

Item 171

Motor Vehicles

Military Department—Continued

the furniture may be shipped to Oakland for use by the Commanding General of the 49th Infantry Division, CNG.

We recommend that the Department of Finance withhold approval of expenditure of these funds for this noncritical purpose.

Summary

In summary, we recommend a total reduction of \$126,640 from this department's support budget and recommend that Item 169 be approved in the reduced amount of \$2,726,558 and that Item 170 be approved in the amount requested.

DEPARTMENT OF MOTOR VEHICLES

ITEM 171 of the Budget Bill

Budget page 453

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

Amount requested	\$26,826,632
State employees' retirement	1,967,112
State employees' health and welfare	298,698
Total	\$29,092,442
Estimated to be expended in 1961-62 fiscal year	27,640,476
Increase (5.1 percent)	\$1,451,966

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

The budget request, including contributions to employees' retirement and health and welfare, for the fiscal year 1962-63 shows an increase of \$1,451,966 over the amount of \$27,640,476 estimated to be expended in the 1961-62 fiscal year.

The Department of Motor Vehicles receives its support from the Motor Vehicle Fund, Motor Vehicle License Fee Fund and the General Fund. Each of these funds appear as a separate item in the budget bill. For comparison of expenditures in the current fiscal year and the budget request for 1962-63 the following table shows the total of all three funds:

	<i>Estimated 1961-62</i>	<i>Proposed 1962-63</i>	<i>Change from 1961-62</i>
Support (Motor Vehicle Fund)	\$27,640,476	\$29,092,442	+\$1,451,966
Support (Motor Vehicle License Fee Fund)	4,304,651	4,901,550	+596,899
Support (General Fund)	174,859	18,000	—156,859
Total	\$32,119,986	\$34,011,992	\$1,892,006
Personnel man-years	4,885.1	4,978.3	93.2

The above increase of \$1,892,006 is due to the following summary of major increases and decreases:

Motor Vehicles

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Department of Motor Vehicles—Continued

Administration		
Explanation	Number of positions	Amount
Net decrease in printing cost of Vehicle Codes and Summaries -----	--	—\$38,910
Registration		
Transfer of small boat registration function to Department of Parks and Recreation (Support, \$153,994 and revenue refund, \$2,865) -----	—29.1	—156,859
Second year of wrecker program started in 1961-62 fiscal year (Chapter 1640, Statutes 1961) -----	+4.1	+13,117
Second year budget of electronic data processing computed (\$75,000 budgeted in current year) -----	+17.9	+132,523
Elimination of seven positions in Automation Section due to change in procedure -----	—7.0	—31,410
Net decrease in rental of tabulating equipment. Majority of reduction due to purchase of some I.B.M. equipment. Allowance of \$82,430 made for added cost due to issuance of 1962 plates -----	--	—61,038
Decrease in license plates and tabs allotment after allowing \$30,000 for 1963 license plates. (Tabs and plates from July to January 1963) -----	--	—419,500
Driver Licenses		
Second year of negligent operator warning letter program re-activated in 1961-62 fiscal year. 4.6 positions established in current year -----	--	+9,651
Termination of ten limited term positions in Division of Driver Licenses -----	—10.0	—35,262
Net reduction in amount budgeted for photographs on drivers' licenses due to change in contractors. The new contractor could not start his operation when other contract terminated due to court litigation -----	--	—75,927*
* This amount should be an increase. At the time the budget was prepared the department did not know what the costs in the current year would be due to the execution of a new contract. Due to court litigation which resulted in a delay in processing photographs on drivers' licenses, the estimated expenditures for the current year will be less than anticipated.		
Field Offices		
Establishment of new office in Fontana -----	+3.5	+34,535
Decrease in expense of moving employees for Division of Field Office Operations -----	--	—23,000
Land and Buildings		
Alterations to Sacramento Headquarters Office Building No. 1. (A portion of the present building to be altered for use of another agency) -----	--	+\$34,000

Department of Motor Vehicles—Continued

Major Changes Which Are Reflected in Various Divisions

<i>Explanation</i>	<i>Number of positions</i>	<i>Amount</i>
Merit salary increase.....	--	+569,858
Cost related to new Sacramento Headquarters Building No. 2. (430,000 shown in Land and Building Division).....	+10.0	+742,328
Cost of issuing 1963 license plates.....	+103.8	+904,257
Increase cost of contribution to State Employees' Retirement Fund.....	--	+72,738
Increase cost of contribution for State Employees' Health and Welfare Program.....	--	+152,165
Net increase for other printing, increases in workload, costs not related to new programs.....	--	+38,568
Increase cost of pro rata general administrative charges.....	--	+30,085
Increase cost of postage due to uncontrollable workload increase. Increase not related to new programs.....	--	+42,105
Net decrease in equipment allotment after allowing for move to new building, issuance of 1963 license plates, and establishment of Fontana office.....	--	-75,286
Decrease in estimated reimbursements.....	--	+11,070
Net decrease in estimated salary savings after allowing for boat registration program.....	--	+9,160
Miscellaneous net increase reflected in Lease Schedule, Repairs and Alterations Schedule, and others.....	--	+13,038
Totals	+93.2	<u>+1,892,006</u>

The move to the new building will occur sometime in the 1962-63 fiscal year. Major items of expense contained in the total amount of \$742,328 listed in our summary of major increases and decreases as cost related to new Sacramento headquarters building No. 2 are as follows:

<i>One time cost</i>	<i>Amount</i>
Moving expense	\$75,000
Maintenance tools	51,000
Replacement of wooden files	153,400
Additional files	79,760
<i>Continuing costs</i>	
Electricity, fuel and water	68,920
Elevator maintenance	11,186
Garbage service and other supplies	25,000
Salaries and wages for maintenance crews, building engineers, electrician, plumber, painter, janitors, policeman and groundsmen ..	248,074

The amount of \$904,000 in our summary of major increases and decreases is related to estimated costs of issuing new license plates and is composed of the following increases in major items of expenditure:

Temporary help (salaries and wages)	\$418,248
Postage (mailing of plates instead of tabs is more costly)	258,145
Freight, cartage and express (shipments from Folsom to field offices and headquarters)	41,779
Rent—additional tabulating equipment	82,430
Printing (additional I.B.M. cards to create new decks because of license number change and other forms)	68,635
License plates (additional license plates not manufactured in prior fiscal years)	30,000

Department of Motor Vehicles—Continued

The increase of \$418,248 in budgeted temporary help is due to the additional activities that occur during a plate-change year:

1. Distribution of plates to banks in Los Angeles, San Diego, San Francisco and Sacramento.
2. Verification of plates in envelopes.
3. Checking of mismatched plates.
4. Opening of boxes.
5. Postal handling.
6. Limited storage in field offices creates need for more frequent supply.
7. Verification of plates stamped in error and adjustment of errors on certificates of registration.
8. Increase in postings for inventory control.
9. Establishment of new files.

The increase of \$132,523 in our summary of major increases and decreases for the electronic data processing system which is scheduled to start functioning in the mid part of 1963 provides for 17.9 positions to be trained in the programming, writing procedures and operation of the equipment. This amount in addition to salaries covers traveling expense to Palo Alto and per diem. Seventy-five thousand dollars is scheduled for expenditure in the current budget for these purposes.

Electronic Data Processing System

The department has made a decision to change the present mechanized system (electric accounting machine system) to an electronic data processing system. A selection of equipment has been made by the department. The reasons for these decisions and the cost factors are being reviewed by the Organization and Cost Control Division of the Department of Finance which will render a final decision.

We agree with the decision to change from the present system to an electronic data processing system but believe further review and clarification of supporting justification is required.

A technical committee determined the feasibility of an electronic data processing system and an automatic data electronic programming team prepared bid request, received proposals and prepared a report making recommendations to the director of the department.

We have reviewed the committee's report, the working papers and the proposals of the vendors which the committee felt were in contention to do the job required by the department. As a result of our studies, we believe that the following factors should be carefully considered by the Department of Motor Vehicles and the Division of Organization and Cost Control before a final decision is made.

1. The bench mark contained in the bid request included accounting and inquiry, on which the proposals were made and the bench mark contained in the report of the committee is the same. The bench mark used by the department to make its decision as to type of equipment is for accounting functions only and further study by the department of the inquiry function will be made at a later date. Is it possible to re-

Department of Motor Vehicles—Continued

evaluate all proposals submitted in light of new bench marks or should new proposals be requested? Has the need for a larger computer system for accounting only been fully established?

2. Twenty-two months have elapsed since the bid requests were sent to the vendors. During this time new equipment has been developed and should be considered for performance and cost. Timing should not be a factor as we have been informed that the present installation could process approximately ten million renewals and new registrations without any significant delays. At present it is estimated that 9,548,000 vehicles will be registered in 1962-63. This is an increase of 384,000 over the current fiscal year.

3. Savings of the electronic data processing system selected are estimated in the millions over a 10-year period. Are these savings realistic and have all elements of cost been included? Has programming, for accounting only, required by the equipment offered by the various companies been compared with the system selected?

The Department of Motor Vehicles has operated for the past two fiscal years without adding any new positions with the exception of 4.1 positions to carry out the provisions of the new wrecker law (Chapter 1640, Statutes of 1961), 10 positions to man the teletype system on a 24-hour basis in the new building, four positions to handle information requests which are financed by reimbursements and 4.6 positions established in the current year to reactivate the warning letter program which was discontinued due to lack of personnel. Positions are requested for the new electronic data processing system. Other proposed new positions are for workload increases due to the license plate year and will be discontinued prior to the end of the 1962-63 fiscal year. The department is to be commended for carrying out its functions without additional personnel when workloads were increasing. The following shows workload increases in the major functions:

	Actual 1960-61	Estimated 1961-62	Estimated 1962-63	Increase 1962-63 over 1961-62	
Registrations-----	8,864,000	9,164,000	9,548,000	384,000	4.2%
Drivers' licenses--	3,092,802	2,384,000	2,384,000	443,300	18.6%

We recommend the item be approved as budgeted.

DEPARTMENT OF MOTOR VEHICLES

ITEM 172 of the Budget Bill

Budget page 461

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

Amount requested	\$4,901,550
Estimated to be expended in 1961-62 fiscal year	4,304,651
Increase (13.9 percent)	\$596,899

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

This amount of money is requested in accordance with Section 11003 of the Revenue and Taxation Code to reimburse the Motor Vehicle Fund

Motor Vehicles**Items 173-174****Department of Motor Vehicles—Continued**

for expenses incurred by the department and paid from the Motor Vehicle fees for the administration of the Motor Vehicle License Fee Act.

We recommend approval of this item as budgeted.

DEPARTMENT OF MOTOR VEHICLES**ITEM 173 of the Budget Bill****Budget page 453****FOR ADDITIONAL SUPPORT OF THE DEPARTMENT OF MOTOR VEHICLES FROM THE GENERAL FUND**

Amount requested	\$18,000
Estimated to be expended in 1961-62 fiscal year	174,859
Decrease (89.7 percent)	\$156,859

TOTAL RECOMMENDED REDUCTION **None**

ANALYSIS

The decrease in this item is due to the transfer of the function of registering small boats from this department to the Division of Small Craft Harbors, Department of Parks and Recreation, effective July 1, 1962. The \$18,000 requested for the 1962-63 fiscal year is requested to cover expenses incurred by the Department of Motor Vehicles to furnish information from its files to the Department of Justice. This information assists the counties in locating fathers who do not support their families. The Attorney General receives the initial requests for information from the district attorneys of the various counties. The information obtained from the Department of Motor Vehicles and the information gathered from the files of the Bureau of Criminal Investigation and Identification is forwarded to the various district attorneys to aid in their search for missing fathers.

We recommend approval of this item as budgeted.

Department of Motor Vehicles
DEFICIENCY PAYMENTS

ITEM 174 of the Budget Bill**FOR PAYMENTS OF DEFICIENCIES IN APPROPRIATIONS FOR THE DEPARTMENT OF MOTOR VEHICLES FROM THE MOTOR VEHICLE FUND**

Amount requested	\$350,000
Amount allocated to date for 1961-62 fiscal year	None

TOTAL RECOMMENDED REDUCTION **None**

ANALYSIS

This annual appropriation was first established by the Legislature in the Budget Act of 1948 as this agency is specifically prohibited by statute from creating deficiency expenditures as authorized under Section 11006 of the Government Code, and in addition, as it is a special fund agency, it does not have access to the Emergency Fund for contingent expenses.

Deficiency Payments—Continued

We believe that the Department of Motor Vehicles, due to its complicated responsibilities, the nature of its operations, and the amount of its total annual expenditures, needs such a contingency reserve to meet unanticipated emergencies.

No money is anticipated to be expended in the current year. If the postage rates are increased by Congress the amount requested may not be sufficient to cover this increase. The department is now making a study which will be completed sometime in March to determine the amount necessary. If the study shows more money is needed, a supplementary request will be made before final enactment of the Budget Act.

We recommend approval of this item as budgeted.

DEPARTMENT OF CONSERVATION

ITEM 175 of the Budget Bill

Budget page 463

FOR SUPPORT OF DEPARTMENT OF CONSERVATION
FROM THE GENERAL FUND

Amount requested	\$21,118,611
State employees' retirement	1,361,869
State employees' health and welfare	135,324
Total	\$22,615,804
Estimated to be expended in 1961-62 fiscal year	20,479,687
Increase (10.4 percent)	\$2,136,117

TOTAL RECOMMENDED REDUCTION

None

ANALYSIS

Chapter 2037, Statutes of 1961, abolished the old Department of Natural Resources and created the new Department of Conservation including, for purposes of this budget request, the Divisions of Administrative Services, Forestry, Mines and Geology and Soil Conservation. In addition, the support of the Pleasanton Plant Materials Center, shown as a separate line item in previous years, is included in the support budget for the Department of Conservation.

The budget request for this department is \$22,615,804 which is \$2,136,117 or 10.4 percent more than is anticipated will be expended during the present fiscal year. Each of the four divisions and the Plant Materials Center item are discussed separately.

DIVISION OF ADMINISTRATIVE SERVICES

The budget requests \$438,872 which is \$22,942, or 4.9 percent, more than is anticipated will be expended during the 1961-62 fiscal year. The current year costs are for less than a full year.

This division is intended to provide executive and administrative services to the Department of Conservation, by performing personnel, accounting, general office and organizational functions for that department. This will include budget preparation and procedural analysis.

Following the reorganization of the old Natural Resources department under provisions of Chapter 2037, Statutes of 1961, the Division of Administrative Services to the Department of Natural Resources was

Division of Administrative Services—Continued

split in order to allow both of the two new departments, Parks and Recreation and Conservation, to have their own divisions of administrative services. The 76.4 positions are accounted for by a transfer of 13 positions from the Division of Forestry, the residue remaining after transfer out of 34 positions to the Department of Parks and Recreation, and other intra-agency adjustments of positions.

Operating and equipment expenses reflect a downward trend after initial organizational expenditures. As required by the enabling statute, no increase in the overall cost of administration was permitted. The increase over the 1961-62 fiscal year expenditures is a result of shifts in reimbursements from the Department of Conservation's Division of Administrative Services over to the Division of Administration in the Department of Parks and Recreation.

By July 1, 1962, the reorganization is expected to be completed and each agency will, by then, have its own administrative services.

DIVISION OF FORESTRY**ANALYSIS**

The budget requests \$19,300,800 which is \$664,188, or 3.6 percent, more than is anticipated will be expended during fiscal year 1961-62. There are 40.1 new positions requested. A new fire station located at Lucerne in San Bernardino County accounts for 4.6 new positions to staff this facility with foreman, firetruck driver and fire fighters. In the budget year, the Division of Forestry, in conjunction with the Department of Corrections, will open three new conservation camps. Two of the camps will be at 80-man strength at Konocti in Lake County and at Mono-Inyo in Inyo County, and one camp will be at 100-men strength located at Antelope in Lassen County. The Division is requesting 36 new positions to staff these facilities. Completion of the new district headquarters office at Monterey accounts for a full janitorial position and a half-time grounds-keeper position.

The Lucerne fire station staffing is in accord with staffing criteria in the 1960 Fire Plan of the Division of Forestry. The addition of the 36 positions at the new conservation camps is also in accord with past staffing experience with this type of facility. At the District V headquarters office at Monterey, the requested 1.5 new janitorial and ground-keeper positions appear justified in view of the fact that this unit's previous quarters were in an office building where these services were either provided as part of the rental or unnecessary. The new facility is a separate building surrounded by open grounds.

GENERAL SUMMARY

The Division of Forestry is charged with the overall management of the State's forestry program. The Division is divided into an administrative section, a section dealing with forest protection—district headquarters, a section concerned with forest protection—field services, a conservation camp program unit and a section dealing with agricultural fire protection.

Division of Forestry—Continued

The Division as a whole has specific responsibilities in addition to the general forestry management function. Among the specific responsibilities are enforcement of the Forest Practices Act, co-ordination of all fire suppression organizations within the State, and the service forestry program.

The primary responsibility of the Division of Forestry is protection of wild land areas from fire. The State Board of Forestry, composed of seven members appointed by the Governor representing the several commercial timber industries within the State and the public at large, is charged with classifying the lands of the State to determine the actual areas for which the State must assume the fire protection responsibility. At present the Division of Forestry is responsible for 29.8 million acres of combined timber, brush and agricultural lands.

In addition to the above duties, the Division operates a conservation camp program through which benefits accrue to the State through availability of relatively inexpensive fire suppression help and general conservation improvements. After getting off to a rather troubled start in the early 1940's, this program has proved to be of great benefit to the people of California.

Under terms of the federal Clark-McNary Act, the State will receive \$1,198,200 for fire protection on timberlands and primary watershed areas. This money is allotted to the states on the basis of the state's development of a fire protection organization for which a portion of the costs may be borne by the federal government. This amount has remained static for the past two years.

Additional duties of the Division of Forestry include range and grassland management, production of nursery stock for public planting and several related projects in cooperation with the federal government which are discussed separately under individual items at another place in the analysis.

Equipment Expenditures

Division-wide, the expenditure for equipment increased about \$35,000. Of this amount, approximately 85.9 percent of the expenditure is accounted for by replacement of motor vehicles—primarily fire trucks—which have reached retirement age through either the time or mileage requirement. The completion of the new facility at Lucerne in San Bernardino County accounts for approximately \$18,000 in a fire truck and appurtenances, while the three new conservation camps will require additional transport in order to fully realize the camp's manpower potential.

Air Attack Program

The 1961 fire season was one of the worst in the last ten years. A total of 2,483 fires were reported in areas falling under the California Division of Forestry's responsibility. This represents a 23 percent increase over the five-year average. These fires burned approximately 305,000 acres which represents an increase of 208 percent over the five-year average. At the same time about 245 structures were lost.

Five persons lost their lives in all of these fires including two pilots of air tankers who crashed during operations. The figures show a 621

Division of Forestry—Continued

percent overall increase in damage. Division of Forestry officials state that while 262 of the nearly 2,500 fires occurring during the 1961 summer season were lightning caused, some 315 fires were known to be the work of incendiaries.

The Labor Day weekend was one of the worst periods of the 1961 fire season. Districts I, II, and III were hardest hit with 170 fires reported in the three-day weekend, 30 of which grew to 1,000 acres or more and 8 of which reached campaign fire dimensions. Napa County reported 21 fires in one day, while Butte County reported 18 fires the same day. The August 18 Harlow fire which burned over 42,000 acres left two dead and was the work of an incendiary, according to the Division of Forestry. On September 2 the Russian River fire near Guerneville, again believed the work of an incendiary, burned 6,000 acres.

In many cases during this past and recent summers, the loss of structures in growing suburban communities has grown and will doubtless continue to grow. The disastrous Topanga Canyon fire in Los Angeles County dramatically emphasized the destructive capacity of the wildland fire.

One reaction to this widespread and increasing destruction has been a general acclaim of the aerial tanker as a cure-all and preventive. This acclaim grew from press, television and radio accounts of this new tool and because the airplane, as used in fire-control work, has an immediate visual impact. One can observe a clear cut cause and effect as the airplane swoops in, drops the slurry with great dash and vigor and flies away, leaving a smoldering area of crushed brush behind.

But, as air forces the world over have long since learned, there is considerably more to mounting an air attack of any kind than merely delivering a given quantity of materials to a general target area. In the matter of air attack on wildland fires, there is no scientifically demonstrable evidence to prove that air attack is either a panacea for wildland fires or even a very efficient auxiliary tool in the firefighting business.

The airplane in fire fighting is limited to full daylight hours for safety of operations. During the low-visibility hours of dawn and dusk the airplane is dangerous to itself and all other traffic. It must be pointed out that on numerous occasions during the fire season months major fires have taken some of their most damaging runs at night. The Harlow fire in August, 1961, is a case in point.

Smoke, haze, high winds and excessively turbulent air conditions frequently associated with wildland fires, are also factors severely limiting the operation of aerial tankers.

These factors limit the effectiveness of the aerial tanker on the scene of the fire because of the frequency of their occurrence. Logistical problems exist which have the effect of minimizing the other problems with the tankers. To realize full effectiveness, the tanker must operate within a relatively short radius of his home or refueling, reloading base. Complete mixing and pressure loading facilities for the slurry must be available at such bases, in addition to aircraft servicing facilities and

Division of Forestry—Continued

sufficiently long and hard runways to allow operation of these heavily loaded airplanes.

There is no denying the effectiveness of the aerial tanker under conditions which allow for its optimum operation. For remote fires, frequently of lightning origin, the airplane is valuable for conducting a holding action against the arrival of ground forces. In certain terrain, notably steep slopes with rocky outcroppings which are difficult for personnel and equipment to penetrate, the airplane is effective for spot fire control. Under another set of conditions, the air tanker may succeed in holding a ridge line by pretreating the areas before the head of the fires reaches the crest.

But no one can make the categorical statement that aircraft alone can hold a major fire line after a severe breakout. As of this writing, there is no known method of stopping a fire under these conditions.

Dive bombing techniques are among the most difficult to master and require a level of skill and timing possessed by relatively few airmen. All too often whole loads are dropped uselessly either beyond the fire area or into the very center of the conflagration, negating their effectiveness.

The disadvantages of the use of aerial tankers and the tactical and logistical problems attending application of this new tool are not nearly so important, in our opinion, as the commitment that the Division of Forestry appears to be making to one solution among the possibility of many solutions to a major problem.

The aircraft in current use as aerial tankers are, for the most part, surplus from the Second World War. At minimum, the aircraft are 12 to 15 years old, and are performing a task for which many of them were never designed or intended originally. Soon this type of surplus aircraft will no longer be available. It is this factor, among many others, which causes us concern over the Division of Forestry's entry into the air attack program. The program appears to be building on a diminishing resource. Modern civilian replacement aircraft of the type necessary for this job will cost approximately \$30,000 apiece at minimum and possibly much more. This represents the smallest type now used. For larger types there are now no civilian counterparts available. To the best of our knowledge they are not even under design. We feel that to enter now into expanded program of aerial attack on wildland fires will have the effect of committing the State to a tremendously expensive test program which may or may not be supplanted by tools and techniques either now under experiment or in the foreseeable future.

The division spent approximately \$520,488 on the air attack program during the 1961 fire season. Of this amount, \$267,470 was actually budgeted for, and the remaining amount drawn from emergency funds. This expenditure of money appears to us to be highly questionable in the light of results achieved.

On various occasions during the summer of 1961, representatives of this office visited fire sites for the sole purpose of viewing air attack operations. On one occasion a combination of U. S. Forest Service

Division of Forestry—Continued

and Division of Forestry aircraft squadron, totalling some 14 aircraft, was observed in an uncoordinated and frenzied aerial circus from which all parties emerged unscathed only by extreme good fortune. On another occasion, B-17 and twin-Beech type aircraft, in addition to the Grumman TBM type aircraft, joined in an expensive and futile aerial attack upon fire which was being pushed along by winds with a force of 35 miles per hour and better.

It is observation of incidents such as those described above which leads this office to believe that any aerial attack program could only be considered to be in very early stages of development and by no means ready for expansion. It is for this reason that we recommend that the current aerial attack program be held to no more than past year levels and that every effort be made within the Division of Forestry to discern all facets of the air operations, both pro and con, with a view to evaluating this program against other solutions to the wildland fire problem.

DIVISION OF MINES AND GEOLOGY

The \$887,287 requested by the division will serve to continue the same level of services presently offered. The figure quoted represents a 2.3 percent increase over the 1961-62 estimate of expenditures. No new positions are added. The largest adjustments occur in salary and wage increases and land and building rent. The latter reflects changes in office space accommodations made necessary through expansion of host agency operations in Redding and Sacramento.

All operations of this division are now funded directly from the General Fund as opposed to previous year operations, funded in part from the State Lands Act Fund, which was absorbed by the General Fund as a result of 1961 legislative action.

DIVISION OF SOIL CONSERVATION

The budget contemplates an expenditure of \$490,491 which is \$9,809, or 2.0 percent, more than is estimated to be expended during the 1961-62 fiscal year. The current year level of service will be continued, and no new positions are contemplated.

The \$9,809 increase is entirely for merit salary adjustments within the technician-clerk, soil conservationist and engineering positions. There is a \$1,435 decrease in operating expenses occasioned by economies in printing, in-state traveling, motor vehicle operation and contracted consulting services.

This division is charged with the responsibility of administering the State's soil conservation program including providing assistance to soil users wishing to organize soil conservation districts. The division also co-operates with the federal government in the administration of the Small Watershed Planning Program, commonly known as Public Law 566 (the Federal Watershed Protection and Flood Prevention Program).

Soil conservation districts normally assign program costs to the individual farmer benefiting from the effects of the projects. In some cases, members of the district will share costs on projects offering wide

Division of Soil Conservation—Continued

area benefits either by subscription or imposition of a tax limited in any one year to no more than two cents on each \$100 assessed valuation of land alone, exclusive of improvements or mineral rights.

Soil conservation districts may also be the recipients of equipment on a loan or grant basis both from the U.S. Soil Conservation Office, Department of Agriculture and from California under provisions of Chapter 1032, Statutes of 1949, which set up the Soil Conservation Equipment Revolving Fund with which the Soil Conservation Commission may purchase, rent and sell equipment and machinery to established soil conservation districts. In 1949, \$1 million was appropriated for this purpose but in 1958 \$400,000 of this was returned to the General Fund as the full amount was no longer required for continuation of the program. Current year expenditures from this fund are estimated at \$28,438, up \$231, or 0.8 percent, from the 1961-62 level.

Another grant program, designed to furnish moneys to soil conservation district, counties and other conservation agencies is discussed in another place in this analysis as a local allocation.

Pleasanton Plant Materials Center

This budget requests \$32,230 which is \$1,000, or 3.0 percent, less than is estimated will be expended during the 1961-62 fiscal year.

The Pleasanton Plant Materials Center, located in Alameda County, is operated by the U. S. Department of Agriculture and is jointly funded by the federal government and California. Its primary function is development and distribution of grass seed for soil conservation purposes.

The center was established in 1939 and operates its main nursery facilities at Pleasanton in addition to outlying nursery plots at Sunol, King City, Butte Valley and Los Banos. The Pleasanton center screens indigenous and exotic grasses to isolate those types which offer the greatest soil holding and other related characteristics for the many environments and soil conditions found within the State. Such seed is tested, both under nursery and actual field conditions, before being made available for distribution to soil conservation district co-operators. The center also maintains inventories of seed stocks.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF OIL AND GAS**

ITEM 176 of the Budget Bill

Budget page 473

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

Amount requested	\$771,372
State employees' retirement	47,623
State employees' health and welfare	4,916

Total	\$823,911
Estimated to be expended in 1961-62 fiscal year	822,641

Increase (0.2 percent)	\$1,270
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TOTAL RECOMMENDED REDUCTION	None
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Division of Oil and Gas—Continued

ANALYSIS

This phase of the division's budget provides for general operations. This budget contains a net salaries and wages increase of \$7,448 representing merit increases, and a net decrease in operating expenses amounting to \$5,634. Other revisions in the schedules include the new Health and Welfare expenditures and a half-time stenographic position which accounts for the \$1,270, or 0.2 percent, increase.

The activities of this division are entirely supported from special assessments levied against oil and gas producers.

The half-time intermediate stenographer position, located at the Woodland District Six field office, is currently being filled with temporary help. The job involves public counter work, mail handling and preparation of the monthly gas report which summarizes gas production by field each month. Because of development of new gas fields within the District Six area, the workload of this office has increased approximately 25 percent per year over the past two years.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF OIL AND GAS**

ITEM 177 of the Budget Bill

Budget page 474

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

Amount requested	\$86,582
Contribution to State Employees' Retirement System	4,798
State employees' health and welfare	392

Total	\$91,772
Estimated to be expended in 1961-62 fiscal year	89,540

Increase (2.5 percent)	2,232
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This budget represents a continuation of the present level of services. Salary increases in the net amount of \$1,604 plus operating expenses amounting to \$282 and increased retirement and health and welfare costs account for the 2.5 percent or \$2,232 net Subsidence Abatement budget increase.

This activity is entirely supported by special assessments on oil and gas producers.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF FORESTRY**

ITEM 178 of the Budget Bill

Budget page 477

**FOR SUPPORT OF WATERSHED PROTECTION BY CO-OPERATING
COUNTIES FROM THE GENERAL FUND**

Amount requested	\$1,378,904
Estimated to be expended in 1961-62 fiscal year	1,446,971
Decrease (4.7 percent)	\$68,067

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

The budget requests \$1,378,904 which is \$68,067, or 4.7 percent, less than is anticipated will be expended during the current fiscal year. With the withdrawal of San Mateo County from this program during the 1960-61 fiscal year—that is with the assumption by the Division of Forestry of the fire protection function within this county—only 5 counties will participate in the watershed protection program during the budget year.

Certain counties exercise their right to conduct fire suppression programs themselves rather than avail themselves of the State's suppression organization. In this case, the State subvenes the county's program.

The same level of protection is anticipated in each of the five counties remaining within the program. Payment by the State to the participating county is computed on state costs for the same level of protection of similar lands elsewhere.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF FORESTRY**

ITEM 179 of the Budget Bill

Budget page 477

**FOR SUPPORT OF PRIVATE LAND PROTECTION BY UNITED STATES
FOREST SERVICE FROM THE GENERAL FUND**

Amount requested	\$1,178,249
Estimated to be expended in 1961-62 fiscal year	1,178,249
Increase	None

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

The budget requests \$1,178,249, which represents no change from the amount to be spent during fiscal 1961-62.

As a matter of convenience, the Public Resources Code permits the Division of Forestry to enter into reciprocal agreements with the United States Forest Service for that agency's protection of certain lands lying within and immediately adjacent to national forest lands, offset by the State's protection of certain federal lands more accessible to State fire protection units.

The United States Forest Service presently protects approximately 4,778,800 acres of California lands under the current agreement.

Conservation**Items 180-181****Division of Forestry—Continued**

Administrative withdrawals for overhead are 9 percent, or \$106,042, in the form of administrative charges by the United States Forest Service and \$11,600 is withheld for support of a co-ordinating position by the Division of Forestry, leaving \$1,060,607 available for meeting protection costs. State payments are computed in relation to the State's experience with protection of similar type lands.

We recommend approval of this item as submitted.

Department of Conservation**DIVISION OF FORESTRY****ITEM 180 of the Budget Bill****Budget page 477****FOR SUPPORT OF WHITE PINE BLISTER RUST CONTROL
FROM THE GENERAL FUND**

Amount requested	\$80,000
Estimated to be expended in 1961-62 fiscal year	80,000

Increase	None
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

The budget request of \$80,000 for control of white pine blister rust reflects no change from the expenditures anticipated during the 1961-62 fiscal year. The same level of services is to be maintained.

This program consists of state participation with both the federal government and private landowners in an effort to eradicate the host plant, the currant or gooseberry bush, which has the effect of diminishing blister rust incidence. The program has been conducted for many years and involves chemical retardation or actual removal of the host plant, thereby removing a main link in the blister rust cycle.

In response to a recommendation from this office to reduce this item from a previous high of \$94,866, the Legislature during the 1961 Session reduced the funds for this function to its present level.

At present the Blister Rust Control program has progressed to a point where it is conducted on a maintenance basis, with minimum addition of new areas being treated. The program is in all cases restricted to areas of sugar pine production.

We recommend approval of this item as budgeted.

Department of Conservation**DIVISION OF FORESTRY****ITEM 181 of the Budget Bill****Budget page 477****FOR SUPPORT OF EMERGENCY FIRE SUPPRESSION AND
DETECTION FROM THE GENERAL FUND**

Amount requested	\$320,000
Estimated to be expended in 1961-62 fiscal year	2,000,000

Decrease (84.0 percent)	\$1,680,000
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TOTAL RECOMMENDED REDUCTION	None
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Division of Forestry—Continued

ANALYSIS

The budget requests \$320,000 which represents a \$1,680,000, or 84 percent decrease below estimated 1961-62 expenditures.

This fund is intended to meet emergency situations developing from extraordinarily severe fire seasons. Money in this fund is intended to supplement the regular support budget and cannot be pin-pointed in advance because of the highly variable factors which influence these expenditures.

Items funded from this source include salaries and wages for temporary help, housing, operating expenses and supplies, motor vehicle operation, equipment rental and contract or pick-up labor.

The expenditures from this fund during 1961-62 were far above average, although substantial expenditures have been made from this fund in all recent years. An earlier statement by the Division of Forestry indicating a gradual reduction of expenditures from this fund to accompany implementation of the 1956 Fire Plan have, as yet, not been borne out.

Should present drought conditions continue, there is no reason to expect that recent year high withdrawals from this fund will decrease.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF FORESTRY**

ITEM 182 of the Budget Bill

Budget page 478

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

Amount requested	\$20,000
Estimated to be expended in 1961-62 fiscal year	20,000

Increase	None
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TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

The budget requests \$20,000 which is the same amount budgeted for the current year for this program. No changes in the program level and scope are anticipated. The same three project areas funded during fiscal 1961-62 will receive attention under the proposed budget. In addition, a \$6,700 potential project fund is included to control new areas of infestation as they break out.

Under provisions of Section 4455 of the Public Resources Code, the Division of Forestry is authorized to enter into agreements with both the federal government and private landholders, whereby the State may subvene a forest insect project up to 50 percent of project costs when such projects lie entirely on state-owned or privately-owned land. In the case of federal lands, the federal government will put up 50 percent, the State 25 percent, and private landholders 25 percent of the total project costs.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF FORESTRY**

ITEM 183 of the Budget Bill

Budget page 478

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

Amount requested	\$110,581
Estimated to be expended in 1961-62 fiscal year	110,581
Increase	None
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

The budget requests \$110,581 which is the same amount as is anticipated will be expended during the 1961-62 fiscal year. Of this amount, \$89,976 will go to the United States Department of Agriculture, Pacific Southwest Forest and Range Experiment Station at Berkeley, \$11,314 to the Department of Agronomy of the University of California at Davis, and \$9,291 to the Department of Soil and Plant Nutrition of the University of California at Berkeley.

At present three governmental agencies are engaged in mapping wild land vegetation and soils within the State. The U. S. Forest Service, the U. S. Soil Conservation Service, and the Division of Forestry through this budget are all engaged in mapping various portions of the State. The mapping of all national forest lands is the responsibility of the U. S. Forest Service, while those lands within formal soil conservation districts are being mapped by the Soil Conservation Service. The Division of Forestry is mapping those lands which fall in neither of the above-mentioned categories. A complete inventory of land types will be extremely valuable in development of land use programs.

The State has been engaged in this program since 1947. A re-evaluation of the long range requirement of the program in 1953 estimated a ten-year completion date. In 1958 the Division of Forestry again re-estimated the completion date, which is now set at approximately 20 to 30 years. Total costs for the mapping project may exceed three million dollars.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF FORESTRY**

ITEM 184 of the Budget Bill

Budget page 478

**FOR SUPPORT OF WATERSHED RESEARCH
FROM THE GENERAL FUND**

Amount requested	\$23,472
Estimated to be expended in 1961-62 fiscal year	23,472
Increase	None
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

The budget requests \$23,472 which represents no change from the anticipated expenditures during the 1961-62 fiscal year.

Division of Forestry—Continued

This budget is intended for the State's share of the co-operative watershed management research project being conducted by the United States Department of Agriculture on the San Dimas Experimental Forest located just outside of Glendora in Los Angeles County. The long-term objective of the program is to find practical methods of land management to increase water yield in Southern California brushland watersheds.

A basic problem in conservation of valuable Southern California water is the presence, along stream beds, and on steep to semisteep slopes, of deep-rooted trees and brush which make heavy demands upon the already aggravated water problem in the area. The experiments at San Dimas Experimental Station are designed to find suitable shallow rooted species of grass with which to replace the present cover.

The requirements of the program include technical personnel, non-technical personnel, supplies, travel, equipment and administrative services. Technical personnel account for about 44 percent of the total of the state participation.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF FORESTRY**

ITEM 185 of the Budget Bill

Budget page 478

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

Amount requested.....	\$164,764
Estimated to be expended in 1961-62 fiscal year.....	164,764
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Increase	None
TOTAL RECOMMENDED REDUCTION.....	None

ANALYSIS

The budget requests \$164,764 which represents no change from the amount estimated to be expended during the 1961-62 fiscal year. Certain internal adjustments in the program are proposed. In prior years, \$100,000 of this budget appropriation came from the State Lands Act Fund. With abolition of that fund during the 1961 Session, the \$100,000 became a budget line item included in this request rather than a continuing appropriation from the State Lands Act Fund. No additional money is being budgeted; the sources do change, however. All surpluses in the State Lands Act Fund reverted to the General Fund.

Cloud Nucleation Study

There were 16 major areas of research concentration in this program through 1960-61. Loss of highly specialized personnel through resignation just prior to this project's most important summer season caused loss of the summer months during 1961 for experimentation. This project is being held in abeyance until replacement next year of qualified personnel, while technical liaison was maintained between the experimental station at Berkeley and the California Division of Forestry,

Division of Forestry—Continued

United States Weather Bureau personnel, and Project Skyfire, a unit of the United States Forest Service. This project will be continued in future years.

Fire Climate Studies

The California Division of Forestry, the United States Forest Service, and the Pacific Southwest Forest and Range Experiment Station at Berkeley, cooperate on this project, the purpose of which is to determine the effects of climate on the behavior of fires; their prevention and suppression.

These studies take the form of selected site studies of cloud and wind behavior under test conditions in addition to development of experimental equipment and instruments.

Fire Retardants

This portion of the research attempts to determine by laboratory and field tests the relative merits of various fire retardants and suppressants. The goal is to standardize and improve both the retardants and suppressants themselves in addition to various methods of application.

The studies are carried on both at actual fire sites and under laboratory conditions. All characteristics of the retardants and suppressants are studied in an attempt to determine all effects of the materials on fire and plants and soil as a result of their application.

Economics of Fire Protection

This study is undertaken by the Experiment Station with a view to discovering the relative values of various types of cover found throughout California in order to plan the application of possible large-scale hazard reduction through burning, chemical and other methods. A relative value is placed upon land types as a result of considerations of area distribution by vegetation cover types and distance from major roads among numerous other criteria.

Fire Equipment Development

The major goal of this study is to develop requirements for the kinds and types of new tools and to originate engineering standards designed to increase the effectiveness of fire suppression efforts.

Fire Regeneration Research

This study will continue through 1962-63 to work on physiological characteristics of planting stock as it relates to field survival ability. Currently, laboratory and greenhouse experiments are being undertaken prior to removing the study to the field for large-scale experimentation.

Hazard Reduction on Southern California Brush Fields

This study continues a research program under consideration for several years designed to determine the most efficacious method of changing brush lands to grass fields. The study to date has demonstrated the possibility of this method of hazard reduction on a large scale, taking into consideration the variables of slope steepness, soil characteristics and numerous other complicating factors.

This study's personnel also engaged in widespread field research in emergency revegetation, planting a total of 13,496 acres by heli-

Division of Forestry—Continued

copter between October 20 and November 29, 1961. This acreage included 70 small watersheds, and over 100 other plots of varying acreages. This work has apparently been successful and studies on this subject will be continued through the budget year.

Other studies in the fire research program include forest growth prediction methods, seed tree regeneration, physiological and ecological requirements of bark beetles, hardwood utilization research, dwarf mistletoe control, forest rodent control and \$7,500 for control of "X" disease, an unidentified parasite attacking Ponderosa Pine in recent years.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF MINES AND GEOLOGY**

ITEM 186 of the Budget Bill

Budget page 479

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

Amount requested	\$30,000
Estimated to be expended in 1961-62 fiscal year	30,000
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Increase	None
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

This budget requests \$30,000 for purposes of joint exploratory activities in co-operation with the U.S. Geologic Survey on projects located exclusively within the State. The program centers around geologic mapping and interpretation of data with a view to determining areas having economic mining potential. The survey serves the commercial mining and mineral community with periodic technical reports in addition to the maps which result from the joint Federal-State effort. This continues a level of service which has been in effect for a number of years.

We recommend approval of this item as submitted.

**Department of Conservation
DIVISION OF MINES AND GEOLOGY**

ITEM 187 of the Budget Bill

Budget page 479

**FOR SUPPORT OF STATE GEOLOGIC MAP
FROM THE GENERAL FUND**

Amount requested	\$15,754
Estimated to be expended in 1961-62 fiscal year	14,659
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Increase (7.5 percent)	\$1,095
TOTAL RECOMMENDED REDUCTION	\$4,810

Summary of Recommended Reductions

	Amount	Budget Page	Line
Delete publication of two sheets of State Geologic Map out of a total of seven sheets	\$9,310	479	37
Reduction in anticipated reimbursements at \$2,500 per sheet	—5,000	479	40

Division of Mines and Geology—Continued

ANALYSIS

This request in the amount of \$15,754 is made in anticipation of recovery of reimbursements of \$21,810 from sale of publications of the State Geologic Map. The total cost of the program for publication and space rental will be \$37,564.

The printing cost for each sheet of the map is \$4,655 in the amount of 6,000 copies. During fiscal 1960-61 three sheets were published at a total of \$13,965. In the current year, the division plans to publish five sheets at \$23,275. For the budget year, the division intends to publish seven sheets at a total cost of \$32,585. Since the basic map upon which the geologic data is printed comes by contract from the U. S. Army Map Service, publication of the finished geologic maps is dependent upon delivery of the stock. Delivery of this stock has been erratic in past years, a factor contributing greatly to the division's failure to realize estimated publication reimbursements.

In view of the fact that there appears to be no compelling need to produce any more publications, we recommend that production be limited to five sheets. This will reduce printing costs by \$9,310. Assuming a ratio of reimbursements to printing costs of \$2,500 in reimbursements to each \$4,655 expended for printing, a \$5,000 reduction in reimbursements will result. The savings in printing costs less the reimbursements will result in a net budgetary reduction of \$4,310.

DEPARTMENT OF FISH AND GAME

ITEM 188 of the Budget Bill

Budget page 483

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

Amount requested	\$9,316,759
State employees' retirement	553,202
State employees' health and welfare	59,220
Total	\$9,929,181
Estimated to be expended in 1961-62 fiscal year	9,993,483
Decrease (0.6 percent)	\$64,302
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

The budget requests an expenditure of \$9,929,181 which represents a decrease of \$64,302, or 0.6 percent, from the anticipated expenditures for fiscal year 1961-62. New positions are held to a net of 2.6 man-years of temporary help to aid in the salmon marking and recovering program.

GENERAL SUMMARY

The Department of Fish and Game is charged by the Constitution with the management of fish and game resources within the State. This includes creating and administering conservation programs designed to allow maximum crops consistent with scientific fish and game manage-