

ITEM ANALYSIS OF THE BUDGET BILL

LEGISLATURE

ITEMS 1 through 11 of the Budget Bill

Budget page 1

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

Amount requested -----	\$20,697,346
Balance available prior year -----	284,795
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Total proposed expenditures -----	\$20,982,141
Estimated to be expended in 1967-68 fiscal year -----	20,608,609
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Increase (1.8 percent) -----	\$373,532

TOTAL RECOMMENDED REDUCTION ----- None

GENERAL PROGRAM STATEMENT

The Legislature now meets in regular annual sessions to consider the executive budget for the succeeding fiscal year and such other legislation as it deems necessary.

Following adjournment of each regular session, the Legislature recesses for 30 days following which it reconvenes for a period not to exceed five days to reconsider legislation which may have been vetoed by the Governor. At the end of this short session, it adjourns sine die. On extraordinary occasions the Governor may by proclamation call the Legislature into special session to consider specified subjects. Two such sessions were called in 1967.

Additional legislative staff services necessitated by the advent of annual regular sessions as well as public recognition of the year around responsibilities of the Legislators, as demonstrated by their salary increases effective January 1, 1967, largely account for the total increases January 1, 1967, largely account for the total increases for the current and budget years as shown in the following.

<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Estimated</i>	<i>Proposed</i>
<i>1964-65</i>	<i>1965-66</i>	<i>1966-67</i>	<i>1967-68</i>	<i>1968-69</i>
\$10,678,403	\$10,838,658	\$12,349,413	\$20,608,609	\$20,982,141

ANALYSIS AND RECOMMENDATIONS

Funds appropriated for support of the Legislature are available without regard to the fiscal year for which they are appropriated and thus differ from the support appropriations for executive departments and the courts.

Major items of expense for the two houses of the Legislature are (1) contingent expenses out of which are paid the costs of staff services including interim committees, and (2) joint committee activities.

Contingent expenses for the Senate are budgeted at \$4,100,000, or 81 percent of the proposed Senate budget. Contingent expenses for the Assembly are budgeted at \$8,794,716, or 83 percent of the proposed Assembly budget.

Legislature—Continued

Joint committee expenses for the two houses are budgeted at \$3,500,000. Out of this are paid expenses of such joint committee activities as may be incurred by existing joint committees or others which may be created by the Legislature. Included within this item are the expenses of the Joint Legislature Budget Committee and the Office of Legislative Analyst, and the Joint Legislative Audit Committee and the Office of Auditor General.

We recommend approval as budgeted.

LEGISLATIVE COUNSEL BUREAU

ITEM 12 of the Budget Bill

Budget page 4

FOR SUPPORT OF THE LEGISLATIVE COUNSEL BUREAU FROM THE GENERAL FUND

Amount requested	\$1,346,715
Estimated to be expended in 1967-68 fiscal year	1,235,872
	\$110,843

Increase (9 percent)..... \$110,843

TOTAL RECOMMENDED REDUCTION..... None

GENERAL PROGRAM STATEMENT

This statutory legislative aid program is that of providing legal assistance and advice to the Legislature and upon request to assist state agencies in the preparation of legislation. The program is carried out under the direction of the Legislative Counsel through a legal staff of 44 professional positions which is supported by an indexing section of 12 positions and an administrative and clerical section of 46 positions.

The advent of annual general sessions in the current year has resulted in a significant increase in workload and brought on various personnel administration problems. Although these problems were anticipated and while experience to date has only been one annual unlimited general session followed by the veto and special sessions, it has indicated to the Legislative Counsel that the current staffing patterns and procedures will not be adequate to meet the emerging requirements. He has stated that he will present plans to be implemented in the future to meet these shortcomings if justified by greater experience with the annual session workload.

ANALYSIS AND RECOMMENDATIONS

The program of providing legal services to the Legislature for the budget year anticipates an increase in legislative requests of an unknown percentage. Prior to the establishment of annual general sessions the annual increase in requests averaged 10 percent. However, the increase experienced at the last session was 25 percent. As of December 1, 1967, the office had responded to 18,300 requests since the beginning of the calendar year and the records indicate that in the biennium of 1964-66 it serviced 26,695 such requests. Thus, if the trend continues, it appears that the current biennium requests will exceed the 1964-66 period by at least 37 percent.

Legislative Counsel Bureau—Continued

In order to maintain the services of the indexing section at current levels and to insure the compilation and indexing of the 16 codes for which they have been responsible on a one-year basis in lieu of the former two-year cycle, it was necessary to increase that section's staff by six or double its prior size by administrative workload adjustment effective January 1, 1968. These positions are proposed for continuation in the budget year. During the past and current years the existing staff of six indexing personnel has been spending considerably more time on bill digest preparation and subject list tabulations and less time on the indexing and compilation workload, and thus had to be assisted by the professional staff in order to complete the work on a timely basis. The indexing services provided are fully reimbursed under a contractual agreement with the State Printer. No other new positions have been requested.

The amount requested for support in the budget year exceeds that estimated for expenditure in the current year by \$100,843 or 9 percent.

We recommend approval as budgeted.

LAW REVISION COMMISSION

ITEM 13 of the Budget Bill

Budget page 5

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

Amount requested	\$154,579
Estimated to be expended in the 1967-68 fiscal year	137,653
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Increase (12.3 percent)	\$16,926

TOTAL RECOMMENDED REDUCTION _____ None

GENERAL PROGRAM STATEMENT

The 10-member Law Revision Commission has as its present program objective the revision of 26 topic areas of law as assigned by the Legislature by means of annual concurrent resolutions, the most recent being SCR 13 of the 1967 session. Because the workload level of the commission is determined by such topic assignments on an annual basis and the priorities as established by the Legislature, the commission's staff of eight must necessarily plan for submission of topics for review, approval and enactment over a several-year period. Thus, the commission estimates it will submit recommendations on eight topics to the 1968 session, while three are recommended to be dropped from the topic agenda. One of the major budget year objectives of the commission is the study of inverse condemnation and condemnation law procedures with the submission of recommendations on these comprehensive statutes scheduled for the 1970 session.

ANALYSIS AND RECOMMENDATIONS

The total expenditure of \$154,579 proposed for the budget year represents the extension of current year level of activity although an increase in expenditures of \$16,926 results. Of this increase \$12,630 or

Law Revision Commission—Continued

75 percent occurs in personal services and is due to the difference between salary savings resulting from vacant positions in the current year and the full staffing proposed in the budget year, amounting to a net increase of \$7,919, plus the merit salary increases of \$3,169 and increases in staff benefits of \$1,542. Other increased costs are \$2,400 for traveling in and out of state.

We have reviewed the basis for these increases and in consideration of the fact that the full professional staff will be employed and that the commission itself will necessarily have to meet more frequently during the budget year to properly consider the complex study on inverse condemnation and condemnation law procedures, we recommend approval. The out-of-state travel of \$500 to permit the attendance of one staff member at the national legislative conference is requested by the commission as a means of saving staff research time by learning of current developments in other states in areas of law under study as well as improving the substance of the commission's recommendations to the Legislature.

The increase in research and contractual services of \$2,000 over estimated current year expenditures is \$5,750 below expenditures for this purpose in the last actual year. One of the basic reasons for the low expenditure in the current year is the change in status of the individual under contract for inverse condemnation studies from a contractual situation to a staff member position. In justification for the higher level of expenditure for this line item, the commission has found it must retain consultants several years in advance of the time it intends to submit recommendations on a specific assigned topic to the Legislature, and thus, if it is to meet its objectives, must engage in such research at an early date.

We recommend approval as budgeted.

COMMISSION ON UNIFORM STATE LAWS

ITEM 14 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 1967-68 fiscal year	11,500
Increase	None
TOTAL RECOMMENDED REDUCTION	None

GENERAL PROGRAM STATEMENT

The program of the commission is confined to liaison with the National Conference of Commissioners on Uniform State Laws and the sponsorship of such uniform laws as it deems applicable and practical to incorporate in the California statutes. This liaison takes the form of attendance at the annual conference by members of the commission. As indicated in the commission's last report of 1964-66, some 40 uniform acts have been adopted in California since 1911 as a result of its efforts.

Item 15

Legislator's Retirement Fund

Commission on Uniform State Laws—Continued

ANALYSIS AND RECOMMENDATIONS

The budget for the commission indicates its continuing support of the National Conference of Commissioners on Uniform State Laws (\$6,500) and the proposed expenditure program remains at the same level as for the current year. The travel expense reflects the estimated cost of providing for attendance of five of the seven members at the national conference because the legislative members' travel expense is provided from the contingent funds of each house on the basis of concurrent resolution (SCR 56 of the 1967 Regular Session). It is noted that the conference is now scheduled for 11 days as opposed to but four days in prior years. The commission employs no staff, receiving its administrative support from the staff of the Legislative Counsel who is the single ex officio member.

We recommend approval as budgeted.

CONTRIBUTIONS TO LEGISLATORS' RETIREMENT FUND

ITEM 15 of the Budget Bill

Budget page 7

FOR CONTRIBUTIONS TO LEGISLATORS' RETIREMENT FUND FROM THE GENERAL FUND

Amount requested -----	\$450,000
Estimated to be expended in 1967-68 fiscal year -----	510,000
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Decrease (11.8 percent) -----	\$60,000
TOTAL RECOMMENDED REDUCTION -----	None

Summary of Policy Options

Analysis page

Amend law to provide for payment of costs of administration -----

GENERAL PROGRAM STATEMENT

This program provides for the annual funding of benefits for the Legislators' Retirement System by appropriation as required by law.

ANALYSIS AND RECOMMENDATIONS

The Legislators' Retirement System is administered by the Board of Administration of the Public Employees' Retirement System at no cost to the legislators' system. The board annually determines by actuarial study the amount of the appropriation necessary to fund the total statutory benefits not provided by the accumulated contributions of those members receiving such benefits.

The board has determined it made an actuarial overestimate of the funding required for the program in the current year and the request for the budget year of \$450,000 is \$60,000 less than the current year.

We recommend approval as budgeted.

POLICY OPTION

As noted above, the funding of the administrative costs of the operation of the Legislators' Retirement System is not borne by that system. Such administrative costs are now absorbed in the support

Contributions to Legislator's Retirement Fund—Continued

budget of the Public Employees' Retirement System which derives its support funds from the Public Employees' Retirement Fund.

We recommend that consideration be given to providing in law that so much of the net income from investments of the Legislators' Retirement Fund as may be necessary to defray the cost of administration may be appropriated annually for such service.

SUPREME COURT

ITEM 16 of the Budget Bill

Budget page 8

FOR SUPPORT OF THE SUPREME COURT FROM THE GENERAL FUND

Amount requested -----	\$1,390,628
Estimated to be expended in 1967-68 fiscal year -----	1,374,018
Increase (1.2 percent) -----	\$16,610
TOTAL RECOMMENDED REDUCTION-----	None

GENERAL PROGRAM STATEMENT

The Supreme Court consists of the Chief Justice and six associate justices. The Supreme Court is the highest state judicial tribunal and is authorized to hear appeals from the Courts of Appeal and those cases in which the death penalty is imposed and are therefore entitled to automatic appeal. Petitions for writs of habeas corpus, mandamus, prohibition and certiorari may be brought directly before the court under its original jurisdiction. The court also considers all executive clemency applications wherein the applicant has previously suffered two or more felony convictions and the application is submitted by the Governor for the court's review.

The Supreme Court is empowered under the California Constitution to transfer cases to the Courts of Appeal for hearing and determination. In this manner the Supreme Court is better able to manage its workload. This is an important factor as the court's size is fixed in the State Constitution.

The Supreme Court is headquartered in San Francisco but holds periodic sessions in Sacramento and Los Angeles.

ANALYSIS AND RECOMMENDATIONS

The Supreme Court is requesting \$1,390,628 in total expenditures for 1968-69 to carry out the court's program as outlined above. The total expenditure request represents an increase of \$16,610 or 1.2 percent over the 1967-68 estimated expenditure of \$1,374,018. The increase is due to merit salary adjustments, price increases and augmentation of amounts budgeted for equipment and criminal appeal fees. We have reviewed these increases and they appear to be in line with needs.

We note that there is a substantial increase in criminal appeal fees from the actual expenditure of \$35,797 in 1966-67 to the proposed \$63,000 in the budget year, due to a rise in the number of cases in which the court is required to appoint a counsel for the appellant. The agency