

## Citizens' Advisory Committee on Aging—Continued

this item is the same item under a different name or whether it is desired for some other, as yet unexplained, purpose.

*We recommend the deletion of this item for a savings of \$2,000.*

Inasmuch as the agency is now thinking in terms of organizing regional councils, it may be that this item is intended to pay the travel expenses of senior citizens who become members of such councils. If so, we do not think the item should be titled non-salaried consultants, and a serious policy question is raised as to the propriety of such expenditures. If, on the other hand, the money is requested for the travel expenses of experts whom the agency may wish to consult, such a request should be supported by a detailed explanation of the kind, nature, and number of such consultations as well as the reason why their advice cannot be solicited by mail, and the kind and amount of expenses which are to be paid. In any event, if this request were granted it would, in effect, be a lump sum appropriation to be spent at the discretion of the agency head with only minimal accountability being required.

*Rent—building space (budget page 660, line 24)----- \$4,545*

The agency is requesting an increase in this item of \$2,000 over the amount estimated for the current year and of \$2,123 more than was actually spent in 1960-61. No explanation or justification of this increase has been supplied by the agency.

*We recommend the deletion of \$2,000 from this item.*

The number of employees of this agency has remained stable at four positions for several years. If the one new position requested in this budget were allowed, it might be necessary to rent additional space, however, not to the extent of an 86.4 percent increase in cost to accommodate a 25 percent increase in staff, particularly when the requested position is intended to work mostly in the field and have minimal office space requirements. If the requested position is allowed, we would revise our recommended deletion downward to \$1,500.

## DEPARTMENT OF VETERANS AFFAIRS

ITEM 256 of the Budget Bill

Budget page 661

FOR SUPPORT OF DEPARTMENT OF VETERANS AFFAIRS  
FROM THE GENERAL FUND

Amount requested -----	\$582,120
State employees' retirement -----	39,208
State employees' health and welfare -----	5,000
<b>Total -----</b>	<b>\$626,328</b>
Estimated to be expended in 1961-62 fiscal year -----	604,419
<b>Increase (3.6 percent) -----</b>	<b>\$21,909</b>
<b>TOTAL RECOMMENDED REDUCTION -----</b>	<b>None</b>

## ANALYSIS

The Department of Veterans Affairs administers the State's program of veteran's benefits; provides a claims and rights service to assist

## Department of Veterans Affairs—Continued

veterans in obtaining benefits to which they are entitled from the federal government; administers the operation of the Veteran's Home and of the Woman's Relief Corps Home, and administers the subventions for county service officers through which certain counties are reimbursed for a portion of the cost incurred by these counties in providing services to veterans.

The Administration, Educational Assistance, Service and Co-ordination, Farm and Home Purchases and Veterans Home Divisions perform the duties of the department. This General Fund item provides support funds for the activities of the Administration, Educational Assistance and Service Co-ordination Divisions. Veterans Home support funds are provided by a separate General Fund item and the Farm and Home Purchase Division is self-sustaining.

An increase of \$21,909 or 3.6 percent is requested over the estimated 1961-62 expenditure. Equipment and operating expenses are down 48.7 and 0.2 percent respectively. Salaries and wages are up 3.8 percent. This reflects merit salary adjustments and anticipation of reduced salary savings in 1962-63. The authorized 86 positions and level of service will not change.

Prior to January 1960 the Department of Veterans Affairs contracted with veterans organizations to provide claims and rights services to California veterans at an annual cost to the State of almost \$600,000. Subsequent to that date it was decided, administratively, to transfer this entire function into the department proper and eliminate the outside contracts. This resulted in initially establishing a fairly large number of positions which were ultimately shaken down, so to speak, to the present level where it may be said that the same service is now being provided to the California veteran by the Department of Veterans Affairs at a cost of probably not over \$200,000 annually. The service has been integrated into the previously existing Division of Service and Coordination within which the staff doubled from about 22 positions to a present strength of 45 positions. It would appear that this has been a successful conversion in that an adequate service is being performed at a substantially reduced cost to the State. *We recommend approval of the item as requested.*

## DEPARTMENT OF VETERANS AFFAIRS

ITEM 257 of the Budget Bill

Budget page 661

FOR SUPPORT OF DEPARTMENT OF VETERANS AFFAIRS  
FROM THE VETERANS FARM AND HOME BUILDING FUND

Amount requested	\$126,590
Estimated to be expended in 1961-62 fiscal year	126,590

Increase	None
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TOTAL RECOMMENDED REDUCTION	None
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## ANALYSIS

The Veterans Farm and Home Building Fund receives revenue in the form of interest charged veterans for farm and home loans. The

**Item 258****Veterans Affairs****Department of Veterans Affairs—Continued**

fund exclusively supports the Division of Farm and Home Purchases.

This item represents a pro rata charge for that portion of the executive and overhead services rendered by the Divisions of Administration and Service and Co-ordination relative to the Division of Farm and Home Purchases.

*We recommend approval of this item as requested.*

**DEPARTMENT OF VETERANS AFFAIRS****ITEM 258 of the Budget Bill**

Budget page 663

**FOR SUPPORT OF EDUCATIONAL ASSISTANCE TO VETERANS  
FROM THE GENERAL FUND**

Amount requested .....	\$3,344,300
Estimated to be expended in 1961-62 fiscal year .....	3,344,300

Increase .....	None
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<b>TOTAL RECOMMENDED REDUCTION .....</b>	<b>None</b>
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**ANALYSIS**

Sections 981 to 981.8 and 890 to 900 of the Military and Veterans Code provides the opportunity for California veterans and dependents of deceased or totally disabled veterans to continue their education under the guidance of and with the financial aid of the Department of Veterans Affairs. A maximum of \$1,000 per veteran or \$900 per year per qualified dependent can be made available after federal aid has expired.

Projection of enrollments indicates a decreasing number of students eligible for aid but tuition costs are increasing. As a result, the estimated need for 1962-63 is equal to the estimated 1961-62 expenditure.

*We recommend approval of this item as requested.*

**Department of Veterans Affairs  
VETERANS' HOME OF CALIFORNIA**

**ITEM 259 of the Budget Bill**

Budget page 664

**FOR SUPPORT OF VETERANS' HOME OF CALIFORNIA  
FROM THE GENERAL FUND**

Amount requested .....	\$2,857,794
State employees' retirement .....	246,592
State employees' health and welfare .....	37,500

Total .....	\$3,141,886
Estimated to be expended in 1961-62 fiscal year .....	3,083,158

Increase (1.9 percent) .....	\$58,728
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<b>TOTAL RECOMMENDED REDUCTION .....</b>	<b>None</b>
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**ANALYSIS**

The Veterans' Home of California, which has been operated by the State since 1897, is established and continued by the Military and Veterans Code, Chapter 1, Division 5. It provides general medical, hos-

## Veterans' Home of California—Continued

pital and surgical facilities, chronic and convalescent facilities and general domiciliary facilities and care for qualified California veterans who have physical disabilities and are financially unable to provide for themselves or otherwise take care of themselves. The home, and all its facilities, has a capacity of approximately 2,100 beds. Its average population during the current fiscal year is anticipated to be approximately 1,800 with occasional peaks rising close to 1,900. The same average occupancy is anticipated during the budget year. The discrepancy between average or peak population and capacity is explained by the fact that while the medical hospital and chronic and convalescent domiciliary facilities are fully occupied the regular domiciliary facilities are occupied well below capacity. In fact one of the domiciliary buildings is closed because the demand for space at the home for the ordinary indigent veteran is and has been relatively slack while the demand for hospital and chronic care remains on a waiting list basis.

The annual gross cost per veteran housed in the institution during the budget year is estimated to average approximately \$2,658 which includes a contribution of \$912.50, provided by the federal government in recognition of its responsibility for these veterans. It should be pointed out that this contribution is substantially less than the cost that would be experienced by the government if the veteran were housed in some type of federal facility. The gross annual cost mentioned above will be about \$39 higher than the estimated annual cost of \$2,619 in the current fiscal year. This increase is borne entirely by the State, since the federal government has not, and to our knowledge does not intend to increase its contribution. The increase is largely the result of merit salary adjustments and the new health and welfare program costs.

The gross cost of operating the home for the budget year is proposed at \$4,784,386 which is \$69,048 or approximately 1.5 percent higher than the \$4,715,338 estimated to be expended in the current fiscal year. Of the proposed gross cost the State's share for the budget year is estimated at \$3,141,886 which includes State Employees' Retirement and the Health and Welfare Program. This is \$58,728, or 1.9 percent, greater than the \$3,083,158 estimated to be expended during the current fiscal year. This increase does not involve any additional positions since it is proposed that the currently authorized staff of 776.5 man years be continued in the budget year. However, the cost of these positions is increased due to merit salary adjustments amounting to approximately \$51,332 which accounts for most of the increase. The balance of the increase is occasioned by slight increases in employees' retirement and the full year's cost of the health and welfare program for State employees.

Chapter 1825, Statutes of 1959, authorized the Department of Veterans Affairs to investigate the financial status of any applicant or member resident of the home to determine whether any individual had sufficient means to be cared for on the outside and in that event to refuse admission to the home and require that care be rendered on the outside. However, many veterans who are admitted have incomes

**Veterans' Home of California—Continued**

from varying sources and of varying degrees. This income is usually judged insufficient to provide the care on the outside and consequently the member is cared for by the State at no cost to himself even though he may have sufficient income to contribute in part to his support and still have enough remaining for his personal needs. *Consequently, we recommend that legislation be considered requiring payment by the veteran member commensurate with all legitimate means at his disposal.*

*With respect to the budget request we recommend approval as submitted.*

**Department of Veterans Affairs  
WOMAN'S RELIEF CORPS HOME**

ITEM 260 of the Budget Bill

Budget page 667

**FOR SUPPORT OF WOMAN'S RELIEF CORPS HOME  
FROM THE GENERAL FUND**

Amount requested .....	\$6,800
Estimated to be expended in 1961-62 fiscal year .....	6,800

Increase .....	None
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<b>TOTAL RECOMMENDED REDUCTION .....</b>	<b>None</b>
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**ANALYSIS**

The Woman's Relief Corps Home was originally established in 1897 to care for army nurses, wives and destitute, unmarried daughters of veterans of the Union Army in the Civil War. In 1953 the State found it more economical to contract care for the remaining members. The contract requires that the operator rent the facility for \$12,000 per year and that the State contribute \$275 per month per member, for necessary hospital and medical aid, and cost of the major maintenance of the physical facilities. Care of one last member is estimated for 1962-63.

*We recommend approval of the item as requested.*

**Department of Veterans Affairs  
UNITED SPANISH WAR VETERANS COMMISSION**

ITEM 261 of the Budget Bill

Budget page 668

**FOR SUPPORT OF SPANISH WAR VETERANS COMMISSION  
FROM THE GENERAL FUND**

Amount requested .....	\$3,400
Estimated to be expended in 1961-62 fiscal year .....	3,400

Increase .....	None
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<b>TOTAL RECOMMENDED REDUCTION .....</b>	<b>\$3,400</b>
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**Summary of Recommended Reductions**

	<i>Amount</i>
Delete entire item .....	\$3,400

## United Spanish War Veterans Commission—Continued

## ANALYSIS.

This five-year nonsalaried commission appointed by the Governor was created in 1957 to promote and provide for the welfare of the Spanish War Veteran and to assist in the maintenance of the headquarters of Department of California, United Spanish War Veterans. We have repeatedly questioned this expenditure and we still believe it is an unnecessary expenditure of state funds.

*We recommend disapproval of the item.*

## DEPARTMENT OF WATER RESOURCES

## ITEM 262 of the Budget Bill

Budget page 669

FOR EXPENDITURE BY THE DEPARTMENT OF WATER RESOURCES  
FROM THE GENERAL FUND AND THE CALIFORNIA WATER FUND

Amount requested .....	\$29,343,103
Estimated to be expended in 1961-62 fiscal year .....	26,182,142
Increase (12.1 percent) .....	\$3,160,961

**TOTAL RECOMMENDED REDUCTION** ..... **\$1,397,696**

## Summary of Recommended Reductions

	Amount	Budget Page	Line
<b>General Administration:</b>			
Eliminate internal audit .....	\$46,000	---	---
Reduce travel .....	25,500	---	---
Reduce public information and photographic laboratory .....	52,000	---	---
	<b>\$123,500</b>		
<b>General Investigations:</b>			
Reduce water requirements studies .....	\$300,000	678	23
Eliminate Delta and Suisun Bay pollution investiga- tion (General Fund) .....	131,523	678	26
(California Water Fund) .....	125,000	679	5
Reduce unit water use survey .....	165,000	678	34 & 35
Reduce land use and water requirements survey .....	65,000	678	37
Reduce saline water conversion investigation and appli- cation .....	65,000	678	38
Eliminate power planning studies .....	55,550	678	42
Eliminate flood control planning investigation .....	55,571	678	43
Eliminate fish and wildlife enhancement and recrea- tion—State Water Facilities .....	97,728	678	53
<b>Total</b> .....	<b>\$1,060,372</b>	679	13
<b>Project Planning:</b>			
Eliminate Upper Putah Creek investigation .....	\$69,945	682	8
Eliminate Coastal San Mateo County investigation .....	44,684	682	9
Eliminate Central Coastal Planning studies .....	54,695	682	11
<b>Total</b> .....	<b>\$169,324</b>	682	52
<b>Operations:</b>			
Pacific Northwest-California power interconnection .....	\$50,000	687	17
I.B.M. contract services for interconnection study .....	50,000	687	71
<b>Total</b> .....	<b>\$100,000</b>	687	71
<b>Other Activities:</b>			
Formation and supervision of public water districts .....	\$68,000	689	86
<b>Total of all reductions</b> .....	<b>\$1,397,696</b>		