

Department of Military—Continued

Automotive Maintenance

It is recommended that the Adjutant General and the Department of Finance investigate the probable direct savings, or more efficient use of manpower, that could be effected in the automotive maintenance shop of the National Guard in Sacramento. At present, three National Guard enlisted personnel are assigned duties at the shop, servicing five state-owned trucks and 20 passenger cars, not less than eight federally owned vehicles on loan to the State, and a number of lawn mowers. The Division of Automotive Management, Department of Finance, has nine civil service personnel assigned to like duties servicing 841 vehicles.

We would suggest an arrangement whereby the enlisted personnel of the National Guard shop would be under the direct supervision of the Division of Automotive Management and would service not only National Guard vehicles but other state-owned automotive equipment. It is further recommended that, as vacancies occur in these three enlisted positions from whatever cause, they not be filled by enlisted National Guardsmen, pending a critical review of the requirements at that time.

National Guard Officers Assigned to Governor's Office for Liaison

We recommend that the budget of the Office of the Adjutant General be reimbursed by the Governor's Office budget in the amount of the salaries of the two National Guard officers assigned, in the same manner as the Highway Patrol is reimbursed for chauffeur services.

From a budgetary viewpoint, we believe the costs of the salaries and wages in the amount of \$21,960 for the colonel and captain assigned from the Headquarters Staff of the National Guard to the Governor's Office for liaison duties should be reimbursable from the Governor's Office budget, in that these officers are not performing liaison duties between National Guard headquarters and the Office of the Governor or duties relative to National Guard affairs, except for a minor portion of the colonel's time (estimated at 10 percent).

The investigative services they provide the Governor are justified and are a service required by his office, and for budget purposes the cost should properly be reflected in the budget for the Governor's Office.

Subject to the recommendations made above, we recommend approval of this budget item.

DEPARTMENT OF MOTOR VEHICLES

ITEM 166 of the Budget Bill

Budget page 400

FOR SUPPORT OF DEPARTMENT OF MOTOR VEHICLES
FROM THE MOTOR VEHICLE FUND

Amount requested	\$24,491,860
Estimated to be expended in 1958-59 Fiscal Year.....	22,318,290
Increase (9.8 percent)	\$2,183,570
TOTAL RECOMMENDED REDUCTION.....	None

Department of Motor Vehicles—Continued

GENERAL SUMMARY

This department, a major fee collection agency, has as its primary function the issuance of drivers' licenses, the registration of motor vehicles and the administration of the Financial Responsibility Law.

The department is organized in four divisions, the titles of which in general describe their functions. They are: the Division of Registration; the Division of Drivers' Licenses, which also administers the Financial Responsibility Law; the Division of Field Office Operations; and the Division of Administration. The department provides services for the convenience of the motor public through 124 branch offices and 33 mobile units.

This department's total support is obtained from three separate funds. The amounts, although appearing as separate budget items in the Governor's Budget and in this book, are shown below for clarity of the total support cost of the department.

Amount requested	
Motor Vehicle Fund	\$24,491,860
Motor Vehicle License Fee Fund	4,101,703
General Fund	15,000
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Total requested Fiscal Year 1959-60	\$28,608,563
Estimated to be expended in 1958-59 Fiscal Year	
Motor Vehicle Fund (less unexpended balance)	\$22,305,276
Motor Vehicle License Fee Fund	4,133,431
General Fund	15,000
Allocations from Contingency Fund	13,014
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Total estimated expenditures, Fiscal Year 1958-59	\$26,466,721
Increase (8.1 percent)	\$2,141,842

The Motor Vehicle Fund revenues are obtained from motor vehicle registrations, drivers' licenses, weight fees, etc.; the Motor Vehicle License Fee Fund, from revenues resulting from the fees paid by owners of motor vehicles in lieu of ad valorem taxes, in this case reimbursing the Motor Vehicle Fund for expenses incurred for the administration of the Motor Vehicle License Fee Law. The General Fund support moneys are used to defray expenses resulting from departmental information services provided the Department of Justice in regard to Aid to Needy Children; that is, information which will assist local law enforcement agencies in locating fathers who do not support their families.

ANALYSIS

It is noted that the support moneys appropriated from the Motor Vehicle Fund for this department have increased since Fiscal Year 1954-55 from \$13,892,068 or 14 percent of the total revenues of the Motor Vehicle Fund at that time to \$25,965,941 or 20 percent of the budget year 1959-60 estimated revenue.

The same fact is true of the appropriations and percentages in the case of the California Highway Patrol, which also derives its support from the Motor Vehicle Fund.

General Summary—Continued

Not only have the support costs of the agency doubled in this six-year period, but these functions are increasing the expenditures at a greater rate than is the annual increase of revenue to the Motor Vehicle Fund.

The increase in the total support funds requested by this department of \$2,141,842 over those estimated to be expended during the current budget year is the direct result of establishing 354.5 new positions at a cost of \$1,426,295 in salaries and wages, plus the attendant costs of the physical equipment required to support those positions. The remainder of the dollar increase appears as normal salary and wage adjustments, or nominal increases in operating expenses as offset by a decrease in equipment costs.

The workload of this department is directly related to the number of applications processed, the number of licenses issued, the collection of fees, and the maintenance of files of information related to these actions. The estimated annual increase in these transactions is tabulated below.

	<i>Actual</i> 1957-58	<i>Estimated</i> 1958-59	<i>Increase</i> <i>over</i> 1957-58	<i>Estimated</i> 1959-60	<i>Increase</i> <i>over</i> 1958-59
Registration					
New vehicles ----	636,820	659,230	22,410	758,990	99,760
Nonresidents ----	262,245	262,750	505	276,570	13,820
Renewals -----	6,778,987	6,955,980	176,993	7,218,090	262,110
Total registration	7,678,052	7,877,960	199,908 2.6%	8,253,650	375,690 4.8%
Related transactions --	2,189,873	2,315,930	126,057	2,412,900	96,970
Total transactions	9,867,925	10,193,890	325,965 3.3%	10,666,550	472,660 4.6%
	<i>Actual</i> 1957-58	<i>Revised</i> 1958-59	<i>Increase</i> <i>over</i> 1957-58	<i>Estimated</i> 1959-60	<i>Increase</i> <i>over</i> 1958-59
License issuance --	2,270,800	2,433,052	162,252	2,856,818	423,766
Driver identification	16,878,090	18,064,745	1,186,655	19,969,124	1,904,379
Information service	1,582,489	1,920,000	337,511	2,160,000	240,000
Total transactions	20,731,379	22,417,797	1,686,418 8.13%	24,985,942	2,568,145 11.4%

Other growth tables could be presented in the Driver Improvement area and in connection with the administration of the Financial Responsibility Law.

Workload formulas applied to the tables above are a means of justifying the requested increases in staff. We have reviewed the detailed departmental justifications for the proposed new positions and concur therein.

Of the new positions, 275.7 are requested on the basis of an increase in the estimated workload in order to accomplish the tasks associated with issuing an estimated 2,856,818 drivers' licenses and processing

General Summary—Continued

an estimated 8,253,000 vehicle registrations and other related transactions. For expansion of the driver improvement program for problem drivers, 29 positions have been requested in order to provide adequate and continuing control in this area of the traffic safety problem. The 50 drivers' license examiners requested are the third increment of a four-year program to provide sufficient examiners to insure that all the requirements of the drivers' license tests are performed, especially the vision and driving portions of the tests.

The department is facing the problem of an ever-increasing workload by actively and continuously exploring the ways and means to provide for a more efficient and less expensive total operation. Because they believe the answer lies in the use of large electronic equipment, they have developed, recently, a brochure of their operational problems, predicated on projected increases in volume of motor vehicle registrations through 1963 which will reach some 10 million per year. This brochure will be made available to vendors of electronic business machinery firms in the near future, for purposes of review, evaluation, and bid. We agree that the only answer to the department's problems of elimination of much of the manual processing of these increasingly larger volumes of paperwork and conversion to an efficient and more economical operation is through the use of large especially adapted electronic machines.

We recommend approval of this budget item as submitted.

DEPARTMENT OF MOTOR VEHICLES

ITEM 167 of the Budget Bill

Budget page 407

FOR SUPPORT OF DEPARTMENT OF MOTOR VEHICLES FROM THE MOTOR VEHICLE LICENSE FEE FUND

Amount requested	\$4,101,703
Estimated to be expended in 1958-59 Fiscal Year	3,907,788
Increase (5.0 percent)	\$193,915
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

This appropriation from the Motor Vehicle License Fee Fund is made annually by the Legislature in accordance with Section 11003 of the Revenue and Taxation Code to provide for reimbursement of the departmental cost of enforcement of the Vehicle License Fee Law.

We recommend approval of this item as budgeted.

DEPARTMENT OF MOTOR VEHICLES

ITEM 168 of the Budget Bill

Budget page 407

FOR SUPPORT OF DEPARTMENT OF MOTOR VEHICLES FROM THE GENERAL FUND

Amount requested	\$15,000
Estimated to be expended in 1958-59 Fiscal Year	15,000
Increase	None
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

This annual appropriation from the General Fund is to reimburse the department for their administrative costs incurred in the process of providing information from its files to the Department of Justice in regard to assisting counties in locating the fathers who fail to support their families in connection with the Aid to Needy Children program.

Department of Motor Vehicles

DEFICIENCY PAYMENTS

ITEM 169 of the Budget Bill

FOR PAYMENTS OF DEFICIENCIES IN APPROPRIATIONS FOR THE DEPARTMENT OF MOTOR VEHICLES FROM THE MOTOR VEHICLE FUND

Amount requested	\$350,000
Estimated to be expended in 1958-59 Fiscal Year	350,000
Increase	None
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

As this agency is supported from special funds, it is precluded by statute from requesting funds to defray contingency expenses from the Emergency Fund. Because of the complexity of its operation and its size, the Department of Motor Vehicles must request this annual special appropriation for costs resulting from unanticipated emergencies. We concur with this principle of budgetary planning.

In Fiscal Year 1958-59, the amount requested (\$350,000) was supplemented by legislative action in the amount of \$250,000. Currently only \$13,014 has been expended for rental of new electronic tabulating equipment in the Automation Section of the Division of Registration. The use of new equipment will process considerably more workload items than the one replaced. Savings in manpower will result.

We recommend approval.