

GOVERNOR

ITEM 23 of the Budget Bill

Budget page 16

FOR SUPPORT OF THE GOVERNOR FROM THE GENERAL FUND

Amount requested	\$488,597
Estimated to be expended in 1957-58 Fiscal Year	482,319
Increase (1.3 percent)	\$6,278

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$5,738	\$5,738	--	16 40
Operating expense	3,340	3,340	--	16 49
Equipment	-2,800	-2,800	--	16 51
Total increase	\$6,278	\$6,278	--	

RECOMMENDED REDUCTIONS

None

ANALYSIS

The chief changes in the budget of the Governor's Office result from salary increases enacted by law as follows:

The salary of the Governor was increased from \$25,000 to \$40,000 per annum, by Chapter 1168, Statutes of 1955, under the Constitution. This becomes effective for the new term beginning January 5, 1959.

The maximum salary of \$1,125 per month for three of the nine secretaries of the Governor was increased to \$1,250 per month by Chapter 2424, Statutes of 1957, which amends Section 12001 of the Government Code. This change became effective July 1, 1957, of the current fiscal year.

The Governor is the Chief Executive of the Government of the State of California, which is composed of the following groups:

Constitutional offices	8
Departments	24
22 of the above department heads are appointed by the Governor and two are elective officials	
Boards and commissions affiliated with the departments	128
Independent agencies	46
Total	206

The Governor's budget request contains no new proposed positions. There are 57.4 authorized positions for the Fiscal Year 1957-58 and the same number proposed for the 1958-59 Fiscal Year. The staff consists of one executive secretary, nine secretaries, 46 technicians and clerks and 0.9 position for temporary help.

Governor—Continued

Of the nine positions of top level secretaries only eight positions were filled as of January 1, 1958. These secretaries are classified functionally as follows:

- | | |
|---------------------------------|---------------------------------|
| Press secretary | Extradition secretary |
| Assistant press secretary † | Research secretary |
| Legislative secretary * | Travel and invitation secretary |
| Assistant legislative secretary | Departmental secretary |
| Private secretary | |

† Position not filled at present.

* This secretary also serves as the Director of the Department of Motor Vehicles and receives his salary from the support budget of that department.

We recommend approval as budgeted.

GOVERNOR

ITEM 24 of the Budget Bill

Budget page 16

FOR SUPPORT OF THE GOVERNOR'S RESIDENCE FROM THE GENERAL FUND

Amount requested	\$17,400
Estimated to be expended in 1957-58 Fiscal Year	17,400
Increase	None

RECOMMENDED REDUCTIONS..... None

ANALYSIS

The amount requested for support of the Governor's residence in the Fiscal Year 1947-48 was \$12,000. This same amount was requested each year until the Fiscal Year 1956-57 when the requested amount was increased to \$17,400. One-twelfth of this amount is withdrawn monthly to pay for the interior operations of the mansion.

We recommend approval of the amount requested.

GOVERNOR

ITEM 25 of the Budget Bill

Budget page 16

FOR SPECIAL CONTINGENT EXPENSES OF THE GOVERNOR'S OFFICE FROM THE GENERAL FUND

Amount requested	\$7,500
Estimated to be expended in 1957-58 Fiscal Year	7,500
Increase	None

RECOMMENDED REDUCTIONS..... None

ANALYSIS

This item has been included in the budget request since 1850. This amount is not subject to audit; therefore, we cannot comment on the nature of expenditures made from this amount. In previous years, the entire amount has been expended.

We recommend approval as budgeted.

Governor's Office
STATE DISASTER OFFICE

ITEM 26 of the Budget Bill

Budget page 17

FOR SUPPORT OF DISASTER OFFICE FROM THE GENERAL FUND

Amount requested	\$1,107,864
Estimated to be expended in 1957-58 Fiscal Year	1,140,112
Decrease (2.8 percent)	\$32,248

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$26,564	\$23,192	\$3,372	18 27
Operating expense	21,077	21,077	--	18 57
Equipment	-125,560	-125,560	--	18 60
Decreased reimbursement	45,671	45,671	--	18 69
Total increase	-\$32,248	-\$35,620	\$3,372	

RECOMMENDED REDUCTIONS

Reduction in budgeted increases	\$11,004 +
Improved efficiency and policy reappraisal	598,298 +
Total reductions	\$609,302

GENERAL SUMMARY

An "Office of Civil Defense" was first established as such by the "Civil Defense Act of 1950" passed at the third extraordinary session of that year. It was based on the earlier "California War Powers Act" of the First Extraordinary Session of 1943 which conferred upon the Governor certain powers with respect to war-caused disasters. The "Civil Defense Act of 1950" directed the Governor to assign all or part of his powers established by the earlier act, to such personnel as he might designate in his office to be known as the "Office of Civil Defense."

Subsequently, the office was changed to the "State Disaster Office" by Chapter 56 of the First Extraordinary Session of 1956 which broadened the powers of the Governor and the State Disaster Office with respect to disasters arising from natural causes such as flood, fire, earthquake, etc.

The office is presently organized to provide service, advice and coordination in connection with other state and local disaster oriented governmental agencies such as local fire departments, state and local forestry departments, transportation systems, communication systems, etc. The major "stand-by" service afforded by the office consists of a communications network and an attack warning network which is integrated with other state communication systems such as that of the Divisions of Forestry and Highways, Department of Fish and Game, the California Highway Patrol and the Adjutant General's Office and with the communications systems of local and regional police, fire and civil defense organizations and with the federal military forces and other agencies.

Disaster Office—Continued

Another direct service provided by the office is the monitoring of radiation activity occasioned both by peacetime use of radioactive chemicals and devices and by potential radioactive fallout resulting from enemy nuclear attack.

The balance of the work of the office is principally in the area of advice and co-ordination with respect to fire-fighting services, transportation services, medical and health services, and welfare services available at the local and regional levels.

The need for a state civil defense service and activity was based largely on certain military assumptions and criteria which were existent at the time of the establishment of the service. It was apparently the thinking at that time that an enemy attack with the atomic weapons then available and by the only means of delivery then available, would consist principally of isolated strikes at key targets. The power of the weapons then available would, unless delivered in great quantities, have resulted in comparatively restricted damage to the key target areas.

Apparently radical changes in military potential and concepts have occurred in the intervening years. Thermonuclear weapons are now available with capabilities many times greater than the earlier atomic weapons, and methods of delivery have been vastly broadened to include short-, intermediate- and long-range ballistic missiles, conventional bombing planes with speed in the supersonic ranges and nuclear-powered submarines with ballistic missile firing capabilities. Military opinion, as currently expressed, appears to indicate that any enemy attack would in all likelihood be of unprecedented magnitude based on crippling the entire Nation by such attack.

It has recently been stated that such attack would assume 60 million dead. It is difficult to adjust the current concept of California's civil defense program to such consequences, and it would seem that a complete re-evaluation of the state program and responsibility is in order. California, with its unusual military resources would undoubtedly be a prime target, and civil defense aid most certainly would be a matter of regional operations as much as a state operation. It appears more than ever that the problem of civil defense is one of national responsibility, not only as a matter of concern, but as a problem of operations.

In view of the altered military situation it is our recommendation that the State Disaster Office be reconstituted and reorganized primarily for the purpose of providing assistance to local areas in the event of naturally caused disasters and secondarily for co-operating with the Federal Government in developing an effective plan of national civil defense in which such financial and operational responsibility as may be delegated to the State will be part of a nationally integrated program, one which is closely co-ordinated with the attack plans of the vast national military establishments and interests in the area.

Disaster Office—Continued
ANALYSIS

The total support budget proposed for the State Disaster Office for the 1958-59 Fiscal Year, exclusive of contributions to the State Employees' Retirement Fund, is \$1,107,864, which is \$32,248 or 2.8 percent less than the \$1,140,112 which is estimated to be expended during the current fiscal year. This apparent decrease is entirely the result of a large reduction in proposed expenditures for equipment as compared with current anticipated expenditures for equipment. In the current fiscal year there was authorized the expenditure of over \$100,000 for additional communications equipment to permit closer integration with the wide variance of frequencies encountered in local fire departments and additional equipment for the RADEF System. In the proposed year these expenditures will not be necessary again and consequently there is a substantial reduction in the equipment category.

Actual expenditures for salaries and wages will be increased by \$26,564 or 3.5 percent from \$754,312 estimated for the current fiscal year, to \$780,876 in the budget year. This increase is partly the result of normal in-grade salary increases, but primarily the result of the proposal to establish three new positions which will be discussed later in the analysis of this item.

Operating expenses are proposed to be increased by \$21,077 or 5.9 percent from \$359,770 estimated to be expended in the current fiscal year, to \$380,847 in the budget year. The major portion of this increase is due to the increased cost of the maintenance of communications equipment arising from the increased inventory of this equipment as mentioned above. The balance of the increase is a result of higher costs of other goods and services and augmented travel both in and out of the State. In the latter category we would like to point out that in the 1956-57 Fiscal Year only \$795 was expended for out-of-state travel. In the current fiscal year it is estimated that \$2,500 will be expended and in the proposed year \$4,600 is requested for this purpose. While this is a comparatively minor sum of money, we know of no real basis for the increased out-of-state travel.

Additional Positions Requested

1 Intermediate typist-clerk (General Office) (budget page 18,
line 18) ----- \$3,372

This position is primarily intended to work in the Division of Transportation and Supply to help with the increased workload occasioned by the fact that this position handles the requests from local civil defense organizations for surplus federal property which is distributed by the surplus property agency of the State Department of Education. In line with the recommendation made in the General Summary to the effect that this organization should be reduced in size, *we would recommend disapproval of this position.* In any event the position should be charged to the surplus property agency where its cost can be defrayed by an appropriate but individually small additional handling charge placed on the equipment. The surplus property agency is itself entirely self-sustaining from the charges it makes for the handling of this

Disaster Office—Continued

surplus property which is paid by the educational agencies receiving the property. Since the necessity to review requests from local civil defense agencies was placed with the State Disaster Office by the Federal Government as an additional step, it would seem entirely appropriate that the cost should be borne by the agencies receiving the benefit of this otherwise free federal surplus property.

1 Instrumentation aide (Radiological Division) (budget page 18, line 20) ----- \$4,092

This position is proposed to assist with the increasing workload in the maintenance of radiation detection instruments and allied laboratory equipment, both federal- and state-owned, which has been growing in numbers so that in the proposed budget year there will be a substantially larger number of pieces of such equipment than was available on July 1, 1957. It would appear that if the State Disaster Office is to maintain its present level of service and maintain its present organizational structure and mission then the workload involved in the radiation equipment area would undoubtedly justify this additional position.

However, in line with our recommendation concerning the reduction in size of this agency, we recommend that the position be disallowed.

1 Intermediate stenographer-clerk (Region I) (budget page 18, line 22) ----- \$3,540

Until the passage of Chapter 2335, Statutes of 1957, which provided additional support funds from the General Fund to the State Disaster Office, there were one regional co-ordinator and four assistant co-ordinators assigned to Region I with one senior stenographer-clerk and four intermediate stenographer-clerks, making a ratio of one to one of executives to stenographers. This is a comparatively high ratio. Two assistant regional coordinators were added making a total of seven executive people. With the existing clerical staff this provided a ratio of one clerical person to 1.4 executives. This is still a good ratio and consequently we cannot see the justification for an additional position. *In line with our recommendation concerning the reduction in this organization we recommend that the position be disallowed.*

Policy Recommendation

In the summary we recommended that the organization of the State Disaster Office be reconstituted and reduced to a cadre group involved in the necessary planning, co-ordination and co-operation with local areas with respect to possible naturally caused disasters, plus those persons necessary to deal with the federal government in the development of a national program. Along those lines we make the following recommendations with respect to specific personnel reductions.

Executive

The executive group presently consists of nine positions. We recommend that this be reduced to eight positions consisting of the director, the assistant director, four attack warning officers and two secretary-stenographers. This would eliminate the staff assistant to the director with a proposed salary of \$9,852.

**Disaster Office—Continued
Accounting**

The accounting function presently consists of eight and a half positions. We suggest that this be reduced to two positions consisting of the accounting officer grade II and one senior typist-clerk. This would eliminate six and a half positions consisting of two accounting technicians grade II, four intermediate account clerks and one-half intermediate typist-clerk with total proposed salaries of \$27,670.

General Office

The general office service consists of personnel which provide clerical, secretarial and stenographic service to the balance of the headquarters organization. There are presently 19 positions authorized. We recommend that these be reduced to eight positions consisting of one supervising clerk grade I, four intermediate stenographer-clerks, one intermediate file clerk, one duplicating machine operator grade II and one telephone operator. This would eliminate 11 positions consisting of two senior stenographer-clerks, six intermediate typist-clerks, two intermediate clerks and one junior typist-clerk with total proposed salaries of \$44,461.

Communications and Attack Warning Division

This division now consists of five people. We recommend that it be reduced to a cadre of one consisting of the chief. This would eliminate four field representatives with a total proposed salary of \$32,348.

Emergency Welfare Division

This section is now authorized at three people. We recommend that it also be reduced to a cadre of one consisting of the chief. This would eliminate two field representative positions at a total cost of salaries of \$15,876.

Fire and Rescue Division

This section is presently authorized at four positions. We recommend that it also be reduced to a cadre of one consisting of the chief. This would eliminate three field representative positions at a total proposed salary cost of \$24,396.

Information and Education Division

This section is presently authorized at five positions. We recommend that it be eliminated entirely at a total reduction in salaries and wages of \$42,384.

Law Enforcement and Warden Division

This section is presently authorized at three positions. Here too we recommend that the section be eliminated entirely at a total savings of salaries and wages of \$26,916.

Medical and Health Division

This section is presently authorized at six positions. We recommend that it be reduced to three positions consisting of the chief, a nursing consultant and a senior stenographer-clerk. The three positions eliminated would be the assistant chief, one field representative and one

Disaster Office—Continued

intermediate typist-clerk at a total savings in proposed salaries of \$25,212.

Radiological Safety Division

The service provided by this division should be totally a federal responsibility. In any case, if the Federal Government were not to assume this then it is more logical that it be part of the State Department of Public Health since its principal purposes in peacetime periods is to regulate and control the use of radioactive materials as a public health and safety measure. The division is presently authorized at 13 positions. Since we recommend that the division be eliminated entirely this would produce a reduction in proposed salaries of \$91,538.

Transportation and Supply Division

This section is presently authorized at four positions. We recommend complete elimination of this operation at a total reduction of proposed salaries and wages of \$31,574.

Regional Offices

We recommend that the regional offices be entirely eliminated as a state responsibility and that if such offices are required at all for the handling of naturally caused disaster problems that they be established as a co-operative operation among the major local governmental jurisdictions in each area. The currently authorized total number of positions in the three regional offices is 30.8. The elimination of these positions would result in a total reduction of proposed salaries of \$226,069.

The total reduction of salaries and wages as recommended above, would come to \$626,417. In addition there would, of course, be commensurate reductions in operating expenses and equipment. The reduced need for office space in the headquarters building in Sacramento on Meadowview Road would release additional space for other state agencies now occupying rented quarters in Sacramento.

LIEUTENANT GOVERNOR

ITEM 27 of the Budget Bill

Budget page 19

FOR SUPPORT OF LIEUTENANT GOVERNOR FROM THE GENERAL FUND

Amount requested	\$59,478
Estimated to be expended in 1957-58 Fiscal Year	55,404
Increase (7.4 percent)	\$4,074

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$3,764	\$3,764	--	19 75
Operating expense	460	460	--	19 85
Equipment	-150	-150	--	20 2
Total increase	\$4,074	\$4,074	--	

RECOMMENDED REDUCTIONS..... None

Lieutenant Governor—Continued
ANALYSIS

The Lieutenant Governor is a Regent of the University of California and serves as a member of the Commission on Interstate Co-operation, State Lands Commission and the State Toll Bridge Authority. In addition to serving as Governor when the Governor is out of the State, the Lieutenant Governor presides over the Senate when it is in session.

The salary of the Lieutenant Governor was increased from \$14,000 to \$20,000 per annum, effective in January, 1959, by Chapter 2424, Statutes of 1957. Slight adjustments were made in other salaries.

We recommend approval as budgeted.

STATE EMPLOYEES' RETIREMENT SYSTEM

ITEM 28 of the Budget Bill

Budget page 20

FOR SUPPORT OF STATE EMPLOYEES' RETIREMENT SYSTEM
FROM THE GENERAL FUND

Amount requested	\$446,152
Estimated to be expended in 1957-58 Fiscal Year	373,138
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Increase (19.6 percent)	\$73,014

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Workload or salary adjustments	New services	
Salaries and wages	\$17,895	\$17,895	--	22 77
Operating expense	53,970	53,970	--	22 79
Equipment	33,666	33,666	--	22 81
Less increase in reimbursements	—32,517	—32,517	--	22 83
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Total increase	\$73,014	\$73,014	--	

RECOMMENDED REDUCTIONS

None

GENERAL SUMMARY

Authority for the existence and operation of the State Employees' Retirement System is found in the Government Code, Title 2, Division 5, Part 3.

Policy determination for the system is in the hands of a Board of Administration, consisting of a president, vice president and six members. The executive officer and the actuary report directly to the board. The assistant executive officer, actuary and administrative adviser act as staff to the executive officer. Further staff service is provided by the Administrative Services Section, with a staff of 22.

There are three main operating divisions. The Membership Division reviews the qualifications of applicants for membership, assists contracting local governments in applying the Retirement Law and the rules of the system, and performs related functions. The Accounting Division performs all accounting work and develops uniform procedures for accounting reporting. The Actuarial and Claims Division makes actuarial studies that form the basis of policy and of rate determination; it computes individual claims and benefits; it also makes cost estimates on pending retirement legislation.

One additional unit, Old Age and Survivors Insurance, is concerned with the administration of the federal program which has been elected