

ITEM ANALYSIS OF THE BUDGET BILL

LEGISLATURE

ITEMS 1-10 of the Budget Bill

Budget page 1

**FOR SUPPORT OF THE LEGISLATURE
FROM THE GENERAL FUND**

Amount requested in Budget Bill	\$15,469,349
Budget request before identified adjustments	\$14,753,337
Increase to recognize full workload change	2,219,828
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Budget as adjusted for workload change	\$16,973,165
Adjustment—undetailed reduction (10 percent)	1,503,816

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET --- None

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$1,503,816

GENERAL PROGRAM STATEMENT

The Legislature meets annually in regular sessions as set forth in the Constitution to consider any legislative matters and the annual budget for the following fiscal year. In addition the Governor may convene the Legislature in special session to consider specific subjects indicated in his proclamation.

The passage of Proposition 1-A on the November 8, 1966, ballot has removed the former constitutional restrictions on the length of legislative sessions and thus, with the current regular session, the Legislature will make the adjustment to its operational pattern to accommodate the regular sessions on an annual basis.

The effect upon the activities of the interim committees of the Legislature resulting from annual regular sessions is unknown at this time, but it may be assumed that the cost of such committees, with their substantial staff requirements for continuing studies, will remain at least at the same levels as in the past.

ANALYSIS AND RECOMMENDATIONS

The first 10 budget items of the Budget Bill are appropriations in support of the Legislature and are analyzed together in this analysis. All 10 items are funded from the General Fund.

The proposed General Fund appropriation for support of the Legislature, prior to adjustment, is in the amount of \$14,753,337. After adjustment for workload (Item 4 \$486,092 and Item 8 \$1,733,736) this figure is increased to \$16,973,165. These increases result in part from anticipated costs associated with the passage of the constitutional amendments at the last general election which eliminated the limitations upon the length of legislative sessions, changed the nature of all sessions to general sessions and provided for a reconvening of the Legislature 30 days after final adjournment to reconsider vetoed legislation and anticipated increases in interim activity.

In addition to the appropriations there is an amount of \$467,517 available for expenditure from a prior year balance in the Senate Contingent Fund and in this connection it is noted that funds appropriated

Legislature—Continued

for the contingent expenses of the Legislature differ from the usual support appropriations in that they are available for expenditure without regard to the fiscal year of appropriation.

This budget reflects the first full year of the recent salary increase for the legislators and the amounts shown in Items 1 and 5 for these purposes include \$5,000 and \$10,000 for OASDI contributions by the state for the participating members of the Senate and Assembly respectively.

LEGISLATIVE COUNSEL BUREAU

ITEM 11 of the Budget Bill

Budget page 4

FOR SUPPORT OF THE LEGISLATIVE COUNSEL BUREAU FROM THE GENERAL FUND

Amount requested in Budget Bill.....		\$1,058,285
Budget request before identified adjustments.....	\$1,112,934	
Increase to recognize full workload change.....	62,938	
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Budget as adjusted for workload change.....	\$1,175,872	
Adjustment—undetailed reduction (10 percent).....	117,587	

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET..... None

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$117,587

GENERAL PROGRAM STATEMENT

This bureau is one of four statutory legislative aids established under Title II, Division 2, Part 2, of the Government Code (Sections 10200–10246) and its mission is rendering legal assistance and advice to the Legislature in a staff capacity. The staff of the bureau is organized into three sections under the direction of the Legislative Counsel. The legal section staff of 39 members drafts legislative measures, provides legal advice on legislative matters and provides staff legal services to committees of the Legislature. This section in turn is supported by the remaining organizational units of the bureau—the indexing section of six positions which is responsible for indexing all bills introduced and other related functions, and the office section composed of 25 full-time positions and 19 man-years of temporary help and overtime which provides all the clerical support for the bureau. The temporary help is used to carry the peak workload which occurs during the period when the Legislature is in session.

The growth of this bureau for the past five fiscal years is indicated in the following table and is attributable to an overall increase in legislative activity and requests both while in session and during the interim.

	<i>Personnel</i>				
	<i>Administrative</i>	<i>Legal</i>	<i>Indexing</i>	<i>Clerical support</i>	<i>Total expenditures</i>
1963-64	2	24.5	6.0	27.8	\$632,164
1964-65	1.8	26.4	5.9	39.1	769,359
1965-66	2	28.8	5.8	25.1	758,517
1966-67 (estimated) ..	2	39.0	6.0	45.0	1,028,103
1967-68 (proposed) ..	2	39.0	6.0	45.0	1,112,934

Legislative Counsel Bureau—Continued

It should be noted that during 1963-64 and 1965-66 fiscal years, the Legislature convened in budget sessions rather than general sessions as in 1964-65; however, the cost for operation of the Legislative Counsel Bureau during the budget session years was comparable to the general session year due to long special sessions.

ANALYSIS AND RECOMMENDATIONS

Without the workload adjustment the requested budget provides services at the same level as in the current year. No new positions have been requested.

Increases in the proposed expenditures for fiscal year 1967-68 over the current year amount to \$84,831 of which \$39,945 in merit salary and staff benefits and \$30,100 in rent must be considered beyond the management control of the agency.

We have reviewed the justification for the remainder of the increase (\$14,786) which includes \$9,170 for books, subscriptions and binding associated with the 11 professional staff positions added in the current year and the net cost of \$4,405, after offsetting reductions in other operating expenses, for a microfilm installation to cope with a critical space problem related to storage of documents as well as providing more rapid and ready accessibility of these documents.

This agency's budget with workload adjustment is \$1,175,872 and we are advised that the adjustment amounting to \$62,938 represents three counsel, two supporting clerical positions and expenses related to these positions.

The justification for these new positions is based on workload increases represented by legislative requests since the biennium 1956-58 which indicate a need for a total legal staff of 46.

LAW REVISION COMMISSION

ITEM 12 of the Budget Bill

Budget page 5

**FOR SUPPORT OF THE LAW REVISION COMMISSION
FROM THE GENERAL FUND**

Amount requested in Budget Bill		\$136,651
Budget request before identified adjustments	\$151,835	
Increase to recognize full workload change	0	
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Budget as adjusted for workload change	\$151,835	
Adjustment—undetailed reduction (10 percent)	15,184	

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET..... None

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$15,184

GENERAL PROGRAM STATEMENT

The Law Revision Commission, which consists of 10 members, is a statutory aid to the Legislature and derives its authority from Sections 10300 through 10340 of the Government Code. It is supported by a permanent staff of 8 positions headquartered on the Stanford University campus. The composition of the membership is one member appointed from each house of the Legislature, seven members serving on four-

Law Revision Commission—Continued

year term appointments of the Governor, and the Legislative Counsel serving as an ex officio nonvoting member.

The commission's major and continuing program in keeping with its statutory responsibilities is the study and examination of current law taken from a calendar or agenda of topics assigned to it by concurrent resolution of the Legislature, and after such thorough review to recommend to the Legislature changes to correct defects and anachronisms in state law.

In the table below is shown the increased expenditure growth of this small agency.

<i>Fiscal year</i>	<i>Personnel</i>		<i>Total support cost</i>
	<i>Professional</i>	<i>Clerical</i>	
1963-64 -----	3.8	2.6	\$111,275
1964-65 -----	4.0	2.5	118,136
1965-66 -----	4.5	2.7	120,992
1966-67 (estimated) -----	5.0	3.0	155,776
1967-68 (proposed) -----	5.0	3.0	151,835

ANALYSIS AND RECOMMENDATIONS

Prior to adjustment the budget proposes an expenditure of \$151,835 for support of its continuing operation in the budget year. This amount includes the workload increases necessary to provide the same level of service as in the current year. Upon application of a 10 percent reduction, the Budget Bill proposes an appropriation of \$136,651.

The commission's program for the budget year is to review and study the topic of condemnation law and procedure and inverse condemnation in order to recommend comprehensive statutes on these subjects for enactment at the 1968 and 1969 sessions.

Although the workload budget shows a reduction of approximately \$4,000 in comparison to the current year's estimated expenditures, it masks an actual increase in ongoing expenditures of about \$3,000 due to a \$7,000 allocation from the Emergency Fund in the current year. This allocation covered the one-time cost necessary to defray the costs of space alterations occasioned by the relocation of the office from one building to another on the Stanford campus.

No new positions are requested and the total operating expenses, after the current year expenditures are adjusted for the moving and relocation expenses, are at the same level as the current year. The acquisition of law books is directly related to the relocation of the office as it is no longer in proximity to a legal library. The increases occur in personal services and in new equipment. We have reviewed the equipment request and concur in its need as replacement for furniture previously provided by Stanford University.

COMMISSION ON UNIFORM STATE LAWS

ITEM 13 of the Budget Bill

Budget page 6

FOR SUPPORT OF THE COMMISSION ON UNIFORM STATE LAWS FROM THE GENERAL FUND

Amount requested -----	\$11,500
Estimated to be expended in 1966-67 fiscal year -----	10,050
Increase (14.4 percent) -----	\$1,450

Item 14

Legislators' Retirement Fund

Commission on Uniform State Laws—Continued

TOTAL RECOMMENDED REDUCTION----- None

GENERAL PROGRAM STATEMENT

This seven-member commission's program is sponsoring the enactment of those uniform laws which it considers desirable, practicable and applicable to conditions in California. The laws considered are developed and drafted by the staff of the National Conference of Commissioners on Uniform State Laws.

Members of the commission are: one member from each house of the Legislature, four members appointed to four-year terms by the Governor, and the Legislative Counsel who is designated as the secretary and ex officio nonvoting member. Staff support as required is provided by the Legislative Counsel Bureau.

The enabling statute delineating the commission's structure, responsibilities and duties appears in Sections 10400 through 10433 of the Government Code.

ANALYSIS AND RECOMMENDATIONS

The commission is continuing its support of the National Conference of Commissioners on Uniform State Laws and other items of operating expenses, except out-of-state travel, at the same expenditure level as in the current year. The level of service in out-of-state travel remains the same as in the current year but reflects the increased cost resulting from the locale at which the national conference is to be held.

We recommend approval as budgeted.

CONTRIBUTIONS TO LEGISLATORS' RETIREMENT SYSTEM

ITEM 14 of the Budget Bill

Budget page 7

FOR CONTRIBUTIONS TO THE LEGISLATORS' RETIREMENT FUND FROM THE GENERAL FUND

Amount requested -----	\$510,000
Estimated to be expended in 1966-67 fiscal year-----	370,000

Increase (37.8 percent)-----	\$140,000

GENERAL PROGRAM STATEMENT

As the Legislators' Retirement System is not a funded system, provision is made in Section 9358 of the Government Code for funding the ongoing annual liabilities beyond the amount of the accumulated contributions of the active members.

The Board of Administration of the State Employees' Retirement System administers this system and it is that board which annually estimates the amount which must be appropriated in order to meet the cost of the benefits for retired members and their survivors.

ANALYSIS AND RECOMMENDATIONS

The budget proposal requests an appropriation of \$510,000, an increase of \$140,000 or 37.8 percent above that appropriated for the current year.

In the table below is shown information on the fund condition over the last five fiscal years.

Contributions to Legislators' Retirement System—Continued

<i>Fiscal year</i>	<i>Accumulated resources July 1</i>	<i>Appropriation</i>	<i>Disbursements</i>	<i>Accumulated resources June 30</i>	<i>Percentage increase over July 1</i>
1963-64 -----	\$418,358	\$315,000	\$309,626	\$496,810	18.7%
1964-65 -----	496,810	350,000	338,697	577,216	16.1
1965-66 -----	577,216	360,000	321,340	688,567	19.3
1966-67 (estimated) -----	688,567	370,000	434,220	729,647	5.9
1967-68 (proposed) -----	729,647	510,000	511,790	850,087	16.5

A review of the table indicates that although the total disbursements over the five-year period exceed the estimated total amounts appropriated by \$10,673 or 0.5 percent, the estimated accumulated resources at the end of the fiscal year (1967-68) will have increased by an estimated \$353,277 or 71.1 percent. These accumulations in resources are due to the accumulation of member contributions and the income from investments.

In future years the accumulated resources will increase due to the increase in member contributions resulting from the doubling of member salaries.

We recommend approval of the amount budgeted.

SUPREME COURT

ITEM 15 of the Budget Bill

Budget page 8

FOR SUPPORT OF THE SUPREME COURT FROM THE GENERAL FUND

Amount requested in Budget Bill-----		\$1,206,572
Budget request before identified adjustments-----	\$1,332,417	
Increase to recognize full workload change-----	8,218	
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Budget as adjusted for workload change-----	\$1,340,635	
Adjustment—undetailed reduction (10 percent)-----	134,063	

RECOMMENDED REDUCTION FROM WORKLOAD BUDGET----- \$28,310

BALANCE OF UNDETAILED REDUCTION—REVIEW PENDING \$105,753

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Total Expenditures -----	\$28,310	8	5

GENERAL PROGRAM STATEMENT

The Supreme Court as the ultimate state court of appeal consists of the Chief Justice and six associate justices. This court's primary function is to hear appeals from the lesser courts. In addition it has original jurisdiction to issue writs of habeas corpus, mandamus, prohibition and certiorari. The court also admits candidates to the bar for the practice of law and has certain prescribed duties in relation to executive clemency matters.

The Supreme Court is empowered to transfer appellate matters to the district courts of appeal for disposition. The Supreme Court is headquartered in San Francisco but also holds periodic sessions at Los Angeles and Sacramento.