

**Governor
GOVERNOR'S OFFICE**

Item 27 from the General Fund

Requested 1969-70	\$1,539,333
Estimated 1968-69	1,507,865
Actual 1967-68	1,369,992
Requested increase \$31,468 (2.1 percent)	
Total recommended reduction	None

GENERAL PROGRAM STATEMENT

Section 1, Article V, of the Constitution provides that "The supreme executive power of this State is vested in the Governor. He shall see that the law is faithfully executed."

The Governor has broad powers and responsibilities, among which are the following:

(1) To plan, organize, reorganize and direct the activities of state agencies and to appoint various state officers and members of boards and commissions.

(2) To prepare and present to the Legislature the State Budget outlining programs and the means by which they will be financed.

(3) To report to the Legislature on the condition of the state and make proposals for legislation.

(4) To approve or veto legislation adopted by the Legislature.

(5) To act as required with reference to other responsibilities such as issuing pardons and commanding the militia.

ANALYSIS AND RECOMMENDATIONS

We recommend approval of the item as budgeted.

The budget proposes for support of the Governor's office including staff services and expenses the sum of \$1,539,333, which is \$31,468 or 2.1 percent greater than estimated expenditures for the current year.

**Governor
GOVERNOR'S RESIDENCE**

Item 28 from the General Fund

Requested 1969-70	\$17,400
Estimated 1968-69	17,400
Actual 1967-68	17,400
Requested increase—None	
Total recommended reduction	None

ANALYSIS AND RECOMMENDATIONS

We recommend approval of this item as budgeted.

This item finances the general operations of the Governor's residence, and these expenditures are not subject to audit. The amount requested for the fiscal year 1969-70 is identical to the amount budgeted for the current year.

Governor
SPECIAL CONTINGENT EXPENSES

Item 29 from the General Fund

Requested 1969-70	\$15,000
Estimated 1968-69	15,000
Actual 1967-68	15,000
Requested increase—None	
Total recommended reduction	None

ANALYSIS AND RECOMMENDATIONS

We recommend approval of this item as budgeted.

The sum of \$15,000 is requested for contingent expenses during fiscal year 1969-70. This is the same amount as is budgeted for the current year. Expenditures made under this item are not subject to audit.

Governor's Office

SECRETARY FOR BUSINESS AND TRANSPORTATION

Item 30 from Motor Vehicle Fund

Requested 1969-70	\$104,405
Estimated 1968-69	98,923
Actual 1967-68	78,272
Requested increase \$5,482 (5.5 percent)	
Total recommended increase	\$21,132

SUMMARY OF RECOMMENDED ADDITIONS

Add one associate management analyst \$11,736 (Analysis page 16)

Add one assistant budget analyst ----- 9,396 (Analysis page 16)

GENERAL PROGRAM STATEMENT

The Business and Transportation Agency was established under the Governor's executive reorganization plan which was accepted by the Legislature in 1968. The Secretary for Business and Transportation is chief of the agency and, as such, is a member of the Governor's Cabinet which also includes secretaries of three other agencies. The agency is charged with the responsibility of reducing expenditures and promoting economy within the 10 constituent departments, increasing management effectiveness and general operational efficiency and eliminating overlapping and duplication of effort. Part of the assigned task is to clarify lines of authority and to strengthen accountability for results within the several departments.

The agency is composed of the transportation group consisting of the Departments of Aeronautics, California Highway Patrol, Motor Vehicles and Public Works. The business regulatory group of the agency consists of the State Banking, Corporation, Housing and Community Development, Insurance, Real Estate and Savings and Loan Depart-

Secretary for Business and Transportation—Continued

ments. The authorized agency staff consists of four positions. The agency also uses the part-time services of five positions (two clerical and three technical) which are budgeted to constituent departments.

We recommend that one associate management analyst position and one assistant budget analyst position being requested, respectively, by the Department of Motor Vehicles and the California Highway Patrol be deleted from the budgets of those agencies and added to this item in the amount of \$21,132.

The Department of Motor Vehicles and the California Highway Patrol are requesting, respectively, in their 1969-70 budgets an associate management analyst position and an assistant analyst position to determine the most effective means of allocating available resources to programs relating to traffic accident reduction and control. In our analysis of those budgets, we have recommended that the two positions should be assigned instead to the Business and Transportation Agency where a broader perspective is possible.

The agency operates under a single program which is based on a stated need for a communications link between the Governor and operating units of government. The cabinet concept provides such a link.

ANALYSIS AND RECOMMENDATIONS

We recommend approval of this item as budgeted.

The secretary requests for expenditure during fiscal year 1969-70 the sum of \$104,405 which is \$5,482 or 5.5 percent greater than estimated expenditures for the current year. Salary and price increases account for the greater level of expenditure proposed.

Agency support is provided by the Motor Vehicle Fund.

Governor's Office

SECRETARY FOR HUMAN RELATIONS

Item 31 from the General Fund

Requested 1969-70	\$138,676
Estimated 1968-69	130,167
Actual 1967-68	103,665
Requested increase \$8,509 (6.5 percent)	
Total recommended reduction	None

GENERAL PROGRAM STATEMENT

The Governor's Reorganization Plan No. 1 of 1968 created the Human Relations Agency and the position of secretary as the agency head. Included within the agency are the Departments of Corrections, Mental Hygiene, Youth Authority, Public Health, Rehabilitation, Social Welfare, Employment, Industrial Relations and Health Care Services. To be added is a Department of Human Resources Development.

Secretary for Human Relations—Continued

The secretary has an authorized staff of five positions. In addition to these positions, the secretary is using the services of five clerical and three technical positions that are budgeted to constituent departments.

The Secretary for Human Relations is a member of the Governor's Cabinet and advises the Governor on matters relating to policy and programs dealing with human problems in society. Specific responsibilities include carrying out policies, reviewing departmental functions, allocating resources, facilitating communications within the agency and with the public, and long-range planning.

The Standard and Rates Unit was added to the Human Relations Agency by the current year budget. This unit provides a review of rate adjustments and revision of schedules of allowances for medical and related services performed under supervision of constituent agency departments. It makes analyses of rates and service methods to insure that care is provided at the lowest possible cost to the state and to provide coordination in the licensing of medical and other care facilities. Ten man-years of personnel are assigned to the unit. Budget year expenditures for the unit are estimated at \$155,036 and will be reimbursed from the budgeted funds of the Departments of Health Care Services and Social Welfare.

ANALYSIS AND RECOMMENDATIONS

We recommend approval of the item as budgeted.

The secretary requests for expenditure during fiscal year 1969-70 the sum of \$138,676, which exceeds estimated expenditures for the current year by \$8,509 or 6.5 percent. The major portion of the increase is in out-of-state travel and rent.

**Governor's Office
SECRETARY FOR RESOURCES**

Item 32 from the General Fund

Requested 1969-70	\$177,176
Estimated 1968-69	169,816
Actual 1967-68	143,745
Requested increase \$7,360 (4.3 percent)	
Total recommended reduction	None

GENERAL PROGRAM STATEMENT

As provided by the 1968 reorganization of the executive branch of state government, the Secretary for Resources, as head of the Resources Agency, has the responsibility for assuring efficient management of the state's resources of air, water and land.

The agency is composed of the Departments of Conservation, Fish and Game, Harbors and Watercraft, Parks and Recreation, and Water

Secretary for Resources—Continued

Resources, the Air Resources Board, the Colorado River Board, and the State Water Resources Control Board. Agency staff is authorized at 8.3 positions.

The secretary's office operates under a single program of assisting the Governor in establishing objectives of the administration and in formulating programs and policies governing the acquisition and utilization of resources.

ANALYSIS AND RECOMMENDATIONS

We recommend approval of this item as budgeted.

The Resources Agency has requested for expenditure during the budget year the sum of \$177,176, which exceeds estimated expenditures for the current year by \$7,360 or 4.3 percent.

No salary savings are indicated for fiscal year 1969-70, thus causing the personal service costs to appear substantially larger than those for the current year. An amount of \$3,000 has been added to cover in-state travel expenses for the Governor's appointee to the California-Tahoe Regional Planning Agency.

One of the agency's authorized positions—a recreational planning coordinator—is vacant, and the funds allocated for that position are being used to finance a position borrowed from the Department of Parks and Recreation which serves as staff assistant to the resources secretary. In addition, two other positions—an assistant to the agency secretary and a stenographer—have been borrowed from the Department of Water Resources. The costs of these two positions are funded on a pro rata basis by the constituent departments of the agency and thus do not appear in the agency's budget.

Governor's Office**SECRETARY FOR AGRICULTURE AND SERVICES****Item 33 from the General Fund**

Requested 1969-70	\$95,224
Estimated 1968-69	85,847
Requested increase \$9,337 (10.9 percent)	
Total recommended reduction	None

GENERAL PROGRAM STATEMENT

The Governor's Reorganization Plan No. 1 of 1968 created the Agriculture and Services Agency and the position of secretary as agency chief effective in September, 1968. The secretary is a member of the Governor's Cabinet. His responsibilities are to provide communication between the Governor and departments, evaluate and coordinate policies, and provide uniform departmental management practices.

The Agriculture and Services Agency is composed of the following departments: Agriculture, Commerce, Public Employees' Retirement

Secretary for Agriculture and Services—Continued

System, Fire Marshal, Franchise Tax Board, General Services, Professional and Vocational Standards, Teachers' Retirement System and Veterans Affairs.

By executive order, the following also report through this agency: Office of Consumer Counsel, Office of Management Services, and the State Personnel Board. The secretary has an authorized staff of four positions, but also utilizes the part-time services of a technical position budgeted to the Department of Agriculture.

ANALYSIS AND RECOMMENDATIONS

We recommend approval of this item.

For expenditure during fiscal year 1969-70, the secretary requests \$95,224, which is \$9,337 or 10.9 percent more than estimated expenditures for the current year. Part of the current-year expenditures were made by the former Youth and Corrections Agency, which was abolished by Reorganization Plan No. 1.

**Governor's Office
DISASTER OFFICE**

Items 34 and 35 from the General Fund

Requested	\$1,094,370
Estimated 1968-69	983,393
Actual 1967-68	953,632
Requested increase \$111,977 (11.4 percent)	
Total recommended reduction	None

GENERAL PROGRAM STATEMENT

The Governor has constitutional and statutory responsibilities for controlling statewide and area disasters (war caused or natural) that local government cannot control due to insufficient resources. The first objective of the Disaster Office is to assist the Governor in carrying out these responsibilities.

The second objective is to have plans that will provide assistance to civilians in case of a war-caused disaster. In this contingency the plans are coordinated with the federal government.

The third objective is to have plans which will provide assistance to the people in the disaster area where danger to life and property exist due to a disaster caused by riot, epidemic, flood, fire, earthquake, storm, etc. Again it must be of a magnitude that is beyond the control of the local political entity before state resources can be used to assist the disaster area. In all instances the Governor must declare a state of emergency or declare the affected area a disaster area.

These objectives are accomplished under three major programs: (1) Emergency Preparedness, (2) Mutual Aid Activities, and (3) Administration. Activities of the first two programs are described in general as follows:

Disaster Office—Continued

Emergency Preparedness Planning

(1) Update emergency plans to obtain maximum utilization of the state's manpower and other federal, state and local resources to bring the disaster under control and to restore property and essential services which were disrupted during the disaster. (2) Furnish guidance to state agencies and local government in the preparation of plans related to departmental responsibilities.

Mutual Aid Activities

(1) Maintain a communications system capable of alerting state departments, citizens and local governments of an impending disaster. Provide facilities, personnel, equipment and procedures to implement mutual aid support. Develop a radiological defense monitoring system capable of detecting and measuring hazardous nuclear radiation. Table I summarizes data relative to mutual aid coordination between state and local governments. Table II summarizes certain radiological defense countermeasures.

Table I
Mutual Aid Coordination

	<i>Actual</i> 1967-68	<i>Estimated</i> 1968-69	<i>Estimated</i> 1969-70
Mutual Aid Responses:			
Fire (statewide) -----	355	500	500
Law enforcement (CDO personnel) -----	43	50	50
Earthquake (alert) -----	44	35	35
Flood (alert) -----	3	10	10
Seismic sea wave (alert) -----	8	5	5
Mutual Aid Resources Dispatched:			
Fire equipment -----	1,912	1,500	1,500
Rescue equipment -----	198	200	200
Law enforcement equipment -----	17	20	25
Communication equipment -----	9	20	25
Inspection and Inventories Completed:			
Local fire resources -----	378	535	535
State fire resources -----	310	350	350
Local law enforcement resources -----	472	472	472

Table II
Radiological Defense Countermeasures

	<i>Actual</i> 1967-68	<i>Estimated</i> 1968-69	<i>Estimated</i> 1969-70
Radiation Detection Instruments:			
Kits on loan to state and local agencies --	10,005	10,497	11,000
Serviced and exchanged -----	5,160	5,250	\$5,500
New procurement -----	492	500	600
Training equipment, sets -----	87	87	87
Radiation Protection:*			
Shelter spaces located -----	13,477,000	15,400,000	17,200,000
Shelter spaces licensed -----	8,068,000	8,670,000	9,300,000
Shelter spaces marked -----	6,599,000	7,200,000	7,750,000
Shelter spaces provisioned -----	3,194,000	3,210,000	3,330,000
Community Emergency Planning Project:			
Projects—initiate (counties) -----	—	8	8
Projects—complete (counties) -----	—	5	8

* A shelter space is a unit of capacity of 10 square feet per person.

Disaster Office—Continued
Federal Grants Programs

The Disaster Office provides assistance to state agencies and local jurisdictions in qualifying for federal funds and resources for civil defense purposes. A review is made by the Disaster Office of their program statements and progress reports. Applications for federal funds by local jurisdictions are reviewed and approved prior to payment by the federal government. These programs are on a local matching basis with federal grants. The programs are broken down into three categories: (1) federal contributions for civil defense personnel and equipment, (2) federal contributions for civil defense equipment and (3) donations of federal surplus personal property. The state Disaster Office also assists other state departments in qualifying for and preparing requests for federal funds and resources.

Table III identifies specified data related to federal grant programs including federal funds.

Table III
Federal Grant Programs

Federal Matching Funds for Personnel and Administrative Expenses:	<i>Actual</i> 1967-68	<i>Estimated</i> 1968-69	<i>Estimated</i> 1969-70
Participating jurisdictions -----	78	82	95
Program papers reviewed and transmitted	300	310	320
Progress reports -----	600	620	640
Claims reviewed and processed -----	326	340	360
Federal funds disbursed -----	\$436,470	\$2,110,000	\$2,150,000
Federal Contribution for Civil Defense Equipment and Training:			
Emergency operating centers -----	11	7	8
Emergency operating centers under construction -----	8	8	5
Emergency operating centers in planning stage -----	13	5	6
Applications reviewed and transmitted -----	870	800	850
Claims processed -----	849	900	875
Federal funds disbursed -----	\$1,592,864	\$2,200,000	\$2,300,000
Federal Surplus Property Contributions for Civil Defense Purposes:			
Requests for surplus property reviewed and processed -----	793	1,200	1,500

Federal Disaster Relief

Federal funds are available to state and local jurisdictions in accordance with the Federal Disaster Relief Acts of 1950 and 1966 (Public Laws 81-875 and 89-769). To obtain funds there must be a request for relief to restore essential public services and for reimbursement costs incurred as a result of emergency actions taken to protect life and property. In any event no federal assistance can be obtained if the Governor does not proclaim an area a disaster area.

Table IV shows the applications received and processed by the disaster office and the funds disbursed by the federal government for disaster relief.

Disaster Office—Continued

Table IV
Disaster Relief

Federal Disaster Relief as Provided Under Public Law 81-875:	Actual 1967-68	Estimated 1968-69	Estimated 1969-70
Applications received and processed -----	55	72	80
Federal funds disbursed -----	\$1,834,575	\$3,000,000	\$2,750,000
Resolutions processed -----	1	16	20
Federal Disaster Relief as Provided Under Public Law 89-769:			
Applications received and processed -----	16	4	5
Federal funds disbursed -----	-	\$3,125,000	\$10,575,000

ANALYSIS AND RECOMMENDATIONS

We recommend approval of the amount requested.

The amount of \$1,094,370 requested for the 1969-70 fiscal year is an increase of \$111,977 over that estimated to be expended in the current year. The amount of support from the federal government is \$720,252 which is an increase of \$45,351 over the estimated amount in the current year.

Of the total increase, \$28,320 of General Fund support is requested as part of Item 35 because eight fire pumpers will cost \$24,000 more than a like number purchased in the current year, and the state share of a new position to man the state warning and communication system on a 24-hour basis, seven days a week is \$4,588. The remaining increase, \$82,657, is that part of the equipment which has been earmarked as a program augmentation for improvement of the State Warning and Communication System and requested as Item 34.

COUNCIL ON INTERGOVERNMENTAL RELATIONS

Item 36 from the General Fund

Requested 1969-70 -----	\$133,112
Estimated 1968-69 -----	109,724
Actual 1967-68 -----	22,674
Requested increase \$23,388 (21.3 percent)	
Increase to improve level of service \$41,534	
Total recommended reduction -----	\$26,116

SUMMARY OF RECOMMENDED REDUCTIONS

	Amount	Analysis page
Policy Planning and Coordination		
Delete 2 assistant planners -----	\$19,704	23
Delete 1 steno II -----	6,412	23

GENERAL PROGRAM STATEMENT

The Council on Intergovernmental Relations was established as an independent agency in the Governor's office under the Reorganization Plan No. 1 of 1968. Originally authorized as the Coordinating Council on Urban Policy by Chapter 1809, Statutes of 1963, the name was subsequently changed to the Intergovernmental Council on Urban Growth

Council on Intergovernmental Relations—Continued

and the council given permanent status by Chapter 823, Statutes of 1965.

The council is composed of 18 members appointed by the Governor of which three represent the cities, three represent the counties, two represent the school districts, six represent the state, and four represent the public at large. The council is an advisory agency to the Governor and the Legislature and its activities are directed to developing recommendations related to intergovernmental policy.

The agency's program budget identifies three major areas of interest. The first two, Intergovernmental Policy Planning and Intergovernmental Coordination relate directly to the program which has been a continuing responsibility of the council since it was established. The third, Local Planning Assistance formerly was a function of the State Office of Planning in the Department of Finance.

As a result of the Governor's reorganization plan, seven positions in the local planning unit of the State Office of Planning were transferred to the council. In the budget year, 1.5 of these positions will be reallocated to intergovernmental policy planning, and another 1.5 positions will be transferred to intergovernmental coordination. The staff devoted to local planning, therefore, will be reduced from seven to four positions.

ANALYSIS AND RECOMMENDATIONS**Intergovernmental Policy Planning and Intergovernmental Coordination**

We recommend the elimination of two assistant planner positions (\$19,704) and one related stenographer II position (\$6,412) from the Intergovernmental Policy Planning and the Intergovernmental Coordination programs. The council proposes an appropriation of \$76,924 for the 1969-70 fiscal year. Table 1 indicates the growth in this program. For the purpose of the analysis, we have combined both of these programs (policy planning and coordination) because they are remarkably similar. Both programs continue and expand the advisory services of the council as they relate to the development of intergovernmental policy in the area of urban growth and for the encouragement of intergovernmental coordination.

Table 1

Support for Intergovernmental Policy Planning and Coordination Programs

<i>Expenditures</i>	<i>Actual</i> 1967-68	<i>Estimated</i> 1968-69	<i>Proposed</i> 1969-70
Budget Act appropriation -----	\$22,674	\$35,390	\$76,924
Transfer from Local Planning Unit -----	-	18,100	-
Total -----	\$22,674	\$53,490	\$76,924

Positions assigned to these programs have grown from two, an executive secretary and a senior stenographer authorized by the Legislature in 1968-69, to five proposed for the budget year.

As expressed in the program statement the justification for each program is virtually the same. In "policy planning" the proposed workload information includes (1) the development of standard public service programs for correlating state-local functions, (2) the examination

Council on Intergovernmental Relations—Continued

of public service responsibilities for possible reallocation, and (3) the review and recommendation of methods for reducing the proliferation of special districts. Specific project proposals are lacking.

In "intergovernmental coordination" the program budget describes plans to revise and republish the "State Services for Local Government" handbook. It is our understanding from the agency that this element of the program has been cancelled for 1969-70. The only other program mentioned for 1969-70 is the gathering of information on federal grants-in-aid from local units of government.

In the past, the council has relied upon outside consultants and personnel borrowed from the Department of Finance to assist the executive secretary on research assignments. Effective February 1, 1969, the council reorganized its staff and created a permanent research assistant to the executive secretary. This new assistant should be able to provide the necessary research support for these two programs.

The council has not provided workload or program information to justify the continuance of two vacant assistant planner positions. Therefore, we recommend that these two positions, and a supporting clerical position be abolished.

Local Planning Assistance

The council has been designated to administer planning grant assistance provided through Section 701 of the 1954 Housing Act to cities and counties under 50,000 population. We have been critical of the administration of these planning grants in the past because there has been a problem of low-quality and uncoordinated planning especially in the small city and small area studies. Because the planners are employed by a particular city, they tend to over emphasize particular potentials such as future population and business growth without recognizing regional activities and problems and methods of integrating the city plan with the region's plan. There is a distinct tendency to think in terms of circulation and land use elements. This is helpful in adopting zoning ordinances but is not of substantive value when identifying problems or deciding on future city goals and means of achieving them.

The council proposes to staff the local planning unit with four positions in 1969-70 placing greater emphasis on advisory planning services with more active field review and consultation.

LIEUTENANT GOVERNOR'S OFFICE**Item 37 from the General Fund**

Requested 1969-70	\$236,573
Estimated 1968-69	231,501
Actual 1967-68	173,977
Requested increase \$5,072 (2.2 percent)	
Total recommended reduction	None

Lieutenant Governor's Office—Continued
GENERAL PROGRAM STATEMENT

Under Article 5, Sections 9-11 of the California Constitution, the Lieutenant Governor is elected to serve the same term as the Governor and is charged with the responsibilities of performing the duties of the Governor in the absence of the chief executive and serving as the presiding officer of the Senate. Other duties of the Lieutenant Governor are summarized below:

1. He serves as chairman of the following bodies: Commission of the Californias, Bicentennial Celebration Commission, Job Training and Placement Council, the Interagency Council for Ocean Resources, and the Intrastate Automatic Data Processing Board.

2. He is a member of the following: Regents of the University of California, Board of Trustees of the State Colleges, Governor's Cabinet, Governor's Council, State Lands Commission, Commission on Interstate Cooperation, California Toll Bridge Authority, California State Disaster Council, Executive Committee of the Council on Intergovernmental Relations, and the Advisory Commission to the State Board of Education for the Teaching of the Bill of Rights.

ANALYSIS AND RECOMMENDATIONS

The estimated current-year expenditure of \$231,501 reflects a \$33,135 augmentation approved last year by the Legislature to upgrade five existing positions on the Lieutenant Governor's staff.

The proposed 1969-70 budget of \$236,573, representing an increase of \$5,072, or 2.2 percent, over estimated current expenditures, would continue the present staffing level of 11 positions in addition to the Lieutenant Governor and maintain the current level of service.

We recommend approval of the budget as submitted.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Items 38, 39 and 40 from the General Fund, Public Employees' Retirement Fund and the State Employees' Contingency Reserve Fund

Requested 1969-70 -----	\$3,668,136
Estimated 1968-69 -----	3,469,175
Actual 1967-68 -----	2,820,412
Requested increase \$198,961 (5.7 percent)	
Total recommended reduction -----	None

GENERAL PROGRAM STATEMENT

The objective of the Public Employees' Retirement System is to provide state and other public employees and their beneficiaries with a number of alternative retirement and health insurance plans authorized by law to assure such employees a source of financial support upon retirement and assistance in times of illness. The costs of retirement and