

RECOMMENDATIONS

Amount budgeted	\$37,976
Legislative Auditor's recommendation	37,976
Reduction	None

ANALYSIS

The Collection Agencies Division is now on a self-supporting basis. The estimated revenue for 1953-54 is \$38,705. Regardless of this self-supporting basis, we wish to repeat our recommendation of last year. We believe that the proper place for this function is in the Department of Professional and Vocational Standards, which has the responsibility for the licensing and regulation of all businesses and professions. *We recommend that serious consideration be given by the Legislature to transferring this function to the Department of Professional and Vocational Standards.*

Approval of the amount requested is recommended.

DEPARTMENT OF AGRICULTURE

ITEM 40 of the Budget Bill

Budget page 52
Budget line No. 68**For Support of the Department of Agriculture From the General Fund**

Amount requested	\$5,253,364
Estimated to be expended in 1952-53 Fiscal Year	5,153,262
Increase (1.9 percent)	\$100,102

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$86,648	\$56,664	\$29,984	73	49
Operating expense	27,905	18,225	9,680	73	50
Equipment	15,408	—3,847	19,250	73	51
Less:					
Increased reimbursements	—29,854	—29,854	---	73	54
Total increase	\$100,102	\$41,188	\$58,914		

RECOMMENDATIONS

Amount budgeted	\$5,253,364
Legislative Auditor's recommendation	5,253,364
Reduction	None

ANALYSIS

The amount requested for support of the Department of Agriculture from the General Fund for the Fiscal Year 1953-54 provides for a gross increase of 15 positions and a total additional cost of \$100,102, an increase of 1.9 percent over 1952-53. We recommend approval of the budget as submitted.

Proposed increases or decreases in departmental activities are as follows:

Activity	Total increase	Increase due to			Line No.	Budget page
		Work load or salary adjustments	New services			
Departmental						
Administration	—\$10,114	—\$10,114	---	7	51	
Division of Plant Industry :						
Administration	185	185	---	11	51	
Bureau of Entomology :						
General entomology ...	—7,027	—7,027	---	13	51	
Beet leafhoppers	—6,632	—6,632	---	14	51	
Grape leaf skeletonizer	13,778	13,778	---	15	51	
Mexican bean beetle ...	—13,309	—13,309	---	16	51	
Oriental fruit fly	—8,272	—8,272	---	17	51	
Cherry fruit fly	5,405	5,405	---	18	51	
Hall scale eradication ...	68,872	9,958	\$58,914	19	51	
Bureau of Plant						
Quarantine	3,776	3,776	---	20	51	
Bureau of Plant						
Pathology :						
Plant pathology	11,984	11,984	---	22	51	
Quick decline of citrus	—7,390	—7,390	---	23	51	
Bureau of						
Rodent and Weeds :						
Rodent and weed						
control	1,089	1,089	---	25	51	
Predatory animal	3,869	3,869	---	26	51	
Bureau of Chemistry :						
Spray residue	1,347	1,347	---	28	51	
Division of						
Animal Industry :						
Administration	1,097	1,097	---	34	51	
Bureau of Livestock						
Disease	4,995	4,995	---	35	51	
Bureau of Dairy						
Service	3,489	3,489	---	36	51	
Bureau of Meat						
Inspection	950	950	---	37	51	
Division of Marketing :						
Administration	178	178	---	43	51	
Bureau of Markets :						
General marketing						
service	658	658	---	45	51	
Bureau of Market News	25,854	25,854	---	46	51	
Bureau of Agricultural						
Statistics	—824	—824	---	47	51	
Bureau of Fruit and						
Vegetable Standardi-						
zation	3,704	3,704	---	48	51	
Bureau of Weights and						
Measures	2,440	2,440	---	49	51	
Totals	\$100,102	\$41,188	\$58,914			

Significant cost increases may be summarized as follows:

Grape Leaf Skeletonizer

The increase in cost of the grape leaf skeletonizer eradication program results from the need to bring under treatment acreage which, during 1952-53, was left untreated in anticipation of the introduction

of parasites which were being developed by the University of California. Through a laboratory misfortune, the parasites were destroyed. Therefore, pending the production of more parasites, the introduction area will again be taken under chemical treatment at a cost increase of \$13,778 over that of 1952-53.

Hall Scale Eradication

The only activity of the department which is expanded in a considerable degree is that of eradicating Hall Scale, a disease of deciduous fruits including almond, apple, apricot, cherry, nectarine, peach, pear, plum and prune. During the Fiscal Year 1952-53 the department estimates that it will spend \$9,958 for this purpose out of funds allocated for general entomology under the Division of Plant Industry. It now proposes to establish the program as a separate activity and requests a budget of \$68,872 for 1953-54.

Historically the Federal Government has dominated the Hall Scale eradication program in California. From 1941-42, when the cooperative program began, through 1952-53, a total of \$869,841 will have been spent for this purpose, of which the Federal Government will have provided \$768,945 and the State \$100,896. During 1952-53 the federal contribution is \$96,000 and this same amount is contemplated for 1953-54.

The Department of Agriculture is now convinced that this disease can be eradicated and the project brought to completion. The disease is now known to exist in only two places in the State—the Bidwell Park area east of Chico and adjacent to the university campus at Davis.

As all deciduous fruits are potential prey for this pest, and because of the continuing cost that will otherwise be required to keep it under control, it is our opinion that a determined plan for complete eradication is highly desirable.

The Federal Government advises that it cannot be expected to provide additional money for this purpose. Therefore, the department proposes that the State bear the added cost, and we concur.

Plant Pathology

The increase in this activity is primarily attributable to the need for an associate plant pathologist to meet the added work load created by plant parasitic nematodes. Data submitted in substantiation of this request indicate that nematodes are creating an increasing problem in California and that the number of laboratory specimens resulting from nematode activity have more than doubled since 1950.

Bureau of Livestock Disease Control

The increase in this agency's budget is directly attributable to a projected need for one veterinarian and a building maintenance man at the new Poultry Pathological Laboratory at Petaluma and for a laboratory technician at the Animal Pathological Laboratory at San Gabriel. These positions are justified on the basis of anticipated work load increases, and we recommend their approval subject to a determination by the Department of Finance that the work load increases have been realized. The cost increase attributable to these new positions is substantially offset by a decrease in automobile replacement of approximately \$14,000.

In the past we have called to the Legislature's attention that the State's costs for the bovine brucellosis control program are mounting. While the proposed 1953-54 budget shows no increase over the estimated expenditure for 1952-53, the 1952-53 expenditures will exceed the amount appropriated for this activity by approximately \$45,000. At the same time this increase has been offset in terms of the total bureau's budget by a decrease of \$50,000 in the bovine tuberculosis indemnity program.

	<i>Appropriated</i> 1952-53	<i>Estimated</i> expenditure 1952-53	<i>Proposed</i> 1953-54
Bovine tuberculosis indemnities-----	\$125,000	\$75,000	\$75,000
Brucellosis vaccine -----	116,550	135,988	135,988
Contract brucellosis vaccinations-----	236,250	261,714	261,714
Totals -----	\$477,800	\$472,702	\$472,702

The above figures show that while the combined total of the tuberculosis and brucellosis programs has changed little, the financial emphasis has shifted to a considerable degree from tuberculosis to brucellosis and the State's brucellosis cost is considerably higher than was anticipated for 1952-53.

In past years we have pointed out that we believe the State has a valid public health reason for the initial support of a program to control or eradicate brucellosis because it is transmissible to humans (undulant fever) through handling infected animals and drinking raw milk.

Section 260.1 of the Agriculture Code provides that, "On and after January 2, 1948, all female dairy calves shall be vaccinated by an official veterinarian or by an accredited veterinarian authorized by the department * * *; provided further, that male dairy calves, and any beef calves, at the option of the owner may be so vaccinated."

Section 261.4 provides that no charge may be made for these vaccinations.

It appears obvious to us that brucellosis cannot be eradicated unless there is a mandatory vaccination program for beef as well as dairy type calves. Whether the cost of such vaccinations should be charged against the producer in all cases is a question that should be answered by a clear cut legislative policy designed to define the State's position with regard to (a) protecting the public health, (b) protecting specific phases of agriculture or industry, and (c) whether such protection shall be continuing or temporary and under what conditions.

Bureau of Market News

Aside from normal salary increases and one additional clerical position which is justified on a work load basis, the cost increase of this agency is almost wholly the result of the final phase of the four-year plan to mechanize the Market News Service radio-telegraph network.

The final effectuation of this four-year changeover is presently confused because of recent actions of the Federal Communications Commission in which it proposes to prohibit the Market News Service from using its present radio frequencies. It is believed that this issue will be resolved shortly, and the present plan calls for replacing existing frequencies with others which will be designated by the Federal Communications Commission.

We are informed that the Department of Agriculture, pending the final decision of the Federal Communications Commission, is holding 1952-53 communication appropriations in suspense and will do likewise with those amounts in the proposed budget, should such be necessary.

Department of Agriculture
FEDERAL COOPERATIVE MARKETING RESEARCH

ITEM 41 of the Budget Bill Budget page 75
Budget line No. 72

For Support of Federal Cooperative Marketing Research From the General Fund

Amount requested -----	\$75,000
Estimated to be expended in 1952-53 Fiscal Year -----	75,000
Increase -----	None

RECOMMENDATIONS

Amount budgeted -----	\$75,000
Legislative Auditor's recommendation -----	75,000
Reduction -----	None

ANALYSIS

Public Law 733 (79th Congress) authorizes the expenditure of federal funds on a matching basis to assist the states in developing marketing research for agricultural products. Under Chapter 1540, Statutes of 1947, California's Director of Agriculture is authorized to enter cooperative agreements with the Secretary of Agriculture and/or the Administrator, Research and Marketing Act of 1946, to develop projects and programs designed to improve, expand and correlate the work of both agencies.

Under this program the projects now in operation are as follows:

	<i>Actual expenditure 1951-52</i>	<i>Proposed expenditure 1953-54</i>	<i>Project started</i>	<i>Probable duration</i>
Bureau of Agricultural Statistics -----	\$59,846	\$65,000	March 15, 1948	Indefinite
Developing new techniques in agricultural statistics and surveys of fruit, nut tree and vine acreages.				
Bureau of Markets -----	19,981	25,516	March 15, 1948	Indefinite
Securing information on marketing practices for California's agricultural products.				
Bureau of Market News -----	22,324	26,209	March 15, 1948	Indefinite
Developing improved techniques in compiling and distributing market data.				
Bureau of Fruit and Vegetable Standardization -----	13,000	15,314	March 15, 1948	Indefinite
Development of maturity standards, studies of containers and packaging methods and improvement of seed potato certification procedures.				

	<i>Actual expenditure 1951-52</i>	<i>Proposed expenditure 1953-54</i>	<i>Project started</i>	<i>Probable duration</i>
Bureau of Rodent and Weed Control and Seed Inspection -----	\$6,673	---	March 15, 1948	Terminates 6-30-53
Analyzing seed marketing problems.				
Bureau of Plant Pathology-----	7,763	\$14,737	April 15, 1950	Indefinite
Developing methods for certifying that fruit, nut tree and vine nursery stocks are virus free.				
Unallocated — Anticipated expansion of existing and/or new projects -----	---	3,224		
Total -----	\$129,587	\$150,000		
Federal share -----	64,793	75,000		
General Fund -----	\$64,794	\$75,000		

Since the projects began in 1948, federal participation has been as follows:

1947-48 -----	\$5,734	1950-51 -----	\$61,427
1948-49 -----	65,693	1951-52 -----	64,793
1949-50 -----	67,466		

The Department of Agriculture proposes to project the total program at the existing level of expenditure contingent upon continued federal participation. The project under the Bureau of Rodent and Weed Control and Seed Inspection will terminate on June 30, 1953.

**Department of Agriculture
MOVING EXPENSE**

ITEM 42 of the Budget Bill

Budget page 76
Budget line No. 17

For Moving Expense From the General Fund

Amount requested -----	\$25,000
Estimated to be expended in 1952-53 Fiscal Year -----	None
Increase -----	\$25,000

RECOMMENDATIONS

Amount budgeted -----	\$25,000
Legislative Auditor's recommendation -----	25,000
Reduction -----	None

ANALYSIS

An amount of \$25,000 has been requested to provide for moving a portion of the department to new office quarters at 1020 N Street. The sum requested is based upon estimated costs of transportation, telephone connections, and dismantling and installing laboratory equipment. We recommend approval of the amount requested.

Department of Agriculture
DEPARTMENT OF AGRICULTURE FUND

ITEM 43 of the Budget Bill

Budget page 88

Budget line No. 18

*For Support of the Department of Agriculture From the Department of
Agriculture Fund*

Amount requested	\$4,315,769
Estimated to be expended in 1952-53 Fiscal Year	4,219,538
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Increase (2.3 percent)	\$96,231

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$33,264	\$33,264	---	88	9
Operating expense	28,484	28,484	---	88	10
Equipment	34,483	34,483	---	88	11
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Total increase	\$96,231	\$96,231	---		

RECOMMENDATIONS

Amount budgeted	\$4,315,769
Legislative Auditor's recommendation	4,315,769
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Reduction	None

ANALYSIS

The amount requested for support of the activities of the Department of Agriculture Fund for the Fiscal Year 1953-54 provides for a gross of five additional positions and increased expenditures over the 1952-53 Fiscal Year as follows:

<i>Activity</i>	<i>Total increase</i>
Division of Plant Industry	
Nursery Service	\$19,266
Field Crops	4,646
Seed Testing and Certification	917
Chemistry	3,923
Agricultural Pest Control Operations	-1,612
Division of Animal Industry	
Dairy Service	4,094
Livestock Identification	34,918
Division of Marketing	
Markets	605
Market Enforcement	4,265
Milk Control	4,276
Canning Tomato Inspection	-3,742
Winter Seed Potato Test	10
Shipping Point Inspection	22,940
Gasoline, Distillate Oil and Antifreeze Inspection	1,725
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Total	\$96,231

Increased costs of the activities supported by the Department of Agriculture Fund are attributable to normal work load or salary adjustments. The most significant of the requested increases are for the Nursery Service, the Bureau of Livestock Identification, and the Bureau of Shipping Point Inspection.

Nursery Service

The increase of \$19,266 requested for this activity is largely attributable to the addition of one district nursery inspector and the resultant equipment and operating expense, and the proposed purchase of Remington Rand Flexoprint equipment, the cost of which will be saved in the first year by reduced printing charges.

Since 1949 when the present inspector positions were first filled, the number of licensed nurseries has increased 23 percent. Other nursery activities have grown with the introduction of new stock and increased emphasis on the certification and registration of certain types of plants, notably strawberries.

The California Association of Nurserymen has also requested that personnel be added in this agency to provide greater service to the industry in connection with pest control problems. In view of the self-supporting nature of this activity and the expressed desires of the nursery industry, we recommend approval of the proposed budget.

Livestock Identification

Aside from normal salary and operating expense increases, the requested increase in this agency's budget is attributable to establishment of a permanent additional supervising brand inspector and \$21,750 in new automobiles. The supervising brand inspector position has been on a temporary basis during 1952-53. The increase in cattle thefts and the need for state-wide investigation of cattle thefts make the continuation of this position on a permanent basis desirable.

Of the 24 automobiles to be acquired, 15 are replacements within the agency and 9 are transferred from other agencies within the department. This will not result in an increase in the departmental fleet, but accounts for \$21,750 of the total increase in the Bureau of Livestock Identification.

Shipping Point Inspection

The budget increase in this activity results in the main from normal increased salary and operating expenses and from automobile replacement amounting to \$11,550.

GENERAL SUMMARY

The self-supporting activities comprising the Department of Agriculture Fund obtain their revenues through the collection of regulatory license and assessment fees and charges for inspection services. These activities and revenues are governed by many changeable factors, such as variations in business conditions and fluctuations in markets and crop volume.

During the war years 1941-45 when personnel was not available, most of the activities materially increased their cash surpluses. The total fund surplus on June 30, 1940, was \$591,976 as compared with \$1,826,517 on June 30, 1947. Since that time increases in salaries and operating expenses, the 40-hour week provision and the increase in overhead costs have made it necessary to raise fees in many activities.

The accumulated surplus on June 30, 1952, was \$3,258,715. As of June 30, 1954, the unbudgeted surplus in the Department of Agriculture Fund is estimated at \$3,311,018.

POULTRY IMPROVEMENT COMMISSION

ITEM 44 of the Budget Bill

Budget page 91
Budget line No. 7

For Support of the Poultry Improvement Commission From the Poultry Testing Project Fund

Amount requested	\$79,167
Estimated to be expended in 1952-53 Fiscal Year	77,047
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Increase (2.8 percent)	\$2,120

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$1,014	\$1,014	---	91	50
Operating expense	1,836	1,836	---	91	73
Equipment	—730	—730	---	92	10
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Total increase	\$2,120	\$2,120	---		

RECOMMENDATIONS

Amount budgeted	\$79,167
Legislative Auditor's recommendation	79,167
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Reduction	None

ANALYSIS

The Poultry Improvement Commission was created by Chapter 950, Statutes of 1939, as amended by Chapter 173, Statutes of 1947, and consists of 10 members, seven of whom are appointed by the Governor "to give representation to the seven major poultry districts of the State." The Director of the Department of Agriculture, Chief of the Division of Poultry Husbandry of the University of California and the Chief of the Veterinary Division of the University of California are ex officio members.

The commission has authority to conduct a poultry testing project for the purpose of providing California poultrymen with information as to sources of breeding stock, and feeding and management practices which are recognized as economically sound for California.

The project is supported by revenues from entry fees, sale of eggs and poultry and miscellaneous income, and by appropriations from the Fair and Exposition Fund. Revenues for 1953-54 are estimated at \$45,150. The accumulated surplus for June 30, 1953, is estimated at \$39,360. The amount of \$22,337 is requested from the Fair and Exposition Fund, leaving an estimated surplus on June 30, 1954, of \$25,000.

The Poultry Testing Project is located on U. S. Highway 99, four miles north of Modesto, Stanislaus County.

We recommend approval of the amount requested.

**Poultry Improvement Commission
AUGMENTATION OF THE POULTRY TESTING PROJECT FUND**

ITEM 45 of the Budget Bill

Budget page 92
Budget line No. 31

For Augmentation of the Poultry Testing Project Fund From the Fair and Exposition Fund

Amount requested	\$22,337
Estimated to be expended in 1952-53 Fiscal Year	40,298
Decrease (44.6 percent)	\$17,961

RECOMMENDATIONS

Amount budgeted	\$22,337
Legislative Auditor's recommendation	22,337
Reduction	None

ANALYSIS

For the Fiscal Year 1952-53 the amount of \$40,298 was transferred from the Fair and Exposition Fund for augmentation of the Poultry Testing Project Fund. Item 44 contains the estimated expenditures and an estimate of accumulated surpluses for the current and budget years.

**Department of Corrections
STATE PRISONS AND INSTITUTIONS SUMMARY**

The following table presents a comparison of various factors with respect to the seven institutions under the jurisdiction of the Department of Corrections:

Comparative Factors—Department of Corrections Facilities

	<i>San</i>						
	<i>Medical</i>	<i>Chino</i>	<i>Folsom</i>	<i>Quentin</i>	<i>Soledad</i>	<i>Deuel</i>	<i>Corona</i>
1951-52							
Population	932	1,634	2,415	4,359	969	516	393
Per capita cost	\$1,228	\$1,238	\$957	\$874	\$1,382	\$2,132	\$1,141
Total personnel *	190	320.1	323.8	476.7	219.7	148.8	55.9
Level of service †	362	348	238	194	403	512	253
Custodial personnel *	132	227.8	236.9	324.6	156.8	109.5	37.7
Level of custodial service †	252	246	174	132	287	377	170
1952-53							
Population	1,000	1,900	2,180	4,370	1,810	555	410
Per capita cost	\$1,259	\$1,162	\$1,041	\$903	\$1,118	\$1,980	\$1,125
Total personnel *	202	326.5	326.9	476.7	293	157	80
Level of service †	359	305	266	194	287	502	347
Custodial personnel *	140	232	238	324.6	208	110	44
Level of custodial service †	249	217	194	132	204	352	191
1953-54							
Population	1,100	1,900	2,200	4,370	1,950	840	473
Per capita cost	\$1,292	\$1,198	\$1,084	\$955	\$1,176	\$2,253	\$1,322
Total personnel *	227.5	339.7	347.9	540.8	329	277	114
Level of service †	367	318	281	220	300	586	428
Custodial personnel *	149	240	253	350	226	189	65
Level of custodial service †	241	224	204	142	206	400	244

† Level of service in terms of total annual paid employee hours per inmate.

* Exclusive of camp personnel.