

General Government

Department of Information Technology

The Department of Information Technology is charged with providing leadership, guidance, statewide coordination, and oversight of information technology in state government. The Governor's Budget proposes \$9.7 million (\$9.0 million General Fund; \$750,000 other funds) and 42 personnel years for the Department.

The Department was presented with the challenge to ensure that state agencies would be prepared for the Year 2000 change. Recognizing the importance and scope of this challenge, they focused their efforts at managing the statewide remediation efforts. However, the State still faces many information technology challenges, and the Administration is committed to making certain that information technology becomes an integral part of the State's overall effort to reengineer and streamline the delivery of services to the public.

Toward that effort, the Department will present a proposal in the spring to realign its structure. Through this proposal the Department will present a new model to meet information technology objectives, increase productivity, reduce costs, and enhance services. Under this new model, the Department will provide oversight in application development, project management, information technology management and procurement, contract management, vendor management, data center issues, operational recovery plans, and security.

Department of Consumer Affairs

The Department of Consumer Affairs was established to protect consumer interests through licensing and regulation of specific professions, occupations, and businesses. The Department is directed by statute to facilitate a free-enterprise market economy by educating consumers, fostering competition, guarding against fraudulent practices, and promoting consumer representation throughout all levels of government. The 2000-01 Governor's Budget proposes total expenditures of \$335.1 million and 2,975 personnel years to support the operations of the Department's various programs, boards, and bureaus.

Consumer Information Center (CIC)—The Budget includes \$1.0 million General Fund for the CIC to provide toll-free consumer assistance telephone service designed to assist California consumers on a variety of consumer issues.

Enhanced Public Access—The Budget provides \$766,000 (\$185,000 General Fund; \$581,000 special funds) and eight personnel years to establish a pilot project to increase consumer assistance in Department field offices in Southern California.

Smog Check Consumer Assistance Programs—The Repair Assistance and Vehicle Retirement Programs will be restructured as a result of the significant loss of revenue from the Smog Impact Fee that is no longer collected. The Budget proposes \$22 million to support a program funded with the revenue collected from a smog abatement fee. This revised Program will be proposed in the spring.

Franchise Tax Board

The Franchise Tax Board administers the personal income tax, bank and corporation tax, and several non-tax collection and audit programs, which together contribute about 63 percent of the General Fund revenue. The Governor's Budget proposes total expenditures of \$411.2 million and 5,422 personnel years to support the Board.

Child Support Enforcement—The Budget includes \$12.3 million in fiscal year 1999-00 and \$14.1 million in 2000-01 to begin the development of a single, statewide automated child support system in accordance with Chapter 479, Statutes of 1999 (AB150). This legislation shifts the task of developing the statewide system from the Health and Welfare Data Center to the Franchise Tax Board. When completed, the system will track child support cases, collect child support payments from delinquent parents, and disseminate payments to the appropriate family. The system will protect California from the imposition of future, additional penalties for not having a federally approved system in place.

The Budget also includes additional funding of \$2.2 million in 1999-00 and \$5.5 million in 2000-01 to expand the collection of overdue child support payments in accordance with Chapter 478, Statutes 1999 (AB 196) and Chapter 480, Statutes 1999 (SB 542). The Board will use this funding to automate the collection of delinquent accounts more fully and to manage about 400,000 additional cases transferred from counties.

Tax Processing—In 2000-01, the Franchise Tax Board will save over \$400,000 in tax return processing costs because more taxpayers are filing their returns electronically. The Board will retain \$260,000 of these savings for additional marketing activities to make filing over the Internet more widely known as an alternative. In addition, the Board has increased the services available through its website for the 2000 tax season and plans for electronic filing to be even more accessible to taxpayers during the 2001 tax filing season. The Board's website address is <http://www.ftb.ca.gov>.

The Budget also includes \$9.8 million for the third year of the Integrated Non-filer Compliance Project. The Board will add sources of data for identifying non-filers and eliminating incorrect or unnecessary contacts with taxpayers. This project will increase revenues by \$30 million in 2000-01, rising to \$36 million annually when the project is fully implemented in 2002-03.

The Board's budget is reduced by \$10.5 million for completion of the Accounts Receivable Collection System automation project. The project is expected to increase revenues by \$35 million in fiscal year 2000-01.

Department of General Services

The Department of General Services is responsible for management review, control, and support of state agencies as assigned by the Governor and specified in statute. The Department provides support services to operating departments to achieve greater efficiency and economy than they can individually provide for themselves, and seeks to improve effectiveness and economy in the

administration of state government. The Governor's Budget proposes \$733.6 million and 4,015 personnel years for the Department.

Alternative Fuel Vehicles—The Budget includes \$12.3 million from the Petroleum Violation Escrow Account for the purchase, operation, and maintenance of 584 alternative fuel vehicles. Additionally, \$1.9 million is proposed from the Petroleum Violation Escrow Account to construct three refueling stations for these vehicles in Sacramento, Oakland, and Los Angeles.

Public Safety Radio Integrated Systems Management (PRISM)— Effective communication between public safety agencies during disasters, emergencies, and when crimes are committed saves lives and property. The proposed PRISM project would make one integrated communications system available to all major state public safety agencies and allow California to compete for the bandwidth that will soon be allocated by the Federal Communications Commission for public safety communications.

The Budget includes \$1.8 million for the engineering and design of the PRISM public safety radio system. This phase is a precursor to a potential \$90 million pilot project in the six-county Sacramento area to test the feasibility of the system. Assuming the pilot is successful, a multi-billion dollar project to construct a statewide-integrated system that would allow interagency communication would follow. An essential element of moving forward to the next phase of the pilot is substantial participation by the federal government in the funding of the project.

The ten participating state public safety agencies include the California Highway Patrol, the Department of Forestry and Fire Protection, the Department of Transportation, the Office of Emergency Services, the Department of Justice, California Department of Corrections, the Department of the Youth Authority, Department of Fish and Game, Department of Water Resources, and the Department of Parks and Recreation.

(See the write-up in the [Public Safety Section](#) for additional discussion.)

Department of Fair Employment and Housing

The mission of the Department of Fair Employment and Housing is to protect the people of California from discrimination in employment, housing, and public accommodations, and from hate violence. The Governor's Budget proposes a total expenditure of \$22.0 million and 309 personnel years for the Department.

One of the Department's goals is to maximize the efficient use of state resources in the delivery of services to the public, with emphasis on the timely processing and resolution of discrimination complaints. The Budget proposes the following adjustments to enhance the Department's ability to meet these goals:

Mediation Unit—To more efficiently serve California employees and employers, the Budget includes \$1.0 million from the General Fund for two personnel years and contractual services to establish a Mediation Unit on a pilot basis as an alternative to the existing investigation and litigation process for employment complaint cases.

Public Information and Technical Assistance Unit—The Budget proposes \$113,000 General Fund and two personnel years to establish a Public Information and Technical Assistance Unit to enhance public awareness of the rights and remedies available under California's civil rights laws, and to improve the Department's delivery of technical assistance to employers and housing providers in order to prevent violations of the State's anti-discrimination laws.

California Arts Council

The California Arts Council is responsible for promoting artistic awareness, participation, and expression in California. The Council promotes arts education, the employment of artists in both the public and private sector, and the development of the arts throughout the State. The Council provides local assistance grants to organizations and individuals as well as establishes projects of statewide significance to develop the creative resource base for the benefit of the broad cultural, educational, social, and economic goals of California. The Governor's Budget proposes \$53.8 million and 41 personnel years to carry out the Council's programs.

Arts Education—The Budget includes \$10.0 million for the Arts Education Program, which is created in recognition of the fact that the arts are essential for the cultural, educational, social, and economic development of California.

In order to accomplish its objectives, the Program will focus on K-12 arts education, classroom teacher development, and adopt-a-school partnerships.

Simon Wiesenthal Center, Museum of Tolerance—The Budget includes \$2.0 million to continue a program initiated in 1998-99, which provides training to approximately 5,000 teachers in K-12 public schools on tolerance and diversity.

Local Arts Education Partnership—The Budget provides \$500,000 for Local Arts Education Program grants funded by revenue from the sales of "Arts Coastline," graphic design license plates.

Department of Food and Agriculture

The Department of Food and Agriculture (DFA) is responsible for protecting and promoting California's agriculture, providing leadership in the development of agricultural policy, and enforcing weights and measures standards in commerce. The DFA's activities include prevention and eradication of harmful plant and animal pests and disease, marketing and export assistance to the agriculture industry, and assistance to county agricultural commissioners and local fairs. The Governor's Budget proposes \$223.5 million (\$86.7 million General Fund and \$136.8 million in other funds) and 2,073 personnel years for the Department.

Integrated Food Safety—The Budget proposes \$705,000 General Fund and \$1.1 million Agriculture Fund and 11 personnel years for the Integrated Food Safety Program. This augmentation will address increased workload associated with new inspections and evaluations related to enforcement of and compliance with milk and dairy food standards and investigations to curb illegal production of dairy products. This funding will also relocate the Milk and Dairy Foods Microbial Laboratory and mitigate and prevent environmental contamination from large animal feeding operations.

Plant Comprehensive Strategy—The Budget includes \$2.4 million General Fund to reduce the growing threat to California from invasive pests. Specifically, this program consists of \$1.3 million and six personnel years to expand the trapping of invasive pests. The Budget also includes permanent funding for the Preventive Med-fly Release Program and an increase of \$630,000 for expansion of the program in the Los Angeles basin. An increase of \$500,000 and three personnel years is also included to expand public outreach and education activities related to the statewide pest prevention program.

NFACT Agricultural Coalition—The Budget proposes \$250,000 General Fund and two personnel years for a two-year pilot program to ensure California's agricultural interests

receive the appropriate attention and consideration in the formulation of national agricultural policy. To enhance this mission, DFA has partnered with New Mexico, Florida, Arizona, and Texas to form NFACT. Cooperatively, the states have joined together to gain attention and consideration at the national level in the areas of research, conservation, risk management, international trade, animal and plant health, pest prevention programs, and agricultural border relationships with Mexico.

Office of Emergency Services

In time of major emergency or disaster in California, the Office of Emergency Services (OES) coordinates emergency activities to save lives, reduce property loss, and expedite recovery. The Governor's Budget proposes \$689.7 million (\$81.8 million General Fund, \$602.0 million federal funds, and \$5.9 million other funds) and 530 personnel years for OES.

Local Assistance—The Governor's Budget includes \$633.9 million (\$51.2 million General Fund, and \$582.7 million federal funds) for payment of disaster response and recovery costs incurred by local governments, for various past disasters including the Northridge Earthquake. In 1999, the Federal Emergency Management Agency accelerated its claims processing for those disasters. In order to continue expeditious payment of local agency claims, an additional \$439.3 million has been included in the current fiscal year (\$64.7 million General Fund and \$374.6 million federal funds).

Fire Engine Replacement—The Budget includes an additional \$750,000, for a total of \$1.8 million, to purchase seven new fire engines to assist local governments in their fire and rescue mutual aid efforts. This funding will allow aging fire engines to be replaced by newer, more technologically advanced engines to help local fire and rescue teams function at maximum efficiency to preserve lives and property.

Mutual Aid Program—The State of California Law Enforcement Mutual Aid Plan is the basis for emergency law enforcement operational deployment procedures within the statewide mutual aid system. As coordinator for this system, the OES provides assistance to local governments in various ways, including development of mutual aid plans, facilitating emergency efforts during disasters, and coordinating telecommunications systems within the emergency management community. The Budget includes \$2.6 million for communications equipment and support, including base station radios for the dispatch and deployment of mutual aid fire engines and hand held communication equipment used on-site during emergencies.

Department of Industrial Relations

The Department of Industrial Relations (DIR) seeks to protect the workforce, improve working conditions, and advance opportunities for profitable employment. The Governor's Budget proposes \$254.7 million and 2,784 personnel years for DIR.

Garment Manufacturers Inspection Program—The Budget provides \$3.1 million reimbursements and 41 personnel years to implement the provisions of Chapter 554, Statutes of 1999, that establishes the Garment Manufacturers Inspection Program. This legislation requires the DIR to establish new procedures for the resolution of claims for unpaid wages and overtime for workers in the garment industry and is funded from registration fees charged to garment manufacturers.

Increased Enforcement of Occupational Safety and Labor Standards—The Budget includes \$2.4 million General Fund and 26 personnel years to implement the provisions of Chapter 615, Statutes of 1999. This legislation increases civil and criminal penalties for violations of

occupational health and safety standards, and extends the period in which discrimination complaints can be filed against employers. The Budget includes \$2.1 million to the Division of Occupational Safety and Health, and \$323,000 to the Division of Labor Standards and Enforcement to implement these provisions.

Permanent Amusement Ride Inspection Program—The Budget proposes \$2.1 million General Fund and 25 personnel years to establish the Permanent Amusement Ride Safety Inspection Program within the Division of Occupational Safety and Health. Established by Chapter 554, Statutes of 1999, this Program requires a mechanical and operational inspection of all permanent amusement rides and owners of these rides to submit an annual certificate of compliance to the DIR. In addition, the Department will certify inspectors, and will approve school programs for training and education for amusement ride safety.

Prevailing Wage Research—The Budget adds \$600,000 General Fund and five personnel years for the Division of Labor Statistics and Research to conduct prevailing wage reviews, labor market investigations, and area practices investigations. The information obtained as a result of this research will then be used to verify the accuracy of the prevailing wage determinations.

Department of Veterans Affairs

The Department of Veterans Affairs is responsible for providing services to California veterans and their dependents. The Department administers the Cal-Vet Farm and Home Purchase Program, assists veterans in obtaining state and federal benefits to which they are entitled, and operates veterans homes in Yountville, Barstow, and Chula Vista (opening Spring 2000). The Governor's Budget includes \$340.8 million and 1,817 personnel years to support the Department's various programs. The Budget proposes a number of adjustments to improve patient care and quality of life at the Veterans Homes of California:

Recruitment and Retention of Patient Care Staff—\$4.5 million General Fund to provide various recruitment and retention incentives for specified patient care staff positions in Yountville and Barstow.

Quality Assurance and Staff Training—\$886,000 and 12 personnel years for a program-wide quality assurance team, a nursing-specific quality assurance function in the Barstow Home, a nursing staff training and coordination program, and information services assistance for medical staff.

Additional Medical and Related Staff—\$3.3 million and 62 personnel years to provide additional medical and related staff. Funding is proposed for nurse practitioners, dentists, and physicians, as well as support staff which include sanitation and evening maintenance workers, clinical registration assistants, patient benefits, and insurance officers.

Program Supplements and Expansions—\$658,000 and six personnel years for additional therapeutic and recreational activity staff at both homes, a pilot program for residents with Post Traumatic Stress Disorder, and an on-site clinical laboratory in Barstow.

Infrastructure Improvements—\$3.8 million and ten personnel years for environmental and facility improvements in the veterans homes. Specifically, augmentations are proposed for special repairs at the Yountville cemetery and chapel, automatic faucets in Barstow, lifting devices to prevent healthcare worker injuries, and additional environmental maintenance staff in Yountville.

Capital Outlay—\$9.2 million for capital outlay needs in the Barstow and Yountville Veterans Homes. Barstow's capital outlay budget includes funding to convert an existing building into a

residential care facility for the elderly, to provide a secured "wandering" area for dementia patients, and to install a cement foundation for two trailers that will house recreation and rehabilitation programs.

In Yountville, funding for several continuing projects is proposed, including the construction phase of the Holderman Rehabilitation Activity Area remodel, the construction phase to correct code deficiencies in Jefferson Hall, and construction for a remodel of the Laundry Building with partial conversion to warehouse space for member's personal belongings. New projects to enhance the quality of life and meet needs for improved accessibility, emergency water supply and storage, and increased fire-life safety are also proposed for Yountville. These include the installation of an up-to-date Hospital Emergency Notification System, renovation of the on-site 1.25 million gallon water storage tank and water delivery systems, and restoration of the Veterans Home Cemetery including the construction of an information kiosk, restrooms, and a maintenance shed. Minor projects to improve two existing parking lots including paving, handicapped accessible stalls, drainage, lighting, and the implementation of improved fire-life safety systems in the home's Memorial Chapel.

Military Department

The Military Department is responsible for the command, leadership, and management of the California Army and Air National Guard. The purpose of the National Guard is to provide military service supporting California as well as the nation. These services are provided through 127 armories, 10 air bases, and 3 army bases located throughout California. The Governor's Budget proposes \$76.8 million and 799 personnel years for the Military; the Military receives an additional \$449.6 million in federal funds that are not deposited in the state treasury.

Boot Camp Academy—The Budget includes \$9.2 million General Fund and 84 personnel years to establish a Boot Camp Academy at Camp San Luis Obispo. This boot camp program, which has been designed to accommodate 160 cadets, will consist of a strict disciplinary regime, physical training, behavioral and substance abuse counseling, and an intensive academic curriculum focused on core subjects and gateway employment skills. Cuesta Community College will provide the academic component of this program.

California Cadet Corps—The Budget also includes \$1.5 million General Fund and six personnel years to reestablish state management and oversight of the Cadet Corps program. The Corps is a statewide, school based education and prevention program directed toward enhanced school safety, dropout prevention, and gang avoidance with the school curriculum. The program provides specialized academic and military style training addressing problematic behavior, substandard academic performance, and other at risk factors. Additionally, the program is designed to include state level competition, encampments, and leadership training for more than 6,500 middle and high school students. Students acquire healthy work habits, improved self-esteem, leadership skills, and become role models for other students.

Oakland Military Institute—The Budget provides \$1.3 million General Fund and 17 personnel years to establish the first year of funding for the Oakland Military Institute to serve 162 seventh grade students in a non-residential environment. The Institute will operate as a partnership between the City of Oakland, the City of Oakland Office of Education, and the California Military Department. When fully implemented, the Institute will have a student body of 972, covering grades 7 through 12. A linchpin in the program is the establishment of a charter school, which will derive its funding through the normal charter school funding process. The curriculum will be college preparatory, with an emphasis on mathematics, literature, science, social studies, and foreign languages.

State Honor Guard Expenses—California has the largest population of veterans in the nation. The Governor believes that these men and women who have served their country with distinction should be afforded the opportunity to receive proper military burial honors. The Budget includes \$1.3 million General Fund and 27 temporary help personnel years for California National Guard assistance at funerals for deceased veterans. The Military Department will establish two-member regional teams to render military honors.

Employee Compensation

The Administration successfully negotiated two-year agreements with the 21 state employee collective bargaining units in 1999. The contracts provide the following significant benefit increases for state employees:

- A general salary increase of 4 percent effective July 1, 1999.
- An additional 4 percent general salary increase effective September 1, 2000.
- Inequity and special salary adjustments for specified classifications.
- Increases in the employer's contribution for health benefits.
- An employer-paid reimbursement for specified health care expenses for state employees residing in rural areas.
- The establishment of the State Work and Family Labor/Management Advisory Committee to identify alternatives to assist state employees in addressing family needs and to encourage participation in work and family programs.

Employees excluded from collective bargaining received comparable benefits.

Through collective bargaining, the Administration also agreed to improve retirement benefits for all state employees. These include enhanced retirement benefit factors and the option for active employees currently in Miscellaneous or Industrial Second Tier (Tier II) retirement plans to switch to Miscellaneous First Tier (Tier I) for past and future service. The changes are effective January 1, 2000, and were codified by Chapter 555, Statutes of 1999 (SB 400).

These significant enhancements follow upon successful negotiations for short-term agreements with the 16 state employee bargaining units that did not have contracts as of January 1999. The short-term agreements generally provided a 5.5 percent salary increase effective April 1, 1999. The Administration also approved salary increases for excluded employees which generally provided for a 2.5 percent increase effective close of business June 30, 1999.

Departmental budgets reflect \$864.6 million (\$377.8 million General Fund) of employee compensation costs in 1999-00 and \$1.2 billion (\$559.5 million General Fund) in 2000-01. The 2000-01 proposed Budget includes \$60.0 million (\$30.0 million General Fund) to provide funding for compensation adjustments, such as recruitment and retention differentials