

District Court of Appeal, Fourth Appellate District—Continued

The decrease in expenditures is caused by reason of a drop in equipment costs since the furnishings for the court's quarters in the new state building in San Diego were provided for the most part in the current budget. Other expenditure proposals in the budget request reflect current price increases for the existing level of services.

We recommend approval of this item as budgeted.

DISTRICT COURT OF APPEAL, FIFTH APPELLATE DISTRICT

ITEM 23 of the Budget Bill

Budget page 15

FOR SUPPORT OF THE DISTRICT COURT OF APPEAL, FIFTH APPELLATE DISTRICT, FROM THE GENERAL FUND

| | |
|---|-----------|
| Amount requested | \$185,249 |
| Estimated to be expended in 1962-63 fiscal year | 182,556 |
| Increase (1.5 percent) | \$2,693 |

TOTAL RECOMMENDED REDUCTION None

GENERAL SUMMARY

The Fifth District Court of Appeal is located in Fresno. It consists of one division of three justices and a supporting clerical and technical staff of eight persons.

This court is the latest addition to the State's appellate court structure. Legislation in 1961 split Fresno off as one of the three circuit cities then covered by the fourth district court out of San Diego. The fifth district court has jurisdiction over appeals originating out of superior, municipal and justice courts in Fresno, Kern, Kings, Madera, Mariposa, Merced, Stanislaus, Tuolumne and Tulare Counties. This court also hears matters transferred to it from the Supreme Court and has jurisdiction to issue writs of habeas corpus, mandamus, prohibition, and review. This court currently has the lowest ratio of superior judges to appellate justices of any of the five district courts.

ANALYSIS

The request of the fifth district court calls for the expenditure of \$185,249, during fiscal year 1963-1964, an increase of \$2,693 or 1.5 percent over estimated expenditures for the current year.

We recommend approval of this item as budgeted.

GOVERNOR

ITEM 24 of the Budget Bill

Budget page 17

FOR SUPPORT OF THE GOVERNOR FROM THE GENERAL FUND

| | |
|---|-----------|
| Amount requested | \$877,677 |
| Estimated to be expended in 1962-63 fiscal year | 839,015 |
| Increase (4.6 percent) | \$38,662 |

TOTAL RECOMMENDED REDUCTION None

Governor—Continued

GENERAL SUMMARY

This constitutional officer is the Chief Magistrate of the of the State and Commander in Chief of the State Militia in whom is vested the supreme executive power. All executive business with officers of government, civil and military is transacted by him. He is responsible for the faithful execution of the laws. Annually he reports to the Legislature on the condition of the State and makes recommendations on such matters as he deems expedient. He also presents at each regular session of the Legislature an explanatory budget message and a detailed budget for state operations during the ensuing fiscal year.

The Budget Bill always includes three appropriation items which make up the total support of the Governor. These are funds to support his executive offices in Sacramento, San Francisco and Los Angeles, the operation and maintenance of the official residence in Sacramento and his special contingency fund. Historically, all of these items have been exempt from audit by reason of the language in the Budget Bill.

In addition to these items of direct support of this official, there are four staff offices directly responsible to the Governor which are budgeted as separate items. They are the Office of Atomic Energy Development and Radiation Protection, the Office of the Consumer Counsel, the Disaster Office, and for the first time the Office of Urban Area Problems.

ANALYSIS

The total amount requested for support of the Governor from the General Fund is \$877,677 or 4.6 percent more than the estimated support expenditures for the current year. The current year estimated expenditure includes an estimated allocation from the Emergency Fund of \$27,120. We further note that in 8 of the last 10 years (1952-53 through 1961-62) this office has required an actual allocation from the Emergency Fund to defray unanticipated expenses. These actual expenditures are indicated below as a percent of the total expenditure:

| Year | Total expenditure | Emergency Fund allocation | Percent of total |
|---------|----------------------|---------------------------------|---------------------|
| 1952-53 | \$351,231 | \$11,500 | 3.3 |
| 1953-54 | 369,524 | 1,000 | 0.3 |
| 1954-55 | 371,126 | 30,000 | 8.1 |
| 1955-56 | 422,008 | none | — |
| 1956-57 | 455,059 | none | — |
| 1957-58 | 493,412 | 22,671 | 4.6 |
| 1958-59 | 522,557 | 17,602 | 3.4 |
| 1959-60 | 628,624 | 40,500 | 6.4 |
| 1960-61 | 709,532 | 49,578 | 7.0 |
| 1961-62 | 798,385 | 60,888 | 7.6 |

The increase of \$38,662 over the current year's estimated expenditure is due almost entirely to increases of \$26,662 in personal services and \$10,000 in communications. The personal services increase reflects the normal merit salary increases, the salary increases authorized by the

Governor—Continued

Legislature and the result of a full year's salary experience of the eight clerical positions added during the current year.

Operating expenses are except for communications carried forward at the same level as estimated for the current year less the expense of the Governor's Commission on Automation which continuing cost appears elsewhere in this budget analysis. The \$10,000 increase in the communications line item is requested to provide funds for film clips and TV tapes for television news releases. An increase of \$8,000 in equipment is requested for a new automobile.

We recommend approval of this item as budgeted.

Governor

GOVERNOR'S RESIDENCE

ITEM 25 of the Budget Bill

Budget page 17

**FOR SUPPORT OF THE GOVERNOR'S RESIDENCE
FROM THE GENERAL FUND**

| | |
|---|----------|
| Amount requested | \$17,400 |
| Estimated to be expended in 1962-63 fiscal year | 17,400 |
| <hr/> | |
| Increase | None |

TOTAL RECOMMENDED REDUCTION None
ANALYSIS

The amount requested for the support of the Governor's Mansion from the General Fund has remained unchanged since fiscal year 1955-56.

We recommend approval of this item as budgeted.

Governor

SPECIAL CONTINGENT EXPENSES

ITEM 26 of the Budget Bill

Budget page 17

**FOR SPECIAL CONTINGENT EXPENSES OF THE GOVERNOR'S
OFFICE FROM THE GENERAL FUND**

| | |
|---|----------|
| Amount requested | \$15,000 |
| Estimated to be expended in 1962-63 fiscal year | 15,000 |
| <hr/> | |
| Increase | None |

TOTAL RECOMMENDED REDUCTION None
ANALYSIS

The amount requested for special contingent expenses of the Governor's office from the General Fund has remained at the same figure since fiscal year 1961-62 at which time it was doubled to the present figure.

We recommend approval of this item as budgeted.

Governor's Office

OFFICE OF ATOMIC ENERGY DEVELOPMENT AND RADIATION PROTECTION
ITEM 27 of the Budget Bill

Budget page 18

FOR SUPPORT OF THE OFFICE OF ATOMIC ENERGY
DEVELOPMENT AND RADIATION PROTECTION
FROM THE GENERAL FUND

| | |
|---|----------|
| Amount requested | \$47,705 |
| Estimated to be expended in 1962-63 fiscal year | 42,958 |

| | |
|-------------------------|---------|
| Increase (11.1 percent) | \$4,747 |
|-------------------------|---------|

| | |
|-----------------------------|---------|
| TOTAL RECOMMENDED REDUCTION | \$4,000 |
|-----------------------------|---------|

| Summary of Recommended Reductions | | Budget | |
|-----------------------------------|---------|--------|------|
| | Amount | Page | Line |
| Operating Expenses: | | | |
| General expense | \$4,000 | 18 | 55 |

GENERAL SUMMARY

This office was established in 1959 to provide the Governor with a staff member with competence in the highly technical and scientific field of industrial and professional uses of atomic energy and other radiation sources with the primary function of coordination of all state actions and policies in this newly developing area of industry with its varied applications and resultant problems.

The most significant accomplishment of the office since its inception was the liaison, negotiation and co-ordination function it performed from 1960 through 1962 in respect to the transfer of certain regulatory powers by formal agreement from the Federal Government (Atomic Energy Commission) to the State. This program involved conferences with the Atomic Energy Commission and its staff in Washington, D.C., and California, development of appropriate statutes to establish a radiation control program and participation in legislative hearings concerning them, guidance in the development of regulations to implement the statutes and participation in public and committee meetings to review and improve them, participation as a member of the Atomic Energy Commission's Advisory Committee of State Officials in developing criteria for transfer of authority to states in general and model uniform laws suggested by the Council of state governments for enactment by states, conferences with U.S. Public Health Service staff on those aspects of the radiation control program outside the jurisdiction of the Atomic Energy Commission, development of an appropriate form of agreement between the Atomic Energy Commission and California and of a formal proposal for the transfer of authority, developing and assisting in the enactment of a statute to ratify the agreement after its signing and various other activities relating to federal-state relations in the atomic energy field. This program was completed in 1962 when the agreement was ratified by the Legislature.

The office also participated in the development of appropriate agreements for operation of the radiation control program between the State Department of Public Health and the Division of Industrial Safety, and with the City of Los Angeles and other local jurisdictions.

With respect to public concern about effects of fallout on food, the co-ordinator arranged and chaired meetings of interested agencies for

Office of Atomic Energy Development and Radiation Protection—Continued

exchange and dissemination of authoritative information and developed a system for coping with possible increases of fallout through agreements for the use of stored feed for dairy cattle.

A current and continuing task of the office is related to the increasing use of atomic energy reactors as a source of power by public utilities. This task involves attendance at lengthy hearings before various public bodies, both federal and state, on questions of safety regulations, site location and effects on local environment; arranging for review of the various considerations that affect the public interest in such projects by the interested state and local agencies and by expert consultants; participation in formal hearings for the licensing of such projects, on behalf of the State's interest, both from an economic as well as health standpoint; and presenting information on these matters to the public and official agencies through correspondence, attendance at public meetings, and the broadcast media.

An example of the type of co-ordination effected by the office is the procedure developed for water pollution control with respect to discharges of radioactive materials. In lieu of placing the initial responsibility for ascertaining the views of the state agencies upon the regional water pollution control boards, necessitating the hiring of a consultant by each board to evaluate the technical aspects of the problem, a uniform "memorandum of understanding" between this office and each regional board provides that the Bureau of Radiological Health in the State Department of Public Health shall serve as consultant to the co-ordinator, the bureau prepares a report and suggested requirements for his review, consolidating the views of the interested state agencies; and this establishes a technically sound, consistent procedure statewide to insure adequate protection of the public interest. This report then guides the regional board in preparing its waste discharge requirements.

The duties and responsibilities of the Co-ordinator of Atomic Energy Development and Radiation Protection are set forth in Sections 25700-25764 of the Health and Safety Code. The office and the three employees are located in Sacramento. As a staff member of the Governor's office, he has no statutory authority over state agencies and must act in an advisory, counseling and co-ordinating capacity. He is, by law, the chairman of the 16-member Departmental Co-ordinating Committee on Atomic Energy Development and Radiation Protection and calls the meetings of this committee. From a practical standpoint the co-ordinator calls only subcommittee meetings of this co-ordinating body limiting attendance to those state agency representatives with interest in the problems under discussion. He is also the secretary of the Advisory Council on the same subject. He makes an annual report to the Governor and Legislature on matters in his field of responsibility.

ANALYSIS

The requested amount of \$47,705 from the General Fund for support of this staff office of the Governor is 11.1 percent more than the funds estimated as required for its support during the current year.

Office of Atomic Energy Development and Radiation Protection—Continued

The increase is the result of increases in salaries and wages (+\$744) due to merit and salary increases, and in operating expenses (+\$4,600), offset by a reduction in funds required for equipment (—\$400).

Operating Expenses

General expense (budget page 18, line 55)----- \$5,500

We recommend that this line item be approved in the reduced amount of \$1,500.

It is our understanding that an amount of \$4,000 is included in the general expense line item to provide additional funds for "printing information of general concern to the public." We have received no advice as to a proposed printing schedule which should indicate the quantities, subject matter and its distribution. Without such a schedule an evaluation of such a proposal cannot be made.

It was one of our contentions in recommending establishment of this office in 1959 that while the co-ordinator was to disseminate information, the source and production of such information was to remain in the various departments with interests in this technical field. In our analysis of the 1961-62 Budget, we stated "we believe that information to the public should be issued by the agencies which have primary responsibilities and that review and co-ordination should be this agency's primary responsibility." Our position on this matter has not changed. The recommended reduction provides the same amount for this purpose as is estimated as required during the current year.

We recommend approval of this item in the reduced amount of \$43,705.

Governor

OFFICE OF THE CONSUMER COUNSEL

ITEM 28 of the Budget Bill

Budget page 19

FOR SUPPORT OF THE OFFICE OF THE CONSUMER COUNSEL
FROM THE GENERAL FUND

| | |
|--|----------------|
| Amount requested----- | \$125,010 |
| Estimated to be expended in 1962-63 fiscal year----- | 110,847 |
| Increase (12.8 percent)----- | \$14,163 |
| TOTAL RECOMMENDED REDUCTION----- | \$7,080 |

Summary of Recommended Reductions

| | Amount | Budget Page | Line |
|---|---------|----------------|------|
| One proposed new position, Administrative assistant I----- | \$7,080 | 19 | 33 |

GENERAL SUMMARY

The Office of Consumer Counsel was created by Chapter 467, Statutes of 1959, and is a part of the Governor's office. An advisory committee consisting of 15 members, appointed by the Governor, assists the Consumer Counsel in performing her functions.

Office of the Consumer Counsel—Continued

An important function of this office is to investigate and study establishments and persons selling products or services to determine if the consumer's interests are being violated. Findings of these investigations and studies are reported to the Governor and legislation recommended to correct practices which are not in the best interests of the people as consumers. Information is released to the public regarding the methods of certain vendors which are not in the best interest of the public as consumers.

ANALYSIS

One new position (administrative assistant I) is requested "for workload purposes to relieve the Consumer Counsel of routine administrative duties and to manage the office in the absence of the Consumer Counsel." In our opinion this justification is insufficient to warrant an additional position. The administrative adviser at an annual salary of \$11,520 is available to manage the office in the absence of the Consumer Counsel and with the assistance of other personnel handle the routine administrative duties of this operation.

Other minor increases occur for normal salary adjustments and in various items of operating expenses.

We recommend approval of this item in the reduced amount of \$118,767.

**Governor's Office
STATE DISASTER OFFICE**

ITEM 29 of the Budget Bill

Budget page 20

**FOR SUPPORT OF STATE DISASTER OFFICE
FROM THE GENERAL FUND**

| | | |
|---|-------|-----------|
| Amount requested | ----- | \$851,577 |
| Estimated to be expended in 1962-63 fiscal year | ----- | 1,007,222 |
| Decrease (15.5 percent) | ----- | \$155,645 |

TOTAL RECOMMENDED INCREASE----- Unresolved

GENERAL SUMMARY

The present State Disaster Office operating as a unit within the Governor's office was initiated by Chapter 561 of the Statutes of 1941 which was titled the "State Council of Defense Act" and which added Division 7 to the Military and Veterans Code creating the first organization of what today is known as the State Disaster Office. Subsequently, in 1950 the Legislature changed the name of the office to the "Office of Civil Defense" and subsequently in 1956 the Legislature again formally changed the name to the "State Disaster Office" and established the organization which is essentially the one in operation today.

The existing organizational structure is designed and intended to provide for two major missions. On the one hand, it is intended to plan and prepare for and provide relief incident to disasters caused by natural phenomena such as earthquakes, windstorms, fires, etc. On the other hand, it is intended to perform the same services with respect to militarily caused disasters which are basically national in scope

State Disaster Office—Continued

and responsibility and require extensive liaison and co-ordination with other states and with the federal government.

The present organization, as authorized by the Legislature at its 1962 session, consists of 149.5 positions of which 113.5 constitute the basic headquarters operational group, many of whom do a great deal of traveling in liaison capacities with local civil defense organizations, and 36 positions distributed among six regional organizations, the largest being the one in the Los Angeles area having 14 positions. The total size of the staff is such that its major activities consist of liaison, co-ordination, education and encouragement to the large number of local civil defense organizations which are expected to perform the actual disaster services, when required, generally by the use of volunteer personnel. The staff also performs some direct services involving the dispersal of state-owned equipment such as fire and rescue trucks, the dispersal of communications equipment and the operation of a basic "disaster" network of land line and radio communications and the storage of certain emergency supplies and equipment such as hermetically packaged field hospitals, medical supplies and some food stocks.

For a number of years the size of the staff was held a level of approximately 99 positions. However, in the latter part of the 1960-61 fiscal year the federal government provided a substantial amount of additional funds for the purpose of augmenting civil defense staffs throughout the nation. These funds could not be used as an abatement for existing support appropriations. The augmentation led substantially to the increase to the present staff level of over 149 positions. The federal government also shares in certain operating costs and equipment costs both at the state level and the local organizational level.

We believe that the California Disaster Office has been relatively effective. It has maintained interest at the local levels sufficient to enable them to recruit the necessary volunteer personnel, not only the basic disaster worker, but also at high levels requiring doctors, nurses and other highly trained technicians to provide voluntary services. As mentioned before, the basic "onsite" job in the final analysis must be performed at the local level and almost always by volunteer personnel. Otherwise the cost of providing such services on a fully paid basis would become prohibitive and would seriously impair many of the State's other necessary functions. On this basis it would seem that the staff of the State Disaster Office is adequate in size to continue to act as a "sparkplug" for services at the local levels.

ANALYSIS

The budget proposed for the State Disaster Office for the 1963-64 fiscal year appears, at first glance, to be a reduction in the expenditures for this activity and possibly a reduction in the level of service. However, a careful perusal indicates that this is far from being the case. There is some slight change in emphasis by elimination of four authorized positions in the regional offices and one position in engineering services in the headquarters office, which are offset by the establishment of five new positions at headquarters to raise the level of services in the areas of administration, engineering services, federal assistance and

State Disaster Office—Continued

law enforcement. The exchange of these five positions is not on an even cost basis. The five new positions will be more costly than the five positions being eliminated.

The significant difference occurs in the fact that there is being proposed a transfer of seven positions from the medical and health services division of the Disaster Office to the State Department of Public Health at which point this group will be further augmented by an additional 14 new positions making a grand total of 21 positions in the Department of Public Health. In addition to the 14 new positions in the Department of Public Health there are proposed, in the budgets of the respective agencies, 10 positions consisting of two in the Department of Agriculture, two in the Department of Education, one in the Department of Mental Hygiene, one in the Military Department and four in the Department of Social Welfare or a grand total of 24 new positions in agencies other than the Disaster Office plus the seven being transferred from the Disaster Office making a total of 31 positions in other state agencies whose time will presumably be devoted entirely to civil defense activities. We estimate that the 24 new positions will represent an additional expenditure of not less than \$200,000 for salary and wages and operating expenses as well as initial complements of equipment.

While the budget proposed for the Disaster Office itself in the new fiscal year is \$155,645 or 15.5 percent less than the \$1,007,222 estimated to be expended in the current fiscal year, it should be borne in mind that almost the entire reduction results from reductions in equipment purchases representing what are probably one-time purchases which may not be repeated again.

The new proposal appears to be the start of a decentralization program which will place the responsibility for many activities in various state agencies, possibly eventually leaving the Disaster Office in the position of little more than a liaison operation. We are informed that the basis for this beginning decentralization is the fact that the several agencies involved have not been able to develop states of readiness and master plans for their activities in the event of a disaster, presumably because they could not spare the manpower for this purpose. Consequently, these additional positions are proposed for the purposes of providing full-time positions for the specific agencies mentioned above to carry out the duties assigned to them by the California Disaster Act. It has been our contention in the past that the role of the other state agencies was merely (1) to designate key people in their agencies who would act in various capacities, in the event of any kind of disaster, (2) to develop a master plan for the activities of the agency in the event of a major disaster and (3) to provide a certain amount of in-service training for the key people who are presumably to perform these services in the event of a disaster. We have always believed that

State Disaster Office—Continued

the performance of these services was entirely possible within the structure of existing organizations without the necessity to provide for specialized people who would spend full time in such activities. We believed also that contact with local entities was the province of the State Disaster Office both to provide information and encourage activities at the local level. We have seen no conclusive evidence that this approach is not adequate.

We believe that the new positions represent not only a substantial and unwarranted increase in the level of service, in view of present program development and current financial problems, but they may establish a pattern of organization which acts to separate rather than integrate civil defense responsibilities in the agencies. Moreover, while the additional cost will be shared by the federal government it should be borne in mind that these matching funds are not guaranteed as to availability from year to year. This is a point that is made repeatedly by federal representatives who point out that their involvement is only on a year-to-year basis. Should the federal government find it necessary to eliminate or reduce the funds it has heretofore made available for matching purposes, the State would have to bear the brunt of a total operational cost which, on the basis of the present proposal, represents a total expenditure of approximately \$1,700,000 for the budget of the Disaster Office alone with an additional \$200,000 in the other agencies mentioned above.

We believe that the major tasks in civil defense must be accomplished efficiently at the local level. Obviously, the maintenance of local government services in a disaster is equally as vital as maintenance of state government functions. While the proposals, leading to decentralization, may seem to have some merit in achieving more effective or efficient civil defense programs, we believe that the possibilities are considerable for loss of control of these positions and their diversion to other activities of the agencies in which they would be placed. There are also problems of difficulty in controlling the growth of these separated civil defense activities in the several agencies where they do not appear as part of a comprehensive program under a single budget request. It would seem therefore that these aspects should be given the most serious consideration before embarking on what might ultimately prove to be a greater expansion than now appears evident.

In view of the foregoing we recommend that the seven positions slated for transfer to the Department of Public Health be retained in the Disaster Office and that the new positions proposed for the agencies mentioned above be denied, pending resolution of this issue.

Governor's Office

OFFICE OF URBAN AREA PROBLEMS

ITEM 30 of the Budget Bill

Budget page 23

FOR SUPPORT OF OFFICE OF URBAN AREA PROBLEMS
FROM THE GENERAL FUND

Amount requested ----- \$100,000

TOTAL RECOMMENDED REDUCTION ----- Unresolved
ANALYSIS

The request of \$100,000 is for operating expenses for a proposed new Office of Urban Area Problems of which \$50,000 is budgeted for a co-ordinating council on urban policy and \$50,000 for regional planning, review, and appeals.

The only information available to us at this time is contained in General Analysis on budget page 23 which briefly describes the following activities for this office.

1. The creation of a co-ordinating council which would have representation from all groups having an interest in urban problems. The council would meet with these groups to assist in solving these problems and initiate needed action and policy in this field and co-ordinate city and county planning projects on a regional basis.

2. Recommend revision of existing state laws relating to local boundaries where a need is determined.

3. Develop minimum standards for incorporation of new cities and resolve conflicts resulting from annexation. These activities would be accomplished by a permanent state review or appeals board.

The budget summary states that legislation is being proposed to outline the structure and scope of these activities. Recommendations of our office are deferred until this legislation is presented, which should be accomplished before final action is taken on the Budget Act.

LIEUTENANT GOVERNOR

ITEM 31 of the Budget Bill

Budget page 25

FOR SUPPORT OF THE LIEUTENANT GOVERNOR
FROM THE GENERAL FUND

Amount requested ----- \$115,384

Estimated to be expended in 1962-63 fiscal year ----- 109,325

Increase (5.5 percent) ----- \$6,059

TOTAL RECOMMENDED REDUCTION ----- None

GENERAL SUMMARY

The Lieutenant Governor acts as the Chief Executive of the State at such times as the Governor is not within the State and as presiding officer of the Senate during legislative sessions. He is an ex officio member of the following eight boards and commissions: Board of Regents, University of California; Board of Trustees, State Colleges; State Lands Commission; Interstate Co-operation Commission; Reciprocity Commission; Reapportionment Commission; State Disaster Council and California Toll Bridge Authority. He maintains a headquarters in Sacramento and an office in Los Angeles.

Retirement System

Items 32-34

Lieutenant Governor—Continued

ANALYSIS

This executive office has requested \$115,384 from the General Fund for its support for the budget year 1963-64. This represents an increase of \$6,059, or 5.5 percent over the estimated support expenditures for the current year. Included in the estimated expenditures for the current year is an allocation from the Emergency Fund in the amount of \$1,282 which is scheduled to defray unanticipated costs. This amount is being allocated to cover estimated increased costs in general expenses (+\$800) and communications (+\$882) offset by a reduction in in-state travel (—\$400). On this basis the increase in the amount requested over the budgeted cost for fiscal year 1962-63 is \$7,341 or 6.7 percent.

The amount requested for personal services of \$80,509 reflects the increase of \$1,559 over the current year due entirely to merit increases and the salary increases approved by the Legislature.

Operating expenses are carried forward at the current year level of \$29,675.

Proposed equipment expenditures are carried forward at the current year level plus \$4,500 for a new automobile.

We recommend approval of this item as budgeted.

STATE EMPLOYEES' RETIREMENT SYSTEM

ITEMS 32, 33 and 34 of the Budget Bill

Budget page 26

FOR SUPPORT OF THE STATE EMPLOYEES' RETIREMENT SYSTEM FROM THE STATE EMPLOYEES' RETIREMENT FUND, THE STATE EMPLOYEES' CONTINGENCY RESERVE FUND AND THE GENERAL FUND

| | |
|---|-------------|
| Amount requested | \$1,737,400 |
| Estimated to be expended in 1962-63 fiscal year | 1,802,520 |
| Decrease (3.6 percent) | \$65,120 |
| TOTAL RECOMMENDED REDUCTION | None |

GENERAL SUMMARY

The primary function of the State Employees' Retirement System is the administration of a retirement program for state employees, employees of local jurisdictions contracting with the state system, and nonacademic University of California employees employed prior to October 1, 1961. The system also administers the Meyers-Geddes State Employees' Medical and Hospital Care Act, which provides for a \$5 a month contribution by the State toward the premium payment of an approved health insurance policy carried by state employees.

The State Employees' Retirement System is administered by a board of administration composed of eight members. When administering the Meyers-Geddes State Employees' Medical and Hospital Care Act the board of administration is augmented by three members appointed by the Governor representing the public.