Auditors also discovered that since the inception of the program in 1984, fees for PLM licenses and hunting tags and seals have not covered the costs of administering the program as required by law. Additionally, not all DFG personnel costs incurred in administering the program were charged to the PLM account. If those costs had been correctly charged, it is estimated that the program deficit for fiscal year 1986-87 would have been $76,000, rather than $34,000 as reflected in DFG records.

In addition, the report reveals that some inconsistencies exist in the regulations governing the PLM program. For example, the California Code of Regulations requires DFG to issue licenses to program participants annually, whereas the California Fish and Game Code provides that the licenses are valid for three years. Other sections of both codes were found to contain ambiguous language regarding the descriptions of wildlife required to be included in PLM plans and the collection of fees for hunting tags and seals in PLM areas.

The following improvements were recommended in the audit:

- Development of written criteria for evaluating the success of the program;
- Documentation of PLM area inspection visits, to include whether each planned improvement has been accomplished;
- Reassessment of DFG's fee structure for PLM licenses and hunting tags and seals to ensure that the program pays for itself; and
- Improvement in accounting procedures to include personnel costs incurred in administering the program in the PLM account; and
- Clarification of the regulations governing the PLM program to remove existing ambiguities.

OAG staff members were also asked to determine whether illegal hunting was occurring on wildlife refuges located in PLM areas. No such violations were discovered.

**COMMISSION ON CALIFORNIA STATE GOVERNMENT ORGANIZATION AND ECONOMY (LITTLE HOOVER COMMISSION)**

Executive Director: Robert O'Neill
Chairperson: Nathan Shapell
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The Little Hoover Commission was created by the legislature in 1961 and became operational in the spring of 1962. (Government Code sections 8501 et seq.) Although considered to be within the executive branch of state government for budgetary purposes, the law states that “the Commission shall not be subject to the control or direction of any officer or employee of the executive branch except in connection with the appropriation of funds approved by the Legislature.” (Government Code section 8502.)

Statute provides that no more than seven of the thirteen members of the Commission may be from the same political party. The Governor appoints five citizen members, and the legislature appoints four citizen members. The balance of the membership is comprised of two Senators and two Assemblymembers.

This unique formulation enables the Commission to be California's only truly independent watchdog agency. However, in spite of its statutory independence, the Commission remains a purely advisory entity only empowered to make recommendations.

The purpose and duties of the Commission are set forth in Government Code section 8521. The Code states: “It is the purpose of the Legislature in creating the Commission, to secure assistance for the Governor and itself in promoting economy, efficiency and improved service in the transaction of the public business in the various departments, agencies, and instrumentalities of the executive branch of the state government, and in making the operation of all state departments, agencies, and instrumentalities and all expenditures of public funds, more directly responsive to the wishes of the people as expressed by their elected representatives....”

The Commission seeks to achieve these ends by conducting studies and making recommendations as to the adoption of methods and procedures to reduce government expenditures, the elimination of functional and service duplication, the abolition of unnecessary services, programs and functions, the definition or redefinition of public officials' duties and responsibilities, and the reorganization and or restructuring of state entities and programs.

**MAJOR PROJECTS:**

**Workers' Compensation Program.** Following issuance of the Commission's report on California's Workers' Compensation Program (see CRLR Vol. 8, No. 2 (Spring 1988) p. 33), the Joint Legislative Audit Committee announced in April that it has instructed the Auditor General to conduct a comprehensive audit of the program (see supra agency report on OFFICE OF THE AUDITOR GENERAL).

**A Report on the Planning, Operation and Funding of California's Highway System (March 1988)** examines the causes of the severe backlog in state transportation projects and the resultant impending transportation crisis. Commenting on the report's findings, Chairperson Shapell stated that “the crisis is the result of years of inadequate planning, unnecessary bureaucracy and missed opportunities to accelerate highway development.”

The study revealed that although the shortfall in highway revenues is estimated to reach $800 million to $1.8 billion annually between 1988 and the year 2000, the crisis is more than financial. Twenty-five percent of state-funded highway projects and 60% of locally-funded projects are currently behind schedule primarily because of "CalTrans' inability to contract out project development work, the State's duplicative and overly burdensome environmental review processes, and the State's overcommitment of existing resources on highway projects."

The Commission estimates that between 1985 and the year 2000, the number of licensed drivers in the state will increase from 17.45 million to 22.10 million (26.6%). During the same time period, the number of vehicle miles travelled annually will increase by 30.5%. Yet the study revealed that CalTrans does not have an adequate long-term transportation plan because it spends "the bulk of its resources" on short-range and year-to-year planning.

Moreover, the study concludes that in its short-range planning, CalTrans "is not aggressively pursuing immediate options to reduce traffic congestion." While available now, transportation...
management systems and low-cost operational improvements "have not been fully considered for use on a statewide basis."

In the near term, the Commission recommends that CalTrans be permitted to contract with private engineering firms for project development activities, and that cities and counties be encouraged to do the same. The Commission would also require counties and/or regions to adopt a Transportation Systems Management Plan prior to state funds allocation. High priority is also recommended for funding of projects which provide for "the efficient use of existing freeways."

The Commission also recommends the following long-term solutions:

- Establishment of a "Blue Ribbon Ad Hoc Commission" on transportation to plan for the state's transportation needs through the year 2010;
- Expansion of the criteria for statutory exemption from the environmental clearance process, providing that "[p]rojects which do not individually or cumulatively have a significant impact on the environment" are exempt (currently, only explicitly listed projects are exempt);
- Development by CalTrans of recommendations to the legislature on measures to "streamline" the environmental review process;
- Modification of the timing of the State Transportation Improvement Program to allow for better coordination with the state budget process;
- Enhancement of state funding sources to address the long-term state funding shortfall;
- Adoption by the legislature of a joint resolution stating which federal program the state prefers upon completion of the interstate program in 1992;
- Modification of county minimum allocations to exclude funds necessary for safety and support costs, and restructuring of the minimum formula based on interstate program eligibility.

LEGISLATION:

The Commission's review of existing state services for children and youth (see CRLR Vol. 8, No. 1 (Winter 1988) pp. 37-38) has resulted in the introduction of several legislative proposals:

**AB 1763 (Wright).** AB 2736 (Hansen, Leslie), and SB 722 (Hart, Morgan, Seymour) are various proposals which would provide tax credits to employers for child care assistance given to employees and/or for start-up expenses of establishing child care facilities for employees. The bills propose tax credits in amounts equal either to 30% or 50% of the costs incurred. AB 1763 passed the Assembly on January 28 and is pending in the Senate Revenue and Taxation Committee. AB 2736 passed the Assembly Revenue and Taxation Committee on April 18 and is pending in the Assembly Ways and Means Committee. SB 722 passed the Senate by a vote of 37-0 on January 21, passed the Assembly Revenue and Taxation Committee on April 18, and is pending in the Assembly Ways and Means Committee.

**AB 3149 (Cortese).** Would provide that for certain low-income taxpayers, existing tax credits for child care expenses incurred to enable a taxpayer to be gainfully employed would be available to the extent of the taxpayer's tax liability plus a refund in excess of that amount up to the allowable credit amount. The bill passed the Assembly Revenue and Taxation Committee on May 16, and was scheduled for a June 1 hearing in the Assembly Ways and Means Committee.

**AB 4645 (Bronzan).** Was urgency legislation which would have required the Governor to appoint a State Advocate for Children, who would be autonomous from agencies or departments of the executive branch, as recommended by the Commission in its October 1987 report. The Advocate would have been required to report to the Governor and the legislature on specified matters relating to the health and well-being of children in California. The bill would also have directed the Department of Health Services to conduct research regarding children's health problems, and to institute a comprehensive identification and assessment program for children in enumerated high-risk target groups. The bill was dropped while pending in committee.

**AB 3145 (Cortese).** Would require the state Department of Education to establish local government planning and coordination grants to be used by cities and counties to fund initial costs for a child care coordinator or coordinating group not already in existence. The bill passed the Assembly Human Services Committee on March 23, and is pending in the Assembly Ways and Means Committee suspense file.

**AB 3357 (Roos).** Would have allowed for the financing of child care services and child care facilities with special taxes levied by existing community facilities districts. The bill was dropped on April 15 while pending in the Assembly Local Government Committee.

**AB 3358 (Roos, Hayden).** Is land use planning legislation designed to require every redevelopment plan adopted pursuant to the provisions of the Community Redevelopment Law to make adequate provision for specified child care facilities. The bill would exempt those redevelopment projects whose plans contain a finding that defined persons and families of low or moderate income will not be housed or employed in that area. The bill would also authorize the use of monies in a redevelopment agency's Low and Moderate Income Housing Fund for child care facilities. At this writing, this bill is pending on the Assembly floor.

**AB 2745 (Friedman, Cortese).** Would require counties and cities to consider child care in adopting or amending the land use element and housing element of the local general plan. The bill passed the Assembly Local Government Committee on April 20, and is pending in the Assembly Ways and Means Committee at this writing.

DEPARTMENT OF CONSUMER AFFAIRS

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In addition to its functions relating to its forty boards, bureaus and commissions, the Department of Consumer Affairs (DCA) is charged with the responsibility of carrying out the provisions of the Consumer Affairs Act of 1970. In this regard, the Department educates consumers, assists them in complaints, mediates their interests in the legislature, and represents them before the state's administrative agencies and courts.

MAJOR PROJECTS:

**Small Claims Court Support Program.** One of the functions of DCA's Legal Services Unit is to act as a legal resource on small claims court procedures to consumers, attorneys, judges, and small claims court advisors. In recent years, the small claims court system has been inundated by an increasing number of people using it to resolve marketplace disputes.

To ease the burden on the existing system, many attorneys have volunteered to become temporary judges. The Legal Services Unit has prepared a legal sourcebook and training book for attorneys who serve as temporary judges in small claims courts throughout the state.