

Contributions to Legislators' Retirement System—Continued

Fiscal year	Accumulated		Disbursements	Accumulated		Percentage increase over July 1
	resources July 1	Appropriation		resources June 30	resources	
1963-64	\$418,358	\$315,000	\$309,626	\$496,810		18.7%
1964-65	496,810	350,000	338,697	577,216		16.1
1965-66	577,216	360,000	321,340	688,567		19.3
1966-67 (estimated)	688,567	370,000	434,220	729,647		5.9
1967-68 (proposed)	729,647	510,000	511,790	850,087		16.5

A review of the table indicates that although the total disbursements over the five-year period exceed the estimated total amounts appropriated by \$10,673 or 0.5 percent, the estimated accumulated resources at the end of the fiscal year (1967-68) will have increased by an estimated \$353,277 or 71.1 percent. These accumulations in resources are due to the accumulation of member contributions and the income from investments.

In future years the accumulated resources will increase due to the increase in member contributions resulting from the doubling of member salaries.

We recommend approval of the amount budgeted.

SUPREME COURT

ITEM 15 of the Budget Bill

Budget page 8

FOR SUPPORT OF THE SUPREME COURT FROM THE GENERAL FUND

Amount requested in Budget Bill		\$1,206,572
Budget request before identified adjustments	\$1,332,417	
Increase to recognize full workload change	8,218	
Budget as adjusted for workload change	\$1,340,635	
Adjustment—undetailed reduction (10 percent)	134,063	

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET \$28,310

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$105,753

Summary of Recommended Reductions

	Amount	Budget Page	Line
Total Expenditures	\$28,310	8	5

GENERAL PROGRAM STATEMENT

The Supreme Court as the ultimate state court of appeal consists of the Chief Justice and six associate justices. This court's primary function is to hear appeals from the lesser courts. In addition it has original jurisdiction to issue writs of habeas corpus, mandamus, prohibition and certiorari. The court also admits candidates to the bar for the practice of law and has certain prescribed duties in relation to executive clemency matters.

The Supreme Court is empowered to transfer appellate matters to the district courts of appeal for disposition. The Supreme Court is headquartered in San Francisco but also holds periodic sessions at Los Angeles and Sacramento.

Supreme Court—Continued

ANALYSIS AND RECOMMENDATIONS

The total amount requested for the support of this court in the Budget Bill of 1967 is \$1,206,572. This represents a decrease of \$38,530, or 3.1 percent under the estimated expenditures for 1966-67 of \$1,245,102. The proposed 1967-68 expenditure is \$37,158 or 3.2 percent above the actual expenditure of \$1,169,414 in 1965-66. It is to be noted that the Supreme Court's 1965-66 actual expenditure total was \$51,330 under the amounts originally budgeted for this operation including allocations from the salary increase fund and a special fund for criminal appeal fees. The agency is budgeted for a \$65,493 increase in rental charges over 1965-66 for the same area. The rental was formerly not charged for these state-owned facilities. Thus, the net effect would be a lesser amount being appropriated in 1967-68 for the remaining functions of the court than was actually expended in 1965-66.

In addition to the 7 justices, a total of 64 staff positions are employed by the court. This staff represents a salary and wage cost of \$766,849 exclusive of staff benefit cost.

The following table presents information related to the workload of the court.

<i>Fiscal year</i>	<i>Appeals filed</i>	<i>Writs</i>	<i>Motions</i>	<i>Executive clemency</i>
1961-62	318	308	9	14
1962-63	312	326	17	10
1963-64	257	641	29	23
1964-65	278	1,165	15	6
1965-66	253	1,057	7	11

The above table reflects decreases in appeals, writs and motions and an increase in clemency matters as compared to 1964-65. There is a slight downturn in writs filed, but these still are substantially higher than prior to the 1964-65 fiscal year.

There are no new positions requested and the increase in personal service results from merit salary increases and increases in staff benefit cost. These increases are partly offset by a projected increase in salary savings of \$5,000.

The substantial increase in operating expense in 1967-68 over 1966-67, is primarily due to rental cost increase of \$71,260. This increase in rental cost is to reflect rent charges for space in General Fund buildings for which no charge was previously made. The rental is paid to the Department of General Services and reflects administration policy to show full cost of departmental operations in this area.

Total expenditures (budget page 8, line 5)-----\$1,332,417

The above amount is requested in the Governor's Budget prior to adjustments.

We recommend a reduction of \$28,310 from the total expenditures.

We note that this agency has had relatively sizeable unexpended balances denoting overbudgeting in the recent past. These unexpended balances represented \$51,330 or 4.2 percent of total funds appropriated

Supreme Court—Continued

in 1965-66. The unexpended balances are estimated at \$27,052 or 2.1 percent of total appropriations in 1966-67.

The average percentage of unexpended balances to total appropriations for fiscal years 1963-64 through 1966-67 is 2.5 percent. Applying this average percentage to the total expenditure request in the Governor's Budget would permit a potential reduction of \$33,310.

It is noted that the Governor's Budget projects an increase of \$5,000 in estimated salary savings in 1967-68 over 1966-67. This adjustment should reduce the overbudgeting by a like amount leaving a net of \$28,310 to be reduced under our recommendation.

JUDICIAL COUNCIL

ITEMS 16 and 17 of the Budget Bill

Budget page 9

**FOR SUPPORT OF THE JUDICIAL COUNCIL
FROM THE GENERAL FUND**

Amount requested in Budget Bill-----		\$526,761
Budget request before identified adjustments-----	\$574,414	
Increase to recognize full workload change-----	10,876	
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Budget as adjusted for workload change-----	\$585,290	
Adjustment—undetailed reduction (10 percent)-----	58,529	

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET--- None

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$58,529

GENERAL PROGRAM STATEMENT

The Judicial Council consisting of 18 members is headquartered in San Francisco. The membership consists of the Chief Justice as chairman, 11 judges appointed by him, 4 attorneys and 2 legislators. The functions of the council are to simplify and improve the administration of justice through surveys of the courts' business, submitting suggestions for improvements to the courts, making recommendations to the Governor and the Legislature and adopting rules of procedure for the courts.

To perform its many functions, the council is aided by a staff of 28.2 positions in the Administrative Office of the California Courts. This office and staff constitute the bulk of the Judicial Council's budget.

ANALYSIS AND RECOMMENDATIONS

The total amount requested in the Budget Bill of \$526,761 consists of 2 budget items, the Judicial Council and extra compensation and expenses of assigned judges. The \$526,761 is the net figure after adjustments. The total amount consists of \$435,051 for the Judicial Council and \$91,710 for the assigned judges program. Of the total \$150,000 for the assignment of judges, \$50,000 would be transferred from judicial salary savings and the remaining \$100,000 would be reduced by a net adjustment of \$8,290 leaving an appropriation of \$91,710 for this function.

The \$435,051 requested for the Judicial Council represents a decrease of \$52,897 or 10.8 percent under the estimated 1966-67 level of expenditure of \$487,948.

Judicial Council—Continued

The amount requested for this agency in the Governor's Budget exclusive of the assigned judges' program reflects generally the same level of expenditure as the estimated 1966-67 expenditures. There is an increase in salaries and wages due to merit salary increases partially offset by a \$5,300 increase in salary savings. The substantial decrease in operating expenses is due to the \$15,000 record keeping procedures study which was funded in 1966-67 and is not carried over into 1967-68. Even with this reduction, operating expenses would be approximately \$10,000 over the actual expenditures of 1965-66.

COMMISSION ON JUDICIAL QUALIFICATIONS

ITEM 18 of the Budget Bill

Budget page 10

FOR SUPPORT OF THE COMMISSION ON JUDICIAL QUALIFICATIONS FROM THE GENERAL FUND

Amount requested in Budget Bill		\$36,397
Budget request before identified adjustments	\$39,238	
Increase to recognize full workload change	1,203	
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Budget as adjusted for workload change	\$40,441	
Adjustment undetailed reduction (10 percent)	4,044	
RECOMMENDED REDUCTION FROM WORKLOAD BUDGET		\$4,977
RECOMMENDED REDUCTION FROM APPROPRIATION REQUEST		\$933

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Line</i>	
<i>Operating Expenses:</i>		<i>Page</i>	<i>Line</i>
In-state travel	\$2,000	10	74
Investigations and hearing expense	2,977	10	77

GENERAL PROGRAM STATEMENT

The commission is established by Section 1b of Article VI of the California Constitution. The function of the commission is to hear and investigate complaints against the judiciary relating to willful misconduct, habitual intemperance, or serious disability.

The commission consists of five judges, two attorneys, and two public members, each different group of members being appointed by a different appointing power namely the judges by the Supreme Court, the attorneys by the State Bar, and the public members by the Governor.

ANALYSIS AND RECOMMENDATIONS

The total amount requested for this agency for 1967-68 is \$36,397. This represents a reduction of \$1,011 or 2.7 percent under the estimated expenditures of \$37,408 for 1966-67. It is also \$9,467 or 35.2 percent more than was expended for this function in the 1965-66 fiscal year. A review of prior budget requests and actual experience for this agency reflects the following information.

Budget Requests and Expenditures

<i>Fiscal year</i>	<i>Amount budgeted</i>	<i>Actual expenditures</i>	<i>Unexpended balance</i>	
			<i>Amount</i>	<i>Percent</i>
1962-63	\$32,694	\$27,036	\$5,608	20.7
1963-64	33,283	31,937	1,346	4.2
1964-65	35,201	27,232	7,969	29.3
1965-66	37,317	26,930	10,387	38.6

Commission on Judicial Qualifications—Continued

The above table reflects that this agency has in the recent past been overbudgeting from 4.2 to 38.6 percent of the amount actually expended. There has been no significant increase in staff or workload to justify the continuation of previous budgeting methods. These previous budgetary allocations are continued in the 1967-68 Governor's Budget as such pertains to the estimated 1966-67 and requested 1967-68 budgets.

A full 10 percent deduction would amount to \$4,044 which is approximately one-half the overbudgeting in the last two actual years. The excess amounts budgeted have primarily been in the in-state travel and hearing expense categories.

The following table presents workload data relating to the functions of this commission.

Calendar year	Number of judges	Complaints filed	Complaints and Investigations		Investigation		Amount	
			Amount	Percent	Amount	Percent	Amount	Percent
1963	1,000 est.	114	--	--	40	--	--	--
1964	933	67	-47	-41.2	32	-8	-20.0	
1965	935	85	18	26.9	38	6	18.8	
1966	965	75	-10	-11.8	33	-5	-13.2	

The above table reflects a generally decreasing workload which is especially significant due to the increasing number of judicial positions. It is to be noted that as a result of such investigations there were four retirements or resignations in 1965 and nine in 1966. These separations from service represent 0.4 percent and 0.9 percent of the total number of judicial positions in 1965 and 1966 respectively.

Operating expenses, in-state travel (budget page 10, line 74) \$4,500

This amount is related to investigations and hearings.

We recommend a reduction of \$2,000, for reasons contained in the discussion of the following recommendation.

Operating expenses, investigation and hearing expense (budget page 10, line 77) \$4,477

The amount requested is for expenses related to investigations and hearings.

We recommend that this item be reduced by \$2,977.

The agency in recent years has experienced a decrease in investigations and hearings affecting both of the operating expense items cited above.

The combined expenditures for these related functions have been as follows:

Fiscal year	Amount budgeted	Amount expended
1962-63	\$10,340	\$5,924
1963-64	9,500	7,936
1964-65	9,500	2,596
1965-66	9,500	1,763

Adoption of our recommendation would leave the agency with a net total of \$4,000. While it is difficult to project workload, recent experience would indicate the amount recommended will be ample.

COURTS OF APPEAL, DISTRICTS 1 TO 5

ITEMS 19 through 23 of the Budget Bill

Budget page 11

FOR SUPPORT OF THE COURTS OF APPEAL FROM THE GENERAL FUND

Amount requested in Budget Bill.....		\$2,928,783
Budget request before identified adjustments.....	\$3,161,824	
Increase to recognize full workload change.....	92,377	
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Budget as adjusted for workload change.....	\$3,254,201	
Adjustment—undetailed reduction (10 percent).....	325,418	

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET..... \$64,074

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$261,344

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget</i>	
		<i>Page</i>	<i>Line</i>
Item 19, 1st District Court of Appeal			
Eliminate workload change (criminal appeal fees).....	\$10,197	11	33
Item 20, 2nd District Court of Appeal			
Eliminate workload change (criminal appeal fees).....	37,845	12	41
Item 22, 4th District Court of Appeal			
Eliminate workload change (criminal appeal fees and 1 legal research assistant).....	16,032	14	65

GENERAL PROGRAM STATEMENT

The district courts of appeal are intermediate courts established between the Supreme Court and the superior courts within each district. The courts of appeal have appellate jurisdiction over certain cases arising in the lower courts. Each court of appeal also handles appeals and original proceedings transferred to it by the Supreme Court. An appellate court may consist of one or more divisions of three justices, each depending upon workload in the district.

The courts of appeal are divided into districts and divisions and are located as follows:

Courts of Appeal

<i>District</i>	<i>Number of Divisions</i>	<i>Location</i>
1 -----	4	San Francisco
2 -----	5	Los Angeles
3 -----	1	Sacramento
4 -----	2	San Diego and San Bernardino
5 -----	1	Fresno

In addition to the three justices, each appellate court division is authorized additional supporting staff. Computed on a division basis, the supporting staff ranges from a low of eight in the fifth district to 12.1 in the third district.

ANALYSIS AND RECOMMENDATIONS

**Summary of Expenditures
District Courts of Appeal**

<i>Court</i>	<i>Actual 1965-66</i>	<i>Estimated 1966-67</i>	<i>Proposed* 1967-68</i>	<i>1967-68 Increase over current year</i>	
				<i>Amount</i>	<i>Percent</i>
1st District -----	\$640,404	\$855,821	\$813,098	\$-42,723	-5.0
2nd District -----	880,068	1,123,630	1,160,167	36,537	3.3
3rd District -----	250,246	265,351	268,830	3,479	1.3

* Net figure after adjustments set forth in the Governor's Budget.

Courts of Appeal

Items 19-23

Courts of Appeal, Districts 1 to 5—Continued

Court	Actual	Estimated	Proposed*	1967-68 Increase	
	1965-66	1966-67	1967-68	Amount	Percent
4th District -----	360,079	505,674	468,188	—37,486	—7.4
5th District -----	219,620	235,224	218,500	—16,724	—7.1
Totals -----	\$2,350,417	\$2,985,700	\$2,928,783	\$—56,917	—1.9

The total amount requested for the district courts of appeal after adjustments set forth in the Governor's Budget is \$2,928,783 as reflected in the above table. The total requested represents a decrease of \$56,917 or 1.9 percent under the \$2,985,700 now estimated for expenditure in 1966-67. There were significant cost increases in Districts 1 and 2 due to new divisions being authorized at the 1966 legislative session. There were also substantial increases in operating expenses for space rental in the 2nd and 3rd Districts which were not previously budgeted. This reflects the general policy to budget for rent in state-owned buildings.

Increase to recognize full workload change ----- \$92,377

The increase to recognize full workload change totals \$92,377 for the Courts of Appeal. This increase varies between the various districts but generally includes some miscellaneous operating expense, one new position and increases in criminal appeal fees.

We recommend the following reductions in the increases to recognize full workload change to effect reductions in criminal appeals fees.

Item	Page	Budget Line	Amount of Reduction
19 -----	11	33	\$10,197
20 -----	12	41	37,845
22 -----	14	65	7,500
Total -----			\$55,542

The above recommendation would still permit an augmentation of \$20,000 in this category for the second district over the current year and \$36,595 or 51.6 percent over the actual expenditures for that district in 1965-66.

There have been substantial increases in criminal appeal fees as reflected in the following table:

Fiscal Year	District Courts of Appeal Criminal Appeals Fees				
	First District	Second District	Third District	Fourth District	Fifth District
1961-62 -----	\$9,639	\$7,400	\$4,369	\$650	\$900
1962-63 -----	8,476	10,152	4,516	1,050	1,550
1963-64 -----	12,867	26,585	5,464	2,600	2,815
1964-65 -----	13,168	47,970	4,693	1,840	2,610
1965-66 -----	25,520	70,905	18,727	9,055	5,597
1966-67 (estimated) -----	48,000	87,500	25,000	17,500	4,500
1967-68 (budget detail) -----	48,000	87,500	25,000	17,500	4,500

The increase in criminal appeal fees is primarily due to recent court decisions relating to appointment of counsel for indigents as well as increased activity in this function.

Courts of Appeal, Districts 1 to 5—Continued

It is to be noted that the detail in the Governor's Budget projects 1967-68 expenditures in this category at the 1966-67 dollar totals. In the increases to recognize full workload change for several courts of appeal there is included a sum to increase the 1967-68 projected expenditures for this purpose. All such amounts are based on the agency's estimate of need.

The amounts budgeted as reflected in the above table are all substantially above the 1965-66 actual experience. There should be some leveling of the sharp increases in this function unless later court decisions further accelerate this activity. Actual experience of the first half of the current fiscal year is not available as of the writing of this report. Our recommended reduction is based on the assumption that the sharp increase in expenditures in fiscal years 1966-67 and 1967-68 over the actual experience of 1965-66 as reflected in the budget detail should be generally ample for the budget year. If the experience of the first 6 months of the current fiscal year should indicate that a further increase is warranted then our recommendation will have to be adjusted. The estimates contained in the budget are based on relatively recent past experience which is not necessarily sufficient in amount or stability to predict with a high degree of accuracy.

We also recommend a further reduction of \$8,532 in the workload change category, budget page 14, line 65 which represents one legal research assistant for the Fourth District Court of Appeal.

The justification material submitted reflected that the position was needed because, while workload was divided approximately equal between the 2 divisions, Division 2 has one less legal research position and twice the number of writs as Division 1. Further, that this creates a writ, motion, and miscellaneous petition workload for almost one full position. Therefore a backlog is created which would not make it feasible to assign justices on a pro-tem basis to this division. These were the generalized statements of the agency unsupported by specific detail.

It is noted that the fourth district is next to the lowest in the per division total of writs and appeals for 1965-66 as reflected in the following table.

Writs and Appeals, 1965-66 by District and Division			
District	Totals in District	Totals by Division	Combined writs and appeals by Division Per Attorney
First			
Appeals -----	716	179	
Writs -----	544	136	315 84.0
Second			
Appeals -----	1,603	321	
Writs -----	694	139	459 127.6
Third			
Appeals -----	232	232	
Writs -----	226	226	458 114.5
Fourth			
Appeals -----	406	203	
Writs -----	177	89	292 83.3
Fifth			
Appeals -----	139	139	
Writs -----	49	49	188 62.7

Courts of Appeal, Districts 1 to 5—Continued

Legal research staff per division ranges from a low of 3.0 in the fifth district to a high of 4.0 in the third. The fourth district is staffed at a rate of 3.5 positions per division. The above table reflects also that the number of writs and appeals per legal research position is the second lowest in the fourth district. Without more definitive information as to the particular workload problems of the fourth district it would appear that this district is already adequately staffed in relation to other districts that are not requesting additional positions.

The total recommended reduction to the increase to recognize full workload change in the district courts is \$64,074.

GOVERNOR

ITEM 24 of the Budget Bill

Budget page 18

**FOR SUPPORT OF THE GOVERNOR
FROM THE GENERAL FUND**

Amount requested in Budget Bill-----		\$1,105,841
Budget request before identified adjustments-----	\$1,228,712	
Increase to recognize full workload change-----	None	
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Budget as adjusted for workload change-----	\$1,228,712	
Adjustment—undetailed reduction (10 percent)-----	122,871	

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET--- None

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$122,871

GENERAL PROGRAM STATEMENT

The Governor is the Chief Executive of the State of California.

The Constitution of the state grants broad powers to the Governor to conduct the following programs:

1. Plan, organize, direct and coordinate the activities of state agencies and to appoint various state officers and members of boards and commissions.
2. Prepare and present to the Legislature the state budget outlining anticipated programs and the means by which they will be financed.
3. Report to the Legislature on the condition of the state and make various legislative proposals.
4. Approve or disapprove legislation adopted by the Legislature.

ANALYSIS AND RECOMMENDATIONS

The 1967-68 Budget proposes a level of expenditure for the support of the Governor's Office in the amount of \$1,228,712. Upon application of a reduction of 10 percent, the Budget Bill proposes an appropriation of \$1,105,841.