

GOOSE LAKE COMPACT COMMISSION

ITEM 270 of the Budget Bill

Budget page 681

**FOR SUPPORT OF THE GOOSE LAKE COMPACT COMMISSION
FROM THE GENERAL FUND**

Amount requested	\$5,000
Estimated to be expended in 1962-63 fiscal year	5,000

Increase	None
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TOTAL RECOMMENDED REDUCTION	None
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GENERAL SUMMARY

The Goose Lake Compact Commission was created by Chapter 1389, Statutes of 1961, for the purpose of formulating with the State of Oregon and the federal government an interstate compact providing for the distribution and use of the waters of Goose Lake. Commission membership consists of the Director of Water Resources, the Director of Fish and Game, and three Modoc County residents appointed by the Governor. The members are nonsalaried, but are allowed necessary expenses incurred in the performance of their duties.

ANALYSIS

The commission's proposed budget is identical to the estimated 1962-63 expenditure of \$5,000, which represents \$1,000 for commission expenses and \$4,000 for office or engineering review of data. It is anticipated that the commission will conclude its work during the ensuing fiscal year, since the compact has been drafted and approved by both the California and Oregon commissions and will be presented to the Federal Bureau of the Budget for review and approval prior to being submitted to the California and Oregon Legislatures for approval during the 1963 sessions. Consent legislation will also be introduced in Congress in 1963-64 to obtain federal approval of the compact.

It is recommended that this request be approved.

DEPARTMENT OF VETERANS AFFAIRS

ITEM 271 of the Budget Bill

Budget page 682

**FOR SUPPORT OF DEPARTMENT OF VETERANS AFFAIRS
FROM THE GENERAL FUND**

Amount requested	\$615,140
Estimated to be expended in 1962-63 fiscal year	615,128

Increase	\$12
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TOTAL RECOMMENDED REDUCTION	None
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GENERAL SUMMARY

The Military and Veterans Code established by Chapter 389, Statutes of 1935, provides for the California Veterans Board and the Department of Veterans Affairs. The California Veterans Board determines policy and the Department of Veterans Affairs administers this policy in serving the rights of the California veteran.

Department of Veterans Affairs—Continued

The department is divided into five divisions: the Division of Administration, the Division of Farm and Home Purchases, the Division of Educational Assistance, the Service and Co-ordination Division and the Division of Veterans Homes.

The Division of Administration directs and co-ordinates the activities of the four operating divisions.

The Division of Farm and Home Purchases is self-supporting. Support revenue is generated by the interest charged veterans for farm and home loans made available to them by the division. The division, through the State, sells long-term bonds and in turn lends these bond proceeds to the veteran. The division contributes a pro rata share of operating expense to the support of the California Veterans Board, and to the Divisions of Administration and Service and Co-ordination.

The Division of Educational Assistance administers a program of educational assistance to qualified California veterans and dependents of deceased or totally disabled veterans. The total number of eligible participants reached an apparent peak in 1960 and is now gradually declining. The number of dependents participating, however, is increasing. Dependents of totally disabled veterans, ineligible until the revision of Chapter 477, Statutes of 1961, contribute substantially to this increase. Workload and aid are higher for dependents than veterans, thus the slight decrease in total enrollment is offset by the increased dependent enrollment.

The Division of Service and Co-ordination maintains offices in Los Angeles, San Francisco and Sacramento to assist the California veteran in his pursuit of rights established by California and the United States. The division also advises and assists the county service officers. Prior to January 1960 the Department of Veterans Affairs contracted with local veterans organizations for some of the claims and rights services that this division now performs at reduced cost.

The Division of Veterans Homes administers the operation of the Veterans Home of California and is provided for by a separate budget item.

ANALYSIS

General Fund support of the Department of Veterans Affairs increases \$12 to \$615,140 in this budget year. The normal increase caused by in-grade salary increases has been offset by elimination of five positions in the Division of Educational Assistance. This elimination was made possible by slightly reduced workload and by implementation of machine methods to handle veteran subsistence payments.

The level of service will not change; salaries decrease \$3,238 (—0.5 percent), operating expense increase \$4,330 (2.9 percent) and equipment expense decreases \$900 (—60 percent).

We recommend approval of this item as budgeted.

DEPARTMENT OF VETERANS AFFAIRS

ITEM 272 of the Budget Bill

Budget page 682

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

Amounted requested	\$138,000
Estimated to be expended in 1962-63 fiscal year	137,820
Increase (0.1 percent)	\$180
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

This item provides the pro rata share of the support cost incurred by the Divisions of Administration and Service and Co-ordination attributable to the Division of Farm and Home Loans.

We recommend approval of this item as requested.

Department of Veterans Affairs

EDUCATIONAL ASSISTANCE TO VETERANS

ITEM 273 of the Budget Bill

Budget page 684

FOR SUPPORT OF EDUCATIONAL ASSISTANCE TO
VETERANS AND VETERANS' DEPENDENTS
FROM THE GENERAL FUND

Amount requested	\$3,244,300
Estimated to be expended in 1962-63 fiscal year	3,344,300
Decrease (3.0 percent)	\$100,000
TOTAL RECOMMENDED REDUCTION	None

GENERAL SUMMARY

The State of California as specified by Sections 981 to 981.8 and 890 to 900 of the Military and Veterans Code encourages veterans and the dependents of deceased or totally disabled veterans to continue their education. The veteran is provided up to \$1,000 state assistance upon expiration of federal help and the dependent may receive aid up to \$50 per month and tuition until 27 years of age. Decrease in the number of veterans enrolled has been offset to some extent by increase in dependent participation.

ANALYSIS

A reduction of \$100,000 (3 percent) to \$3,244,300 is estimated to be possible because of the reduced veteran participation. The trend of increasing dependent participation prevents additional reduction. In May of 1956 there were 6,763 (87.2 percent) veterans and 994 (12.8 percent) dependents enrolled. In May of 1960 when the total participation reached a peak of 11,551, there were 8,413 (72.8 percent) veterans and 3,138 (27.2 percent) dependents enrolled. The count in December, 1962 indicated 6,632 (62.3 percent) veterans and 4,008 (37.7 percent) dependents. The 4,008 dependents included 2,669 (66.6 percent) children of deceased veterans, 1,259 (31.4 percent) children of totally disabled veterans (made eligible by Chapter 477, Statutes of 1961) and 80 (2 percent) widows of deceased veterans. Approximately

Educational Assistance to Veterans—Continued

50 percent of the 6,632 veterans enrolled in this program are graduate students and the remainder are undergraduate college students. There are 245 dependents enrolled in college and 3,763 in high school for the 4,008 total. *We recommend approval of this item as requested.*

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

ITEM 274 of the Budget Bill

Budget page 685

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

Amount requested	\$3,388,854
Estimated to be expended in 1962-63 fiscal year	3,297,124

Increase (2.8 percent)	\$91,730
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TOTAL RECOMMENDED REDUCTION	\$4,344
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Summary of Recommended Reduction

	<i>Amount</i>	<i>Page</i>	<i>Line</i>
One janitor foreman I	\$4,344	686	26

GENERAL SUMMARY

The Veterans Home of California is provided for by Chapter 1, Division 5 of the Military and Veterans Code. The home provides hospital, convalescent, and domiciliary care. The staff include 20 physicians, 103 nurses and 182 hospital aides. Total capacity of the home is 2,100 beds including 449 beds in the general hospital. There have been approximately 225 vacant domiciliary beds in recent years whereas there is an extensive waiting list for hospital beds. The increase of sources of income to many veterans has been a deterrent to their entry into the home for domiciliary care. The extreme high cost of hospital care however makes the Veterans Home an extremely desirable alternative to the veteran in need of that type care. The average age of the World War I veteran in the home is 70, and 67 percent of the population is comprised of such veterans. The average age of the World War II veteran in the home is 57 and at present this category accounts for only 27 percent of the total population. Many World War II veterans are expected to apply for admission to the home within the next 10 to 15 years as their average age increases. This increased population is going to require additional hospital and domiciliary bed construction in the near future if the State is to continue the present level of care for the veteran.

ANALYSIS

General Fund contributions to the support of the Veterans Home of California for 1963-64 will be \$3,388,854 which is a 2.8 percent increase over the estimated 1962-63 need. The federal government contributes \$912 per member in recognition of their responsibility for the veteran and this support will total \$1,665,312 in the ensuing year. The average unit cost per member total will be \$2,769.

Veterans Home of California—Continued

There are four proposed new positions in this budget. *We recommend deletion of the janitor I position proposed to supervise the activity of the night crew.* The Veterans Home should deploy their janitorial staff to the best advantage and should they desire to promote an existing janitorial position to foreman we will support that action. However, we object to an addition to the janitorial staff that contributes to an increase in services that is unnecessary.

We recommend approval of the remaining three new positions. The first is for a physician and surgeon II at \$13,992 per year. He will assume duties that have been performed in the past through a \$12,000 per year contract agreement. This position will be manned by a pathologist and is necessary because of the increased need for this service. The second janitor position is necessary to maintain the recently completed addition to the hospital building. An additional laundress is necessary to handle the ever-increasing amount of laundry per patient.

A veteran is admitted to the home when it is determined that he is not financially able to care for himself in his community. There are numerous veterans in the home who are able to partially contribute to their support. It is recommended that legislation be considered that would require payment by a veteran member commensurate with his financial condition.

We recommend approval of this item subject to the reduction of the janitor foreman position discussed above.

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

ITEM 275 of the Budget Bill

Budget page 687

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

Amount requested	\$3,900
Estimated to be expended in 1962-63 fiscal year	5,100
Decrease (23.5 percent)	<u>\$1,200</u>

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

The Woman's Relief Corps Home was established in 1897 to care for widows and dependent destitute unmarried daughters of Civil War Union Army veterans. The home was closed August 31, 1962, and the one remaining member is being cared for in a private nursing home. The home property may be transferred to the University of California for agricultural research as provided in Chapter 337, Statutes of 1951.

We recommend approval of the item as requested.

Department of Veterans Affairs
UNITED SPANISH WAR VETERANS COMMISSION

ITEM 276 of the Budget Bill

Budget page 688

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

Amount requested	\$3,400
Estimated to be expended in 1962-63 fiscal year.....	3,400
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Increase	None
TOTAL RECOMMENDED REDUCTION.....	\$3,400

GENERAL SUMMARY

Chapter 430 of the Statutes of 1957 created the five-member United Spanish War Veterans Commission. The duty of the commission is to promote and provide for the welfare of and assist in the maintenance of the Department of California, United Spanish War Veterans.

ANALYSIS

The \$3,400 budgeted includes \$1,000 for travel and general expenses of the commission and \$2,400 for maintenance of the Department of California United Spanish War Veterans headquarters.

We question the total amount as an unnecessary expenditure of state funds.

We recommend disapproval of the item.

PROVISION FOR SALARY INCREASE FUND

ITEMS 277-282 of the Budget Bill

Budget page 689

**FOR SUPPORT OF PROVISION OF SALARY INCREASE FUND
 FROM THE GENERAL FUND**

Amount requested	\$21,830,000
TOTAL RECOMMENDED REDUCTION.....	\$21,830,000

Summary of Recommended Reductions

	<i>Amount</i>	<i>Page</i>	<i>Line</i>
Provision for salary increases	\$21,830,000	689	83

ANALYSIS

Items 277, 278, 279, 280, 281, and 282 propose appropriations of \$21,830,000 from the General Fund for the 1963-64 fiscal year to provide salary increases for civil service employees, state college and university academic personnel, judges, and statutory positions.

Table I gives a breakdown of the proposed appropriations from the General Fund of \$21,830,000 for the 1963-64 fiscal year. The cost to special funds is also shown.