

38. 1970-71 BUDGET PROPOSAL.

After consideration of Calendar Item 37 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE SUBMISSION TO THE GOVERNOR OF A BASIC ALLOCATION BUDGET OF \$1,604,778 PLUS SUPPLEMENTAL REQUESTS OF \$253,998 FOR A TOTAL OF \$1,858,776 FOR THE 1970-71 FISCAL YEAR.

Attachment

Calendar Item 37 (2 pages)

SUPPLEMENTAL CALENDAR ITEM

37.

1970-71. BUDGET PROPOSAL

An expenditure program for the 1970-71 fiscal year in the amount of \$1,604,778 has been developed in accordance with directives and budgetary allocations by the Department of Finance. This program is summarized in Schedule A attached.

In addition, three supplemental requests have been developed in priority order requesting, in total, restoration of \$253,998 of the \$305,000 reduction from the 1969-70 budgeted level of expenditure in the amount of \$1,909,936.

Priority Supplement #1 proposes the restoration of \$47,620 to continue oil pollution and safety surveillance on oil and gas leases, maintain services to other State agencies on dredging matters, provide mineral inspections to permit additional extractive leases, revise geothermal prospecting and leasing program in conformance with amended statutes, continue royalty and operational surveillance to maintain oil and gas revenues and pursue engineering and geologic review of non-mineral lease operations.

Priority Supplement #2 proposes the restoration of funds authorized in the 1969-70 budget to initiate an orderly area-oriented research approach on a priority basis to the ownership identification problems of the State. Inability to establish these boundaries results in inhibiting the development of water-oriented projects for recreation and industry and results in devaluing rentals of these properties.

The present method of attacking ownership problems as isolated problems is inefficient and undoubtedly results in the loss of valuable land by the State because of the lack of staff time to review boundaries in a comprehensive framework.

Priority Supplement #3 proposes the restoration of funds for positions and related expenses to maintain an operational level at least commensurate with that rendered by the State Lands Division in 1966-67.

In the last six years, requests for boundary determinations have increased at the rate of 40% per year. In the last two years, requests from other State agencies for acquisition of State school lands and for boundary determinations have increased threefold. Backlogged applications continue to increase.

All of the above expenditure requests are more than amply offset by cost-benefit considerations. Disapproval of any of these requests would have a significant impact on revenues estimated to be derived in not only the budget year but subsequent years as well.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE SUBMISSION TO THE GOVERNOR OF A BASIC ALLOCATION BUDGET OF \$1,604,778 PLUS SUPPLEMENTAL REQUESTS OF \$253,998 FOR A TOTAL OF \$1,858,776 FOR THE 1970-71 FISCAL YEAR.

PROGRAM LIST--DEPARTMENTAL ALLOCATION BUDGET

<u>EXPENDITURE REQUEST</u>			
<u>Funds</u>	<u>1968-69</u>	<u>1969-70</u>	<u>1970-71</u>
General	\$1,574,956	\$1,909,936	\$1,604,778

Grand Totals, All Funds:

SUMMARY OF PROGRAMS

<u>Program Number</u>	<u>Name of Program</u>	<u>Amounts</u>		
		<u>1968-69</u>	<u>1969-70</u>	<u>1970-71</u>
1	Land Use Program	\$1,006,112	\$1,108,753	\$1,022,893
2	Ownership Determination	468,598	643,481	451,955
3	Land Information System	100,246	157,702	129,930
4	Administration (distributed to other programs)	(416,421)	(536,993)	(536,993)