

ITEM ANALYSIS OF THE BUDGET BILL

LEGISLATURE

Items 1-13 from the General Fund	Vol. I, p. 1	Budget p. 1
Requested 1971-72 -----		\$25,792,358
Estimated 1970-71 -----		24,975,057
Actual 1969-70 -----		25,429,196
Requested increase \$817,301 (3.2 percent)		
Total recommended reduction -----		None

GENERAL PROGRAM STATEMENT

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

At the end 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 has been vetoed by the Governor. At the end of this short session, the Legislature adjourns sine die. On extraordinary occasions, the Governor may by proclamation call the Legislature into special session to consider specified subjects. No such extraordinary sessions were called in 1970.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The budget proposed for the support of the Legislature will be funded by appropriations in the first 13 items of the Budget Bill totaling \$25,792,358, which is \$817,301 or 3.2 percent higher than net appropriations of \$24,975,057 from the General Fund in the current year. In the budget year scheduled expenditures of \$800,000 are proposed from the carryover balance of the Assembly Contingent Fund making a total proposed expenditure program for the Legislature of \$26,592,358, which is \$577,964 or 2.1 percent less than estimated expenditures of \$27,170,322 in the current year.

Joint expenses of the two houses are budgeted at \$6,583,762. This amount consists of \$3,755,000 for the expenses of joint committees, \$2,650,000 for legislative printing, \$5,000 for the state's contribution to the National Advisory Commission on Intergovernmental Relations (through the Joint Committee on Legislative Organization), and \$173,762 for the Joint Legislative Committee for Revision of the Penal Code.

The amounts appropriated in Items 1 and 5 reflect the full-year cost for the \$3,200 increase in the legislators' annual salaries as authorized by Chapter 119, Statutes of 1969. The contingent expenses for the Senate are budgeted at \$6,453,700, and the contingent expenses for the Assembly at \$9,683,496.

The Conference Committee on the 1970 Budget Bill recommended that the Joint Legislative Committee for Revision of the Penal Code

Legislature—Continued

complete its assigned work not later than June 30, 1972. However, the committee's staff has advised that due to the complex nature of its work and because staff was assigned on a full-time basis only within the past year, it will be unable to complete all code revisions by that date. The committee expects to present its recommendations on revisions of the Criminal Code and the Corrections Code to the Legislature during the 1972 session, while its recommendations on the Code of Criminal Procedure will be forthcoming at a later date. The committee estimates that extension of its existence to June 30, 1974, should permit completion of its duties.

LEGISLATIVE COUNSEL BUREAU

Item 14 from the General Fund

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Requested 1971-72 -----	\$1,932,474
Estimated 1970-71 -----	1,861,420
Actual 1969-70 -----	1,625,395
Requested increase \$71,054 (3.8 percent)	
Total recommended reduction -----	None

GENERAL PROGRAM STATEMENT

The objective of the Legislative Counsel Bureau is to provide such legal assistance as Members of the Legislature and legislative committees may require in the legislative process. This assistance is provided on a confidential basis under an attorney-client relationship.

The bureau's services include rendering legal opinions, drafting bills and amendments thereto, providing legal counsel at committee hearings, and representing the Legislature in litigation. In addition to providing direct legal services, the bureau is responsible for indexing all legislation introduced and for editing and compiling all state-published codes for the State Printer on a reimbursable basis.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The bureau's \$1,932,474 budget request is \$71,054 or 3.8 percent above estimated expenditures in the current year. To meet increased clerical and indexing workload requirements in the current year, the bureau administratively added six man-years of clerical help at a salary cost of \$43,637.

In the budget year, the bureau is proposing a net increase of five positions above its presently authorized staffing level of 125 positions. These five new positions, which will handle the increased clerical and indexing workload experienced in the current year, have a full-year salary cost of \$45,059, including provision for overtime. The bureau also proposes to upgrade six existing deputy legislative counsel positions and two clerical positions at an added annual cost of \$15,630. Expenditures for operating expenses and equipment, estimated to increase by \$16,771 in the budget year, reflect added costs for printing, com-

munications, facilities, and equipment. These increases are offset partially by a \$3,900 increase in reimbursements from the State Printer.

During the past five years, appropriations to the Legislative Counsel Bureau have increased 78.4 percent, while the number of deputies has risen 25 percent. In the same period, workload requirements have increased 85.5 percent. During 1970, the bureau received 28,246 requests for assistance, an 8 percent increase over the previous year.

LAW REVISION COMMISSION

Item 15 from the General Fund

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Requested 1971-72 -----	\$169,000
Estimated 1970-71 -----	168,599
Actual 1969-70 -----	159,703
Requested increase \$401 (0.2 percent)	
Total recommend reduction -----	None

GENERAL PROGRAM STATEMENT

This commission is composed of 10 members, seven appointed by the Governor, plus one from each house of the Legislature, and the Legislative Counsel who serves as an ex officio, nonvoting member.

Under the commission's direction, its full-time staff of eight employees (including five professional positions) performs in-depth research and study on various topics of law assigned by concurrent resolution of the Legislature for the purpose of noting deficiencies and outdated provisions in the law and identifying policy issues for legislative attention. It disseminates research material on those studies to interested parties for review and comment and drafts proposed revisions of the statutes. The commission is headquartered in rental space on the Stanford campus.

At present, the Legislature has assigned 29 topics for study. Three: (1) attachment, garnishment, and exemption from execution of wages; (2) condemnation law and procedures; and (3) inverse condemnation, have been designated as having the highest priority by committees of the Legislature, and they will receive the major portion of staff time. The commission states that it will present some recommendations to the Legislature on these topics during the 1971 session but that, due to the complexities of the law, comprehensive revisions will not be proposed for two or three years.

The commission has completed its study of seven assigned topics, and legislation implementing its recommendations on them has been enacted. During the 1971 legislative session, the commission will recommend that one topic be added to its current agenda and that the seven which have been completed and two additional topics be deleted.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The proposed \$169,000 represents an increase of \$401 or 0.2 percent over estimated current-year expenditures. Approximately 71 percent

Law Revision Commission—Continued

of the commission's expenditures is for personal services, and such costs are expected to rise 2.2 percent in the budget year due to salary adjustments. However, these increases are offset by a net reduction of approximately \$2,200 in operating expenses, which is largely attributable to a reduction in contractual services for outside consultants. Printing costs are expected to increase by 14 percent in the budget year primarily because of higher printing volume.

CALIFORNIA COMMISSION ON UNIFORM STATE LAWS

Item 16 from the General Fund

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Requested 1971-72 -----	\$15,400
Estimated 1970-71 -----	15,400
Actual 1969-70 -----	12,177
Requested increase—None	
Total recommended reduction -----	None

GENERAL PROGRAM STATEMENT

The commission's objective is to sponsor in California the enactment of uniform codes or statutes developed by the National Conference of Commissioners on matters of law in which compatibility with the laws of other jurisdictions is considered desirable. In meeting this objective, the California commissioners attend the annual conference of the national body, at which time the various uniform codes developed or modified by it in the past year are reviewed and submitted to the total membership for consideration and recommendation. Such of these recommended uniform codes as are deemed by the California members to be appropriate to the state's needs are then presented to the Legislature for consideration.

The California commission consists of seven members, four appointed by the Governor, two selected by the respective houses of the Legislature, and the Legislative Counsel, a nonvoting, ex officio member. All seven members must belong to the California State Bar.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The proposed \$15,400 appropriation is at the same level as in the current year. The major portion of the appropriation (\$10,400) provides California's share (based on population) for support of the National Conference of Commissioners on Uniform State Laws. The remaining \$5,000 finances the commission and its attendance at the national conference.

Since 1911, 48 uniform acts have been adopted in California as a result of the commission's efforts, including nine in the past five years. During the 1970 session, the commission recommended six uniform acts to the Legislature, four of which were adopted.

LEGISLATORS' RETIREMENT FUND

Item 17 from the General Fund

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Requested 1971-72 -----	\$876,229
Estimated 1970-71 -----	550,000
Actual 1969-70 -----	540,000
Requested increase \$326,229 (59.3 percent)	
Total recommended reduction -----	None

GENERAL PROGRAM STATEMENT

The object of the Legislators' Retirement System is to provide retirement benefits to legislators, certain legislative statutory officers (the Chief Clerk of the Assembly, the Secretary of the Senate, and the Sergeant at Arms of the respective houses), and constitutional officers other than judges who, during their tenure in office, have enrolled and remained in the system for at least four years. Included in such benefits are automatic cost-of-living increases based on the consumer price index, death benefits to the surviving spouse or estate, and one-half continuance of retirement benefits to the surviving spouse until death or remarriage. Members of the Legislators' Retirement System may also elect to be covered by federal social security. A total of 47 members (44 legislators, 2 constitutional officers, and 1 legislative statutory officer), have elected such coverage.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The \$876,229 requested for fiscal year 1971-72 is \$326,229 or 59.3 percent higher than the current year's appropriation. This reflects an increase in the number of annuitants (up from 109 in the current year to an estimated 114 in the budget year), cost-of-living adjustments, and larger retirement allowances resulting from an increase in legislative salaries.

Funding and Administrative Costs

The Legislators' Retirement System is an "unfunded system" in that it has inadequate cash reserves to meet its annual benefit payments and the accruing liabilities for the active and inactive membership. Member contributions are established at 4 percent of salary. These contributions plus interest earnings and an annual General Fund appropriation provide the benefits payable each fiscal year. The General Fund contribution can be expected to grow almost directly in proportion to the number of annuitants, cost-of-living adjustments in pensions, and base salary increases.

The Legislators' Retirement System is administered by the Public Employees' Retirement System at an estimated cost of \$25,000 annually. These costs are paid by the interest earnings of the Public Employees' Retirement Fund.

Legislators' Retirement Fund—Continued

Output and Growth

During fiscal year 1969-70, the system paid benefits to 85 service and 3 disability retirees. In addition, it paid benefits to 17 beneficiaries of deceased members. In 1969-70 the system earned \$77,685 on investments with a book value at \$1,108,152, for an earnings rate of 7 percent.

During the 10-year period 1960-61 to 1969-70, the state contributions to the system have risen 350 percent and expenditures have risen 337 percent. Table 1 summarizes selected items of the system's most recent five-year growth pattern.

Table 1
Selected Data, Legislators' Retirement System

<i>Detail</i>	1965-66	1966-67	1967-68	1968-69	1969-70
Active members -----	126	129	131	127	130
Inactive members -----	64	68	64	66	59
Retirees and beneficiaries ---	68	96	99	101	105
Deaths during year -----	3	4	2	6	7
State contribution -----	\$360,000	\$370,000	\$510,000	\$540,000	\$550,000
Interest income -----	\$32,349	\$41,031	\$51,118	\$61,395	\$77,685
Total benefits paid -----	\$321,339	\$411,393	\$473,182	\$555,633	\$598,690
Investments (book value) as of 6/30 -----	\$607,616	\$740,273	\$873,406	\$960,594	\$1,108,152

JUDICIAL

**Item 18 from the General Fund and
Item 19 from the Motor Vehicle Fund**

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Requested 1971-72 -----	\$8,438,702
Estimated 1970-71 -----	8,289,044
Actual 1969-70 -----	7,764,215
Requested increase \$149,658 (1.8 percent)	
Total recommended increase -----	\$350,741

SUMMARY OF MAJOR ISSUES AND RECOMMENDATIONS

*Analysis
page*

1. We recommend that data on court filings and business transactions be projected for the current and budget years in future state budget submissions. 9
2. We recommend that the Judicial Council adopt and include in future budget submissions a weighted caseload method of reporting dispositions and backlog by district and division. 14
3. We recommend an increase of \$147,741 in the criminal appeal fees category. 13
4. We recommend that the Legislature consider the establishment of a state Public Defender's office. 13
5. We recommend that extra compensation, expenses, and staff for assigned judges be increased \$203,000. 17