

DEPARTMENT OF FISH AND GAME

ITEM 170 of the Budget Bill

Budget page 409

FOR SUPPORT OF DEPARTMENT OF FISH AND GAME FROM
THE FISH AND GAME PRESERVATION FUND

Amount requested	\$8,585,103
Estimated to be expended in 1958-59 Fiscal Year	8,480,585
Increase (1.8 percent)	\$154,518

TOTAL RECOMMENDED REDUCTION	\$36,696
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GENERAL SUMMARY

The Department of Fish and Game has undergone several studies since its actual departmentalization in 1953, the most recent and exhaustive of which is that just completed by the firm of Booz, Allen and Hamilton, management consultants.

Chapter 1882, Statutes of 1957, which increased hunting and fishing fees, also provided \$100,000 for this study. The management consultants chosen were directed through Senate Concurrent Resolution No. 126 of 1957 to cover certain specific areas. In addition, they were given the authority to cover other overlapping and integrated areas so that each responsibility of the department could be analyzed according to the degree of emphasis implied by the Legislature. To secure the necessary evaluation of wildlife programs, the firm employed nationally recognized wildlife experts in specific fields of wildlife management.

This report was made to the Budget Committee on December 12, 1958, ordered printed, and transmitted to the Legislature on January 14, 1959. Time has not permitted a thorough analysis of all of the recommendations made by the firm as a result of their survey. We have, however, had an opportunity to follow the progress of the survey from its inception and have reviewed the recommendations contained in the final report. In general, we are in accord with the recommendations made in the survey and believe that the recommendations with respect to organization can be put into effect for improvements in operation. However, we believe that the department should be given full opportunity to review the recommendations and should within a reasonable time respond, by report to the Legislature, as to action that can be taken and is intended to be taken, on each of the recommendations.

As a result of the increased fees for hunting and fishing established in 1957, there has been a gradual increase in revenues but not nearly to the extent estimated when the new fees were initiated.

One explanation advanced for this development is that there was a greater sales resistance to the increased fees than the two percent loss originally estimated and another that the recession had an adverse effect. In the current fiscal year it was originally estimated that the department would receive \$11,266,105 from this source, however, the level of license sales activity to date has prompted the department to lower its estimate to \$10,473,194, which is approximately \$800,000 less. It was originally felt that total revenue following the enactment of the increased fees would provide a surplus over operations expenditures of approximately three million dollars annually if the 1957-58

General Summary—Continued

level of service was held static; however, it appears that only about \$1,500,000 will be realized.

We feel that the implementing of the Booz, Allen and Hamilton recommendations by the department will have a two-fold beneficial effect. First, there should be a savings experienced and, second, public confidence should be enhanced resulting in increased license sales. This, of course, will take a few years to fully evaluate.

ANALYSIS	Summary of Reductions	Budget	
		Amount	Page Line
Staff operations equipment.....	\$15,200	411	71
Regional operations			
Lion hunter (Region II).....	\$4,092	415	34
Lion hunter (Region III).....	4,092	416	75
Lion hunter (Region IV).....	4,092	418	30
	12,276		
Operating expenses (Region I).....	\$2,000	414	54
Operating expenses (Region II).....	600	416	16
Operating expenses (Region III).....	2,000	417	56
Operating expenses (Region IV).....	1,900	418	79
Operating expenses (Region V).....	2,720	420	39
Total operating expenses.....	9,220		
Total recommended reductions.....	\$36,696		

The department is requesting \$8,585,103 for its budget year operation which is \$154,518 or 1.8 percent more than that it estimates will be expended in the current fiscal year.

The increase is primarily attributable to merit salary adjustments and the proposed addition of 14.9 new positions including additional temporary aid. In addition to the routine workload increases in the department, some programs have been expanded, accounting for the proposed addition of these personnel. The programs to be expanded include a large-scale salmon fingerling marking program and an assessment of their downstream migration, departmental participation in a program for monitoring radioactivity for future recommendations to safeguard fish and wildlife, and an attempt to stay abreast of water projects and pollution violations requiring departmental action.

We have made a thorough review of the needs of the department in these areas and feel that the requested new positions are justified. However, there are certain existing operations which we will discuss and on which we will make recommendations for changes under their respective organizational subheadings.

Regional Operations

The subject of bounties on mountain lions and the providing of lion hunter positions in the department's budget has been thoroughly discussed in previous years.

In the 1957-58 Fiscal Year eight such positions were discontinued. At the present time three personnel are employed as lion hunters. The lions disposed of by these men are but a small portion of the total taken

General Summary—Continued

annually by the casual hunter in the field who is generally hunting for some other game. This fact results in a prohibitive cost to the State for each lion taken by the lion hunters. *We therefore recommend the lion hunter positions be eliminated for a savings in salaries of \$12,276 plus operating expenses and equipment incidental thereto.*

The population of lions appears to have been fairly static for several years based upon lion kill records. Game management experts have stated that the presence of lions is a beneficial control on deer herds inasmuch as hunter harvest is considerably less than that necessary to maintain a healthy herd of optimum production. Also, it is the opinion of field wildlife personnel that lions taken by the casual hunter are not taken especially because a bounty is available, but more for sport and because the hunters have the opportunity to take them while hunting for other game. Since the lion population has apparently been fairly static, there is no great need for maintaining annual kill records. Apparently the only real benefit from retaining the lion bounty at this time is to provide a source for compiling lion kill records. For these reasons we feel that the lion bounties should be discontinued. *Therefore, we recommend that \$9,220 be deleted from the operating expenses of the regional operations.*

Equipment

Annually, the Departments of Finance and Fish and Game and our office meet to consider each replacement and additional equipment item requested by the department for the budget year. As a result of this conference \$32,623 or seven percent of the \$482,977 originally requested was deleted.

The department is requesting a Cessna 180 to replace the Cessna 170 which was purchased in 1951. The present plane has logged approximately 3,500 hours and will have logged a total of 4,000 hours by its proposed replacement date in the budget year.

We have discussed the merits of not only the type of airplane now in service but also this specific airplane with the manufacturer's representative. We were told that 4,000 hours is not excessive and that this plane is in excellent condition. Flight training schools which use this type of plane subject their planes to as much, if not more stress than this plane absorbs in its routine use and the planes at these schools log from two to three times as many hours as this plane now has logged.

We were told also that the only area which may show any strain is in the motor mount. The motor mounts can be examined for potential failure by the magnaflux method for a minor amount out of the operating budget.

We, therefore, recommend the deletion of this item for a savings of \$15,200.

DEPARTMENT OF FISH AND GAME

GAME MANAGEMENT IN CO-OPERATION WITH THE FEDERAL GOVERNMENT

ITEM 171 of the Budget Bill

Budget page 421

FOR SUPPORT OF GAME MANAGEMENT IN CO-OPERATION WITH THE
FEDERAL GOVERNMENT FROM THE FISH AND GAME PRESERVA-
TION FUND

Amount requested	\$309,797
Estimated to be expended in 1958-59 Fiscal Year	309,988

Decrease (0.1 percent)	\$191
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This program, commonly referred to as the Pittman-Robertson Act, was initiated by Congress to aid states in basic investigative and re-search work for better management of their game resources.

From the total receipts by the Federal Government of excise taxes on sporting arms and ammunition, each state is allotted an amount determined by a weighted formula. Projects are initiated after careful screening by the federal co-ordinator whose field men conduct frequent and thorough audits. The Federal Government defrays 75 percent of the acceptable projects or portions of projects and the State absorbs the remainder.

There are 15 such projects at the present time which are estimated to cost \$1,294,850 in the budget year of which \$309,797 will be borne by the Fish and Game Preservation Fund.

There have been several recent reviews of the federal aid programs the latest of which was that conducted by Booz, Allen and Hamilton, the management consultant firm which has completed a thorough study of the department, its procedures and programs. The only criticism this firm had of the Pittman-Robertson program was that there appears to be "a block somewhere along the line in expeditious procedure from staff to the field." However, this failing is not peculiar to the Pittman-Robertson program but seems to exist in many phases of the department's operation. The consultant firm makes recommendations for alleviating this problem which should be implemented as soon as possible.

Since this program is satisfactory to the federal co-ordinator and since, by and large, all of the projects have been initiated to answer current problems, we recommend approval of this item as submitted.

Department of Fish and Game

FISHERIES MANAGEMENT IN CO-OPERATION WITH THE FEDERAL GOVERNMENT

ITEM 172 of the Budget Bill

Budget page 426

FOR SUPPORT OF FISHERIES MANAGEMENT IN CO-OPERATION WITH
THE FEDERAL GOVERNMENT FROM THE FISH AND GAME PRESER-
VATION FUND

Amount requested	\$78,298
Estimated to be expended in 1958-59 Fiscal Year	78,902

Decrease (0.8 percent)	\$604
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TOTAL RECOMMENDED REDUCTION	None
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**Fisheries Management—Federal Government Co-operative—Continued
ANALYSIS**

California has participated in this, the Dingell-Johnson program, since the 1951-52 Fiscal Year, one year after its implementation by Congress. As in the Pittman-Robertson program, the Federal Government defrays 75 percent of the total cost of acceptable projects and the State the remaining 25 percent.

In progress at the present time and proposed to be continued in the budget year are 10 Dingell-Johnson projects with a total cost of \$331,000 of which the State will defray \$78,298. As pointed out in the survey of the department by the management firm of Booz, Allen and Hamilton these projects are primarily of the research type. The survey further indicates that although the research project percentage of the Dingell-Johnson budget in California is generally higher than in other states, this condition is brought about by the lack of available funds in the support budget to carry on necessary research, since moneys accruing from fish license sales must be used to maintain and operate the large fish production facilities constructed with Wildlife Restoration Funds.

Here again was noted some irregularity in administrative direction of the program which can be alleviated with some minor internal adjustments as recommended in the report.

The program is apparently proceeding to the satisfaction of the responsible federal review team and is covering areas needing attention. Although the Dingell-Johnson program is predominantly of a research nature, according to the Booz, Allen and Hamilton report, it is not out of balance with the total support and federal aid programs and we therefore recommend approval as submitted.

**Department of Fish and Game
PACIFIC MARINE FISHERIES COMMISSION**

ITEM 173 of the Budget Bill

Budget page 430

**FOR SUPPORT OF PACIFIC MARINE FISHERIES COMMISSION FROM
THE FISH AND GAME PRESERVATION FUND**

Amount requested -----	\$17,900
Estimated to be expended in 1958-59 Fiscal Year -----	17,900

Increase -----	None
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TOTAL RECOMMENDED REDUCTION -----	None
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ANALYSIS

This item is to continue the co-operative program initiated in 1947 between this State and the States of Washington and Oregon.

The purpose of this commission is to insure a co-ordinated, uniform approach to the management of certain ocean fish species to insure their preservation and availability for harvest. Recommendations of the commission are used to draft legislation in these three states to achieve the desired ends.

It is felt that this commission serves a vital function toward enhancing the fishing economy of the State and we recommend approval.

**Department of Fish and Game
KELP BED INVESTIGATION**

ITEM 174 of the Budget Bill

Budget page 430

**FOR SUPPORT OF KELP BED INVESTIGATION FROM
THE FISH AND GAME PRESERVATION FUND**

Amount requested	\$50,000
Estimated to be expended in 1958-59 Fiscal Year	50,000
Increase	None

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

This investigation was initiated in the 1956-57 Fiscal Year, and if the request is approved for the budget year, \$180,000 will have been committed by the end of this, the fourth year.

The initial request estimated that some five years and approximately \$200,000 would be needed to secure the desired information. A considerable volume of data has been secured and some specific evaluations have already come out of the study.

Both ocean sport and commercial fishermen are very interested in the ultimate findings and recommendations resulting from this investigation because of the possible benefits to management of the kelp beds for the enhancement of fisheries.

The effects of pollutants on kelp has necessarily been an integral part of the study, and it is possible that as a result of this study many heretofore unknown factors relative to these effects on fish and conditions affecting fish may be discovered.

It is recommended that this item be approved as budgeted; however, it is further recommended that a report be made to the Legislature at the end of the budget year and if this study is to be continued past the budget year, that an evaluation of the results be made as well as an estimate of the time and financing required so that any desired extension of this project can be adequately considered.

MARINE RESEARCH COMMITTEE

ITEM 175 of the Budget Bill

Budget page 432

**FOR SUPPORT OF MARINE RESEARCH COMMITTEE FROM
THE FISH AND GAME PRESERVATION FUND**

Amount requested	\$226,136
Estimated to be expended in 1958-59 Fiscal Year	184,789
Increase (22.4 percent)	\$41,347

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

This committee was initiated in the 1947-48 Fiscal Year to give primary consideration to the sardine fishery which fell to a very low production in that period. Since that time it has expanded its investigations to cover such important fields as mackerel, anchovy, herring, oceanographic conditions relating to fish life and assessments of the populations and distribution of certain species.

Marine Research Committee—Continued

The committee contracts with various academic, state and federal agencies including the California Academy of Sciences, Scripps Institution of Oceanography, Hopkins Marine Station, U. S. Fish and Wildlife and the Department of Fish and Game. To defray costs incurred by this committee, there is a privilege tax of five cents per one hundred pounds of sardines, Pacific and jack mackerel, squid, herring and anchovies. This privilege tax, unless renewed in the 1959 General Session, will expire December 31, 1959.

The results of the investigation by the committee are made available to the industry. The commercial fishing industry apparently considers this item important enough to have consistently approved and sponsored the privilege tax on its activity which supports the whole program. We recommend approval as submitted.

**DEPARTMENT OF NATURAL RESOURCES
DIVISION OF ADMINISTRATIVE SERVICES**

ITEM 176 of the Budget Bill

Budget page 435

**FOR SUPPORT OF DIVISION OF ADMINISTRATIVE SERVICES
FROM THE GENERAL FUND**

Amount requested	\$366,559
Estimated to be expended in 1958-59 Fiscal Year	368,300

Decrease (0.5 percent)	\$7,141
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

The Division of Administrative Services is that unit within the Department of Natural Resources which performs accounting detail, budgetary review and fiscal control for the various divisions of the department as well as for the Committee for the Development of the Outdoor Recreation Plan and the State Water Pollution Control Board on a pro rata reimbursement basis.

The Legislature approved the installation of tabulating machine equipment which is being used for certain functions at present and will be used for other functions as time, training and capacity permit. The equipment is now being used for expenditure analysis distribution by individual park units and for payroll distribution for the Divisions of Beaches and Parks and Forestry. In the immediate future the machines will be used for the oil and gas assessment roll for which a procedure has been designed. From the information recorded, oil and gas producers are billed directly for their pro rata share of the overall cost of operating the Division of Oil and Gas. There will be a definite saving in employee time through this particular operation.

The tabulating equipment is to be used for bank reconciliation. Also, for budgetary control purposes the equipment will be used for emergency fire control crew man-months reporting. If it is deemed justifiable from a cost-benefit standpoint, the equipment may be utilized in the future for recording fire and oil and gas statistics; also for forestry equipment inventory and maintenance of individual vehicle cost records.

Administrative Services—Continued

Included in the 1959-60 Fiscal Year budget for this division is \$8,415 to convert the department's property accounting records to the tabulating equipment operation. This is considered a proper use of the equipment since two positions will be released when the procedure is fully implemented.

Since the tabulating equipment has been installed, the reduction in the division's budget is primarily reflected in the "equipment" item. A minimal increase in temporary help has been included on a workload justification.

We therefore recommend approval of this division's budget as submitted.

**Department of Natural Resources
EXHIBIT AT STATE FAIR AND EXPOSITION**

ITEM 177 of the Budget Bill

Budget page 436

**FOR SUPPORT OF EXHIBIT AT STATE FAIR AND EXPOSITION
FROM THE FAIR AND EXPOSITION FUND**

Amount requested	\$1,700
Estimated to be expended in 1958-59 Fiscal Year	3,400
Decrease (50.0 percent)	\$1,700
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

This is to continue that portion of the support necessary to defray the cost of exhibits at the State Fair attributable to the General Fund agencies of the department.

The total charge for the department's display is \$2,500, however \$800 of this is to be charged against the special fund agencies within the department leaving the requested \$1,700 to be defrayed from the Fair and Exposition Fund.

We recommend approval.

**Department of Natural Resources
DIVISION OF BEACHES AND PARKS**

ITEM 178 of the Budget Bill

Budget page 437

**FOR SUPPORT OF DIVISION OF BEACHES AND PARKS
FROM THE STATE BEACH AND PARK FUND**

Amount requested	\$7,174,727
Estimated to be expended in 1958-59 Fiscal Year	6,554,512
Increase (9.5 percent)	\$620,215
TOTAL RECOMMENDED REDUCTION	\$98,919

GENERAL SUMMARY

The Division of Beaches and Parks is responsible for acquiring, developing and administering areas of the State Park System.

Division of Beaches and Parks—Continued

Several factors have contributed to the accelerated growth of the system since the 1955-56 Fiscal Year including availability of previously impounded tideland oil revenues, the proportionate increase of the moneys accruing to the State Lands Act Fund allotted to the division, and the cognizance by the Legislature of the ever decreasing suitable areas for additions to the park system and the economic forces present and competing for these areas.

Approximately 40 million dollars has been appropriated for acquisition in conformance with the so-called five-year master plan which is to terminate June 30, 1961. The division estimates that some 30 million dollars will have been expended to acquire approved projects by that date. This does not mean that 10 million dollars will be unexpended since the total amount accruing to the division is used for not only acquisition, but also for development and support as well. The division estimates that 15 million dollars of its scheduled five-year acquisition program will be unmet on June 30, 1961 if its projected expenditures are realized. If all projects approved by the Legislature were initiated the unmet program would be considerably more.

The State Park Commission, on recommendation by the division, has proposed the deferring of certain projects which are included in the total projected acquisition expenditure of \$30,259,474 by June 30, 1961. These projects recommended for deferral represent a total unencumbered balance of \$6,085,168. There are as yet several authorized special development and acquisition projects which have not been initiated and for various reasons may not be. To the extent that this occurs the prospective deficit may be further reduced. Also, major and minor capital outlay projects which have been approaching three million dollars per year could be drastically reduced in the 1960-61 Fiscal Year to help provide funds for support and acquisition.

Although there is no indication of an increase in activity in the oil fields from which the division receives its primary support through the State Lands Act Fund, there is a possibility of such increase which would also reduce the proposed deficit. Because of these various unknown factors which could affect the ability of the division to execute its projected plans, we would recommend that there be no attempt to find new moneys for the division in the current fiscal or budget years.

One factor of major concern is that new parks have a direct effect on the size of the support budget. We have previously suggested that the division provide only a protection operation in new parks until after the 1960-61 Fiscal Year. However, we recognize that new park units in close proximity to densely populated areas, especially beach parks, must be staffed for use by the public as they are acquired.

The division estimates that its support budget will reach the nine million dollar mark for the 1960-61 Fiscal Year which alone exceeds the estimated income from the State Lands Act Fund. In view of this approaching problem, we feel that it is extremely important to review each park unit to determine if it should remain a part of the State Park System or if it should belong to and be operated by a local political entity.

Division of Beaches and Parks—Continued

Planning for additions to existing units and for new units should be much more detailed than is provided at the present time so that the Legislature can visualize the full impact of additional appropriations for acquisition alone. It is suggested that initial appropriations for future additions provide only for preliminary planning so that the Legislature can re-examine the project on a cost-benefit basis in the next session following the appropriation for preliminary plans. These plans should include very preliminary or so-called "windshield" appraisals of acquisition, estimated cost of development and estimated cost of annual support for each project. In addition, the plans should indicate the full cost of implementing increments of each project in the event that it is financially infeasible to provide for the entire unit, but would still be desirable as a smaller one.

Generally, it might be said that the division is proceeding fairly well with its acquisitions; however, we feel that certain improvements in policies and procedures could benefit the program. It appears that a central lands section or division should be set up, possibly in the Department of Finance, to service all state agencies in respect to land acquisition. If it were determined that the Division of Highways should not be included, there would still be a sufficient workload to justify such a unit. We are convinced that there would be a noticeable savings within each agency which now has its own acquisition unit. We strongly urge that consideration be given to such a move in the current session. Since such a reorganization would require a thorough review of the projected workload in all areas of state land acquisition, we will not make recommendations relative to specific positions in the lands section of the division in this analysis.

We have recently made a detailed analysis of the division's acquisition procedures as a portion of an overall study of the division. In addition to other procedural and personnel assignment changes which we have recommended in a separate report, one recommendation could have an immediate effect upon the amount of funds available to the division for acquisition as detailed herein.

At the present time the policy of the State Park Commission requires the securing of two independent fee appraisals on all parcels within projects proposed for acquisition with values estimated to exceed \$5,000. The costs of these fee appraisals are deducted from the funds earmarked for the individual projects for which the appraisals are secured. In the last three years fee appraisals have reduced funds available for acquisition as follows:

<i>Fiscal Year</i>	<i>Fee appraisal costs</i>
1956-57 -----	\$157,546
1957-58 -----	128,566
July 1, 1958-December 27, 1958 -----	136,419
Total: 7/1/56-12/27/58 -----	<u>\$422,531</u>

We have discussed the methods of appraising for acquisition with other state agencies and private companies with large acquisition volumes. From these contacts we have determined that qualified appraisers on the payroll of the subject agencies and companies can make single

Division of Beaches and Parks—Continued

supportable appraisals of properties proposed for acquisition at a considerable savings over the cost of employing independent fee appraisers. There are many side benefits of this approach, the most important of which, especially as applied to the program of the Division of Beaches and Parks, is the celerity with which acquisition can be accomplished as compared with the fee appraisal approach.

Available, qualified fee appraisers are overloaded with work which limits their time availability. More formal lines of instructions for fee appraisers must be followed, which consumes considerable staff time. Each requested reappraisal also involves a time consuming recompilation of basic facts.

Speeding up appraisals by using the staff appraisal approach expedites acquisition, which reduces the margin of increased land values for which the State will have to pay. This problem has plagued the division's acquisition program, partially as a result of the necessity to secure fee appraisals under the current policy.

We have estimated that eight appraisers added to the *capital outlay* program of the division could perform all necessary appraisals. The salaries and operating expenses of these appraisers would approach \$60,000. An allowance must be also made for litigation cases which require independent fee appraisals. This is estimated at \$10,000 per year. Assuming that the rate and volume of appraisals will continue, comparable to the first one-half of the current fiscal year, fee appraisals would approach \$270,000 for each subsequent fiscal year. By our estimates then, the State would gain approximately \$200,000 annually by using staff appraisers.

Even if fund availability for authorized projects expires before these projects are consummated it is presumed that proposals for additions to the state park system will continue for many years.

We, therefore, recommend that the Legislature authorize the addition of eight appraisers to the capital outlay portion of the division's budget to be defrayed from funds available for acquisition, to expedite acquisitions and conserve funds.

ANALYSIS

Summary of Reductions		Budget	
Administration	Amount	Page	Line
1 Junior staff analyst-----	\$4,626	438	35
1 Concessions officer-----	7,269	438	28
Staff services-project investigation			
5 State park rangers V-----	40,176	439	18
1 State park ranger III-----	6,672	439	18
Staff services-development			
1 Assistant landscape architect-----	6,060	439	36
1 Architectural assistant-----	6,360	439	37
Maintenance and operation—district headquarters			
6 Drafting aid II-----	27,756	440	37
Total savings salaries and wages-----	\$98,919		
(Plus operating expenses and equipment related to these positions.)			

Division of Beaches and Parks—Continued

For the budget year the division is requesting \$7,174,727 which is a 9.4 percent increase over the estimated expenditure of \$6,554,512 in the current fiscal year.

This increase is reflected in the request for 96.6 new positions which account for \$355,578 and their related operating expenses of some \$278,000.

Our analysis of these requests will follow under organizational sub-headings and will deal not only with the requested new positions but also with some existing ones.

Administration

This section has recently been reorganized to provide a deputy chief in charge of operations and a deputy chief of staff services. This is a logical and beneficial structure to provide more direct lines of communication than have existed in the past.

The administration unit is requesting a junior staff analyst, two intermediate typist clerks and one intermediate account clerk in the budget year.

After a careful review of the headquarters operation during 1958, we feel there are several changes which should be made to spread workload more evenly, to eliminate functions which are no longer necessary or which should be combined with existing functions and to provide for a more efficient execution of the responsibilities of the division.

The chief of the division has both an information officer I and an administrative assistant I at his disposal. We feel that the administrative assistant should be responsible to the deputy chief of operation and the information officer should be assigned to a conservation, information and interpretation unit in staff services. We will discuss the proposed structure of this unit under staff services.

The junior staff analyst being requested in this budget is to collect data, compile and prepare statistical reports and to prepare replies to requests for information. This logically is an information and education function and should be placed in the proposed conservation, information and interpretation unit. We feel that the existing administrative assistant and information officer positions could aid in absorbing the existing workload as well as that projected in the budget year by assigning them administratively as suggested. All requests merely for information could be referred to the administrative assistant who would direct them to the unit within staff services responsible for the collection of the necessary data. When the administrative assistant has received the data requested he can compile the information in letter form for the appropriate signature and in most cases he can and should sign for the chief or deputy chief the letters providing statistical or other such information which requires no policy determination.

We feel that by combining the present history and the conservation and natural history sections and by also including the information officer, sufficient personnel will be available to perform the current assigned duties of those sections in addition to compiling the information for which the junior staff analyst is being requested.

Division of Beaches and Parks—Continued

We, therefore, recommend the disapproval of the requested junior staff analyst position representing a salary savings of \$4,626.

At the present time the headquarters section has a concessions officer and a supporting typist position to process all of the division's concession agreements.

There are some 90 concession agreements which are operative of which almost 50 are simple rental agreements without any reference to percentage of the operations. In addition some 12 to 15 are of the standard form, standard price contracts for short term use of state park areas for filming moving pictures. Any major fluctuations in the number of concessions from year to year are reflected primarily in the straight rental or film contracts.

Since the 1956-57 Fiscal Year there has been an increase from concession rentals of only 15 percent while the support expenditures of the division have increased 63 percent. In addition, some 17 million dollars was expended on real property acquisition in that period.

Before a concession officer position was authorized, the deputy chief handled all concession agreements. This, of course, created a problem in the execution of his other duties.

We do not feel that the negotiating and processing of concessions should be assigned to any single individual, but that it should be placed in the lands section to be a part of the responsibility of the negotiators. We feel that these men are not only in a better position to know local values influencing the consummation of agreements but also will be able to initiate more agreements. This could have a beneficial effect on the income to the State Beach and Park Fund. There should be a concerted attempt to increase income from this source as well as from increased fees. In considering the investment in California's state park system, the returns are extremely small when comparing this operation with the park systems of other major states.

There is a precedent for this recommendation since several large municipalities and county governments vest the responsibility for concessions in their land acquisition sections, and we feel that the State will profit by so doing. *We, therefore, recommend the deletion of the concessions officer for a salary savings of \$7,269 plus operating expenses relative thereto.*

Staff Services

Project Investigation and Development Planning

The project investigation unit, which is composed of seven rangers, one architect, two delineators and a clerk makes field examinations of proposed additions to the state park system and prepares a report of suggested taking lines and use of the area.

In a previous analysis we have pointed out the problems inherent in this approach. On the basis of the project investigation report the commission determines the desirability of the project. Following its acceptance the project is replanned by the development section. Quite often the development plan results in diverse recommendations as to

Division of Beaches and Parks—Continued

the boundaries of the project, and it may point out engineering problems not considered in the project investigation plan, with major financial implications.

We feel that project planning from the inception should be the responsibility of the development section which could maintain liaison with the ranger group to insure the inclusion of desirable features in the project which may not be apparent to the technical group. Planning in its strict sense is a procedure which is foreign to the training of the ranger classification and we therefore do not feel that rangers should be assigned to the planning teams. Rangers in the vicinity of the project being planned can be consulted with respect to preserving aesthetic values.

We feel that there should be four separate planning teams located geographically according to the projected workload. These teams should be composed of existing personnel and should be headed by an associate landscape architect. In addition to that position the teams should include one civil engineer, one assistant landscape architect, one junior landscape architect, two delineators and one typist-clerk. The teams should be physically located in existing district headquarters or on park or historical monument property where space is available with minor alterations if possible.

The teams must be responsible to the supervisor of development in the division headquarters who will retain a review team composed of an associate architect, a ranger VI, a senior civil engineer, a senior delineator and two associate landscape architects. This structure will provide for the continuation of the existing architectural position in each district to appraise local conditions. The primary responsibility for planning work shall be with the four planning teams which will, however, receive continuing direction from the division headquarters.

There is at present a pilot planning team which this office has carefully studied. As a result of our evaluation we feel, as we have indicated earlier, that the State will profit from this approach to planning.

As mentioned in the summary, the preliminary plans should show a so-called "windshield" or reconnaissance appraisal for acquisition, the total cost of development and operation and an incremental cost of development and operation so that the Legislature will have a sound basis on which to appraise proposed projects.

The net result of our recommendations would be the deletion of five state park rangers V and one state park ranger III to dissolve the project investigation function as well as the disapproval of two requested additional positions in the Development Section of an assistant landscape architect and an architectural assistant for a total savings in salaries and wages of the staff services function of \$59,208 plus operating expenses and equipment relative thereto.

Staffing requests for field units elsewhere in this budget can absorb the existing positions to be deleted with a possible necessity for some temporary reclassifications of pay grades.

We also recommend that the existing History Unit and the Conservation and Natural History Unit be combined into one Information, Edu-

Division of Beaches and Parks—Continued

cation and History Unit to provide for not only the historical and naturalist aspects but also to better serve the public through one combined operation for the collection and dissemination of information. Such a move would reduce the workload on the top administrative group and would allow those individuals to better discharge their responsibilities.

Maintenance and Operation

District Headquarters

This section is requesting 13.5 additional positions representing an increase of \$56,376 in salaries and wages.

Because of additional workloads resulting from increased park operations we feel that 7.5 of the requested positions are justified.

Six drafting aid II positions are being requested to supply each district architect with drafting help. However, we feel that the approach to planning within the districts should be strictly on the basis of an evaluation of existing units, with detailed planning to be referred to the planning teams recommended previously. The workload of the planning teams should decrease in the near future in respect to additions to the park system, at which time existing park units can receive more detailed planning for future development by these teams.

We feel that each district is justified in retaining a landscape architect but we do not feel that the planning staff should be augmented within the districts in consideration of the developments along these lines elsewhere in the division.

For these reasons we recommend the disapproval of the six drafting aid II positions requested, for a savings in salaries and wages of \$27,756 plus applicable operating expenses and equipment costs.

Field Services

This unit is requesting \$4,576,887 in the budget year which is \$509,845 more than it is estimated will be expended in the current fiscal year.

The primary contributing factor to this increase is the request for 77.1 additional positions.

The positions are being requested on the basis of workload at existing park units, for providing protection and limited operation only at the new units, and the staffing necessary for the operation of state beaches which were formerly county operated.

It is difficult to maintain that the parks and beaches do not justify the existing and proposed staffings without detailed, on-the-site evaluations over a long period. Our general evaluation is that the parks and beaches have not been overstaffed. Nevertheless, a ballooning of the field forces must be expected for several years, hence there is the necessity, mentioned in the summary, of determining the responsibility of the State in the operation of existing parks.

We feel that it cannot be over-emphasized that each existing and proposed park unit must be evaluated as to what political entity should logically own and operate it. The current study being conducted by the California Outdoor Recreation Plan Committee should provide invaluable guidelines for making such an evaluation.

Division of Beaches and Parks—Continued

Equipment

Annually, the division, the Department of Finance and this office meet to consider each requested equipment item.

The original equipment request of the division amounted to \$405,026 and as a result of the joint meeting it was reduced by \$132,865 or 32.8 percent, to the final budgeted amount of \$272,161.

**Department of Natural Resources
DIVISION OF BEACHES AND PARKS**

ITEM 179 of the Budget Bill

Budget page 442

**FOR SUPPORT OF ROADSIDE REST PROGRAM FROM THE
STATE BEACH AND PARK FUND**

Amount requested	\$12,500
Estimated to be expended in 1958-59 Fiscal Year	12,500
Increase	None
TOTAL RECOMMENDED REDUCTION	None

GENERAL SUMMARY

The roadside rest program was largely held up in the 1958 Budget Session of the Legislature, so that the approach to maintenance of completed rests by the division could be evaluated and the unusually high proposed costs be re-examined.

As of October 31, 1958, seven rests had been completed for a combined total construction cost of \$48,560. Four others have been approved by the Public Works Board for construction and the division expects to have three of these for a total of 10 rests in operation by the end of the current fiscal year.

A thorough hearing relative to all aspects of the roadside rest program was held in November, 1958 by a special Subcommittee on Beaches and Parks of the Assembly Interim Committee on Conservation, Planning and Public Works. Attention was given to the position of the Division of Highways in the roadside rest program, inasmuch as its allocation of federal funds for the Interstate Highway System includes a portion allotted for the construction of some 40 highway safety stop areas. It was determined that the Division of Highways could legally expend highway funds for the construction and maintenance of roadside rests on the State's highways.

The committee indicated that it would support a transfer of the responsibility for maintaining all state constructed roadside rests from the Division of Beaches and Parks to the Division of Highways, however, with the costs of such maintenance still to be defrayed from the State Beach and Park Fund for the time being. It was felt that the Division of Highways, with its wide deployment of maintenance stations, could better administer the maintenance program.

The committee further expressed a desire to see closer liaison effected between the two divisions in the construction phase so that roadside rest projects could be scheduled in conjunction with road maintenance or road construction to reduce the cost of the projects, inasmuch as

Division of Beaches and Parks—Continued

highway equipment and material would be on the site. The construction of parking and ingress and egress roads has been averaging two-thirds of the cost of each project.

ANALYSIS

The division is requesting \$12,500 to be expended to maintain the 10 completed units in the budget year.

In view of the large number of rests which are and will be maintained by the Division of Forestry at an estimated cost of \$500 each per year, and in considering the other extreme of rests which will be maintained by contract, we feel that the average annual maintenance cost per rest per year should not exceed the \$1,250 requested.

In addition to the ten sites which will be in use in the near future, some 33 have been approved by the county boards of supervisors in which these projects are situated. The latest rests to be constructed have averaged a cost of \$3,778 each. If this cost level is maintained, and considering the fund availability of the unexpended balance amounting to approximately \$300,000 of the original appropriation of \$450,000 for this program, many more rests could be completed without the need of an additional appropriation if the Legislature is satisfied with the current approach and authorizes their development.

In the event new rests are authorized for development in the budget year, additional funds will be necessary for maintenance. We recommend that not more than \$1,250 be allowed per annum per additional rest.

We also concur in the suggestions to: (1) transfer the responsibility for administering the roadside rest maintenance program to the Division of Highways, funding to continue from the State Beach and Park Fund; and (2) schedule rest construction with road maintenance and new road construction projects.

Subject to the foregoing comments we recommend approval of this item as submitted.

Department of Natural Resources
DIVISION OF BEACHES AND PARKS

ITEM 180 of the Budget Bill

Budget page 443

FOR PREPARATION OF TOPOGRAPHIC MAPS IN CO-OPERATION WITH
THE U. S. GEOLOGICAL SURVEY FROM THE STATE BEACH AND
PARK FUND

Amount requested	\$20,000
Estimated to be expended in 1958-59 Fiscal Year	20,000

Increase	None
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This item is to continue the second and final year of a two-year program authorized by the Legislature in the 1958 Session to provide for the preparation of large scale topographic maps of park areas in San Diego County.

Division of Beaches and Parks—Continued

These maps are being prepared under contract by the U. S. Geological Survey and will be used to plan development and to more clearly delineate boundaries, especially of the 427,000-acre Anza-Borrega State Park.

We do not feel that any continuation of such mapping anywhere in the State Park System is justified beyond the budget year because of other existing and available maps. However, since this particular project has been initiated, we recommend approval of this item for its completion.

California Olympic Commission

This commission was created by Chapter 124, Statutes of 1955, to be the state agency responsible to the Governor and the Legislature for expending moneys appropriated by the State for the 1960 VIIIth Winter Olympiad to be held in California. In addition to the \$1,000,000 appropriated for the purposes of this act, \$4,000,000 was appropriated by the Budget Act of 1956 and \$2,990,000 by Chapter 1069, Statutes of 1957. The latter act also provided that the state-owned facilities and the facilities in the valley leased by the State would become a unit in the State Park System. All appropriations have been from the State Park Fund.

Exclusive of the ice arena, which is being financed by the U. S. Government, the commission has negotiated all major contracts.

As explained in previous analyses of the VIIIth Winter Olympiad, the agency responsible for the preparation of the area and the provision of personnel and equipment for the operation of the games is the Organizing Committee, VIIIth Olympic Winter Games, Squaw Valley, California, U. S. A., 1960, Incorporated, chosen by the U. S. Olympic Committee and responsible to the International Olympic Committee. A master contract has been entered into between the California Olympic Commission and the Organizing Committee for the fulfillment of the committee responsibilities.

The latest tabulation of estimated expenditures approaches \$16,000,000. To date there have been two sources of committed revenue, i.e., the \$7,990,000 from California and \$3,500,000 from the U. S. Government, leaving a difference of \$4,510,000 which the committee estimates will be quite easily defrayed through ticket sales, television and radio rights, concessions and operation of the facilities during the games.

State-owned land in the area approximates some 18.6 acres, the rest of the area to be controlled by the State following the games to be under easements and leasing arrangements. The State is leasing 1,000 acres from the U. S. Forest Service at \$1 per acre per year for 30 years. As was mentioned, the Federal Government is building the ice arena for which it has committed \$3,500,000. Following the completion of the arena the building will belong to the U. S. Department of Agriculture and will be leased to the State as part of the park. Compensation for the use of the arena will be based upon the net operating profit of all facilities built on permitted land, i.e., that land under lease by the State from the U. S. Forest Service. According to the stipulations of the agreement, the Federal Government will receive approximately one-third of such annual operating net profit of the State Park. The original

Division of Forestry—Continued

1952-53 Fiscal Year through the 1955-56 Fiscal Year over which time the division's support budget increased only 5 percent and the population of the State increased 15 percent, yet the fire occurrence *decreased* 14 percent and the acreage burned remained fairly static except in the 1955-56 Fiscal Year when the acreage burned decreased considerably.

We recognize the fallacy of acreage burned comparisons because it is generally conceded that this figure is more dependent on the weather than on any other single factor. Since the fire occurrence is fairly static from year to year it should follow that acreage burned should decrease with each addition to the fire suppression force. The size of the fire fighting organization per se would have little effect on fire occurrence.

Therefore, we again stress that additional effort should be given to the educational and law enforcement aspects of fire prevention in an attempt to reduce the fire incidence before any further appreciable increase in the fire suppression forces is allowed.

ANALYSIS

Administration	Summary of Reductions	Amount	Budget	
			Page	Line
1 Administrative assistant I-----		\$6,060	445	34
Forest protection-district headquarters				
1 Assistant state forest ranger-----		5,547	447	15
2 Junior civil engineers-----		11,832	447	16
2 Automobile mechanics-----		10,772	447	18
Forest protection-field services				
30 Forest fire fighter (summer suppression crews)----		101,520	448	8
Total recommended reductions-----		\$135,731		

The division is requesting \$15,406,234 for the budget year which is \$572,788 or 3.9 percent more than the \$14,833,446 it estimates will be expended in the current fiscal year.

The increase is primarily attributable to merit salary adjustments and the proposed addition of 28.5 new positions.

Our analysis of proposed reductions follows under organizational subheadings.

Administration

The headquarters operation of the division is centralized in Sacramento. This function proposes to expend \$908,667 in the budget year which is \$58,801 or 7 percent more than the \$849,866 estimated for expenditure in the current fiscal year.

The headquarters unit is requesting three new positions for the 1959-60 Fiscal Year. One is an electrician position for the engineering section of this unit to be used on a statewide basis to "troubleshoot" the wiring within division-owned facilities. As of June, 1958, the division had 1,331 structures, almost all of which are wired for electricity. The division has one electrician foreman and one electrician in headquarters to inspect these facilities and they have found it impossible to cover all the facilities and make necessary minor repairs. We, therefore, feel the electrician position is necessary.

Division of Forestry—Continued

The second is an intermediate typist clerk position on a general workload basis for which we also recommend approval.

The third, however, is an administrative assistant I to perform work which we feel can be performed through proper distribution of existing manpower by the headquarters unit as well as by taking full advantage of the available specialist services of the Personnel Board, the departmental training officer and the departmental personnel and business management units.

We recommend that the requested administrative assistant I position not be allowed for a savings of \$6,060 in salaries and wages plus applicable operating and equipment expenses.

Forest Protection—District Headquarters

This unit of the division is requesting \$1,210,555 for the budget year which is \$124,820 or 11 percent more than the \$1,085,735 it estimates will be expended in the current fiscal year.

This unit proposes to add 12.2 new positions. We are in accord with the division's request for 7.2 of the requested positions; however, we feel that the one assistant state forest ranger, two junior civil engineers and two automobile mechanics positions should not be allowed at this time.

The assistant state forest ranger is being requested as a lead dispatcher for District I headquarters on the north coast. It is stated that workload expansion in this area justifies this position. However, it is difficult to isolate workload for this type of function because it fluctuates from year to year. We are in accord with the request for a forest fire fighter foreman to provide relief dispatcher duties in the District VI Southern California office because the fire season covers practically the entire year. However, the fire season on the north coast is comparatively short. We feel that the need for the requested ranger position is not critical at this time and *we, therefore, recommend the disapproval of the requested assistant state forest ranger position for a savings of \$5,547 in salaries and wages plus applicable equipment and operating expenses.*

The two junior civil engineering positions are proposed to provide a full complement of one engineer for each district. This type of position in the division is used to aid in mapping out projects for conservation camp crews and delineating ownership boundaries around facilities and land controlled by the division. Six such positions were requested in the 1958-59 Fiscal Year Budget of which four were allowed by the Legislature.

There are six assistant civil engineers, one in each district, which constitute the full complement in that classification of the so-called 1956 fire plan. The division desires to increase the junior civil engineering positions to the proposed fire plan level also. However, we feel that the 1956 fire plan was not given complete endorsement by the Legislature but only to the extent that positions have been authorized by previous budget actions. Although the division feels that workload

Division of Forestry—Continued

justifies the request for these positions we believe they are not justified for the following reasons:

1. Workload compiled to justify the positions must be categorized according to the critical, necessary and desirable nature of the purported volume or backlog of work.
2. Once categorized, the work should be distributed between the available personnel, even if certain projects require men assigned to one district to perform work in another.
3. The four junior civil engineers have just recently been hired and the division has not had ample time to evaluate the potential benefits of these additions.

Until the division has used the presently employed personnel of this classification on the projects which it considers of a nature critical to the operation of the division and to the optimum utilization of personnel associated with such projects, we do not feel that any additional engineering positions should be allowed.

Therefore, we recommend the deletion of the two additional junior civil engineering positions requested for a savings in salaries and wages of \$11,832 plus operating and equipment expenditures applicable to them.

The two automobile mechanics are proposed to co-ordinate the work of inmates at forestry conservation camps performing maintenance on division automotive equipment.

We are recommending approval for the division's request for three automotive maintenance foremen to inspect the division's equipment, to perform emergency repairs in the field and to co-ordinate personnel on automotive work performed within the division including the conservation camps.

Most of the normal body and motor work is performed in the slack season at the camps. Also, the Legislature indicated that when it approved the year around employment of equipment operators, that these men would be used on automotive maintenance projects in the off season.

The three automotive maintenance foremen to be added in the budget year will provide 15 such men to oversee the division's automotive maintenance program and, with the equipment operators' available time plus the supervision provided by work project foremen in the camps, the duties for which the mechanics are requested should be adequately satisfied.

We, therefore, recommend disapproval of the division's request for two automobile mechanic positions for a savings in salaries and wages of \$10,772 plus applicable operating and equipment expenses.

Forest Protection—Field Services

The division started an initial attack aerial tanker program in the current fiscal year with the approval of the Department of Finance, the cost of which was defrayed by funds diverted from other categories of expenditure.

Division of Forestry—Continued

The division secured the services of a variety of types of airplanes under contract, set up borate mixing stations and co-ordinated its aerial attack program with that of the U. S. Forest Service in certain areas. The Federal Government has used airplanes in past years for dropping "smoke-jumpers" on fire spots where accessibility was difficult for men on foot or in vehicles, and also used airplanes for borate (fire retardant) drops. The U. S. Forest Service is convinced that aerial tanker borate drops are beneficial under certain conditions, all of which have not as yet been determined. It also is convinced that the aerial tanker program has a definite place in the fire suppression program, but it has not indicated the emphasis that should be placed on this program nor has it decided on the specific types of situations where the aerial tankers should be utilized. The U. S. Forest Service recognizes that this program constitutes an expensive experiment and, depending on individual judgment, considerable money could be committed under unjustifiable circumstances.

We make specific reference to the U. S. Forest Service because it has had more experience in the aerial tanker field, and from conversations with federal employees concerned with the program we have elicited these opinions. The State Division of Forestry has engaged in this program actively for just a short period of time and in some areas of judgment it echoes the federal appraisal.

From discussions with both state and federal personnel engaged in the aerial tanker program we have noted the following observations:

1. The aerial tanker program is in its infancy as far as the determination of its potential.
2. No criteria have been established to determine the type of plane to be used under specific conditions.
3. No specific guide lines have been established to determine the time to use the planes in relation to the values endangered by the fire and the economics involved in attacking it by air or by ground.
4. Some determinations have evolved in regard to the burning phase of individual fires. Some personnel have tentatively concluded that initial attack by aerial tankers on a fire before it has attained major proportions is justified if weather conditions are favorable, if the values at stake are high and if fire suppression crews which could normally attack the fire reasonably successfully are committed elsewhere. These personnel maintain that fire retardant drops on major holocausts have relatively little effect and the danger to the personnel and aircraft involved does not justify committing them in such a situation unless more effective retardants are discovered.
5. This is an expensive and hazardous program which must be developed gradually and deliberately only as valid material is compiled.

The division has acquired two TBM (torpedo bomber) airplanes for this program from federal surplus property at a negligible price, and it intends to use them by contracting for pilots and maintenance. These planes are of a type used in different areas of the State on fire retardant

Division of Forestry—Continued

drops. However, there are several types being used in this program and for this reason the State has an opportunity to appraise all varieties used to determine which type is desirable under different circumstances.

We do not believe that the State should operate its own planes because:

1. Not only are the TBM planes on hand extremely expensive to operate in comparison with Stearman-type "crop dusters," but also it has not been determined that the TBM is the type of plane which will provide the service desired under most conditions.
2. Although the TBM's were acquired for a negligible amount, maintenance costs can be expensive and there will be a time when these planes will no longer be safe for operation and will have to be replaced. This, of course, will be costly.
3. There are sufficient airplanes and pilots available who desire and are willing to do this type of work. We feel that the State should refrain at this time, at least, from competing with private enterprise in this case because it is in a position to evaluate the efficiency of various types of aircraft without investing a large amount of money in them.

We, therefore, recommend that the Legislature instruct the division to dispose of the two airplanes it now has in its possession and to contract for any such services required for the continuation of this program.

We recognize the fact that certain benefits can accrue from the aerial tanker program and that continuation of this fire attack tool is necessary to aid in determining the practical extent of the program.

The aerial tanker program constitutes a definite increase in level of service inasmuch as it cannot be denied that the airplanes can and are used on fires that can also be attacked by ground crews. This then relieves the crews of a certain workload.

In consideration of the benefits which can accrue we feel that the initial attack aerial tanker program should be continued at the level requested. However, because of the relief provided to existing fire suppression crews and in line with our previous recommendation that the fire attack organization should not be further expanded until other programs which could have an effect on the logical manpower needs of the division have been exploited, of which this is an excellent example, we feel that the entire program should be offset by reductions in the division's support budget. The total program cost is proposed at \$133,116 for which a partial offset of \$30,456 has been provided in the Governor's Budget. *We recommend that an additional 30 man-years of seasonal fire-fighter positions be deleted to finance the aerial tanker program for a savings in salaries and wages of \$101,520.*

Equipment

The Division of Forestry, the Department of Finance and our office meet annually to examine each equipment item requested for the budget year. As a result, approximately \$40,000 or 4 percent of the \$1,021,151

Division of Forestry—Continued

originally requested was deleted. The \$836,507 finally requested for the division in the Governor's Budget reflects the deletion of many formerly proposed new positions. Other adjustments have been made to correspond with the budget as finally submitted.

Department of Natural Resources

DIVISION OF FORESTRY

ITEM 183 of the Budget Bill

Budget page 452

FOR SUPPORT OF ALLOTMENTS TO COUNTIES FOR WATERSHED PROTECTION FROM THE GENERAL FUND

Amount requested	\$1,254,978
Estimated to be expended in 1958-59 Fiscal Year	1,237,520
Increase (1.4 percent)	\$17,458

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

This item is to continue the contract relationship existing between the State and the Counties of Kern, Los Angeles, Marin, San Mateo, Santa Barbara and Ventura for fire protection within those counties.

The contract counties maintain their own fire suppression organizations, some of which are staffed and facilities supplied at levels which exceed the level of protection reimbursement authorized by the State. The reimbursement is computed annually to conform with the annual change in the budget of the Division of Forestry so that there will be an equitable distribution of the funds made available for fire protection on lands which are or would otherwise be within the fire protection responsibility of the division.

The percentage of increase or decrease effected by the Legislature in the budget of the Division of Forestry will be applied directly to this item also.

We recommend approval.

Department of Natural Resources

DIVISION OF FORESTRY

ITEM 184 of the Budget Bill

Budget page 453

FOR SUPPORT OF PROTECTION OF PRIVATE LANDS WITHIN AND ADJACENT TO NATIONAL FORESTS FROM THE GENERAL FUND

Amount requested	\$997,671
Estimated to be expended in 1958-59 Fiscal Year	983,804
Increase (1.4 percent)	\$13,867

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

This item is to continue the payment to the U. S. Forest Service for fire protection given private lands within and adjacent to the national forests which are classified as being state fire protection responsibility

Division of Forestry—Continued

lands. The 1.4 percent increase reflects the increased cost of fire protection as experienced by the State on its direct responsibility areas.

The amount paid annually represents the funds necessary to provide the same level of protection on the subject lands as is given on state fire protection responsibility areas outside the jurisdiction of the U. S. Forest Service. Since the State provides protection on some federal land but on less than the acreage of private land protected by the U. S. Forest Service, the State is obligated to pay the Federal Government the appropriate amount on the acreage for which there is no offset.

Since the 1957-58 Fiscal Year, the Division of Forestry has designated crew locations within the national forests to provide the level of protection on the private land for which the State has been paying. Further evaluation has resulted in adjustments in physical locations and the result has been satisfactory to both the State and the U. S. Forest Service.

When the division considers it advisable to assume certain areas of detection and protection services now provided by the U. S. Forest Service under contract, and if the Legislature authorizes such transfer of responsibility, the costs for state assumption are added to the division's support budget and deleted generally in like amount from the contract agreement with the U. S. Forest Service. The division proposes the assumption of three lookouts in this manner which overlook areas within the suppression responsibility bounds of the division. These transfers appear logical.

Any adjustments in the division's support budget will be applied percentage-wise to this item to maintain similar levels of protection.

We recommend approval of this item as submitted.

Department of Natural Resources

DIVISION OF FORESTRY

ITEM 185 of the Budget Bill

Budget page 453

FOR SUPPORT OF WHITE PINE BLISTER RUST CONTROL IN CO-OPERATION WITH THE U. S. DEPARTMENT OF AGRICULTURE FROM THE GENERAL FUND

Amount requested	\$100,000
Estimated to be expended in 1958-59 Fiscal Year	115,000

Decrease (13.0 percent)	\$15,000
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

The control of blister rust fungus on valuable white pine stands is a joint effort between the State and the U. S. Department of Agriculture with participation to a limited degree by private interests.

Of the some three million acres of sugar pine in California it has been determined that approximately 467,000 acres are of sufficient economic value to receive intensive treatment for this forest disease. Since the acreage is fairly evenly distributed between public and state-private ownership, equal participation is provided by the U. S. Government and the State. Private ownerships are invited to participate up

Division of Forestry—Continued

to at least 25 percent of the total cost of eradication or control on their properties; however, very little participation has been provided by private owners to date. Of the approximately \$4,750,000 made available for this program since 1941, only \$68,000 or about 1.4 percent has been contributed by private landowners.

It is unfortunate that such participation by the ultimate beneficiaries of this program is so small; however, in consideration of the value of blister rust control to the economy of the State, and in the absence of a more firm policy of the board relative to landowner participation, we recommend approval.

**Department of Natural Resources
DIVISION OF FORESTRY**

ITEM 186 of the Budget Bill

Budget page 453

**FOR SUPPORT OF EMERGENCY FIRE SUPPRESSION AND DETECTION
FROM THE GENERAL FUND**

Amount requested	\$320,000
Estimated to be expended in 1958-59 Fiscal Year	520,000
Decrease (38.5 percent)	\$200,000

TOTAL RECOMMENDED REDUCTION Conditional

ANALYSIS

Each year the division requests supplemental funds to be used under emergency conditions when regularly available manpower and equipment can not suffice. This request has been made without reflecting the steady increase in personnel which has taken place in the support budget. Since the 1954-55 Fiscal Year the number of personnel of the division has increased by 32 percent, and the support costs have increased by 58 percent, yet the outlay for emergency funds in the 1954-55 Fiscal Year was \$332,924, comparable to that requested for the budget year.

Firefighting personnel maintain that the weather conditions are the primary influencing factors on the seriousness of any fire season. The effect of increased suppression forces on a fire season has never been documented. It is impossible to say how many more acres would have burned in the 1958 fire season without the 58 percent increase in suppression forces since 1955. Prior history indicates that such increases probably have had relatively little immediate effect.

The Board of Forestry has recently adopted a policy which further complicates the emergency fire fund situation. This policy, in effect, absolves a landowner from the responsibility of attempting to extinguish a fire on his own property after a Division of Forestry person has taken over the direction for control of that fire. If the services of the landowner, his own personnel and equipment are requested by the division according to the policy adopted, the State is obligated to pay the landowner for those services. This policy has great financial implications since it applies to any area of the State where fire protection

Division of Forestry—Continued

responsibility rests with the State through its own forces. For continuity of policy, obviously it must also be applied to protection provided by the counties and the U. S. Forest Service under contract.

This office has followed the development of the policy and has discussed its implications with the division's field forces. The policy puts a very large burden of decision on the assistant ranger and foreman classification as well as on any forestry personnel arriving on the scene of the fire. Reluctance to accept the responsibility for obligating the State could prolong the fire or the forestry personnel might use all available landowner personnel and equipment unnecessarily as an insurance factor.

Emergency funds should not be used unless a fire has advanced beyond the stage where division personnel, co-operating fire agencies and the landowner himself cannot contain it. It is our understanding that the landowner has a legal responsibility to fight fire on his own property to the limit of his ability. The board's policy as mentioned would obviate his doing this.

We do not recommend disapproval of the budgeting of certain funds for emergency fire suppression under the conditions outlined, but in view of the policy of the board it should be pointed out that the \$320,000 requested may be entirely inadequate if landowners take advantage of the terms of the subject policy. It is impossible to estimate the potential cost to the State and, therefore, if the Legislature ratifies the policy of the Board of Forestry relative to the financial responsibility of the State attacking a fire on private property, it is recommended that adequate provision for funds necessary under this approach be provided in the State's general emergency fund. If the Legislature does not ratify the subject policy of the board, it is recommended that \$320,000 for emergency fire suppression be approved.

**Department of Natural Resources
DIVISION OF FORESTRY**

ITEM 187 of the Budget Bill

Budget page 453

**FOR SUPPORT OF FOREST INSECT CONTROL FROM THE
GENERAL FUND**

Amount requested	\$35,000
Estimated to be expended in 1958-59 Fiscal Year	35,000
Increase	None
TOTAL RECOMMENDED REDUCTION	\$15,000

ANALYSIS

Forest insects take a tremendous toll of timber annually. To help stem the advance of these insects the Board of Forestry has authorized the division to participate to the extent of 50 percent of the cost of defraying eradication projects on private lands which justify such participation. The landowner must provide the other 50 percent control cost unless the infestation has spread to intermingled public and private

Division of Forestry—Continued

lands in which case the Federal Government is authorized to participate to 25 percent of the cost.

Because of the immediate damage inflicted by forest insects, land-owner co-operation can be secured much more easily than on blister rust control projects which alleviate long range effects.

Although the average annual outlay for forest insect control approximates \$16,000 the division has consistently requested \$35,000 as an insurance against a major outbreak. However, since field forces have increased thus enhancing the possibility of early detection of forest insects for immediate attack, and since the annual outlay for this program seldom exceeds \$16,000, we recommend a reduction of \$15,000 in this item leaving an available balance of \$20,000.

**Department of Natural Resources
DIVISION OF FORESTRY**

ITEM 188 of the Budget Bill

Budget page 454

**FOR SUPPORT OF WILDLAND VEGETATION AND SOIL MAPPING
FROM THE GENERAL FUND**

Amount requested -----	\$111,045
Estimated to be expended in 1958-59 Fiscal Year -----	101,762
Increase (9.1 percent) -----	\$9,283
TOTAL RECOMMENDED REDUCTION -----	\$111,045

ANALYSIS

This program was initiated by Chapter 1538, Statutes of 1947 as a program of mapping soils and vegetation in timber and major watershed areas of the State, which originally was to take from three to four years. A reassessment of the potential of the project after it was dropped in the 1952-53 Fiscal Year resulted in its reinitiation by Chapter 1875, Statutes of 1953. It was felt at that time that the project could be completed in 10 years. However, another re-evaluation in 1958 estimates that from this date some 28 to 30 years will be needed to complete the program.

To date (through 1958-59 Fiscal Year), some \$915,000 has been committed to this project. We again would like to point out that the U. S. Department of Agriculture has been carrying on its soil mapping program for many years. From the information we have been able to secure it appears that the two agencies differ primarily in approach rather than in results.

The U. S. Soil Conservation Service takes the approach of analysis of soils to determine the crops which would be supported therein. Its surveys also cover wildland areas on the same basis but perhaps not to the degree of emphasis as is given to farmland.

A very thorough analysis is given to each soil type and the narrative accompanying the maps and detailed data also gives the vegetation found. The Division of Forestry takes the approach of noting existing vegetative cover and then determining the soil class associated therewith.

Division of Forestry—Continued

We would again take the position that the work being done by the Division of Forestry through a contract with the California Forest and Range Experiment Station, the U. S. Department of Agriculture and the Agricultural Experiment Station of the University of California will be done in the normal course of activities of the U. S. Soil Conservation Service. The soil surveys of the U. S. Soil Conservation Service are definitive; they include wildland as well as lowland areas and they pinpoint existing vegetative cover.

We therefore recommend that this item be deleted in its entirety and that the Division of Forestry maintain communication with the U. S. Soil Conservation Service to secure the type of information the division desires for its purposes.

Department of Natural Resources

DIVISION OF FORESTRY

ITEM 189 of the Budget Bill

Budget page 454

FOR SUPPORT OF WATERSHED RESEARCH IN CO-OPERATION WITH CALIFORNIA FOREST AND RANGE EXPERIMENT STATION FROM THE GENERAL FUND

Amount requested -----	\$24,000
Estimated to be expended in 1958-59 Fiscal Year -----	24,000

Increase -----	None
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TOTAL RECOMMENDED REDUCTION -----	None
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ANALYSIS

This item is to continue the contract relationship between the division and the U. S. Department of Agriculture to carry on the watershed treatment project which has been in progress for some 20 years. The goals of this project are to increase water yield through intensive watershed control and brush manipulation as well as to determine the proper vegetation to be seeded in burned-over areas in Southern California.

Last year the California Forest and Range Experiment Station began utilizing the data secured through its research in bringing entire watersheds under active management. These watersheds will be checked for rainfall, streamflow, soil moisture and vegetation to determine the type of vegetation which is most desirable for maximum water yield.

This project is potentially very important to the future water availability in Southern California. It has been stated that in spite of all the water imported into this area, 60 percent of the water used in the South Coastal Basin comes from local watersheds. The management on this project at San Dimas has high hopes of increasing the local water supply substantially.

Although its side benefits are of value to the Division of Forestry, it would appear from examining the primary objective of this project, that of increased water yield, that perhaps this item should be more logically within the contract relationship of the Department of Water Resources. However, since both departments have a common source of

Division of Forestry—Continued

funds and both are conservation organizations there is probably no real basis for considering a transfer at this time. We, therefore, recommend approval as submitted.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 190 of the Budget Bill

Budget page 454

**FOR SUPPORT OF FOREST AND FIRE RESEARCH FROM THE
GENERAL FUND**

Amount requested	\$41,000
Estimated to be expended in 1958-59 Fiscal Year	41,000
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Increase	None

TOTAL RECOMMENDED REDUCTION	\$41,000
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ANALYSIS

At the present time, the Division of Forestry utilizes two sources of income for research. Previous to the current fiscal year all research was defrayed from the General Fund. However, by Chapter 2405, Statutes of 1957, the Legislature authorized a transfer of \$100,000 annually from the State Lands Act Fund to the division to be used for research.

The division proposes to use the State Lands Act Fund money to defray research projects as follows:

Fire climate study	\$20,000
Fire protection economic study	13,250
Fire prevention research	6,000
Forest planting stock physiology	10,000
Hazard reduction on Southern California brush watershed	14,000
Forest growth prediction	9,000
Seed tree effectiveness	9,000
Physiology and ecology of bark beetles	6,250
Development and uses of California hardwoods	5,500
Inception and use of water by herbaceous vegetation	7,000
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Total	\$100,000

From the General Fund account the division proposes to defray the costs of the cloud nucleation study of \$28,000 and the fire equipment development program of \$13,000 for a total of \$41,000.

We recommended previously that the fire equipment development program and the cloud nucleation study be defrayed from the General Fund in the current fiscal year in an attempt to delineate those areas of basic research from management programs. However, in referring to the above schedule of research projects it can be noted that several of them are for active management also.

The division activates research programs under the \$100,000 annual transfer item according to priorities. Although we believe that a lump sum appropriation not requiring current legislative budgetary review and approval is poor budgeting, nevertheless such a fund is available under law to the division for research. *We, therefore, recommend that*

Division of Forestry—Continued

the cloud nucleation study be deleted from the General Fund appropriation and that it be defrayed from moneys accruing to the division annually from the State Lands Act Fund to centralize all research projects. In doing this we realize that some projects of a lower priority must be deferred unless the scope of those of a higher priority is reduced.

Since the division performs its equipment development program primarily with its own personnel, we further recommend that this program be transferred and added to the support budget as a line item under operating expenses.

The effect of these recommendations would be the continuation of both the cloud nucleation and equipment development programs in other budget areas and the deletion of this item completely.

Department of Natural Resources

DIVISION OF MINES

ITEM 191 of the Budget Bill

Budget page 455

FOR SUPPORT OF DIVISION OF MINES FROM THE GENERAL FUND

Amount requested	\$566,625
Estimated to be expended in 1958-59 Fiscal Year	558,605

Increase (1.4 percent)	\$8,020
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TOTAL RECOMMENDED REDUCTION	None
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GENERAL SUMMARY

The Division of Mines is the state agency which serves the mining industries by providing geological information on California's mineral resources to assist them in location and development of these resources.

The division's headquarters is in San Francisco, where also by law is maintained a mineral museum and a library. Branch offices are in Sacramento, Redding and Los Angeles. Its activities fall basically into four categories, i.e., mining engineering, technical information services, mineralogy and petrology, and geological and commodity surveys.

The Division of Mines provides a variety of services for many agencies such as the Departments of Water Resources and Employment, the Divisions of Beaches and Parks, Highways, Forestry and Corporations; the geophysics section of the University of California and the California Academy of Sciences. One of its most important functions is to maintain a current inventory on minerals in the State which is made public through the published county reports.

We feel that an organizational study should be initiated to determine the feasibility of combining the activities of the Division of Oil and Gas and the Division of Mines; to critically review the necessity for branch offices and their physical locations; to consider the possibility of moving headquarters operations from San Francisco to Sacramento and to give emphasis in such a study to the advisability of combining all geological activities within this one combined unit, services from which might be contracted out to other state agencies as needed.

Division of Mines—Continued

Also, in such a study a determination of the scope of responsibility of this division should be made. Based upon the results of such a determination, consideration should be given to the possibility of assigning a tonnage tax on minerals to defray part or all of the operations of the division somewhat as assessments are made by the Division of Oil and Gas on oil and gas production.

ANALYSIS

To maintain the existing level of service, the division proposes to continue its authorized complement of 60.5 positions.

The only area where there is any increase of consequence, other than normal merit salary adjustments, is in printing. It is proposed to increase this item by \$15,000 which will have a direct effect on reimbursements through sale of publications. The Legislature in the Budget Session of 1958 authorized revenues from sale of publications to be treated as a reimbursement against the operations of the division rather than directing such revenues to the General Fund. The division has found that in this manner it can restock popular reports which have been sold out, and thus increase its revenues while satisfying public requests. Since it is doubtful that all of the copies will be sold in the budget year there will naturally be a disparity between increased printing costs and estimated revenue which in this case approximates \$5,500. However, revenue covering these report replacement costs will be forthcoming in subsequent years.

The division is making an effort to schedule printing on estimated demands to preclude the possibility of carrying over large stocks of "dead" reports. There are several such reports on hand at present which accumulated before concerted effort was begun to insure against such an accumulation. Reprints are now made after satisfying the requirements of demand and current validity, and it is considered proper to defray the cost of these reprints out of the revenues accruing from sale of publications.

We recommend approval of the division's budget as submitted.

Department of Natural Resources**DIVISION OF MINES**

ITEM 192 of the Budget Bill

Budget page 456

FOR SUPPORT OF GEOLOGICAL EXPLORATION IN CO-OPERATION WITH U. S. GEOLOGICAL SURVEY FROM THE GENERAL FUND

Amount requested	\$35,000
Estimated to be expended in 1958-59 Fiscal Year.....	35,000

Increase	None
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TOTAL RECOMMENDED REDUCTION.....	None
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ANALYSIS

The Division of Mines prepares its maps and reports primarily from information supplied by agencies outside of state service, the most important of which are the U. S. Bureau of Mines and the U. S. Geological Survey. The division's technical personnel devote only approximately

Division of Mines—Continued

10 percent of their time to field exploration since the great majority of their efforts must be directed toward accumulating and organizing the material necessary to write their reports.

The U. S. Geological Survey, through a cost sharing plan with the State, has been able to expedite its continuing surveys in areas and along lines needed by the Division of Mines and we therefore recommend approval.

Department of Natural Resources

DIVISION OF MINES

ITEM 193 of the Budget Bill

Budget page 456

FOR SUPPORT OF STATE GEOLOGIC MAP FROM THE GENERAL FUND

Amount requested	\$22,840
Estimated to be expended in 1958-59 Fiscal Year	32,840
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Decrease (30.5 percent)	\$10,000

TOTAL RECOMMENDED REDUCTION..... **None**

ANALYSIS

This item provides for the third increment of a four-stage program to prepare a colored edition of the state geologic map.

As individual sheets are completed they are available for purchase by the public. When the total project is finished it is estimated the State will realize a profit. Because of existing demands on completed portions and those anticipated to be completed in the budget year it is estimated that income from sales will increase. This income is a reimbursement to the appropriation which accounts for the decrease in the request for funds for preparation of the map.

We recommend approval.

Department of Natural Resources

DIVISION OF OIL AND GAS

ITEM 194 of the Budget Bill

Budget page 457

FOR SUPPORT OF DIVISION OF OIL AND GAS FROM THE PETROLEUM AND GAS FUND

Amount requested	\$722,141
Estimated to be expended in 1958-59 Fiscal Year	700,918
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Increase (3.0 percent)	\$21,223

TOTAL RECOMMENDED REDUCTION..... **None**

GENERAL SUMMARY

The Division of Oil and Gas is a regulatory agency of State Government vested with the responsibility of supervising the drilling, operating, maintenance and abandonment of oil wells in California to prevent waste of and damage to the State's oil and gas deposits, and to aid in the protection of the underground and surface fresh water resources from pollution as a result of these activities.

Division of Oil and Gas—Continued

The support of this division is defrayed by the oil and gas producers through a charge levied on oil produced and gas produced and sold. The charge is based upon the cost of operating the division, plus an amount necessary to maintain a balance of at least \$50,000 in the Petroleum and Gas Fund. As mentioned under the comments on the Division of Administrative Services, the tabulating equipment of the department will be used for the oil and gas assessment roll. This will probably require a budgetary transfer of two positions from the Division of Oil and Gas to the Division of Administrative Services with a possibility of decreasing staff needed to record this data after refinement of the process.

In our opinion, the headquarters operation of the Division of Oil and Gas should be transferred to Sacramento for better administrative liaison and possibly some administrative savings. As mentioned in the discussion of the Division of Mines, a study should be made to determine the feasibility of combining the operations of the Division of Oil and Gas and the Division of Mines under one organizational unit within the department.

ANALYSIS

The budget proposal for the 1959-60 Fiscal Year maintains the current level of service, the only increase of note being in the equipment item. Several automobiles approved for replacement by the Division of Automotive Maintenance above the average annual replacement of such equipment accounts for this increase.

From data available it appears that activity within the oil fields has been fairly static, and no appreciable increase in activity is anticipated. The State has been divided into six areas, with branch offices in each, which have been staffed to satisfy their respective expected activity.

Another function has been assigned to the division which will be discussed subsequently. We are satisfied that the activities of the division defrayed from the Petroleum and Gas Fund justify the request for the budget year and recommend approval.

Department of Natural Resources
DIVISION OF OIL AND GAS

ITEM 195 of the Budget Bill

Budget page 457

**FOR SUPPORT OF SUBSIDENCE ABATEMENT OPERATIONS FROM
 THE SUBSIDENCE ABATEMENT FUND**

Amount requested	\$92,827
Estimated to be expended in 1958-59 Fiscal Year	89,211
 Increase (4.1 percent)	 \$3,616

TOTAL RECOMMENDED REDUCTION None

GENERAL SUMMARY

In 1958 a new function was assigned to the Division of Oil and Gas, as specified in Chapter 73, Statutes of 1958. According to the provisions of this act, the division is responsible for inspecting operating areas

Division of Oil and Gas—Continued

and recommending repressuring to abate subsidence when found necessary. Division personnel are also to encourage voluntary subsidence abatement where legally allowable. Machinery is provided in the law to set up co-operative development and unit operation of oil and gas pools, including procedures for hearings and provisions for enforcement of repressuring operations.

ANALYSIS

Since this program has just been initiated, no real workload measurements are available. Eight technical and clerical positions were authorized in the current fiscal year which are proposed for continuation in the budget year. The increase is reflected in salary savings inasmuch as it is presumed all authorized but vacant positions will be filled in the budget year.

To defray the cost of performing the duties vested in the division in the subsidence abatement program, a charge is levied on the producers over and above the normal charges directed to the Petroleum and Gas Fund. These additional charges accrue to the Subsidence Abatement Fund and the operation of the subsidence abatement program is defrayed from that fund. The Legislature, in setting up the program, authorized a transfer of \$250,000 from the Investment Fund to the Subsidence Abatement Fund on a loan basis. When the uncommitted fund balance becomes \$400,000, the \$250,000 is to be returned to the Investment Fund.

The activities of the division which are defrayed from the Petroleum and Gas Fund vary as desired and required by the industry itself, and therefore the oil and gas producers can affect the level of service directly. However, the determination of the level of activity in the subsidence abatement program is primarily the responsibility of the chief of the division depending upon the results of his continuing inspections.

The new program is one which will require careful study and implementation because of the latitude of determination allowed. However, since it is a self-defraying operation, and since workload statistics have not been formalized, we recommend approval of the budget proposed for this program subject to continuing review for the 1959-60 Fiscal Year.

**Department of Natural Resources
DIVISION OF SMALL CRAFT HARBORS**

ITEM 196 of the Budget Bill

Budget page 460

**FOR SUPPORT OF DIVISION OF SMALL CRAFT HARBORS FROM THE
SMALL CRAFT HARBOR REVOLVING FUND**

Amount requested	\$167,028
Estimated to be expended in 1958-59 Fiscal Year	143,458
Increase (16.4 percent)	\$23,570
TOTAL RECOMMENDED REDUCTION	None

Division of Small Craft Harbors—Continued
GENERAL SUMMARY

The Division of Small Craft Harbors which has been in operation since October 14, 1957, has prepared a very extensive program for the current and budget fiscal years. The projected planning of the Small Craft Harbors Commission insures accelerated activity in this field to attempt to cope with the ever increasing number of pleasure craft and their attendant problems.

At the request of the commission, the staff of the division has prepared a small craft harbor program for California which includes, and is integrated with, the plans and projected expenditures of the Federal Government through the U. S. Corps of Engineers. Any harbor development by the State on its navigable waters which is also being considered by the Federal Government in its program must be co-ordinated with the Corps because of the many facets of complete harbor development. The Federal Government will defray certain costs of constructing entrances to harbors depending upon the uses for which the harbors are being constructed. The uses are weighted as to their values to the local entity and to the Federal Government to determine the extent of the federal contribution.

In discussions with officials of the Corps we have made particular reference to the needs which the division fills in the enhancement of the small water craft facilities of the State. The Corps advised us that it does not normally construct shore facilities but confines its activity to constructing harbor entrances, main turning basins and harbor protection facilities. The State, however, can provide the funds on a loan basis to the local entity as is required for the construction of many types of shore facilities on these joint projects. The Corps requires an indication by the localities that funds are available to provide a complete and operating harbor. The State therefore is in a position through its loans not only to aid in accelerating overall harbor development on navigable waters but also to aid in reducing the elapsed time before the harbor is in a self-supporting position.

The Corps feels that the state program will tend to expedite the State's harbor development which lags far behind other states with comparable problems. The working relationship between the State and the Corps appears very good and should result in influencing congressional financial recognition to insure the completion of many planned and necessary harbor projects.

In many cases a city, county or harbor district will apply for a state loan to construct harbor facilities which could be financed in part or in whole by federal funds. The motivating reason for this approach, even though the political entity involved will be paying for such construction, appears to be the long period of time required to activate a project through federal channels and the possibility that the harbor may not qualify for federal funds after a time consuming consideration and survey by the Corps.

The requirement that local entities must repay the State for funds advanced to them for planning and development does not appear to have been a deterrent to the filing of applications. In fact, applications for loans far exceed fund availability.

Division of Small Craft Harbors—Continued

The Federal Government has allotted \$10,252,000 for 13 separate projects in California for the 1958-59 Fiscal Year. The program being submitted to Congress for the 1959-60 Fiscal Year involves \$23,338,400 to continue construction on five projects, to initiate new construction on three projects, for advanced planning on one project, and for surveys on 13 others. In addition, \$5,645,000 is being requested for maintenance on specific projects.

California estimates that it will provide funds on a loan basis to local entities in the amount of \$124,500 in the current fiscal year and \$125,000 in the budget year for preliminary planning purposes. Also the commission estimates its construction loans will be \$1,325,000 in the current fiscal year and \$4,314,000 in the budget year.

There has been a variety of fund sources for the activities of the division. The State Lands Act Fund has provided \$52,998 and the Investment Fund \$100,000 to the Small Craft Harbors Revolving Fund without a provision to reimburse either one. The Small Craft Harbors Revolving Fund received a direct transfer of \$750,000 from the Motor Vehicle Fuel Tax Fund, also without any provisions for reimbursing that fund. The Legislature authorized the use of five million dollars from the Investment Fund for construction loans, and Ballot Proposition No. 4 was ratified by the people in the 1958 General Election providing for the issuing of general obligation bonds up to 10 million dollars for the same purpose.

The money loaned to localities for preliminary planning purposes from the Small Craft Harbors Revolving Fund is to be repaid to that fund plus interest to be determined by the Controller. Construction loans at a 3 percent rate of interest from the five-million-dollar fund are to be made from and are to be repaid to the Investment Fund. Money loaned from the 10-million-dollar fund is to be repaid to retire the bonds. Neither the five-million-dollar fund nor the 10-million-dollar fund pass through the Small Craft Harbors Revolving Fund.

Legally, the commission can make construction loans from funds available for that purpose which are not administered out of the Small Craft Harbors Revolving Fund without first receiving an endorsement from the Legislature. However, as a matter of policy the commission has determined it should present its schedule of projects to the Legislature. These projects are outlined in the Governor's Budget.

The only construction project under consideration by the Small Craft Harbor Commission which requires legislative concurrence is the harbor to be constructed with state funds at Shelter Cove. The division has requested \$460,000 for the first increment of this project which is estimated will cost \$4 million to complete.

It should be pointed out that the money available for the operation of the division comes from the \$750,000 which was transferred from the Motor Vehicle Fuel Tax Fund to the Small Craft Harbors Revolving Fund. This was a one-time transfer and the money is not only used for the support of the division but it also can be used for planning loans, for construction loans and for actually constructing facilities by the State.

Division of Small Craft Harbors—Continued

The commission has indicated that it desires to build the harbor at Shelter Cove inasmuch as there is no political entity in that area with the taxing power to provide the funds necessary for constructing it and because it is felt that the harbor is needed to provide shelter for craft in that area during storms. However, the commission in recognizing that no continuing appropriation has yet been provided the division for its operations, and recognizing that the \$750,000 represents the only source of funds from which the division can legally draw to construct the harbor, has stated that this construction would be contingent upon the provision of a continuing appropriation. If the current levels of planning loans and support are maintained for the division and if no funds were expended from the Small Craft Harbors Revolving Fund for any other purpose, the amount now in the fund would defray the current level of operations and planning loans for approximately two and a half years.

ANALYSIS

The division is requesting \$167,028 for the budget year which is an increase of \$23,570 or 16.4 percent over the \$143,458 which it estimates will be the expenditure for support in the current fiscal year.

The division has an authorized complement of 16 positions, which are evenly divided between the administrative and technical services sections.

Within the technical services staff there are two teams, each consisting of a civil engineer and an engineering aid, which work with independent consultants to local political entities interested in developing their particular projects. These two teams are co-ordinated by a staff team consisting of a senior harbor engineer, an associate harbor engineer, and an assistant civil engineer. There is a drafting aid assigned to this section also that serves each of the three separate teams.

Since one team has just recently been activated, the division has not been able to completely appraise its needs for additional technical personnel. A more complete evaluation of the ability of the currently authorized positions to cope with the existing workload can be made toward the end of the budget year. Since all of the construction loan funds have been earmarked for particular projects, and in the event no further funds are made available in the near future for construction loans, it is possible that the workload for these two field teams will decrease considerably. However, at the present time it is felt that the staffing pattern of the division is justified.

The division is requesting three additional positions to provide the personnel necessary to get full benefit from the investigating teams.

The division has been unable to secure the associate economist currently authorized but it did secure an assistant statistician to provide some help in this area. The associate economist position is extended into the budget year and they will again attempt to fill it since the division feels it necessary, for the protection of state funds, to have such a person to appraise each project for its benefits as compared to

Division of Small Craft Harbors—Continued

its costs. The assistant statistician position requested as a new position has been filled and we feel that the workload for this position justifies continuing it.

Inasmuch as there is only one drafting position and one clerk position available to service the two field teams and the review team, we feel that the requested delineator position and intermediate stenographer-clerk positions are also necessary.

We, therefore, recommend approval of the division's request as submitted.

**Department of Natural Resources
DIVISION OF SOIL CONSERVATION**

ITEM 197 of the Budget Bill

Budget page 462

**FOR SUPPORT OF DIVISION OF SOIL CONSERVATION FROM THE
GENERAL FUND**

Amount requested	\$429,674
Estimated to be expended in 1958-59 Fiscal Year	391,610
Increase (9.7 percent)	\$38,064

TOTAL RECOMMENDED REDUCTION	\$102,162
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GENERAL SUMMARY

The activities of the Division of Soil Conservation since its creation in 1955 have increased considerably. Major impetus was given to this expansion as a result of including watershed planning activities within the scope of responsibilities of the division in the 1957-58 Fiscal Year.

The providing of watershed planning teams marked the division's entrance into the field of technical assistance to soil conservation districts. Previously the division's responsibilities revolved almost entirely around the formation of and expansions to districts and administrative aid to them as requested.

As of October 31, 1958, 153 districts had been formed. It appears that the addition of field men has had little effect upon the rate at which districts are formed, however, it is possible that the volume of aid now provided the districts compared to that previously given consumes the time of the soil conservationists. Demands on the time of these field men are as variable as the desires of the districts to which the men are assigned. The division should maintain careful records of the time devoted by each man on particular types of assistance so that an evaluation can be made for future administrative direction to insure maximum benefit from these personnel.

Division of Soil Conservation—Continued

ANALYSIS

Summary of Recommended Reductions

Delete one watershed planning team consisting of the following positions:

3 Associate hydraulic engineers-----	\$25,350
1 Assistant hydraulic engineer-----	6,672
1 Assistant civil engineer-----	7,376
2 Junior civil engineers-----	12,304
1 Delineator-----	5,365
1 Engineering student trainee-----	4,440
1 Senior typist clerk-----	4,296
1 Assistant research technician-----	6,360
Related operating expenses and equipment-----	30,000
Total recommended reductions-----	\$102,162

A considerable lack of information and clear interpretation of federal policy has existed with regard to the small watershed program since its inception. Neither the amount of federal funds available nor the policy with respect to planning procedures and responsibilities has been clearly set forth.

It has been stated through responsible Washington sources that the program might annually approach 100 million dollars nationwide and that California might receive from 8 to 10 million dollars of this. The amount of money forthcoming to individual states is purely a conjecture. Since California's share of the total U. S. Soil Conservation Service program approaches only 2 percent, it is difficult to see how this State could expect 10 percent of a related program.

Many of the plans submitted to Washington have been objected to there because of the basis of determining the cost-benefit data which is of prime concern in determining feasibility and applicability. Unless the federal policy is changed, some of the completed plans may be dropped.

We have been quite concerned over certain published federal policies which gave no recognition to California's method of stepping up planning within the State. Apparently this State is the only one providing state financed planning teams. Through direct correspondence with the U. S. Department of Agriculture, we have been assured that:

"Watershed work plans developed by California State planning parties will be given the same consideration by the Soil Conservation Service as plans developed by federal planning parties providing they meet the same standards and criteria."

This statement satisfied the legality of this State's approach, however SCS bulletin 26 raises one very important point. Since it has been implied in requesting additional appropriations for watershed planning that the more plans submitted by this State, the greater percentage of the total federal dollar will be forthcoming, it is felt necessary to consider the following excerpt from the subject bulletin:

"The State or Territorial Conservationist shall write the State or local contributor that acceptance of their contribution for watershed planning does not commit the SCS to increase State or Territorial allocation of funds for works of improvement beyond its

Division of Soil Conservation—Continued

share of available funds as a result of the additional work plans financed by the contributed funds.”

The U. S. Department of Agriculture has indicated to us that it cannot predict the total number of projects that it can activate. Congress will make this decision in its considerations now under way. The fact that California may submit several projects does not mean that all of these projects will be accepted. When Congress makes its decision as to the total dollar volume to be allocated, California will receive a certain percentage. If California's approved project cost total is below its allocation of funds from Congress, then all of its approved projects can be activated—if more projects than can be financed by the allocation are waiting to be activated, then some must be deferred. The Federal Government has expressed concern over this latter example inasmuch as cost adjustments and subsequent developments can alter the feasibility of the deferred projects when they are considered again for activation in subsequent years. The U. S. Department of Agriculture has stressed the importance of keeping the submission of completed project plans as close as possible to the availability of funds for activating them for this reason.

As of October 31, 1958, the commission had received 44 applications, 36 of which it accepted. Of this number it approved 17 for planning of which 14 were approved by the U. S. Soil Conservation Service. Of this number four have been approved for construction. The Federal Government has informed us that because the *approved* plans nationwide had not exceeded the number which it can initiate in the current fiscal year, all approved plans have been activated.

There are two state-supported planning teams in addition to the one federal team in California. We recommend the deletion of one of these teams for the following reasons:

1. There has been no determination of the amount of money which will be allocated to California by the Federal Government.
2. Several plans are nearing completion, which should be sufficient to absorb this State's allotment of federal funds.
3. The fact that a large number of plans are developed in California does not commit the Federal Government to appropriate sufficient funds to defray them.
4. There are certain approaches to arriving at the cost-benefit ratio practiced in California watershed planning which are not completely honored by the Federal Government. Either the approach used in California or the federal policy must be altered to validate several of California's pending projects.
5. If one state planning team is deleted, there will still be one state team and one federal team to continue planning operations. When the federal program is clarified both as to volume and as to policy, then the State will have a more firm basis upon which to determine its needs.

As noted at the beginning of this analysis, this will involve the deletion of 11 positions, which, with their related operating expenses and

Division of Soil Conservation—Continued

equipment will effect a savings to the General Fund of approximately \$102,162.

**Department of Natural Resources
DIVISION OF SOIL CONSERVATION**

ITEM 198 of the Budget Bill

Budget page 463

FOR ALLOTMENT TO SOIL CONSERVATION SERVICE FOR PLEASANTON PLANT MATERIALS CENTER FROM THE SOIL CONSERVATION DEVELOPMENT FUND

Amount requested	\$35,000
Estimated to be expended in 1958-59 Fiscal Year	35,000
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Increase	None

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

This item is to continue the co-operative agreement between the State and the U. S. Soil Conservation Service to support the operation of the Pleasanton Plant Materials Center.

New grass species are developed here primarily for conservation purposes to reduce soil erosion. New stocks are given field tests by co-operators in soil conservation districts.

As noted in previous analyses, district co-operators who receive the seed free of charge from the center for field testing are permitted to sell their seed increase at the going market price and retain their profits. We recognize that field tests are vital to the total seed development program, however, profits that accrue to the co-operators constitute a positive incentive to participate.

Although the support of this program currently comes from the Soil Conservation Development Fund which is composed of previously appropriated General Fund moneys, this fund will soon be depleted and then the support of the center will probably be proposed directly from the General Fund.

We feel that there is justification for considering the integration of this program into the field of research activities engaged in at the University of California's Davis Campus. As the faculty increases there is an automatic growth in the fund of research and service time available for appropriate projects. It would appear that the Davis campus could absorb the area and plant necessary to carry on this seed development program, and that this would be a proper research project for the university. Therefore, we feel that if a co-operative arrangement could be initiated whereby Davis could be the co-ordinator of the plant materials center physically located on its own campus, possibly with federal financial participation, this program could be carried out in the future at reduced cost to the state taxpayer.

As previously noted, not only does the State contribute to this program but it also permits individuals to profit directly from the production of the center. We feel that those realizing a direct profit should aid in the support of the center and, therefore, recommend that the

Division of Soil Conservation—Continued

Legislature initiate a system or contractual arrangement which would require district co-operators receiving seed free from the center to reimburse the center by a certain percentage of their net profit.

Specifically, we recommend that the Division of Soil Conservation collaborate with the U. S. Soil Conservation Service to devise a system of reimbursements from seed increase growers to defray as nearly as possible the operation of the Pleasanton Plant Materials Center without seriously hampering the program. We feel that such reimbursement would also be proper if it were determined that the Davis campus of the University of California could take over the co-ordination of this program.

COMMITTEE FOR THE DEVELOPMENT OF THE CALIFORNIA OUTDOOR

RECREATION PLAN

ITEM 199 of the Budget Bill

Budget page 464

FOR SUPPORT OF COMMITTEE FOR THE DEVELOPMENT OF THE CALIFORNIA OUTDOOR RECREATION PLAN FROM THE GENERAL FUND

Amount requested	\$133,838
Estimated to be expended in 1958-59 Fiscal Year	120,151
Increase (11.4 percent)	\$13,687

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This committee was established by the provisions of Chapter 2318, Statutes of 1957, to consider all aspects of outdoor recreation, both existing and projected, including such areas of study as an inventory of existing and potential recreation sites, a determination of the needs of the people in the field of recreation and a designation as to the financial support responsibility of the various levels of government.

The committee is composed of the Directors of Natural Resources (Chairman), Fish and Game, Water Resources, Recreation, Finance and Education; the Chief of the Division of Beaches and Parks and the Executive Officer of the State Lands Commission. The staff of the committee consists of 12 full-time employees employed directly by the committee plus five employees on loan from four other state agencies having a direct interest in the development of the plan.

Excellent progress has been made in securing help from organizations and agencies outside of state service as well. For instance, the U. S. Forest Service has almost completed the information required of it at an expense of approximately 5,000 man-weeks of agency donated time. This type of support and co-operation, from both the technical and advisory groups counseling the committee, has made it possible to cover a larger area than would ever have been possible within the \$300,000 anticipated appropriation.

The committee feels that it has an obligation to make an organizational recommendation with respect to existing agencies having recreational functions and also with respect to a centralized recreational unit in State Government if such is deemed necessary to properly implement

**Committee for the Development of the California Outdoor
Recreation Plan—Continued**

certain of its recommendations. Because of the exhaustive survey by this committee it is deemed inadvisable to make sweeping changes organizationally in the field of recreation until the survey is completed or until that phase of the survey has progressed to the point where its findings can be evaluated.

On the basis of funds requested, it appears that approximately \$300,000 will have been expended by the final completion and presentation date of March 1, 1960. Although the original request was to allow three years for this study, in actuality only 29 months of elapsed time will have been devoted to it, since implementation did not take effect until October of 1957 and the report is to be submitted on March 1, 1960.

It is anticipated that one of the committee's recommendation will be to continue certain aspects of this study and to broaden the scope of additional surveys to include areas not covered in the current one due to lack of time allotted. This of course must be evaluated on appraisal of the completed report.

We recommend approval of the budget as submitted.

RECREATION COMMISSION

ITEM 200 of the Budget Bill

Budget page 466

**FOR SUPPORT OF RECREATION COMMISSION FROM THE
GENERAL FUND**

Amount requested	\$109,093
Estimated to be expended in 1958-59 Fiscal Year	108,350
Increase (0.7 percent)	\$748
TOTAL RECOMMENDED REDUCTION	None

GENERAL SUMMARY

The Recreation Commission assists localities, state agencies, and private agencies by advising, surveying and reporting on recreation and recreation personnel. The commission was created in 1947 (Chapter 1239, Statutes of 1947) with the following duties:

1. The commission shall cause to be studied and shall consider the whole problem of recreation of the people of the State of California as it affects and may affect the welfare of the people and especially the children and youth.
2. The commission shall formulate, in co-operation with other state agencies, interested organizations and citizens, a comprehensive recreational policy for the State of California.
3. The commission shall, with the written approval of the Governor, establish policies for the guidance of the Director of Recreation in the performance and exercise of his powers and duties as set forth in this act.
4. The commission shall aid and encourage, but not conduct public recreation activities.

The Recreation Commission has acted predominantly as an advisory board to communities and local government. This constitutes only a portion of the overall recreation responsibilities and duties of the State

Recreation Commission—Continued

which includes such factors as water development, park development, preservation of natural resources, and education.

ANALYSIS

The Recreation Commission was established to formulate a state recreation policy. It has not done this. A list of existing programs and policy statements was compiled instead. A separate agency, the California Public Outdoor Recreation Plan Committee, has superseded this agency in the responsibility for formulation of recreation policy. (See preceding budget item.)

The current principal activities of this agency are advising local communities, taking inventory of recreation facilities statewide, and assisting the Outdoor Recreation Committee. These are staff functions. The necessity for a commission is not apparent.

We recognize the State has an interest in recreation since several programs and departments are concerned. It may be desirable to maintain a source of information for local communities which are interested in establishing a local recreation program in park and recreation districts, city or county. Since the current functions performed by the agency are staff functions and state recreation policy is not set by this agency, there is no reason for a commission. Furthermore, in an effort to consolidate state governmental organizations, such staff functions as local advice and taking inventory would be better located in the Department of Natural Resources which is the major state agency with the widest recreational responsibilities.

We recommend that the Legislature review the recreation functions performed by the State and either transfer the staff function of the Recreation Commission to the Department of Natural Resources as a bureau or section for assistance on recreation to local government or abolish the services now performed by this agency.

DEPARTMENT OF PUBLIC HEALTH

ITEM 201 of the Budget Bill

Budget page 467

FOR SUPPORT OF THE DEPARTMENT OF PUBLIC HEALTH
FROM THE GENERAL FUND

Amount requested	\$6,968,197
Estimated to be expended in 1958-59 Fiscal Year	6,408,228
Increase (8.7 percent)	\$559,969
TOTAL RECOMMENDED REDUCTION	\$269,123

GENERAL SUMMARY

The State Department of Public Health, in co-operation with local health departments, is responsible for the prevention of disease and the provision of a healthful environment for the people of California. The department provides consultative services to local health departments in the fields of maternal and child health, tuberculosis, public health nursing, medical social service, nutrition, vector control and dental health. It maintains a registry of births, deaths, and marriages, and compiles statistics on the general health of California's population.