for contingencies.

**Recommendation**

We recommend that Item 303 in the amount of \$25,278 be approved as requested.

**For Support of the State Board of Pharmacy Payable from the Pharmacy Board Contingency Fund**

Item 304 of the Budget Bill and pages 620 and 621 of the Budget. The amount requested is \$125,926. This is an increase of \$19,890 or 18.7 percent over actual and estimated expenditures of \$106,036 for 1947-48.

The increase in this budget may be chiefly attributed to the proposed addition of two new investigator positions at a cost of \$6,432 together with the provisions for travel and automobile operation resulting from the proposed purchase of two additional automobiles for these investigators.

These two positions appear adequately justified by the necessity for effectuating the provisions of S.B. No. 1277 which makes the inspection and licensing of wholesalers and manufacturers of drugs mandatory.

**Recommendation**

We recommend that Item 304 in the amount of \$125,926 be approved as requested.

**For Support of the Board of Social Work Examiners from the Registered Social Workers Fund**

Item 305 of the Budget Bill and pages 622 and 623 of the Budget. The amount requested is \$17,491 from the Registered Social Workers' Fund. This represents an increase of \$765 or 4.6 percent over actual and estimated expenditures of \$16,726 for 1947-48.

There are no new positions requested by this agency and the budget appears adequately justified by workload together with normal salary increases and the increased cost of services and materials.

**Recommendation**

We recommend approval of Item 305 in the amount of \$17,491 as requested.

**For Support of Structural Pest Control Board from the Structural Pest Control Fund**

Item 306 of the Budget Bill and pages 624 and 625 of the Budget. The amount requested is \$32,511 from the Structural Pest Control Fund. This represents a decrease of \$331 or 1 percent from the \$32,842 actual and estimated expenditures for 1947-48.

This budget includes a provision for the replacement of one automobile in the amount of \$1,050. *Since it has been indicated that this vehicle can be repaired for not more than \$450 we recommend that the replacement be disallowed.* Evidence submitted indicates that the provision for automobile operation covers an adequate amount to cover the cost of these repairs.

**Recommendation**

We recommend that Item 306 be approved in the reduced amount of \$31,461, a reduction of \$1,050 or 3.2 percent from the amount of \$32,511 requested.

**For Support of Board of Examiners in Veterinary Medicine from the Board of Veterinary Examiners Contingent Fund**

Item 307 of the Budget Bill and pages 626 and 627 of the Budget. The amount requested is \$12,412 from the Board of Veterinary Contingent Fund. This is an increase of \$1,636 or 15.2 percent over actual and estimated expenditures of \$10,776 for 1947-48.

This increase principally reflects the proposed replacement of one automobile at a cost of \$1,050. This replacement is badly needed inasmuch as this vehicle has traveled much farther than 100,000 miles.

**Recommendation**

Since the increases in the budget are nominal and appear justified by workload we recommend that Item 307 be approved in the amount of \$12,412 as requested.

**For Support of Yacht and Ship Brokers Commission from the Yacht and Ship Brokers Fund**

Item 308 of the Budget Bill and pages 628 and 629 of the Budget. The amount requested is \$13,833 from the Yacht and Ship Brokers' Fund. This represents an increase of \$1,354 or 10.9 percent over the actual and estimated expenditures of \$12,479 for 1947-48.

No new positions are requested. The increases in this budget result from the normal salary increases and the increased cost of services and material.

While the proposed expenditures for the Yacht and Ship Brokers' Commission appear reasonable on the basis of previous expense, the amount proposed will not support the type of program which would be required to effectively execute the commission's responsibilities.

As indicated in our analysis of the budget in 1947 the transactions in the purchase and sale or use of boats are entered into daily. Under the present laws the Yacht and Ship Brokers' Commission licenses those who deal in these boats. It is our opinion that the commission is giving dealers the advantages and protection of state licenses without protecting the State by the necessary investigation and follow-up. It would be far better for the State to remove this sanction and allow the courts to handle prosecutions when necessary rather than revoke the license of yacht and ship brokers.

If the state policing power is to be exercised through a delegated authority or commission, then that delegated authority should have an adequate staff of employees enabling it to properly exercise its policing power. Failing that, this authority should be returned to the regularly constituted policing and law enforcement officers.

We believe that the State is practically committing a fraud in indicating that it is conforming to the regulations which it does not and cannot conform with in view of the inadequate staff budgeted for the Yacht and Ship Brokers' Commission.

#### **Recommendation**

*We recommend that the schedule of fees charged by this commission per Section 8970 of the Business and Professions Code be increased to produce revenues which will allow an adequate staff for this commission or that this commission be abolished and that the Budget Bill be amended to delete Item 308 in the amount of \$13,833.*

#### **For Support of State Board of Osteopathic Examiners from the Board of Osteopathic Examiners Contingent Fund**

Item 309 of the Budget Bill and pages 630 and 631 of the Budget. The amount requested is \$22,344. This represents an increase of \$127 or 0.6 percent over actual and estimated expenditures of \$22,217 for 1947-48.

The changes in the amounts requested in this budget are nominal and appear justified by workload together with the normal salary increases and the increased cost of services and materials.

#### **Recommendation**

We recommend that Item 309 be approved in the amount of \$22,344 as requested.

**DEPARTMENT OF PROFESSIONAL AND VOCATIONAL STANDARDS—  
SCHEDULE OF EXPENDITURES BY AGENCY**

**1947-48 Fiscal Year Compared with 1948-49 Fiscal Year**

<i>Explanation</i>	<i>Item No.</i>	<i>Actual and estimated</i>	<i>Proposed</i>	<i>Increase or decrease</i>	
		<i>1947-48 Fiscal Year</i>	<i>1948-49 Fiscal Year</i>	<i>Amount</i>	<i>Per- cent</i>
Departmental Administration *—		\$73,513 *	\$84,968 *	\$11,455 *	15.6
Division of Administrative Procedure -----	286	87,721	102,143	+14,422	16.4
Board of Accountancy-----	287	107,294	106,739	—1,555	1.4
Board of Architectural Examiners -----	288	26,108	27,737	+1,629	6.2
Athletic Commission -----	289	134,288	146,418	+12,130	9.0
Board of Barber Examiners-----	290	85,465	97,433	+11,968	14.0
Board of Chiropractic Examiners 291		28,995	31,366	+2,371	8.2
Board of Registration for Civil Engineers -----	292	103,624	103,104	—520	5.0
Contractors' License Board-----	293	360,817	432,016	+71,199	19.7
Board of Cosmetology -----	294	139,602	160,452	+20,850	14.9
Board of Dental Examiners-----	295	52,337	50,421	—1,916	3.7
Detective License Bureau-----	296	22,374	26,418	+4,044	18.1
Board of Dry Cleaners-----	297	126,994	142,883	+15,889	12.5
Board of Funeral Directors and Embalmers -----	298	31,143	30,074	—1,069	3.4
Bureau of Furniture and Bedding Inspection -----	299	143,747	157,136	+13,389	9.3
Board of Guide Dogs for the Blind -----	300	1,675	1,688	+13	.8
Board of Medical Examiners---	301	140,764	156,268	+15,504	11.0
Board of Nurse Examiners-----	302	95,265	103,064	+7,799	8.2
Board of Optometry-----	303	22,899	25,278	+2,379	10.4
Board of Pharmacy-----	304	106,036	125,926	+19,890	18.8
Board of Social Work Examiners -----	305	16,726	17,491	+765	4.6
Structural Pest Control Board. 306		32,842	32,511	—331	1.0
Board of Examiners in Veterinary Medicine -----	307	10,776	12,412	+1,636	15.2
Yacht and Ship Brokers Commission -----	308	12,479	13,833	+1,354	10.9
Board of Osteopathic Examiners 309		22,217	22,344	+127	.6
Board of Pilot Commissioners---	310	10,297	11,890	+1,593	15.5
Horse Racing Board-----	311	95,095	103,732	+8,637	9.1
<b>Totals -----</b>		<b>\$2,017,580</b>	<b>\$2,239,777</b>	<b>\$232,979</b>	

\* Expenditures and revenues are not carried into the Budget totals, since the assessments against the various boards have been included as expenditures in their respective Budgets.

**DEPARTMENT OF PROFESSIONAL AND VOCATIONAL STANDARDS—  
SCHEDULE OF REVENUES BY AGENCY**

**1947-48 Fiscal Year Compared with 1948-49 Fiscal Year**

<i>Explanation</i>	<i>Item No.</i>	<i>Actual and estimated</i>	<i>Proposed</i>	<i>Increase or decrease</i>	
		<i>1947-48 Fiscal Year</i>	<i>1948-49 Fiscal Year</i>	<i>Amount</i>	<i>Per cent</i>
Departmental Administration *		\$82,950 *	\$89,238 *	\$6,288 *	
Division of Administrative					
Procedure -----	286	(a)	(a)	(a)	
Board of Accountancy -----	287	116,900	94,900	-22,000	18.8
Board of Architectural					
Examiners -----	288	25,435	25,960	+525	2.1
Athletic Commission -----	289	251,000	256,475	+5,475	2.2
Board of Barber Examiners -----	290	91,975	97,070	+5,095	5.5
Board of Chiropractic					
Examiners -----	291	31,500	22,650	-8,850	28.1
Board of Registration for Civil					
Engineers -----	292	175,265	98,270	-76,995	43.9
Contractors' License Board -----	293	329,620	325,190	-4,430	1.3
Board of Cosmetology -----	294	127,200	123,000	-4,200	3.3
Board of Dental Examiners -----	295	56,882	58,506	+1,624	2.8
Detective License Bureau -----	296	37,110	37,675	+565	1.5
Board of Dry Cleaners -----	297	190,435	213,957	+23,522 †	12.4
Board of Funeral Directors and					
Embalmers -----	298	28,818	28,947	+129	.4
Bureau of Furniture and					
Bedding Inspection -----	299	173,447	173,447	-----	---
Board of Guide Dogs for the					
Blind -----	300	625	125	-500	80.0
Board of Medical Examiners -----	301	185,350	188,350	+3,000	1.6
Board of Nurse Examiners -----	302	117,770	116,550	-1,220	1.0
Board of Optometry -----	303	20,700	24,400	+3,700	17.9
Board of Pharmacy -----	304	113,550	113,375	-175	0.15
Board of Social Work					
Examiners -----	305	23,320	22,150	-1,170	5.0
Structural Pest Control Board -----	306	26,650	30,850	+4,200	15.7
Board of Examiners in					
Veterinary Medicine -----	307	9,810	9,685	-125	1.3
Yacht and Ship Brokers					
Commission -----	308	20,650	23,225	+2,575	12.5
Board of Osteopathic Examiners -----	309	21,850	23,150	+1,300	5.9
Board of Pilot Commissioners -----	310	21,000	14,750	-6,250	29.8
Horse Racing Board -----	311	13,056,029	10,120,582	2,935,447	22.5
<b>Totals -----</b>		<b>\$15,252,891</b>	<b>\$12,243,239</b>	<b>\$29,802,247</b>	

\* Expenditures and revenues are not carried into the Budget totals, since the assessments against the various boards have been included as expenditures in their respective Budgets.

(a) Payable from General Fund.

† Amount of \$60,000 to be transferred to General Fund per Section 9575, Business and Professions Code.

DEPARTMENT OF PROFESSIONAL AND VOCATIONAL STANDARDS—  
RESERVES FOR CONTINGENCIES IN 1948-49 BUDGET \*

<i>Agency.</i>	<i>Amount of reserve</i>
Board of Accountancy.....	\$6,000
Board of Architectural Examiners.....	1,054
Athletic Commission	
Administration .....	2,371
Inspection .....	527
Barber Examiners' Fund.....	3,562
Chiropractic Examiners' Fund.....	1,530
Civil Engineers' Fund.....	3,665
Contractors' License Board	
Administration .....	6,976
Examination and Investigation.....	4,881
Board of Cosmetology.....	6,238
Board of Dental Examiners.....	1,862
Detective License Bureau.....	1,273
Board of Dry Cleaners.....	5,102
Board of Funeral Directors and Embalmers.....	1,305
Bureau of Furniture and Bedding Inspection	
Administration .....	3,870
Laboratory .....	383
Board of Medical Examiners.....	6,746
Board of Nurse Examiners.....	4,814
Board of Optometry.....	980
Board of Pharmacy.....	4,310
Board of Social Work Examiners.....	697
Structural Pest Control Board.....	1,421
Board of Examiners in Veterinary Medicine.....	525
Yacht and Ship Brokers' Commission.....	604
<b>Total .....</b>	<b>\$70,696</b>

\* Fixed at 10 percent of operating expense.

DEPARTMENT OF PROFESSIONAL AND VOCATIONAL STANDARDS—  
BOARD OF PILOT COMMISSIONERS

For Support of Board of Pilot Commissioners from the Special Fund

Item 310 of the Budget Bill and pages 632 to 633 of the Budget. The amount requested is \$11,890 for support from the Board of Pilot Commissioners' Special Fund. This is an increase of \$1,593 or 15.5 percent over the total support expenditures for 1947-48 amounting to \$10,297.

During the 1947 Session of the Legislature, the Legislative Budget Committee furnished the technical and research assistance which implemented legislative action to amend laws which then provided that all revenues of this board after payment of necessary operating expenses should be divided equally as full compensation for the services of the three board members. Under the new provisions of Section 1152 of the Harbors and Navigation Code the compensation of board members cannot exceed \$200 per month. Since revenues have exceeded office expenses plus those salaries, surpluses have accumulated in the Pilot Commissioners' Special Fund as indicated above.

Despite the fact that revenues for the 1947-48 Fiscal Year were \$21,000 and anticipated revenues for 1948-49 are only \$14,750, a decrease of \$6,250, or 30 percent, the estimated unbudgeted surplus in the Board of Pilot Commissioners' Special Fund will have risen from 0 as of July 1, 1947, to \$6,500 as of July 1, 1949. This is the maximum amount which

may accumulate and be carried forward in this fund since Section 1159 of the Harbors and Navigation Code provides in part as follows: *Any cash in excess of six thousand five hundred dollars (\$6,500) in the Pilot Commissioners' Special Fund, according to the records of the State Controller, at the close of business on the thirtieth day of June of each year, shall, on order of the State Controller, be transferred to the General Fund.*

Under this provision it is anticipated that a total of \$6,679 will have been transferred or will be available for transfer from the Pilot Commissioners' Special Fund to the General Fund. This total is the sum of \$4,011 and \$2,668 available for transfer in the 1947-48 and 1948-49 Fiscal Years, respectively.

Please note that Section 1167 of the Harbors and Navigation Code provides a means by which the percentage of pilotage fees paid by pilots to the board for its services may be reduced when the surplus in the Pilot Commissioners' Fund is in excess of \$6,500. To date no action has been taken by the board to reduce the fees paid by pilots but if appropriate action is taken by the board the amounts anticipated as available for transfer to the General Fund at both June 30, 1948, and June 30, 1949, will be either reduced or eliminated. This also is true of the estimated unbudgeted surplus in the Pilot Commissioners' Special Fund which for the same reason may be reduced from its \$6,500 limit, or eliminated.

**Recommendation**

We recommend that Item 310 of the Budget Bill be reduced from \$11,890 to \$9,150, a saving of \$2,740, or 23.0 percent as shown in the following schedule which indicates the amounts proposed for support expenditures in the budget compared with the amounts recommended by the Budget Committee:

**Expenditures for Support, 1948-49 Fiscal Year**

<i>Object</i>	<i>Amount per budget</i>	<i>Amount recommended</i>	<i>Increase or Decrease</i>
<b>Salaries and Wages:</b>			
Commissioners -----	\$7,200	\$7,200	00
Secretary -----	2,400	0	—\$2,400
<b>Totals -----</b>	<b>\$9,600</b>	<b>\$7,200</b>	<b>—\$2,400</b>
<b>Operating Expenses:</b>			
Office -----	\$100	0	—\$100
Printing -----	60	\$60	00
Telephone and telegraph -----	120	0	—120
Postage -----	25	25	00
Rent -----	1,200	0	—1,200
Doctor's fees -----	165	165	00
Contract for stenographic, office services and accounting services -----	0	1,200	+1,200
Pro rata general fiscal administration -----	500	500	00
<b>Totals -----</b>	<b>\$2,170</b>	<b>\$1,950</b>	<b>—\$220</b>
<b>Equipment:</b>			
Office typewriter -----	\$120	0	—\$120
<b>Total Expenditures for Support -----</b>	<b>\$11,890</b>	<b>\$9,150</b>	<b>—\$2,740</b>

### **Analysis**

The foregoing decreases in the provisions for expenditures for support of the Board of Pilot Commissioners is based upon the concept that the cost now incurred in maintaining an office for this board is not justified by the benefits derived therefrom. Therefore, it is recommended that the board enter into a contractual agreement with another agency of the Department of Professional and Vocational Standards which maintains an office in San Francisco, under arrangements whereby such agency shall furnish accounting service together with limited stenographic and telephone service to members of the board.

The audits division of the Department of Finance stated in its last report of examination of the Board of Pilot Commissioners' Special Fund that approximately four hours per month would be ample time in which to make the monthly entries on the basis of day to day records to be kept by the secretary once the accounts of the agency were properly established. If the board were to contract for the required office services, the records of the agency might be properly maintained in accordance with the fiscal, budgetary and other administrative requirements of State Government, and the administrative efficiency of this agency would be improved without decreasing its effectiveness.

### **HORSE RACING BOARD**

Item 311 of the Budget Bill and pages 634 to 638 of the Budget. The amount requested is \$103,732 from the Fair and Exposition Fund. This is an increase of \$8,637 or 9.08 per cent over support expenditures of \$95,095 in 1947-48. The amount budgeted for 1947-48 was \$71,925. In addition to this, \$2,000 was added by Chapter 1398 of the Statutes of 1947 for a salary increase for the Secretary of the Board. In augmentation of the budgeted amount, Chapter 1401 of the Statutes of 1947, added \$28,075. Total authorized expenditures were \$102,000.

### **Recommendation**

We recommend the amount requested be approved.

### **DEPARTMENT OF PUBLIC HEALTH**

#### **For Support of the Department of Public Health from the General Fund**

Item 312 of the Budget Bill and pages 639 to 660 of the Budget. The amount requested is \$3,567,205. This is an increase of \$866,791 or 32.1 percent.

This budget request reflects an approximately 17 percent increase in the cost of the Division of Administration a 37 percent or \$300,397 increase in Crippled Children Services, and an approximate 10 percent or \$90,856 in the Division of Environmental Sanitation. It also reflects substantial increases in almost all phases of the preventive medical activities of the division and the inauguration of new or materially expanded programs in the Bureau of Dental Health, Tuberculosis Service, Adult Health and consultation services to hospitals.