

7/15/60

Memorandum No. 56 (1960)

Subject: Budget for 1961-62 Fiscal Year; Revised Budget for  
1960-61 Fiscal Year

Herewith is submitted a suggested budget for the 1961-62 fiscal year. We have not been able to compute the cost of the state's share of Employees' Retirement contributions, but the suggested budget for the 1961-62 fiscal year probably will not exceed the amount budgeted for the 1960-61 fiscal year. In any case, the proposed budget for 1961-62 (excluding employees' retirement) is \$653 less than the amount budgeted for 1960-61 (excluding employees' retirement).

An examination of the revised 1960-61 budget and the proposed 1961-62 budget will indicate that the emphasis during these two years is placed on research services and contractual services. Expenditures for Printing and Binding during these two fiscal years will be relatively low. At the same time, the moneys allocated to printing and binding during these two fiscal years will permit printing of most, if not all, of the Commission's 1963 legislative program. This is a result of the high expenditures during 1959-60 for printing; we have encumbered funds to print all of the 1961 legislative program out of the 1959-60 budget and also encumbered funds in the 1959-60 budget for the printing of some studies that will be presented to the 1963 legislative session.

The revised budget for 1960-61 will require a transfer of \$3,594 from Operating Expenses to Salaries and Wages.

Respectfully submitted,

John H. DeMouilly  
Executive Secretary

SUPPORT EXPENDITURE DETAIL

	<u>ACTUAL</u> 1959-60	<u>BUDGETED</u> 1960-61	<u>REVISED</u> 1960-61	<u>PROPOSED</u> 1961-62
<b>SALARIES AND WAGES</b>				
Commission Members, 7 (per diem)	\$ 3,320.00	\$ 3,200	\$ 4,400	\$ 4,200
Executive Secretary (3/4 time)	13,162.72	11,994	11,994	12,594
Assistant Executive Secretary	13,289.51	14,382	14,382	15,105
Assistant Counsel	-----	-----	7,356	7,728
Junior Counsel	5,988.00	7,008	-----	-----
Senior Legal Stenographer	4,780.00	5,276	5,276	5,542
Intermediate Steno-clerk	3,746.39	4,279	4,279	4,494
Intermediate Steno-clerk (intermittent)	1,163.49	2,046	4,092	4,092
<b>TOTALS, SALARIES AND WAGES</b>	<b>\$45,450.11</b>	<b>\$48,185</b>	<b>\$51,779*</b>	<b>\$ 53,755</b>
<b>OPERATING EXPENSES</b>				
General Expense (includes Subscriptions)	\$ 2,099.79	\$ 3,300	\$ 3,300	\$ 3,300
Rent	--	--	--	1,500
Printing and Binding	19,709.61	21,118	10,000	11,050
Travel, in-state	6,802.32	7,630	8,500	7,000
Travel, out-of-state	220.00	400	400	400
Telephone and Telegraph				
Exchange Charges	286.92	300	300	325
Long Distance Tolls	294.80	450	450	300
Postage	599.50	900	1,200	750
Research Services and Contractual Services	12,903.85	11,000	17,300	14,000
<b>TOTALS, OPERATING EXPENSES</b>	<b>\$42,916.79</b>	<b>\$45,098</b>	<b>\$41,450</b>	<b>\$38,625</b>
<b>EQUIPMENT</b>				
Total	\$ 228.06	\$ 250	\$ 250	\$ 500
<b>TOTAL EXPENDITURES (EXCLUDING EMPLOYEES RETIREMENT)</b>	<b>\$88,594.96</b>	<b>\$93,533</b>	<b>\$93,479</b>	<b>\$92,880</b>

\*The revised budget for 1960-61 will require the transfer of approximately \$3,594 from Operating Expenses to Salaries and Wages.

## GENERAL ANALYSIS

### Objectives

This commission examines the law to discover defects and recommends needed changes, receives proposed changes in law recommended by other bodies, recommends changes in the law necessary to modify or eliminate obsolete or unconstitutional provisions and reports proposed studies to the Legislature.

### Program and Performance

The workload of this commission is determined primarily by the number of studies assigned to it by the Legislature. Because studies are scheduled for completion just prior to the general session of the Legislature, workload statistics presented below are discussed in terms of fiscal periods of two years.

	<u>Actual 1957-1959</u>	<u>Estimated 1959-1961</u>	<u>Estimated 1961-1963</u>
Studies . . . . .	12	12	12

The study of the Uniform Rules of Evidence and the study of Condemnation Law and Procedures are included among the studies scheduled for completion in 1961-1963.

NUMBER OF POSITIONS

	<u>1959-60</u> (filled)	<u>1960-61</u> (auth.)	<u>1960-61</u> (revised)	<u>1961-62</u> (auth.)
Executive Secretary (3/4 time)	.8	.8	.8	.8
Assistant Executive Secretary	1	1	1	1
Assistant Counsel	---	---	1	1
Junior Counsel	1	1	---	---
Senior Legal Stenographer	1	1	1	1
Intermediate Steno-Clerk	1.5*	1.5*	2**	2**
Temporary help***	.2	---	---	---
	<u>5.5</u>	<u>5.3</u>	<u>5.8</u>	<u>5.8</u>

\* Includes position of Intermediate Steno-Clerk (intermittent) equal to one-half of a full-time position.

\*\* Includes position of Intermediate Steno-Clerk (intermittent) equal to one full-time position.

\*\*\* This is the budget method of showing a lump sum payment for unused vacation which was made to the former Executive Secretary.

SALARIES AND WAGES

	<u>Actual 1959-60</u>	<u>Budgeted 1960-61</u>	<u>Revised 1960-61</u>	<u>Proposed 1961-62</u>
<u>Commissioners (7)</u> per diem	\$3,320	\$3,200	\$4,400	\$4,200

Comment:

Revised budget for 1960-61.

The revised expenditures for 1960-61 will provide sufficient funds for 8 three-day meetings and 4 two-day meetings during the fiscal year.

For the first six months of 1960-61 (if we meet three days in September as tentatively scheduled and do not otherwise change our schedule), we will have 4 three-day meetings and 2 two-day meetings.

The revised expenditures will permit 4 three-day meetings and 2 two-day meetings during the 1961 legislative session.

Proposed budget for 1961-62

The proposed budget for 1961-62 will provide funds for a three-day meeting every other month.

SALARIES AND WAGES

<u>Staff</u>	Actual 1959-60	Budgeted 1960-61**	Revised 1960-61	Proposed 1961-62
Executive Secretary (3/4 time)	\$13,162.72*	\$11,994	\$11,994	\$12,594
Assistant Executive Secretary	13,289.51	14,382	14,382	15,105
Assistant Counsel	---	---	7,356	7,728
Junior Counsel	5,988.00	7,008	---	---
Senior Legal Stenographer	4,780.00	5,276	5,276	5,542
Intermediate Steno-clerk	3,746.39	4,279	4,279	4,494
Intermediate steno-clerk (intermittent)	1,163.49	2,046	4,092	4,092
	<u>\$42,130.11</u>	<u>\$44,985</u>	<u>\$47,379</u>	<u>\$49,555</u>

\* Includes cash payment in lieu of vacation for former Executive Secretary.

\*\* Includes general salary increase granted effective July 1, 1960.

Comment:

Revised budget for 1960-61

The revised expenditures for 1960-61 will provide funds to permit a reclassification of the position of Junior Counsel to Assistant Counsel during the 1960-61 fiscal year if the Commission decides to make such reclassification. Note that the difference in salary if such reclassification were made immediately would be about \$300.

The revised expenditures for 1960-61 will provide more funds for temporary clerical help. This is an essential revision.

Proposed budget for 1961-62

Salary figures for positions in the proposed budget for the 1961-62 fiscal year reflect regular increases for those positions.

RENT

<u>Actual</u> <u>1959-60</u>	<u>Budgeted</u> <u>1960-61</u>	<u>Revised</u> <u>1960-61</u>	<u>Proposed</u> <u>1961-62</u>
---	---	---	\$ 1,500

Comment:

The Law Revision Commission now occupies more than 1,000 square feet of space in the Law School at Stanford University. Stanford University provides heat, light, maintenance and janitorial service for the space so occupied. It is proposed to pay a rental charge on the amount of space occupied by the Commission that is in excess of the amount originally made available by Stanford when the Commission was established at Stanford. The rate of 25 cents a square foot per month for 500 square feet results in the item of \$1,500 included in the proposed budget for 1961-62. No rent will be paid on the space originally made available to the Commission (approximately 500 square feet).

Department of Finance advises us that the minimum rental being paid pursuant to leases currently being negotiated is approximately 33 cents per square foot. Leases in San Francisco are being executed at approximately 41 or 42 cents per square foot.

GENERAL EXPENSE (INCLUDES SUBSCRIPTIONS)

<u>Actual</u> <u>1959-60</u>	<u>Budgeted</u> <u>1960-61</u>	<u>Revised</u> <u>1960-61</u>	<u>Proposed</u> <u>1961-62</u>
\$2,099.79	\$ 3,300	\$ 3,300	\$ 3,300

Comment:

Included in General Expense are such items as:

Office Supplies (Department of Finance Estimates one per cent increase over 1959-60 costs).

Freight and Express (Department of Finance estimates five per cent increase over 1959-60 costs).

RENT

<u>Actual</u> <u>1959-60</u>	<u>Budgeted</u> <u>1960-61</u>	<u>Revised</u> <u>1960-61</u>	<u>Proposed</u> <u>1961-62</u>
---	---	---	\$ 1,500

Comment:

The Law Revision Commission now occupies more than 1,000 square feet of space in the Law School at Stanford University. Stanford University provides heat, light, maintenance and janitorial service for the space so occupied. It is proposed to pay a rental charge on the amount of space occupied by the Commission that is in excess of the amount originally made available by Stanford when the Commission was established at Stanford. The rate of 25 cents a square foot per month for 500 square feet results in the item of \$1,500 included in the proposed budget for 1961-62. No rent will be paid on the space originally made available to the Commission (approximately 500 square feet).

Department of Finance advises us that the minimum rental being paid pursuant to leases currently being negotiated is approximately 33 cents per square foot. Leases in San Francisco are being executed at approximately 41 or 42 cents per square foot.

PRINTING AND BINDING

<u>Actual</u> <u>1959-60</u>	<u>Budgeted</u> <u>1960-61</u>	<u>Revised</u> <u>1960-61</u>	<u>Estimated</u> <u>1961-62</u>
\$19,709.61	\$21,118	\$10,000	\$11,050

Comment:

The budgeted amount for 1960-61 was based on the assumption that the Commission would complete and print all of the study of condemnation law and procedure prior to the end of the 1960-61 fiscal year. This will not be possible. In addition, funds in the 1959-60 budget were encumbered to cover the expense of printing a number of studies that originally were to have been printed using funds under the 1960-61 budget. This results in an excess of funds in the printing and binding category of the 1960-61 budget which will be used to cover necessary increases in such other items as research, travel, postage, salaries and wages, etc. See attached Exhibit I for detailed information concerning the printing program.

The Department of Finance directs us to budget printing as five per cent higher for 1960-61 than 1959-60 and six per cent higher for 1961-62 than 1959-60.

Revised Budget for 1960-61

The Revised Budget for 1960-61 provides money to print the following:

Study 36(L) - Condemnation - Additional portions	\$ 3,000
Study No. 52(L) - Sovereign Immunity	3,650
1961 Annual Report	550
Study No. 53(L) - Personal Injury Damages	800
Study No. 34(L) - Uniform Rules of Evidence - additional portions	2,000
	<hr/>
Total	\$10,000

Proposed Budget for 1961-62

The proposed budget for 1961-62 includes money to print the following:

Bound Volume No. 3	\$ 3,000
1962 Annual Report	550
Study No. 36(L) - Condemnation - additional portions	4,000
Study No. 34(L) - Uniform Rules of Evidence - additional portions	2,500
Study No. 35(L) - Habeas Corpus	1,000
	<hr/>
Total	\$11,050

TRAVEL, IN-STATE

<u>Actual</u> 1959-60	<u>Budgeted</u> 1960-61	<u>Revised</u> 1960-61	<u>Proposed</u> 1961-62
\$6,802.32	\$7,630	\$8,500	\$7,000

Actual  
1959-60

Number of Employees:

Number of man-days of travel:

Cost of Meals and Hotel

Transportation and other expense

Automobile mileage\* (            miles)

*Mileage	Miles	Cost
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DeMouilly (staff)

Lindow (staff)

Totals	_____	\$ _____
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Comment:

Revised budget for 1960-61

The budget for 1959-60 included \$4,500 for travel, in-state; but the actual expenditure for this item was \$6,802.32. The budget for 1960-61 anticipated increased travel expenditures because this budget covers the year of the general legislative session. In view of the experience during 1959-60, the revised budget for 1960-61 includes \$8,500 for travel, in-state.

Proposed budget for 1961-62

The amount included in the proposed budget for 1961-62 for travel, in-state, is based on our experience in 1959-60.

TRAVEL - OUT-OF-STATE

	<u>Actual</u> 1959-60	<u>Budgeted</u> 1960-61	<u>Revised</u> 1960-61	<u>Estimated</u> 1961-62
Executive Secretary to attend annual meeting of National Legislative Conference	\$220	\$400	\$400	\$400

DeMouilly	<u>Actual</u> 1959-60
Number of days:	
Meals and Hotel:	
Transportation and other expenses	
Total	\$

TELEPHONE AND TELEGRAPH

	<u>Actual</u> <u>1959-60</u>	<u>Budgeted</u> <u>1960-61</u>	<u>Revised</u> <u>1960-61</u>	<u>Estimated</u> <u>1961-62</u>
Exchange Charges	\$286.92	\$ 300	\$ 300	\$ 325
Long Distance Tolls	294.80	450	450	300

Comment:

A moderate increase has been budgeted in 1961-62 for Exchange Charges based on past experience.

POSTAGE	Actual <u>1959-60</u>	Budgeted <u>1960-61</u>	Revised <u>1960-61</u>	Proposed <u>1961-62</u>
	\$599.50	\$900	\$1,200	\$750

Comment:

The Department of Finance has provided this information:

First class postage - no increase in rate over 1959-60.

Second class postage - 1960-61 will be 40 percent higher than 1959-60. 1961-62 will be 60 percent higher than 1959-60.

Fourth class postage - 1960-61 and 1961-62 will be approximately 10 percent higher than 1959-60.

Revised budget for 1960-61.

The budget for 1959-60 included \$500, but the actual expenditures were \$599.50. In view of the great interest in the condemnation study, the amount budgeted for 1960-61 for postage has been increased by \$300 to \$1,200.

Proposed budget for 1961-62.

The amount proposed for expenditure in 1961-62 takes into account the actual experience in 1959-60 and makes a more adequate allowance for this item.

RESEARCH AND CONTRACTUAL SERVICES

<u>Actual</u> 1959-60	<u>Budgeted</u> 1960-61	<u>Revised</u> 1960-61	<u>Proposed</u> 1961-62
\$12,903.85	\$11,000	\$17,300	\$14,000

Comment:

Revised budget for 1960-61.

There is a substantial increase in the item for Research and Contractual Services in the revised budget for 1960-61. The funds in the revised budget will be allocated approximately as indicated below. The amount allocated for a particular research study may, however, be increased or decreased to take into account the relative difficulty of the study.

Consultants for studies assigned by 1961 legislature	\$5,000
Research Contract with Stanford University	5,000
Indexing Bound Volume No. 3 (We paid \$600 to have Bound Volume No. 2 indexed and we hope to be able to persuade the same person to index Bound Volume No. 3.)	700
Travel Expenses of Consultants (This item is payable from the research category.)	1,500
Consultants for studies already assigned to the Commission:	
21 - Partition Law and Procedure	1,000
26 - Escheat	800
27 - Putative Spouse (The money for this study has reverted. We could use the reverted money, but since we have the money available we are budgeting for this study again and will thus avoid the red tape involved in attempting to use the reverted money. Also, the consultant has no idea when he will complete the study and it is possible that we will need to obtain another consultant.)	800
47 - Modification of Contracts	1,000

51 - Ex Parte Divorce	\$ 500
(We retained this study on our agenda although the <u>Hudson case</u> gave a right of support after an ex parte divorce. We contemplated submitting a recommendation that would provide a statutory procedure governing support after ex parte divorce cases. This item will permit the consultant to revise his study in the light of the <u>Hudson case</u> and subsequent cases and to include in the study detailed consideration of the statutory procedure to be used in obtaining support after an ex parte divorce.)	
60 - Representation Relating to the Credit of a Third Person	<u>1,000</u>
Total	\$17,300

The proposed expenditures listed above will provide us with a consultant on every study except Study No. 12 (Taking Instructions to the Jury Room) and Study No. 59 (Service by Publication). It is proposed that these two studies be completed by the staff and that also the staff do the research necessary to complete the following studies:

- 30 - Custody
- 41 - Small Claims Court
- 44 - Suit in Common Name
- 49 - Unlicensed Contractor
- 55 - Additur

Proposed budget for 1961-62.

The proposed budget for 1961-62 includes the following proposed expenditures:

Consultants for studies assigned by 1961 and 1962 legislative sessions	\$5,000
Travel Expenses of Consultants	1,500
Research Contract with Stanford University	<u>7,500</u>
Total	\$14,000

EQUIPMENT	Actual <u>1959-60</u>	Budgeted <u>1960-61</u>	Revised <u>1960-61</u>	Proposed <u>1961-62</u>
	\$228.06	\$250	\$250	\$500

Comment:

The following is a detailed list of the equipment included in the proposed 1961-62 budget:

File, 5-drawer, metal, legal size . . . . .	\$138
Desk; typewriter, 60" x 30" . . . . .	220
Chair, posture, no arm, steno . . . . .	<u>49</u>
Total	407
Miscellaneous . . . . .	<u>93</u>
TOTAL	\$500

We have not had adequate equipment for the temporary clerical personnel. The equipment listed above will provide one work space, fully equipped, for a temporary steno-clerk.

## EXHIBIT I

### ALLOCATION OF FUNDS FOR PRINTING AND BINDING

The following tabulation indicates those studies for which printing funds have been allocated. Some studies will be printed with funds already encumbered under the 1958-59 or 1959-60 budgets; funds are provided for printing other studies under the revised 1960-61 budget or under the proposed 1961-62 budget. Most of the encumbrances are based on a study actually in existence and are probably fairly accurate. However, the proposed expenditures for 1960-61 and 1961-62 are, in most cases, estimates made without having received a completed study. As a result, it will be necessary to transfer the amounts allocated between various studies and the funds allocated may permit the printing of additional studies for which an allocation has not yet been made.

Study No.	Subject	Funds Encumbered		Proposed Expenditures	
		1958-59	1959-60	1960-61	1961-62
14	Instructions to Jury Room				
23	Rescission		\$ 800		
26	Escheat				
27	Putative Spouse				
29	Post-Conviction Sanity Hearings		565		
30	Custody Jurisdiction				
32	Arbitration		1,290		
33	Survival of Tort Actions	\$ 525			
34(L)	Uniform Rules of Evidence				
	Hearsay	3,450			
	Privilege		3,200		
	Authentication		600		
	Other portions			\$2,000	\$2,500
35(L)	Habeas Corpus				1,000
36(L)	Condemnation		6,590	3,000	4,000
37(L)	Claims		1,075		
38	Inter Vivos Rights		380		
39	Attachment, Garnishment, etc.				
40	Notice of Alibi		425		
41	Small Claims Court Law				
42	Trespassing Improver	800			
43	Separate Trial - Issue of Insanity		730		
44	Suit in Common Name				

Study No.	Subject	Funds Encumbered		Proposed Expenditures	
		<u>1958-59</u>	<u>1959-60</u>	<u>1960-61</u>	<u>1961-62</u>
45	Mutuality re Specific Performance				
46	Arson		\$ 800		
47	Modification - Contract in Writing				
48	Juvenile Court Proceedings	\$ 600			
49	Rights of Unlicensed Contractor	500			
50	Rights of Lessor				
51	Ex Parte Divorce	590			
52(L)	Sovereign Immunity			\$3,650	
53(L)	Personal Injury Damages Separate Property			800	
57(L)	Bail				
59	Service by Publication				
60	Representation of Credit				
61	Election of Remedies				
	1961 Annual Report			550	
	1962 Annual Report				\$ 550
	Bound Volume No. 2		2,700		
	Bound Volume No. 3				3,000

HILL, FARRER & BURRILL

July 18, 1960

California Law Revision Commission  
School of Law  
Stanford, California

Attention: Mr. John H. DeMouilly

Gentlemen:

We have been reviewing the status of the work performed and to be performed by us under our contracts with you for a study on Eminent Domain Law.

You will recall that, early in 1959, we suggested to the Commission the employment by us of a full time associate to conduct the basic research on the eminent domain study. We estimated that the work could be completed in time for the Commission to submit its recommendations to the 1961 Legislature, and we estimated our out-of-pocket costs in preparing the study on this basis to be \$18,000. Contracts in this amount were subsequently executed.

It became apparent some time ago to all of us, I am sure, that we would not be able to meet the time deadline. The research and work required have proved substantially greater than anticipated.

This unexpectedly larger work load leads us to request from you now a reconsideration of our contract terms.

Mr. Stanley Tobin was employed by us to undertake the primary research on the study. He receives a salary of \$750.00 a month. With payroll taxes and insurance, his employment costs about \$835.00 a month. The rent on the office space occupied by him is \$65.00 a month and the secretarial costs on the Law Revision work are estimated at \$100 a month. These costs approximate \$1,000 a month.

Mr. Tobin came with us on June 1, 1959. Thus at the end of July our out-of-pocket costs in connection with Mr. Tobin's work on the eminent domain study will total approximately \$14,000.

The total compensation provided for in the two contracts with the Law Revision Commission is \$18,000. We are thus in a position to continue Mr. Tobin's employment on this matter for an addition 4 months without out-of-pocket loss. Employment beyond that time will entail a loss to us.

We would like to emphasize at this point that only Mr. Tobin's

salary and expenses are being discussed here. Mr. McLaurin, Mr. Day and I are devoting our time without compensation and such time is not being considered in this analysis. Nor are certain miscellaneous costs such as tolls, purchase of publications, non-reimbursed travel expenses, expenses of conducting interviews, etc.

We estimate that it will require an additional 6 months beyond the 18 months originally anticipated for completion of the study, giving the remaining topics a treatment similar to intensiveness to the studies heretofore completed.

There are three alternatives for completing the study which we would like to place before you for your consideration.

First, we can, of course, perform the contracts as they are written. If Mr. Tobin's employment on the work is continued, this will entail an out-of-pocket cost to us of about \$6,000. However, we want to make it clear that we are at all times prepared to carry out our contractual commitments to the Commission.

Second, it might be possible to give the remaining topics a less intensive treatment and to submit studies on all the remaining topics within 4 months' time. Our costs during this time would be covered by the remaining \$4,000 which can be billed under the present contracts. This alternative presupposes that the Commission will approve such studies as constituting satisfactory performance under the contracts.

Third, if it is possible under the Commission's budget, and if it is otherwise deemed appropriate by the Commission, the second contract might be revised to raise the payment due thereunder to \$11,500 in place of \$5,500. This would enable us to continue without loss the employment of Mr. Tobin for the additional six months which we believe will be required to complete the entire study on the basis of the present program.

We would appreciate an opportunity to discuss this matter with you at a convenient time.

Sincerely,

/s/ Robert Nibley  
of Hill, Farrer & Burrill