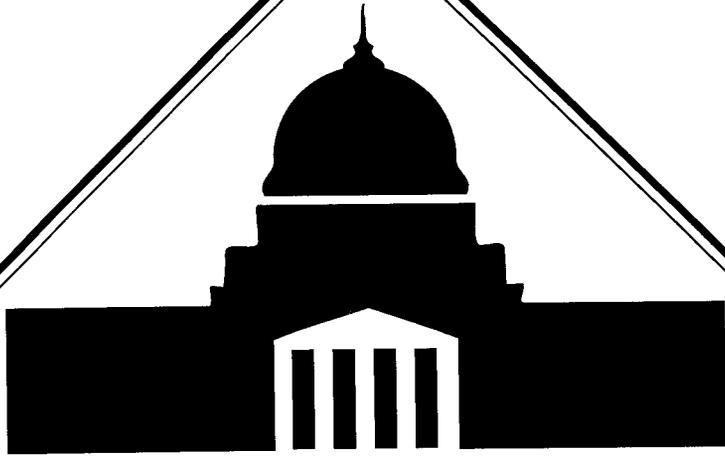


LITTLE HOOVER COMMISSION



❖ *Biennial Report* ❖

1993 - 1994

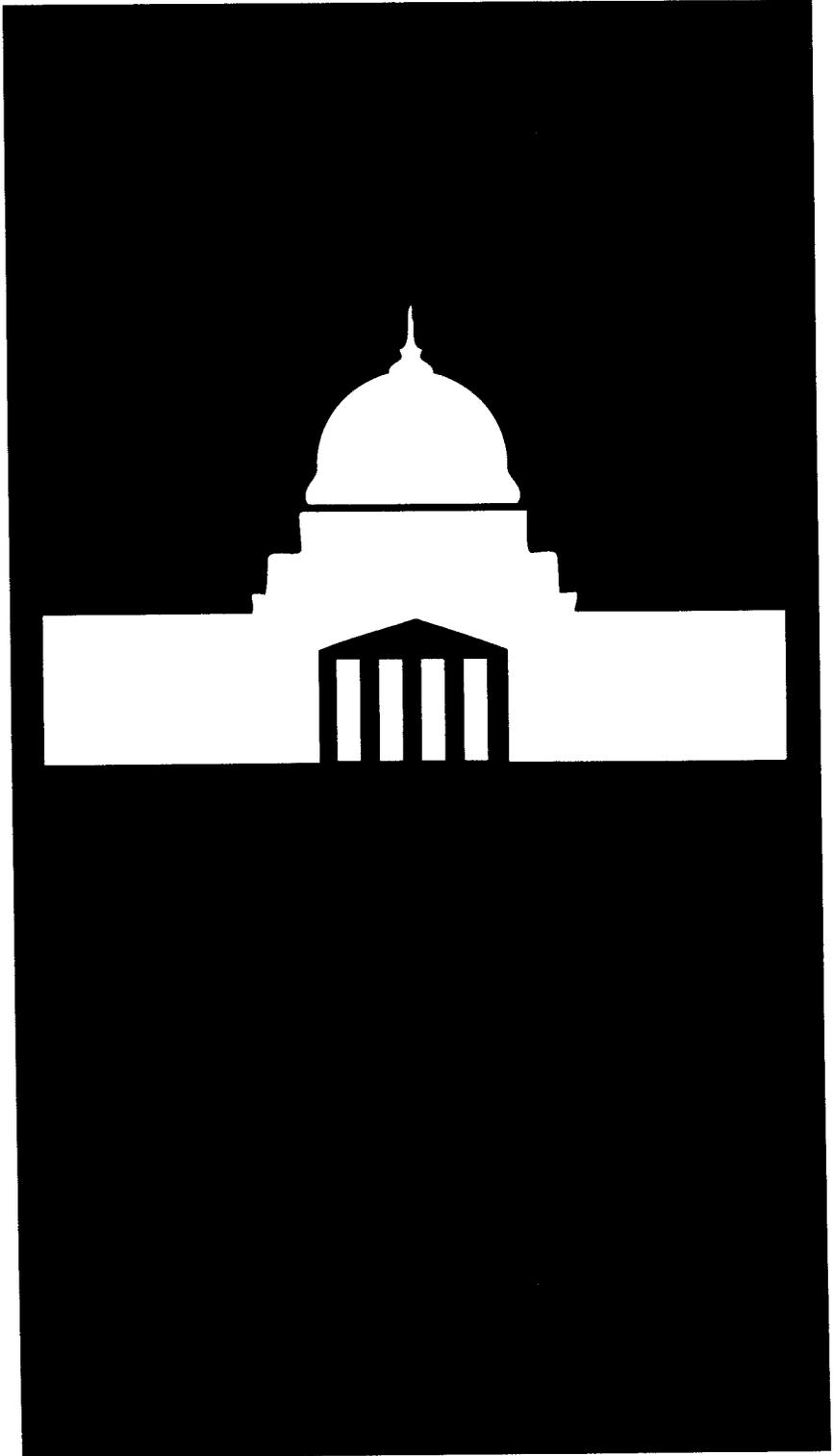
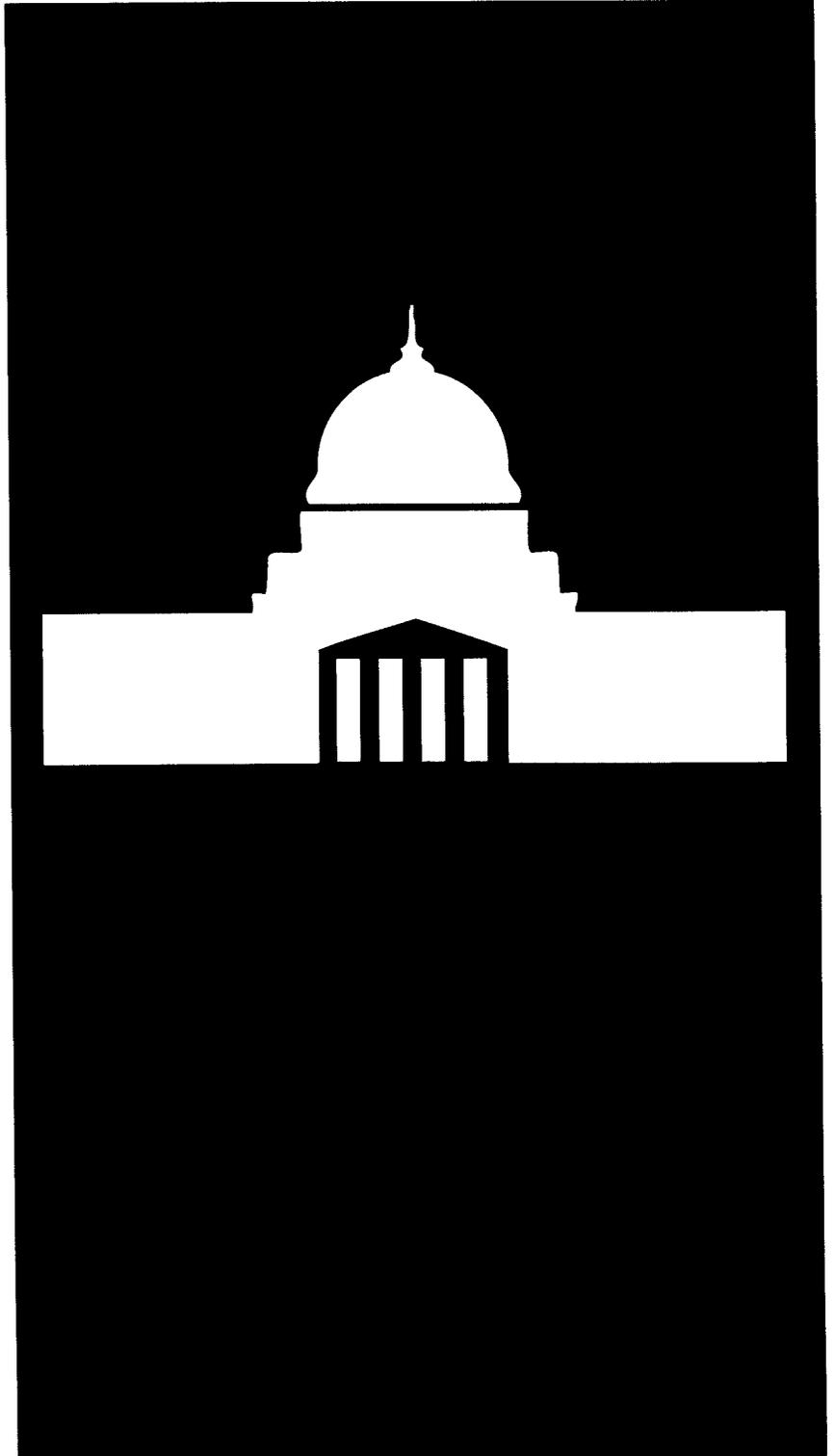


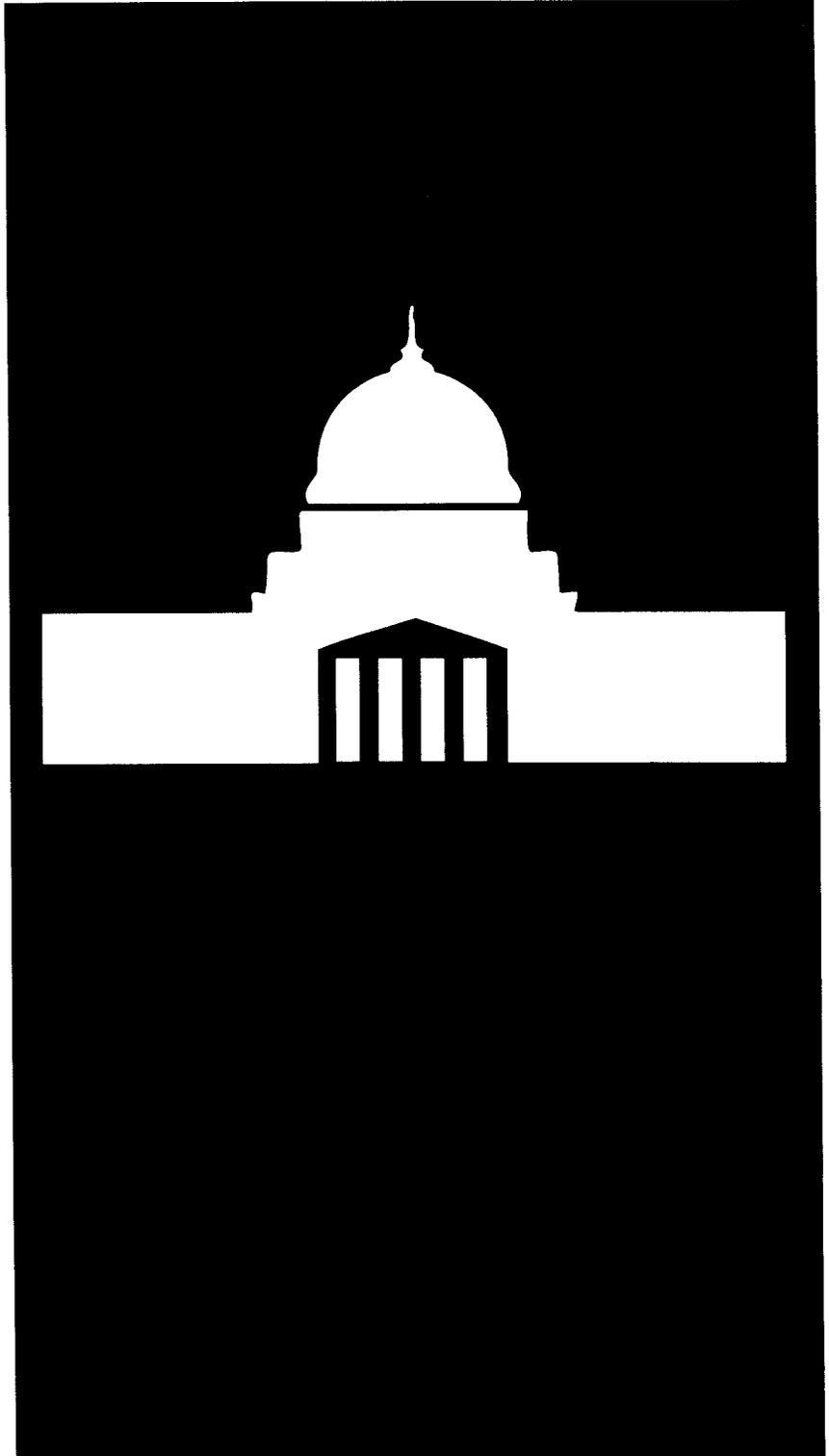
Table of Contents

The Mandate	1
The Process	3
The Result	5
Accomplishments, Goals	7
Legislation 1993-94	17
Reports 1993-94	29
Appendices	63



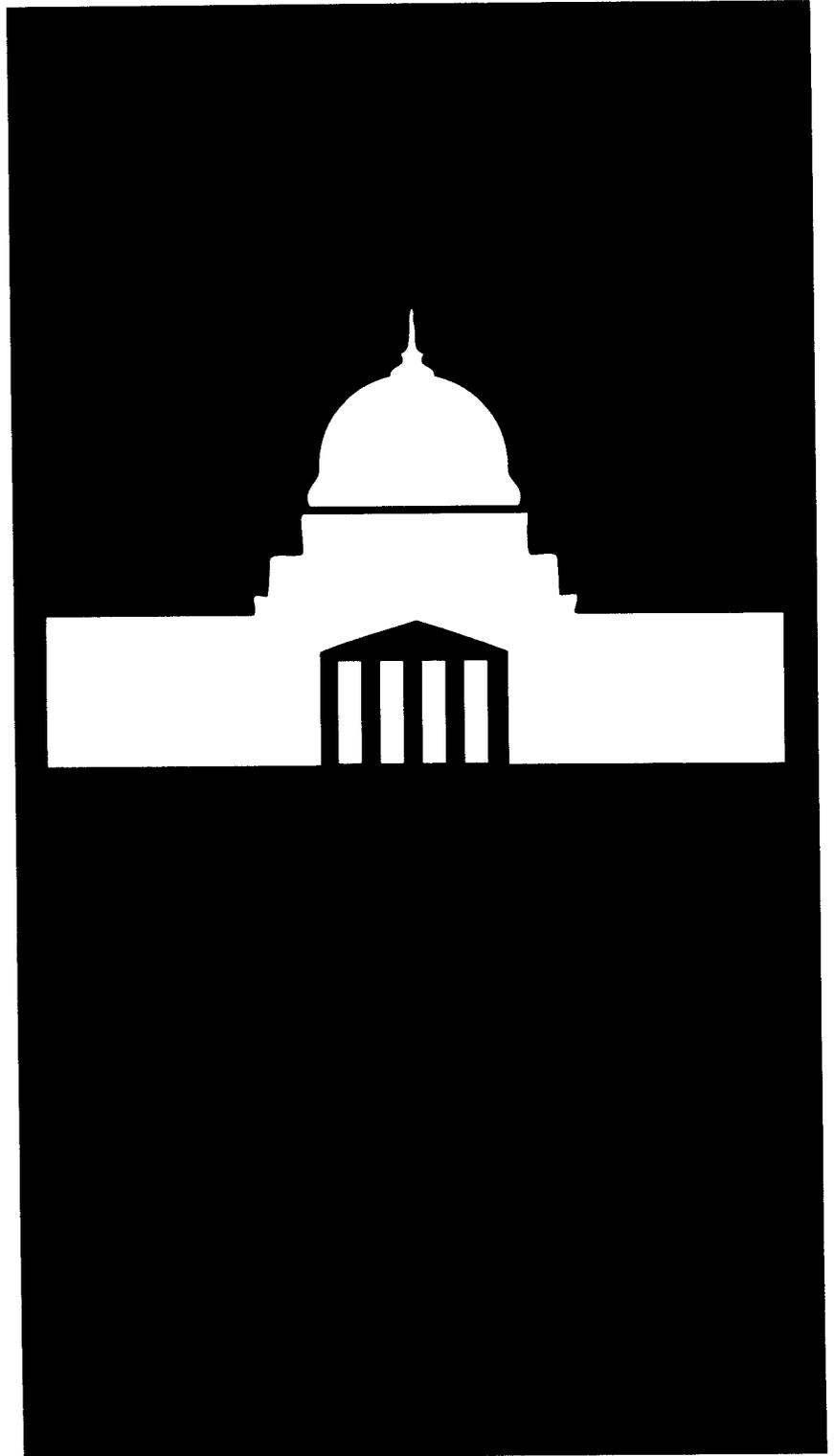
The Mandate

- Created in 1962, the Little Hoover Commission is a bipartisan, independent body whose function is to promote efficiency, effectiveness and economy in state programs.
- The 13 members come to the Commission from all walks of life and from diverse appointing authorities (please see Appendix A for biographies of current members). Five are appointed by the governor, two by the Speaker of the Assembly and two by the Senate Rules Committee. Rounding out the membership are two sitting Senators and two sitting Assembly members. By statute no more than five of the nine public members may be from the same party and legislators from each body must be from different parties.
- The Commission's role differs in three distinct ways from other state and private-sector bodies that analyze state programs:
 - Unlike fiscal or performance audits, the Commission's studies look beyond whether programs comply with existing requirements, instead exploring how programs could and should function in today's world.
 - The Commission produces in-depth, well-documented reports that serve as a factual basis for crafting effective reform legislation.
 - Based on its reports, the Commission follows through with legislation to implement its recommendations, building coalitions, testifying at hearings and providing technical support to policy makers.



The Process

- The full Commission selects study topics that come to its attention from citizens, legislators and other sources. In addition, it has a statutory obligation to review and make recommendations on proposed government reorganization plans.
- Under the direction of a subcommittee of Commission members, staff conducts research by bringing key players together for discussions, contacting experts, reviewing academic literature and interviewing those most closely affected by the targeted topic.
- Based on preliminary research, the subcommittee identifies key issues and oversees the creation of public hearings to explore all sides of the issues in an open forum setting. The public hearings serve to inform the commissioners and educate legislators, the public and the media about the problem areas.
- The subcommittee develops findings and recommendations that focus on the key issues and forwards a draft report to the full Commission for its consideration. The Commission, as a whole, may make changes before adopting and releasing the final report.
- The Commission works to implement its recommendations either through legislation or administrative changes. Follow-up reviews and additional studies are carried out on a regular basis until the Commission's recommendations have been enacted or its concerns have been addressed.



The Result

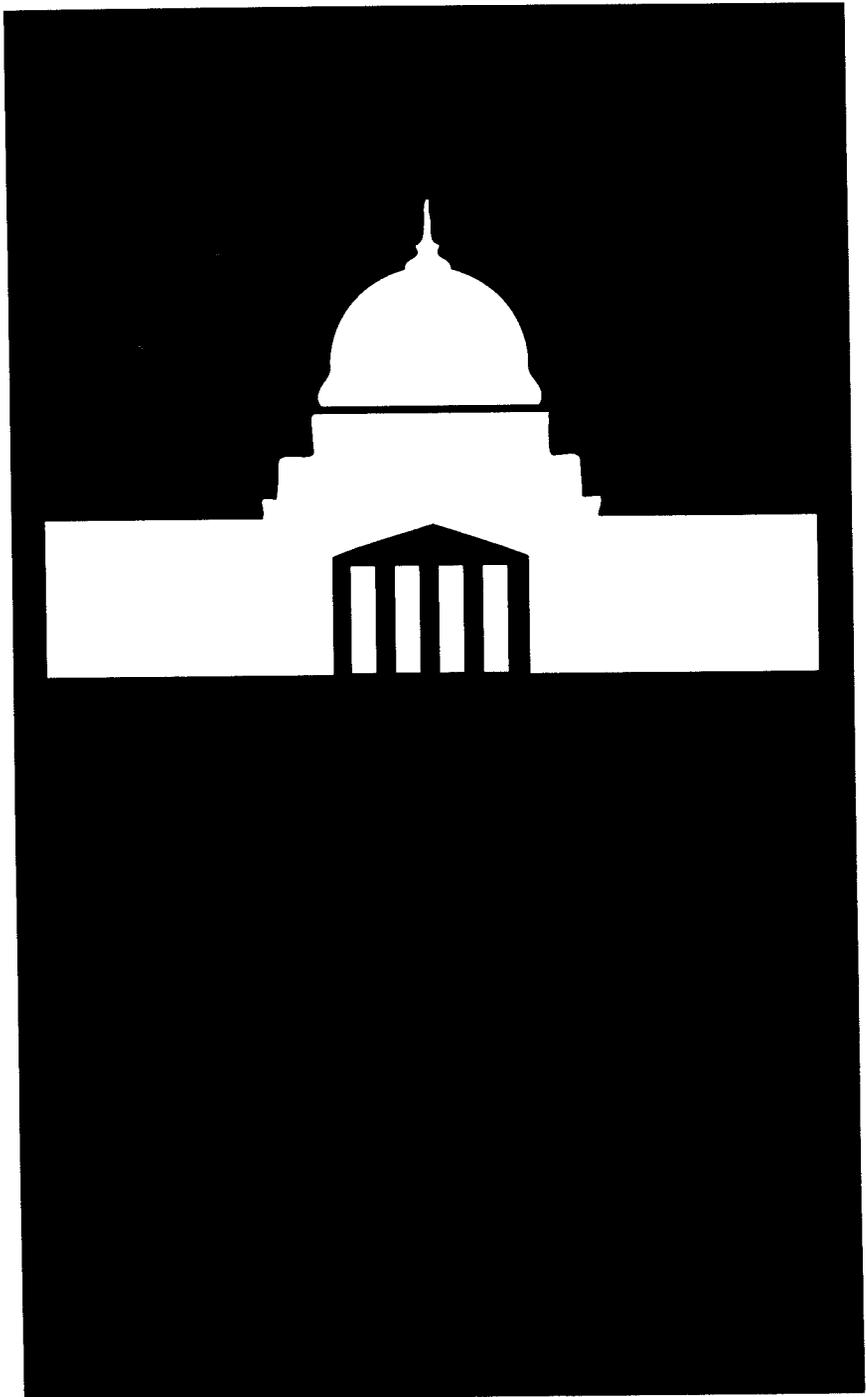
There are many different ways to measure productivity, but by almost any standard the Commission has had a substantial impact on the state programs it has reviewed. That impact ranges from successful Commission support for incremental reforms, such as placing the burden of protecting skilled nursing home residents from property theft on the facilities, to providing the catalyst for major system overhauls, such as moving Medi-Cal patients into managed care systems.

In terms of measurable output, the Commission has produced 128 reports since 1962 (please see Appendix B for a complete listing) and supported hundreds of bills. The past three legislative sessions have been a particularly productive time, with a total of 35 reports and 106 successful bills.

Little Hoover Commission Measurable Output				
	1989-90	1991-92	1993-94	Total
<i>Number of reports</i>	14	11	10	35
<i>Recommendations</i>	138	88	125	351
<i>Bills supported</i>	81	53	92	226
<i>Concepts enacted</i>	40	22	44	106

The following sections of this report look beyond mere statistics in an effort to summarize the Commission's past and recent achievements and goals. The three sections include:

- Highlights of the Commission's accomplishments and areas that remain to be resolved, categorized by topic area.
- A description of the Commission's legislative efforts in 1993 and 1994.
- Summaries of each of the reports issued in 1993 and 1994.



Accomplishments, Goals

The Little Hoover Commission has a long history of crafting recommendations that are both pragmatic and visionary. Reflecting this goal, reports usually yield a combination of actions that legislators may take immediately and reforms that may require further study or multiple steps for implementation. As a result, the Commission may continue to work on implementing recommendations many years after a report is issued. In addition, the Commission frequently returns to a study area to review its status and update the Commission's advice.

Few changes come automatically, regardless of how conclusive the evidence is for reform. The Commission has found that it is most successful when it pursues the following techniques:

■ *Providing solid, in-depth technical support*

Legislators frequently request Commission assistance on fleshing out a concept that they wish to sponsor with actual bill language and providing pertinent examples of problems and solutions.

■ *Serving as a catalyst for concepts already in circulation*

At times, the Commission chooses topics that have little public exposure. But often, the Commission's studies involve areas where concern is widespread and extensive discussions for reform are already in progress. In this situation, the Commission's product can serve as a focal point for synthesizing the best information and most pertinent solutions.

■ *Building coalitions among experts with similar perspectives*

As it conducts studies, the Commission builds a database of experts with similar perspectives. Bringing these interested parties together to work on reform provides state policy makers with a better insight into needed solutions.

■ *Supporting efforts by others when they are in line with the essence of Commission recommendations*

As the Commission's studies have become more widely regarded as important sources of policy background and non-partisan information, legislators and activists have turned to the Commission for support on bills they are sponsoring. Since Commission resources to pursue legislative implementation of recommendations are limited, the Commission's role as a supporter of legislation -- rather than solely a sponsor of bills -- is an important means of accomplishing its goals.

While the Commission continues to expand its areas of interest, there are nine key topics that the Commission has focused on in the past decade. The summary below describes the Commission's efforts in each of these areas, the accomplishments that have been made and the continuing goals that have yet to be met.

Children's Services

Since its comprehensive 1987 report that reviewed all services provided to children by the State, the Commission has continued to examine specific programs that affect children. This has resulted in reports on runaway/homeless children (April 1990) and the foster care system (April 1992).

Among the reforms accomplished was the creation by the Governor of a Cabinet-level Secretary of the Office of Child Development and Education to coordinate children's services, the expansion of successful programs that provide services to runaway/homeless youth, an increased emphasis

on family preservation services and requirements for a more rigorous review of homes where foster children will be placed.

Areas that have yet to be addressed include restructuring services that are now provided in multiple departments so that children's services are focused, providing alcohol/drug treatment opportunities for runaway/homeless youth, increasing the level of training for foster care parents and eliminating the limbo that foster children are often left in when they can neither be returned to their family nor be adopted.

Crime

A relatively new area for the Commission, reports were adopted in 1994 on the adult criminal justice system, the juvenile justice system and boot camps. Because of the Commission's long lead time, the adult study was selected before the heightened public perception that crime is a key problem facing the State. The report's release came at a time when solutions to increasingly violent crime were at the top of the political agenda in a highly competitive election year. As a result, the Commission was very successful in co-sponsoring and supporting a variety of bills. (The juvenile and boot camp studies, a logical outgrowth of the adult study, were released too late in the year to be addressed by the Legislature.)

Reforms included reducing good-time credit for violent felons, encouraging the use of alternative sentencing for non-violent criminals to open up prison beds, modifying the Inmate Bill of Rights to give the Department of Corrections more effective control over prisoners, transferring parole authority back to the Board of Prison Terms and establishing an independent Inspector General function.

Areas that the Commission plans to pursue in the coming years include all of the recommendations in the juvenile and boot camp reports and the major structural changes outlined in the adult report. Those included establishing a Sentencing Commission to revamp and provide ongoing monitoring for the penal codes, placing all violent criminals under an indeterminate sentencing structure, and enhancing the effectiveness of the work and education programs in prison.

Economy

Focusing on ways to enhance the overall economic environment in California, the Commission produced reports on the Workers' Compensation system in 1988 and 1993. In the aftermath of each report, the Governor and Legislature took action designed to reduce fraud, cut costs and provide funds to increase direct benefits to workers. The results of the latest round of reforms are not clear at this time. While the majority of the Commission's goals have been accomplished, the situation may well require further examination in the future.

In other economy-centered topics, the Commission plans to examine in the coming year state budgetary processes and land use policies that act as disincentives to economic development.

Education

The Commission's history of examining the education system in California stretches back almost to its inception in 1962. Recent reports have included an examination of key, structural policy issues (February 1990), a study on dollar flow to the classroom and dropout statistics (June 1991), reform proposals for the school facility construction process (June 1992) and an investigations of the State's policies and practices regarding the education of children who do not speak English fluently (July 1993).

The Commission has been instrumental in achieving many education reforms, including the creation of a more effective process for the State to step in when a school district expends funds irresponsibly; court recognition of the delineation of responsibility between the Board of Education and the State Superintendent of Public Instruction; and adoption of initial steps to streamline the school facility construction process. Other legislative reforms that passed with the Commission's support have included giving parents flexibility to enroll their children in any school in their district or in a district outside the area of their residence.

Areas that remain to be addressed include the complete restructuring of the funding mechanism for school

construction, modification of Field Act requirements and a shift from the State to school districts of responsibility for meeting standards. The Commission's major recommendations regarding bilingual education -- once again shifting responsibility for meeting standards to school districts and focusing state efforts on monitoring results -- have yet to be implemented. In addition, the Commission continues to push for a statewide database of students with standardized identification so that records will follow students and statistic-gathering goals will be easier to accomplish.

Elder Care

The Commission's efforts in the elder care arena have focused on three different types of care and the three state departments that have interlocking responsibilities. The types of care include In-Home Supportive Services, which provides care for the elderly in their own homes (November 1991); residential care homes, which provide housing and routine daily assistance (January 1989 and February 1991); and skilled nursing facilities, which provide housing and medical care for the most frail and vulnerable population in California (May 1987, February 1989 and April 1991). The departments that share oversight and planning functions for these types of care include the Department of Health Services, the Department of Social Services and the Department of Aging.

Progress that has been made and goals that remain to be met are as follows:

- **In-Home Supportive Services:** With support from the Commission, the State has enacted and extended a pilot project to test the effectiveness of managed care in this program. Efforts to standardize training, create a supervision mechanism for independent providers of care and provide consistency in care have not succeeded. The major goal remains placing all appropriate recipients into managed care arrangements.
- **Residential Care Homes:** While training and licensing standards have been improved with the backing of the Commission, at the time of the Commission's last review

there continued to be a problem with unlicensed facilities. In addition, regulations designed to implement statutory reforms were taking years to complete because of the low priority placed on them and bureaucratic hurdles.

- **Skilled Nursing Facilities:** Some of the Commission's most lauded achievements have been in this area -- but effective implementation of many of the Commission's reforms continues to be elusive. Among the accomplishments are the creation of an ombudsman function to provide independent review of facilities and help consumers; tough requirements for ensuring patients' rights; protection against property theft; and a meaningful citation and fine system. In addition, a recent long-sought reform provides for fingerprinting and a criminal records check for all potential employees. Despite the progress, the Commission continues to see problems with the State's erratic enforcement of standards and collection of fines; with the failure of the State to ensure adequate medical care in the facilities; and with continued complaints about the poor quality of daily care.

Environment

When the Commission was required to assess the gubernatorial reorganization that created Cal-EPA, the State's new environmental umbrella agency, it already had a track record of examining state programs that impact the environment. The Commission has issued reports on the State Superfund Program for hazardous waste sites (July 1984), pesticide residues in food (March 1985), solid waste management (July 1989) and the Department of Fish and Game (January 1990). Since its report on Cal-EPA (June 1991), the Commission also has studied the State's recycling efforts (March 1994) and timber harvest plans (June 1994).

Accomplishments include legislative approval for the creation of Cal-EPA; and a restructured Integrated Waste Management Board to replace the previous landfill-oriented board. Major recommendations to consolidate the recycling programs and make the timber harvest plan process more effective have yet to be enacted.

General Government

The Commission has issued a steady stream of reports designed to make state governmental operations more effective. Key reports, recommendations implemented and remaining goals include:

- **Procurement:** The Commission's 1993 report found a state procurement system that focuses on paperwork and process rather than getting the best value for taxpayer dollars. The report served as a catalyst for a procurement overhaul that is continuing to this date under a Governor's Executive Order. Major legislative accomplishments include a law making best value the goal of procurements and steps to improve the Minority Business Enterprise/Women Business Enterprise/Disabled Veterans Business Enterprise program. Yet to be achieved is a greater level of decentralized purchasing authority to eliminate costly and time-consuming paperwork; an improved bid protest process; a complete restructuring of the MBE/WBE/DVBE program; and the ability for state departments to purchase equipment from the Prison Industry Authority only if the cost and service are competitive.

- **Property Management:** The Commission has consistently critiqued the State's property management techniques as costly and ineffective, whether the issue was a specific piece of property, the handling of Caltrans right-of-way property or oversight of all state surplus property. Reports in March 1986 and October 1990 focused on the dispersion of property responsibility among 77 different departments. The Commission's primary achievement has been a requirement that the Department of General Services create and maintain a centralized database that identifies all of the State's real property. In addition, the Department has taken steps to initiate regionalized planning for state land needs and better coordination of real estate decisions. The Commission has not been successful, however, in its attempts to consolidate all property management under one body; give greater

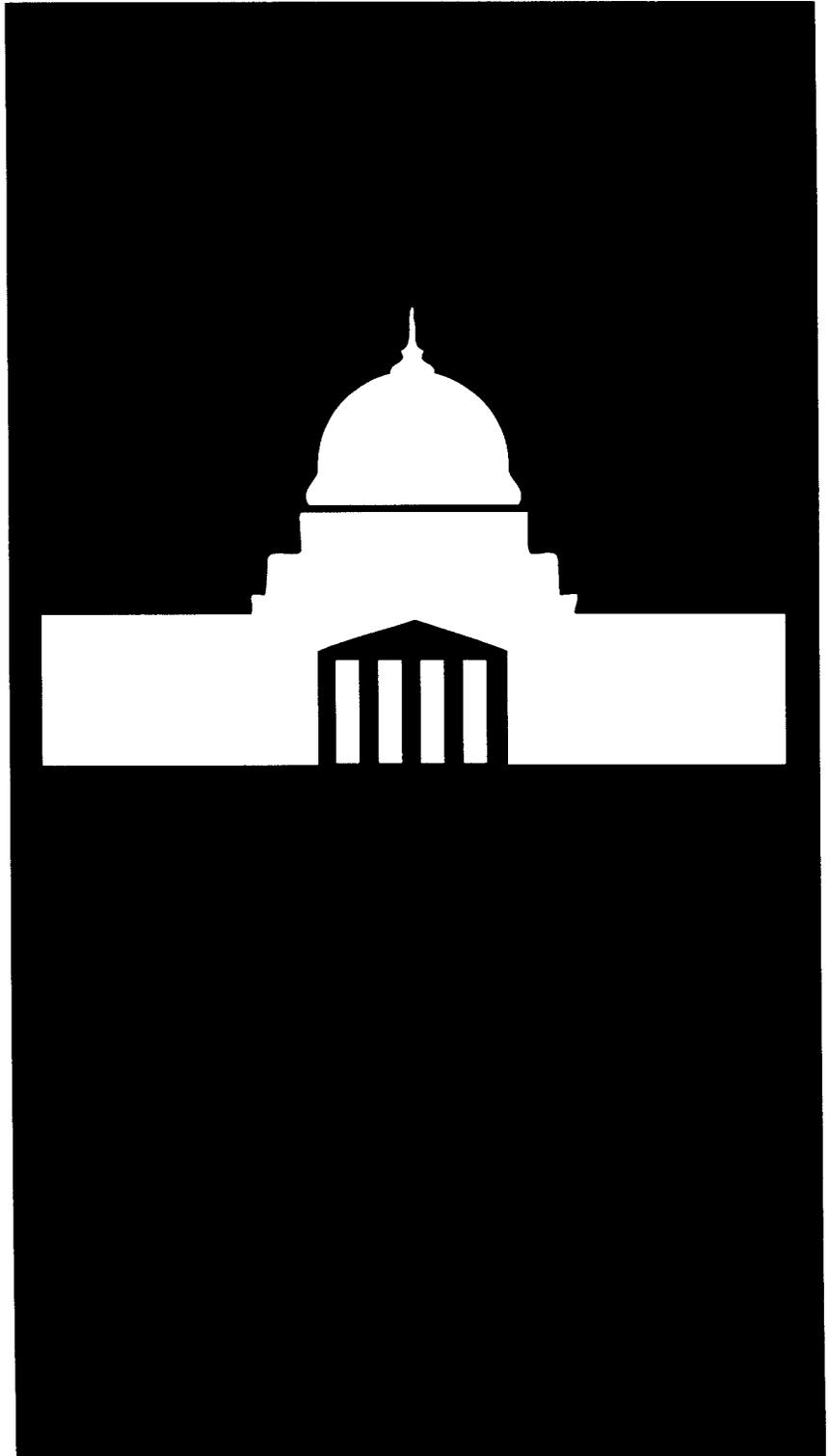
authority for lease-purchases and long-term leasing to state officials; and centralize the handling of surplus property.

- **Revenue and Tax Collection:** The Commission identified key deficiencies in the State's approach to revenue collection in an April 1986 report. The Commission supported a successful measure this year that allows state departments to use private collection agencies to collect unpaid debts. But the major recommendation of consolidating the functions of the Board of Equalization, the Franchise Tax Board and the tax-collecting portion of the Employment Development Department into one, efficient agency has not been successful.

The Commission will continue to be active in this arena, with a major report on the Civil Service system scheduled for release in early 1995.

Health

The Commission has been active in reviewing Medi-Cal policies and procedures since 1982 when it was a major proponent of a hospital-rate negotiation process that has saved the State more than \$3 billion. Its more recent reports include continuing studies on Medi-Cal (May 1987 and November 1990), the coordination of AIDS services (May 1990), drug prevention programs (October 1991) and overall health care reform (September 1993). The Commission has been a key proponent of the several-years' effort to move more Medi-Cal recipients into managed care arrangements and has been a supporter of successful efforts to streamline eligibility processes for pregnant women, standardize claim forms and reform the drug authorization process. Little progress has been made on the Commission's health care system reform recommendations, which included having the State move ahead without waiting for federal direction and the creation of a systematic approach to identifying effective health care measures.



Transportation

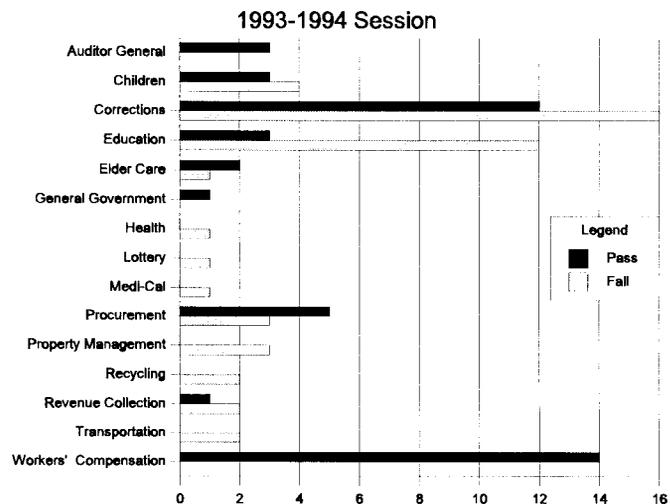
The Commission has issued a series of reports on the State's efforts to maintain an adequate transportation system. The recurrent theme in the June 1983, March 1988 and January 1992 reports is the need for Caltrans to broaden its perspective beyond highways and to engage in active long-range planning. The Commission has backed successful measures to require long-term plans, an outside management audit of Caltrans and locally planning initiatives that are designed to manage the transportation implications of growth. The Commission has not been successful with its recommendation for creating a separate Transportation Agency that can bring the appropriate focus and policy importance to this issue.

Legislation, 1993-4

The Little Hoover Commission supported 92 pieces of legislation in 15 different topic areas during the latest two-year legislative session. In some cases, the bills were outgrowths of recent studies conducted by the Commission. But in other cases, Commission backing for measures was based on recommendations from reports that are still relevant today despite being issued up to 10 years ago.

Commission support had to be withdrawn from five bills when amendments made them no longer compatible with Commission recommendations. Of the remaining 87, 44 were signed into law for a success rate of 51 percent. The chart below reflects the activity by topic:

Legislative Record



As the chart indicates, the Commission was most successful with bills on the adult criminal justice system, state procurement functions and Workers' Compensation. The Commission had moderate success with bills on revenue collection, elder care, education and children's services. No progress was made on transportation, recycling and the State's property management.

The tables on the following pages describes each bill (by category in alphabetical order) that the Commission supported during 1993 and 1994.

Auditor General

Bill, Author	Summary	Status
AB 5 (Brown)	Creates the Bureau of State Audits under the direction of the Little Hoover Commission and headed by the State Auditor	Merged into SB 37
AB 24 (Campbell)	Creates the Office of the Auditor General	Merged into SB 37
SB 37 (Maddy-Roberti)	Creates the Bureau of State Audits under the direction of the Little Hoover Commission and headed by the State Auditor	Chapter 12, 1993

Children's Services

Bill, Author	Summary	Status
AB 403 (Campbell)	Foster child's relative's income to determine AFDC for Foster Care	Died in committee
AB 464 (Moore)	Extends time period to search for racial/ethnic match before placing foster child	Died in committee
AB 776 (Hannigan)	Seeks to increase funding for family preservation services and expands the class of eligible children	Chapter 1006, 1993
AB 1576 (Polanco)	Would require every pupil receive two years of preschool as an investment now to save later costs for remedial education, welfare and crime	Died in committee
AB 2129 (Bates)	Would require home interviews prior to licensing of foster homes or placement of child in license-pending home	Chapter 1089, 1993
SB 270 (Russell)	Courts removing children from parental custody and not placing with relative must state reason	Chapter 451, 1993
SB 1036 (Thompson)	Would require all applicants for a foster family home license to attend training classes prior to licensure and require continuing education for existing licensed foster families	Vetoed

Corrections

Bill, Author	Summary	Status
AB 113 (Katz)	Originally, limited work-credits for persons sentenced to state prison who have previously served a prison term for specified violent felonies	Concept included in AB 2716
AB 2716 (Katz)	Limits work-time credits for repeat violent offenders	Chapter 713, 1994
AB 2745 (Lee)	Originally, re-established rehabilitation as a purpose of imprisonment. Amendment removed rehabilitation concept	Commission support withdrawn
AB 2912 (Murray)	Prison education package: Creates a deputy director of education, bars prisoners from working until they are literate, sets outcome-based goals for Prisoner Literacy Act	Died in committee
AB 2944 (Vasconcellos)	Creates Sentencing Commission	Vetoed
AB 2945 (Vasconcellos)	Originally, limited work-credits for violent offenders. Amendment removed Commission's work-credit recommendation	Commission support withdrawn
AB 3005 (Umberg)	Suspends worktime credits and re-imposes if parole is violated	Died in committee
AB 6X (Katz)	Limits worktime credits for specified felony offenses	Concept included in AB 2716
AB 11X (Jones)	Would remove limits from consecutive sentences. Also stipulates that probation shall not be granted or sentences suspended if there are prior felony convictions	Died in committee
AB 20X (Andal)	Modifies the Inmate Bill of Rights	Concept included in SB 1260
AB 39X (Polanco)	Establishes an Inspector General Office outside of the Department of Corrections to conduct investigations	Concept included in SB 1462
AB 41X (Polanco)	Boot Camp expansion (alternative sentencing)	Died in committee

Bill, Author	Summary	Status
AB 42X (Polanco)	Eliminates work-credits for violent offenders	Concept included in AB 2716
AB 43X (Polanco)	Creates Sentencing Commission	Died in committee
AB 44X (Polanco)	Suspends worktime credits and re-imposes if parole is violated	Died in committee
AB 56X (Conroy)	Would require mandatory AIDS testing of prisoners	Died in committee
AB 65X (Polanco)	Creates a deputy director of education in the Department of Corrections	Vetoed
AB 69X (Rainey)	Originally lengthened the maximum parole violation sentence. Amendment removed Commission's parole violation recommendation	Commission support withdrawn
AB 99X (Rainey)	Allows alternative sentencing for non-violent offenders	Chapter 41, Ex. Session, 1994
SB 58 (Lockyer)	Restructures sentencing system	Died in committee
SB 530 (Presley)	Limits worktime credits	Concept included in AB 2716
SB 1260 (Presley)	Modifies the Inmate Bill of Rights	Chapter 555, 1994
SB 1462 (Maddy)	Establishes an Inspector General Office outside of the Department of Corrections to conduct investigations	Chapter 766, 1994
SB 3X (Lockyer)	Comprehensive Criminal Justice Act of 1994. Restructures sentencing system	Died on Inactive File
SB 4X (Kopp)	Moves all violent criminals into indeterminate sentencing system	Died in committee
SB 20X (Leonard)	Reduces work-credit for violent offenders	Concept included in AB 2716

Bill, Author	Summary	Status
SB 32X (Kopp)	Transfers parole authority from California Department of Corrections to Board of Prison Terms	Chapter 53, Ex. Session, 1994
SB 33X (Kopp)	Suspends worktime credit and re-imposes if parole violated. Amendments removed work credit recommendation and parole authority	Commission support withdrawn

Education

Bill, Author	Summary	Status
AB 19 (Quackenbush)	Permits school districts to admit pupils residing in other school districts	Chapter 160, 1993
AB 222 (Richter)	Enables school districts to enter into lease and/or purchase of school facilities not subject to "Field Act" structural standards	Died in committee
AB 499 (Goldsmith)	Eliminates land non-use penalty for districts that do not use state funding for school facilities	Died in committee
AB 643 (Eastin)	Naylor Act modification -- a bill to modify restrictions schools face when they sell surplus property	Died in committee
AB 962 (Bronshvag)	Creates a Student Information System to keep track of highly transient student population	Vetoed
AB 967 (Campbell)	Combines numerous categorical programs into five block grant programs	Died in committee
AB 1114 (Alpert)	Allows parents to choose which schools their children will attend within their school district	Chapter 161, 1993
AB 1244 (Eastin)	Expands work-skill training for high school students not going to college and enhances the partnership between schools and business	Vetoed
AB 1250 (Eastin)	Establishes a "one-stop" plan checking process to expedite school construction	Died in committee
AB 2254 (Areias)	Requires Building Code "interpretations" to be shared with public	Vetoed

Bill, Author	Summary	Status
AB 2580 (Eastin)	Originally, established a "one-stop" plan checking process to expedite school construction for school constructions projects. Amendments removed.	Commission support withdrawn
AB 2583 (Eastin)	Creates a California Career Curriculum Council	Vetoed
AB 3633 (Knight)	English learners education	Died in committee
SB 311 (Morgan)	Allows schools to use non-Field Act buildings under certain conditions	Chapter 833, 1993
SB 1331 (Greene)	Would require the Department of General Services to develop a proposed centralized tracking system	Vetoed

Elder Care

Bill, Author	Summary	Status
AB 1110 (Bustamante)	Extends experimental project that places IHSS recipients in a managed care system	Chapter 1124, 1994
AB 2970 (Conroy)	Requires minimum standards for services to IHSS recipients regardless of the mode of delivery	Died in committee
AB 3477 (O'Connell)	Requires custodians of the elderly to register with the State, be fingerprinted and submit to a background check	Chapter 1246, 1994

General Government

Bill, Author	Summary	Status
SB 2036 (McCorquodale)	Subjects all boards of the Department of Consumer Affairs to periodic legislative review	Chapter 908, 1994

Health Care

Bill, Author	Summary	Status
AB 3571 (Margolin)	Creates a panel to determine which health care procedures are medically necessary and appropriate	Died in committee

Lottery

Bill, Author	Summary	Status
AB 1203 (Tucker)	Requires the California State Lottery be subject to legislative budget review	Died in committee

Medi-Cal

Bill, Author	Summary	Status
SB 166 (Rosenthal)	Shortens the application form for eligibility of certain benefits	Died in committee

Procurement

Bill, Author	Summary	Status
AB 340 (Katz)	Requires contractors to document the use of MBE/WBE/DVBE subcontractors	Chapter 1032, 1993
AB 649 (Archie-Hudson)	Minority businesses would not be required to meet participation goals when submitting bids	Died in committee
AB 679 (Moore)	Allowing company "global plan" to meet MBE/WBE/DVBE requirements	Chapter 772, 1994
AB 939 (Polanco)	Strengthens good-faith effort requirements	Vetoed
AB 1726 (Polanco)	Sets up alternative bid protest arbitration process	Vetoed
AB 1727 (Polanco)	Establishes "best value" as the State's goal in procurements	Chapter 1106, 1993

Bill, Author	Summary	Status
AB 2314 (Polanco)	Allows recertification of MBE/WBE/DVBEs every two years	Chapter 192, 1993
ACR 33 (Polanco)	Gives the Public Procurement Advisory Committee the mission of reorganizing and streamlining procurement statutes	Resolution Chapter 84, 1993

Property Management

Bill, Author	Summary	Status
SB 502 (Morgan)	Gives General Services authority to enter into long-term leases	Died in committee
SB 831 (Leonard)	Gives General Services authority to enter into lease-purchase agreements and long-term leasing of state land	Died in committee
AB 3421 (Areias)	Would expand and revise the current Public Works Board to act as the central administrative organization for the State's pro-active management of real property	Died in committee

Recycling

Bill, Author	Summary	Status
AB 3392 (Sher)	Would improve the coordination of recycling programs administered by Department of Conservation and California Integrated Waste Management Board	Vetoed
SB 1622 (McCorquodale)	Would abolish processing fee, handling fee and mandatory convenience zones in the 2020 beverage container program	Died in committee

Revenue Collection

Bill, Author	Summary	Status
AB 15 (Klehs)	Abolishes the Franchise Tax Board and transfers function to the State Board of Equalization	Vetoed

Bill, Author	Summary	Status
SB 87 (Kopp)	Abolishes the Franchise Tax Board and the State Board of Equalization and transfers functions to the Department of Revenue	Died in committee
SB 1838 (Campbell)	Would allow State entities to use private collection agencies to pursue delinquent debt	Chapter 1224, 1994

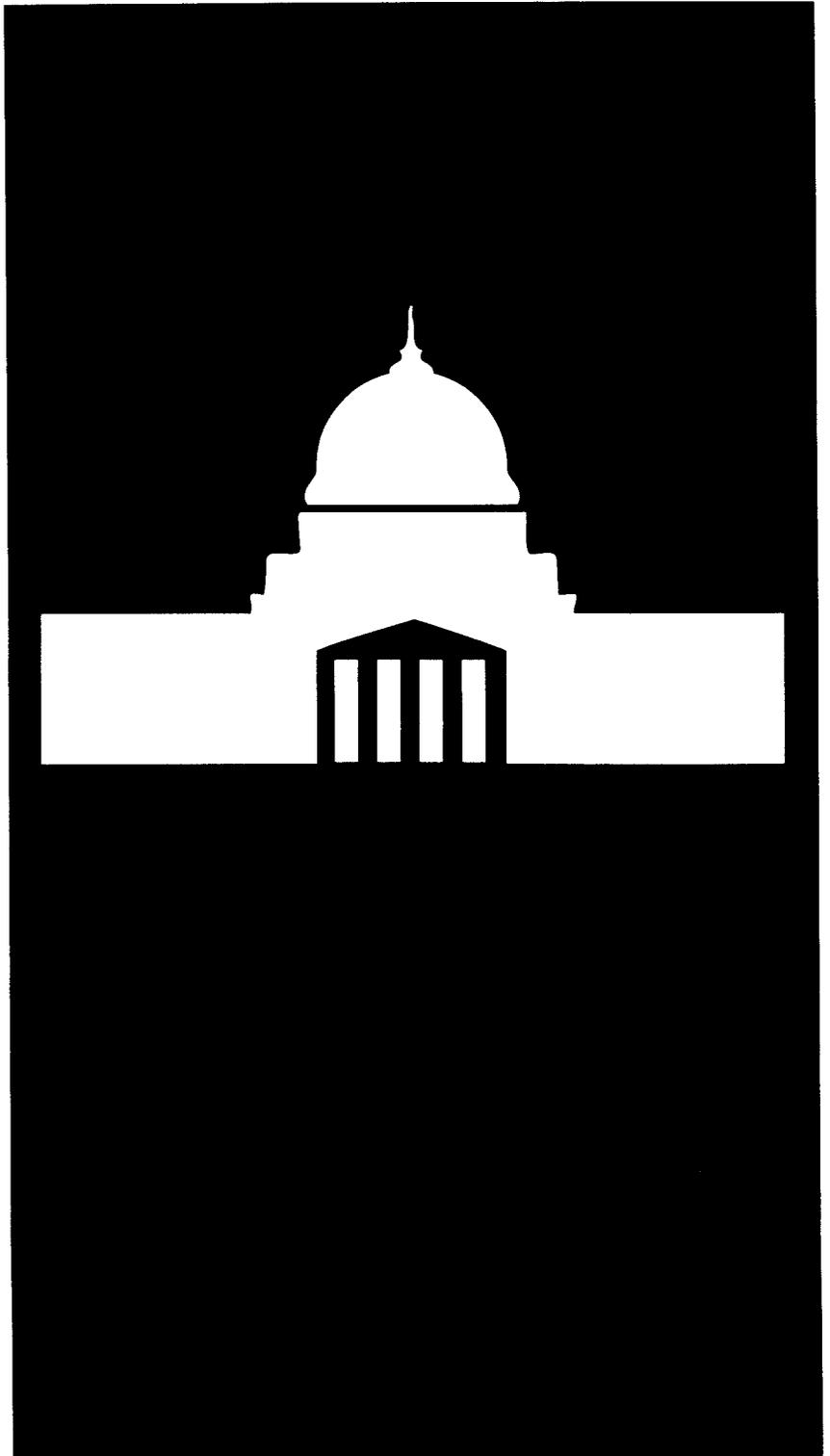
Transportation

Bill, Author	Summary	Status
SB 1542 (Kopp)	Would divide the Business, Transportation and Housing Agency into two agencies, thereby creating a separate Transportation Agency	Vetoed
ACR 14 (Costa)	Requires preparation of high-speed, intercity ground transportation plan	Died in committee

Workers' Compensation

Bill, Author	Summary	Status
AB 9 (Mountjoy)	Prohibits physicians, attorneys or injured workers from accepting inducements for referred evaluations or consultations	Concept included in AB 1300
AB 27 (Hoge)	Requires clear and convincing evidence that a psychiatric injury was caused by employment	Concept included in AB 119
AB 110 (Peace)	Comprehensive bill; includes prohibiting compensation of a psychiatric injury unless employee has been employed at least 6 months	Chapter 121, 1993
AB 119 (Brulte)	Prohibits stress claims for "good faith" personnel actions and increases proportion of stress that must be linked to the job	Chapter 118, 1993
AB 458 (Speier)	Limits physician self-referrals for evaluation and treatment	Concept included in AB 110

Bill, Author	Summary	Status
AB 811 (Tucker)	Requires that events of employment as the cause of psychiatric injuries be increased from 10 to 50 percent	Concept included in AB 119
AB 1300 (W. Brown)	Makes fraud more difficult to perpetrate and easier to prosecute	Chapter 120, 1993
AB 1588 (Knight)	Prohibits compensations for psychiatric injury resulting from "good faith" personnel actions	Concept included in AB 119
SB 30 (Johnston)	Requires that events of employment were predominant cause of psychiatric injury and authorizes managed care	Concept included in AB 119 and AB 110
SB 223 (Lockyer)	States legislative intent to integrate vocational rehabilitation benefits with the Americans with Disabilities Act to ensure non-duplication of benefits	Concept included in AB 110
SB 275 (Killea)	Employers offering modified or alternative work would have no liability for vocational rehabilitation. Modified work would comply with the Americans with Disabilities Act	Concept included in AB 110
SB 287 (Bergeson)	Requires clear and convincing evidence that a psychiatric injury was caused by a sudden event during employment	Concept included in AB 119
SB 436 (Hill)	Requires clear and convincing evidence that a psychiatric injury was caused by employment	Concept included in AB 119



Reports, 1993-4

The Little Hoover Commission carried out an ambitious agenda of studies and reports on issues that impact the lives of Californians in a variety of ways. Three themes consistently emerge in the focus areas:

■ *Improving the State's ability to provide an attractive quality of life*

The Commission focused on ways:

- To improve the economic climate (Workers' Compensation, state fiscal condition)
- To increase the public's sense of safety (adult criminal justice system, juvenile justice system and boot camps)
- To forge pragmatic environmental protections (recycling, timber harvest plans)

■ *Providing effective service to vulnerable citizens*

Activity in this area included an examination of education for English learners, a study of how the State provides health care to populations it is responsible for and a review of the continuing problems in ensuring quality care for elderly citizens.

■ *Promoting efficiency in the way the State conducts business*

The Commission targeted the State's purchasing practices, property management techniques and Civil Service system constraints.

The following pages describe each report issued during the two-year period, summarizing the 38 findings and 125 recommendations.

**Workers'
Compensation:
Containing the Costs**

February 1993

The Commission's report, which was issued before the 1993 reforms were adopted, contained the following assessment:

California's Workers' Compensation system was designed to support injured workers, yet much of the program's \$11 billion annual cost ends up in the pockets of attorneys, physicians, insurers and rehabilitation specialists. This has resulted in powerful interest groups that have been more concerned with preserving the present system than in pursuing reforms that would result in lower costs for businesses and higher benefits for employees.

In times of booming economic growth, the ever-spiraling cost of Workers' Compensation was absorbed by businesses. But the cumulative, devastating effect of runaway costs in the program now can be seen in businesses fleeing to other states and small firms closing their doors. Experts agree that Workers' Compensation has played no small role in pushing the State's unemployment rate above 10 percent and in the elimination of some 600,000 jobs in the past two years.

Faced with a program that has the highest costs and lowest benefits in the nation, California needs to focus on the driving forces behind those high costs and the disincentives for efficient operation of the program.

Findings and Recommendations

The Commission's report entitled "Workers' Compensation: Containing the Costs" contains four findings and nine recommendations.

Finding 1

High Workers' Compensation costs are choking business but at the same time are producing little in the way of benefits for injured workers.

Recommendation 1

The Governor and the Legislature should convene a special session to focus on the Workers' Compensation system and facilitate the rapid implementation of reforms.

Finding 2

Medical costs have increased because of inefficiency, price-gouging and unnecessary treatments.

Recommendation 2

The Governor and the Legislature should enact legislation to establish managed care as the mode of delivery of medical services under the Workers' Compensation system.

Recommendation 3

The Governor and the Legislature should enact legislation that would establish system-wide limits for medical care under the Workers' Compensation system.

Finding 3

The Vocational Rehabilitation Program lacks sufficient incentives to return employees to work quickly and to control cost.

Recommendation 4

The Governor and the Legislature should enact legislation that focuses vocational rehabilitation services on effectiveness for returning injured workers to the labor force.

Recommendation 5

The Governor and the Legislature should enact legislation that would limit employer liability for vocational rehabilitation.

Finding 4

The high incidence of fraud, the multiplicity of expensive medical/legal reports and the subjectivity involved with stress claims all place an overwhelming burden on the Workers' Compensation system without benefitting the injured workers the program was designed to protect.

Recommendation 6

The Fraud Assessment Commission should report to the Governor and the Legislature on the effectiveness of the 1992 anti-fraud laws by July 1, 1993.

Recommendation 7

The Governor and the Legislature should enact legislation that would require employers to pay for only one medical/legal evaluation, which would be performed by a professional chosen by the injured worker.

Recommendation 8

The Governor and the Legislature should enact legislation to restrict stress claims to on-the-job sudden or extraordinary events.

Recommendation 9

The Governor and the Legislature should enact legislation to prohibit stress claims for "good faith" personnel actions.

California's \$4 Billion Bottom Line: Getting Best Value Out of the Procurement Process

March 1993

Although some reforms have followed the issuance of this report, the Commission's assessment of procurement practices remains valid. The report said:

Each year, California spends about \$4 billion on goods, services and construction projects, making purchases through a procurement process that is highly regimented, hemmed in by paperwork and costly for everyone involved. While the State's procurement laws pay lip service to the concept of cost-effectiveness, the actual process -- as it is designed and carried out -- hampers purchasing decisions that would result in the State receiving the best value for the money it spends.

In this report, the Little Hoover Commission acknowledges the need for the State to be fair in its dealings with suppliers as it spends public money; to be a comparative shopper in order to stretch dollars as far as possible; and to influence private actions through public policies encouraging small businesses, recycling and cultural diversity. The first priority, however, must be obtaining the *best value*: selecting the product that provides the most benefits for the lowest life-cycle cost. The procurement system should be designed to encourage officials to make best-value choices rather than forcing them to focus on the paperwork-intensive process itself.

From this perspective, the Commission examined four areas of procurement: major computer and telecommunications equipment purchases; the protest process; the program designed to encourage minority, women and disabled veterans participation in state business; and the Prison Industry Authority.

Findings and Recommendations

The Commission's report, "California's \$4 Billion Bottom Line: Getting Best Value Out of the Procurement Process," has seven findings and 26 recommendations.

Finding 1

The present state procurement system focuses on low cost rather than on best value for the State.

Recommendation 1

The Governor and the Legislature should enact legislation that declares that the primary goal in conducting state procurements is to obtain the best-suited product at the best price.

Recommendation 2

The State Administrative Manual should be changed so that state agencies may use a non-commodity, best-value evaluation procedure at their own discretion.

Finding 2

The procurement process, particularly when it pertains to electronic data processing and telecommunications systems, is needlessly complex, time-consuming and costly for the State and the suppliers.

Recommendation 3

The Governor and the Legislature should direct the Department of General Services to streamline the procurement process to avoid multiple submissions.

Recommendation 4

The Governor and the Legislature should enact legislation that directs contract language negotiations to take place only after bids have been awarded.

Finding 3

Specifications in state Requests for Proposals are sometimes poorly drafted, too restrictive and not conducive to the State receiving the best product to meet its needs.

Recommendation 5

The Governor and the Legislature should enact a resolution that would proclaim the State's intent to use functional specifications rather than detailed technical specifications in procurements.

Recommendation 6

The Governor and the Legislature should direct the Office of Information Technology to ensure that Requests for Proposals match the scope and intent of the Feasibility Study Reports.

Recommendation 7

The Governor and the Legislature should direct the Department of General Services to make increased resources available to those who write specifications for procurements.

Finding 4

Some state policies and laws impede efficient and effective procurements, in some cases driving up costs, limiting purchasing choices and discouraging broad vendor participation.

Recommendation 8

The Governor and the Legislature should direct the Department of General Services to maintain equipment standards matrices only as an advisory guideline for departments.

Recommendation 9

The Governor and the Legislature should direct a modification of procurement procedures that would allow departments to purchase reconditioned equipment at their own discretion.

Recommendation 10

The Governor and the Legislature should enact comprehensive legislation to reorganize, simplify and streamline statutes relating to procurement.

Recommendation 11

In consultation with vendors, state departments and other procurement interests, the Department of General Services should review contracting and invoicing procedures and create standardized formats to be used by all departments.

Finding 5

The State's contract award protest process is fragmented, is informal to a point that credibility is undermined, and is hampered by the perception -- if not the reality -- of being a kangaroo court that is unfair and/or ineffective.

Recommendation 12

The Governor and the Legislature should enact legislation to centralize and provide uniformity to the bid protest process, as well as to upgrade the technical expertise of those involved in the process.

Recommendation 13

The Governor and the Legislature should direct the State Board of Control to institute formalized hearing procedures, record precedent-setting decisions, order remedies for bid award errors when appropriate and in other ways standardize the operation of the bid protest process.

Recommendation 14

The Governor and the Legislature should enact legislation to create an independent, binding arbitration process for those protestors who are willing to pay the costs of an alternative process.

Recommendation 15

The Governor and the Legislature should enact legislation that would require the release of all relevant records to bid participants within a time frame sufficient to allow the filing of a detailed protest.

Recommendation 16

The Governor and the Legislature should enact legislation to require documentation of reasons when all bids are rejected and a project is put out for rebid.

Finding 6

The Minority Business Enterprise/ Women Business Enterprise/Disabled Veteran Business Enterprise program is failing to meet the goals set by law.

Recommendation 17

The Governor and the Legislature should pursue one of three options:

- Option A: Enact legislation to contract for a disparity study and a recommended proportionate remedy as a prelude to adopting an

aggressive, anti-discrimination procurement program.

Option B: Enact legislation that will recast the present MBE/WBE/DVBE program so that it operates similarly to the Small Business preference program.

Option C: Enact legislation that centralizes the authority and accountability for the MBE/WBE/DVBE program and provides adequate resources for outreach and enforcement efforts.

Recommendation 18

The Governor and the Legislature should eliminate the good-faith effort component of the MBE/WBE/DVBE program or reform the process so it achieves its intended purpose.

Recommendation 19

The Governor and the Legislature should enact legislation to abolish self-certification and set up a single-point full certification process.

Recommendation 20

The Governor and the Legislature should direct the Department of General Services to embark on an aggressive enforcement program.

Recommendation 21

The Governor and the Legislature should enact legislation that allows firms to file "global" plans with the Department of General Services as an optional way of complying with MBE/WBE/DVBE requirements.

Recommendation 22

The Governor and the Legislature should enact legislation to protect past and current vendors in the event the State's MBE/WBE/DVBE program is found unconstitutional.

Finding 7

The Prison Industry Authority, heavily and unwillingly subsidized by other areas of state government, is unable to document its degree of success in meeting program goals.

Recommendation 23

The Governor and the Legislature should enact legislation that allows state departments to purchase goods from the Prison Industry Authority on the basis of best value for the department.

Recommendation 24

The Prison Industry Authority should require its annual audits to recognize and document the subsidies it receives.

Recommendation 25

The Governor and the Legislature should enact legislation to give the Prison Industry Authority the responsibility of creating a hiring process that reflects real-world conditions.

Recommendation 26

The Governor and the Legislature should enact legislation requiring the Prison Industry Authority to report on program outcome statistics.

**A Chance to Succeed:
Providing English
Learners with
Supportive Education**

July 1993

No changes have been made since this report was issued, although the number of students involved is undoubtedly larger. The report found:

More than one million children in California today do not speak English well enough to understand what is going on in a classroom -- and the number is growing daily at a rate that far exceeds overall school population growth.

Under federal law and state policy, the one million students who do not speak English fluently are supposed to be taught English as efficiently and effectively as possible. In addition, they are supposed to receive any necessary services to allow them to progress academically in other subjects, just as their English-speaking peers do. Instead, one-quarter of them receive no special services whatsoever -- not even instruction in the English language. The other three-quarters are often caught in a tug-of-war between advocates of different educational theories.

For almost two decades, the State Department of Education has perpetuated the myth that the language and academic needs of these students could be met if all schools adopted a single program approach and if adequate resources were committed to teaching English learners. The result of the Department's single-minded pursuit of the method known as native-language instruction has been divisive, wasteful and unproductive.

Findings and Recommendations

The Commission report entitled "A Chance To Succeed: Providing English Learners with Supportive Education" contains three findings and five recommendations.

Finding 1

Schools are not meeting the primary goal of education for immigrant students: helping the children to become fluent in English quickly.

Recommendation 1

The Governor and the Legislature should enact legislation to revise the state funding mechanisms for educating English learners so that schools have an incentive to help students attain English proficiency rapidly.

Finding 2

The State Department of Education's emphasis on native-language instruction is inappropriate, unwarranted, not feasible and counterproductive.

Recommendation 2

The Governor and the Legislature should enact legislation that establishes a state framework for local control of educational methods for non-English-fluent students.

Recommendation 3

The Governor and the Legislature should enact legislation to direct the State Department of Education to focus on holding schools accountable for student achievement rather than on directing the implementation of a single academic approach.

Recommendation 4

The Governor and the Legislature should direct the Department of Education to produce a report examining funding for English learner education and documenting the supplemental use of earmarked funds.

Finding 3

There is a severe shortage of teachers with the expertise in language acquisition, the training in cultural diversity and the skills to enhance the classroom learning environment that are vital for meeting student needs in today's schools.

Recommendation 5

The Governor and the Legislature should enact a resolution directing the State Department of Education and the Commission on Teacher Credentialing to focus on improving teaching techniques rather than on creating a cadre of bilingual teachers.

Positioning California for Health Care Reform

September 1993

Despite the collapse of federal efforts to reform health care, the Commission believes this policy analysis remains pertinent for California today. The paper said:

In anticipation of a federal proposal to set the national framework for reforming health care, the Commission has created this issue paper to urge the State to begin the long process of answering key policy questions and setting mechanisms in place that will prepare California for health care reform. Following a brief background on what other states are doing and California's status, the issue paper outlines key policy questions that the State should address and recommends mechanisms for deciding and implementing new policies.

Issues and Recommendations

In this policy analysis entitled "Positioning California for Health Care Reform" the Commission offers three key policy questions and three recommendations.

Issue 1

What population will the State be responsible for in terms of bargaining for health care coverage?

Issue 2

How can health care services be monitored to ensure that quality, effective care is delivered -- and unnecessary, non-beneficial care is precluded -- within a cost containment environment?

Issue 3

What attitudes, patterns of medical care usage and personal practices need to change to allow reforms to work without leaving affected populations with the perception that the quality of their medical care has diminished?

Recommendation 1

Create a temporary commission independent of the Executive and Legislative branches of government that will put forth a single plan for a California health care system.

Recommendation 2

Establish a unit within the Department of Health Services to advance knowledge about treatment outcomes and beneficial effects.

Recommendation 3

Perform education outreach to ensure that citizens know how to maximize their health care opportunities and to pave the way for acceptance of health care reform.

Putting Violence Behind Bars: Redefining the Role of California's Prisons

January 1994

While many of the Commission's recommendations were put into effect (as noted in the section on legislative accomplishments), the key problems remain unresolved and the vitally needed systemic reforms have not occurred. The report said:

A young girl is snatched from the supposed safety of her bedroom and killed. People are gunned down on the streets even after they comply with muggers' demands for their valuables. Drive-by shootings proliferate and auto thefts turn into murderous car-jackings.

While statistics tell us that overall crime has held steady and even dropped slightly in the past few years, violent, senseless crime has escalated to the point where few Californians feel completely safe in their daily lives. Since a primary, fundamental responsibility of government is to protect its citizens, the Little Hoover Commission embarked on this study that was designed to pinpoint state policies and procedures that could be revised to increase the effectiveness of the adult criminal justice system.

What the Commission found is that while the State has many tools at its disposal for tackling crime, its policies are not sharply focused on the need to maximize the effectiveness of those tools. All too often policies relating to prisons are driven by emotion rather than reason, divorced from cause and effect, and devoid of outcome-based strategies about fighting crime. This is particularly true when it comes to the operation of the State's prison system.

Findings and Recommendations

In its report entitled "Putting Violence Behind Bars: Redefining the Role of California's Prisons," the Commission presents seven findings and 30 recommendations.

Finding 1

The sentencing system is complex and inequitable, frustrating the public's desire for consistency and certainty.

Recommendation 1

The Governor and the Legislature should enact a compromise, short-term measure that will clarify and simplify sentencing in California.

Recommendation 2

A sentencing commission should be created in California either by action of the Governor and the Legislature or by ballot initiative.

Recommendation 3

The commission should be charged with creating a sentencing structure that meets the philosophical goals of the criminal justice system.

Recommendation 4

The structure recommended by the sentencing commission should organize felonies in an easily understood manner in order of severity.

Recommendation 5

The sentencing system created by the commission should be insulated from politically motivated, piecemeal tampering by using a passive legislative approval mechanism.

Recommendation 6

Once the sentencing structure has been adopted, the sentencing commission should monitor the structure and suggest modifications to maintain equity and consistency.

Recommendation 7

The sentencing commission should make recommendations to the Legislature on each sentencing bill and analyze it as to internal consistency with the sentencing structure and impact on inmate population and spending.

Finding 2

The degree to which the present criminal justice system distinguishes between violent and non-violent offenders is not sufficient to protect the public and maintain the credibility of the system.

Recommendation 8

The Governor and the Legislature should shift the demarcation between indeterminate and determinate sentencing so that all or most violent crimes fall under a sentencing structure that ensures inmates are regularly evaluated, with the severity of their crime, their behavior in prison and their future prospects linked to their release date.

Recommendation 9

A Sentencing Commission, or alternatively the Governor and the Legislature, should authorize the use of a greater range of intermediate punishments for a narrow segment of non-violent offenders.

Recommendation 10

The Governor and the Legislature should expand California's definition of habitual offender so that people who are repeatedly sentenced to prison remain there on indefinite terms until regular evaluation demonstrates that they have developed a potential to lead a crime-free life.

Recommendation 11

The Governor and the Legislature should enact legislation to reduce sentence reduction credit for violent offenders.

Finding 3

The present parole system is not structured as an effective deterrent to criminal behavior.

Recommendation 12

The Governor and the Legislature should enact parole reform that will provide a greater deterrent to continued criminal activity by parolees, including:

- a) structuring the work-credit system so that the time earned off a sentence is suspended rather than eliminated and then is re-imposed if parole is violated.
- b) lengthening the maximum parole violation sentence to longer than one year for violent crimes.

Recommendation 13

The Department of Corrections should institute comprehensive pre-release programs at all institutions that require inmates to focus on their life after prison and make plans for a crime-free life.

Finding 4

The effectiveness of prison work programs is hampered by the absence of statutory direction and lack of a unified management structure.

Recommendation 14

The Governor and the Legislature should reinstate rehabilitation as a goal of the corrections system, subordinate to the goal of public safety, and specifically target populations most likely to benefit.

Recommendation 15

The Governor and the Legislature should enact legislation that establishes a single, unified structure within the Department of Corrections for all work programs, including the Prison Industry Authority.

Recommendation 16

A program of part-time work, part-time education should be instituted systemwide.

Recommendation 17

Inmates should be screened and go through an interview process before they are placed in a work assignment.

Recommendation 18

Work assignments for higher security level inmates should be expanded.

Finding 5

The Department's education program is neglected, unfocused and poorly structured.

Recommendation 19

The Department of Corrections should restructure its education program, either by creating a correctional school district with the assistance of the Governor and

the Legislature, or by creating a superintendent of correctional education and placing that person in a top policy-making role.

Recommendation 20

Whether a district is formed or a superintendent's position established, that entity shall be the key decisionmaker on inmate education and should set short- and long-term goals involving literacy, testing and education priorities for all prison education programs.

Recommendation 21

No inmate shall be placed in a full-time job until he attains ninth grade literacy.

Recommendation 22

The Prisoner Literacy Act should be strengthened and amended so it is outcome-based.

Finding 6

A long-standing practice of allowing each prison to operate independently has hindered accountability for performance and hampered standardization of policies, leaving the State open to charges of mistreating prisoners.

Recommendation 23

The Governor and the Legislature should support standardization of policies and centralized accountability for the prison system through the budget allocation process.

Recommendation 24

The Governor and the Legislature should establish a separate Inspector General function outside of the Department of Corrections to improve credibility of oversight of prison practices.

Recommendation 25

The Governor and the Legislature should improve the warden selection process.

Finding 7

The Department of Corrections is prevented in some instances from operating effectively, efficiently and safely.

Recommendation 26

The Governor and the Legislature should modify the Inmate Bill of Rights so that it reflects the federal standard of protection for prisoners.

Recommendation 27

The Governor and the Legislature should enact a carefully crafted medical parole program to allow the release of seriously ill prisoners who no longer constitute a threat to the public.

Recommendation 28

The Governor and the Legislature should enact legislation allowing mandatory testing for the AIDS virus of all prisoners.

Recommendation 29

The Governor and the Legislature should take every opportunity to remind the federal government of its obligation to pay the costs attached to illegal immigration.

Recommendation 30

The Governor and the Legislature should direct the California Medical Assistance Commission to explore with the Department of Corrections all opportunities for reducing the cost of medical contracting in the prison system.

Beyond Bottles and Cans: Reorganizing California's Recycling Efforts

March 1994

The status of California's recycling efforts remains unchanged since the issuance of this report, which said:

Although California has positioned itself to manage its solid wastes intelligently, the State has not taken the necessary steps to move its programs and policies into the 21st century. Nowhere is this more clear than in the area of recycling. To borrow a sports analogy, the State has a clear game plan and a credible coach in place -- but for some reason half the team is playing on a different field and is missing the game signals.

The Commission last examined the State's solid waste management techniques in 1989 when it became clear that landfill space was disappearing and that alternatives would have to be vigorously pursued. Of particular concern at that time was a state management structure that filtered all solid waste decisions through a body that was more interested in landfills than in recycling. Since then the State has created a rational structure to guide the integration of solid waste policies and to emphasize source reduction, reuse of products and recycling of used materials. But the State's major container recycling program was created before this structure was put into place and it has not been brought into the fold since.

A key policy question for the State is whether an orphan recycling program can be as effective and efficient as one that is an integral part of the State's overall solid waste management program.

Findings and Recommendations

"Beyond Bottles and Cans: Reorganizing California's Recycling Efforts" has two findings and nine recommendations.

Finding 1

The placement of overlapping recycling mandates in two separate agencies has resulted in duplication of work, public confusion and lost opportunities for maximum effectiveness in implementing state policies.

Recommendation 1

The Governor and the Legislature should enact legislation establishing a consolidated and comprehensive waste reduction, resource reuse and recycling program within Cal-EPA.

Recommendation 2

Until the consolidation and reorganization occurs, the Governor and the Legislature should enact legislation clarifying that the California Integrated Waste Management Board is the lead agency for all recycling issues outside of toxic substances and beverage containers.

Recommendation 3

The California Integrated Waste Management Board and the Department of Conservation should execute a memorandum of understanding to resolve areas of overlap and duplication.

Recommendation 4

The California Integrated Waste Management Board, the Department of Conservation and the Department of Toxic Substances Control should establish an on-going task force to coordinate all market and technology development activities of the three agencies, with the immediate task of integrating CALMAX (Board), the California Market Watch (Department) and the California Waste Exchange (Toxic Substances) programs into a single computerized format.

Finding 2

The complexity of the beverage container recycling program hinders its expansion, undermines cost-effective implementation and increases opportunities for fraud.

Recommendation 5

The Governor and the Legislature should enact legislation amending the California Beverage Container Recycling Act to abolish the convenience zones mandate and supermarket-site handling fee payments, and to establish an alternative system.

Recommendation 6

The Governor and the Legislature should enact legislation that establishes a new simplified and predictable fee arrangement for subsidizing the 2020 collection system.

Recommendation 7

After reorganization and streamlining of the state's recycling programs have been authorized, the Governor and the Legislature should enact legislation expanding the coverage of the 2020 program to include all beverage containers that can be accommodated by the recycled materials market.

Recommendation 8

The Governor and the Legislature should enact legislation requiring out-of-state aluminum container and beverage bottling industries to ensure that all CRV-imprinted cans are shipped to California and not to other states.

Recommendation 9

The Governor and the Legislature should enact legislation that allows the Department of Conservation to establish rewards for information leading to the discovery of fraudulent practices by participants in the 2020 program.

Timber Harvest Plans: A Flawed Effort to Balance Economic and Environmental Needs

June 1994

Released late in the legislative session, this report's recommendations have not yet been focused on. The report found:

About 18 percent of California's land mass is composed of productive forests, an extensive and valuable natural resource that provides not only timber and wood products, but also wildlife and fish habitat, recreational opportunities and esthetic enjoyment. A challenge facing state government is to allow multiple uses of this resource without degrading its value or allowing any one use to dominate or exclude the others.

To carry out this responsibility, the State has created the Timber Harvest Plan process to regulate logging activities. Originally a streamlined procedure that assured continued logging while acknowledging environmental needs, the process has been reshaped and molded in response to new state laws, federal laws and court decisions. While the focus of many of these new thrusts is on issues other than logging -- such as preservation of species and protection of water quality -- the impact on timber operations is substantial and tangible.

Timber Harvest Plans have grown increasingly complex in response to emerging laws and policies. At the same time, the ground rules for what is allowed, what mitigation measures are required and what is forbidden are constantly changing and are rarely clearly understood by all the parties involved. Despite the frequent reforms and fine-tuning, the process remains an inadequate tool for protecting both economic and environmental interests.

Findings and Recommendations

The Commission report entitled "Timber Harvest Plans: A Flawed Effort to Balance Economic and Environmental Needs" presents two findings and has proposed meaningful reform of the State's approach in eight recommendations.

Finding 1

The current Timber Harvest Plan process is complex, inequitable and costly, producing frustration for the administering state departments, the timber industry and environmental advocacy groups.

Recommendation 1

The Governor and the Legislature should direct the Board of Forestry to develop integrated policies and guidelines -- in consultation with the Department of Forestry and Fire Protection, the Department of Fish and Game, the timber industry and environmental groups -- to govern wildlife, fish and plant issues raised by Timber Harvest Plans.

Recommendation 2

The Governor and the Legislature should enact legislation that make regulations promulgated by the Board of Forestry effective at specific times of the year.

Recommendation 3

The Governor and the Legislature should enact legislation to extend the public comment period for Timber Harvest Plan reviews and require notification of outcome.

Finding 2

The Timber Harvest Plan process has not proven effective in achieving a sound balance between economic and environmental concerns.

Recommendation 4

The Governor and the Legislature should enact legislation to require the completion of master protection plans for watersheds containing productive forests.

Recommendation 5

The Governor and the Legislature should direct the Board of Forestry to establish a certification process allowing timber owners to satisfy environmental concerns in advance of harvest proposals.

Recommendation 6

The Governor and the Legislature should direct the Board of Forestry to develop an objective environmental-risk

assessment system that would assist in the evaluation of Timber Harvest Plans.

Recommendation 7

The Governor and the Legislature should enact legislation establishing a public appeals process to allow non-litigation challenges to Timber Harvest Plan approvals.

Recommendation 8

The Governor and the Legislature should enact legislation to direct the Department of Forestry and Fire Protection to draft a plan within one year for shifting priorities from plan review to performance monitoring, feedback on effectiveness of requirements and enforcement activities.

The Juvenile Crime Challenge: Making Prevention a Priority

September 1994

When police arrest 14- and 15-year-olds who shrug off cold-blooded, unprovoked murder as a rite of passage, the rational public response is fear and anger: How can we protect ourselves? How can we make them pay for what they have done? And then at the policy-making level, the secondary but more productive response of perplexity sets in: How did these children become settled in lives of unthinkingly vicious, violent crime? What can we do to prevent coming generations from repeating the pattern?

While the many components that feed a rising violent juvenile crime rate are beyond the control of state government, there are functions the State can perform to empower local communities and governments to mount aggressive anti-crime campaigns.

The Commission believes that the critical element for combatting juvenile crime in the long run is leadership. The State must establish a high-profile, powerful organization that can provide the leadership needed to put prevention at the top of the list of crime-fighting strategies.

Issues and Recommendations

In a report entitled "The Juvenile Crime Challenge: Making Prevention A Priority," the Commission covers six issues and offers 18 recommendations.

Issue 1

While crime is local in nature and impact, the State must provide meaningful leadership in shaping juvenile anti-violence and crime prevention efforts.

Recommendation 1

The Governor and the Legislature should consolidate juvenile anti-crime efforts in a single agency to provide strong leadership and accountability for results.

Recommendation 2

The Governor and the Legislature should adopt legislation directing the Board of Education in conjunction with the Department of Education to evaluate and promote the use of effective conflict resolution curricula in public schools.

Recommendation 3

Law enforcement officials at all levels of government should increase their emphasis on enforcing existing laws regarding firearms and alcohol.

Issue 2

As the nature of juvenile crime has changed, public support for a separate juvenile justice system has eroded and goals for the system have become unclear.

Recommendation 4

The Governor and the Legislature should direct the new juvenile crime prevention agency to draft a clear statement of philosophy, purpose and function that focuses on deterrence as the cornerstone for the juvenile criminal justice system.

Issue 3

Funding cutbacks have disproportionately impacted the programs with the highest potential for success in diverting juveniles from crime.

Recommendation 5

The Governor and the Legislature should direct all state agencies involved in anti-crime efforts to make early intervention and prevention programs a top priority.

Recommendation 6

The Governor and the Legislature should adopt legislation that eliminates barriers to inter- and intra-agency sharing of information that is necessary for early identification of and intervention with at-risk children.

Issue 4

Personal accountability and timely, appropriate consequences for actions are elements that should be reinforced by the juvenile justice system.

Recommendation 7

Working together, the State and the counties should ensure that a continuum of options exist so that a range of consequences addresses misconduct by juveniles at all levels of severity.

Recommendation 8

The Governor and the Legislature should adopt legislation that allows victims or affected family members to present testimony during the juvenile adjudication process.

Recommendation 9

The Governor and the Legislature should adopt legislation that restructures the remand process to maximize judicial flexibility to make appropriate dispositions of juvenile cases.

Recommendation 10

The Governor and the Legislature should adopt legislation that returns a juvenile to juvenile court jurisdiction if an adult criminal court trial results in a conviction of a crime that is not listed in Welfare and Institutions Code Section 707b.

Recommendation 11

The Governor and the Legislature should adopt legislation that creates a system that allows judicial scrutiny and new disposition of cases where juveniles reach the maximum age in state custody and are still considered to be a threat to society based on their commitment offense, their conduct while incarcerated and the nature and circumstances of their crime.

Issue 5

The desire to shield juveniles from publicity to enhance the chances of rehabilitation in many cases should not outweigh the public's right to know about juvenile crime.

Recommendation 12

The Governor and the Legislature should adopt legislation to eliminate confidentiality for all juvenile adjudication and disposition processes involving serious crimes for those 14 and older.

Recommendation 13

The Governor and the Legislature should adopt legislation to reform and restrict the present sealed record

laws when those who are 14 and older have committed serious crimes.

Issue 6

The California Youth Authority can be most effective and productive as the last-resort, intensive treatment option for serious and chronic juvenile criminals.

Recommendation 14

The Governor and the Legislature should resist efforts to create a determinate sentencing structure for juveniles or to remove ward assessment and release authorization from an independent body.

Recommendation 15

The Governor and the Legislature should link increased funding for CYA juvenile treatment programs to the adoption of legislation precluding the Youthful Offender Parole Board from adding time to a ward's commitment stay solely because programming has been unavailable.

Recommendation 16

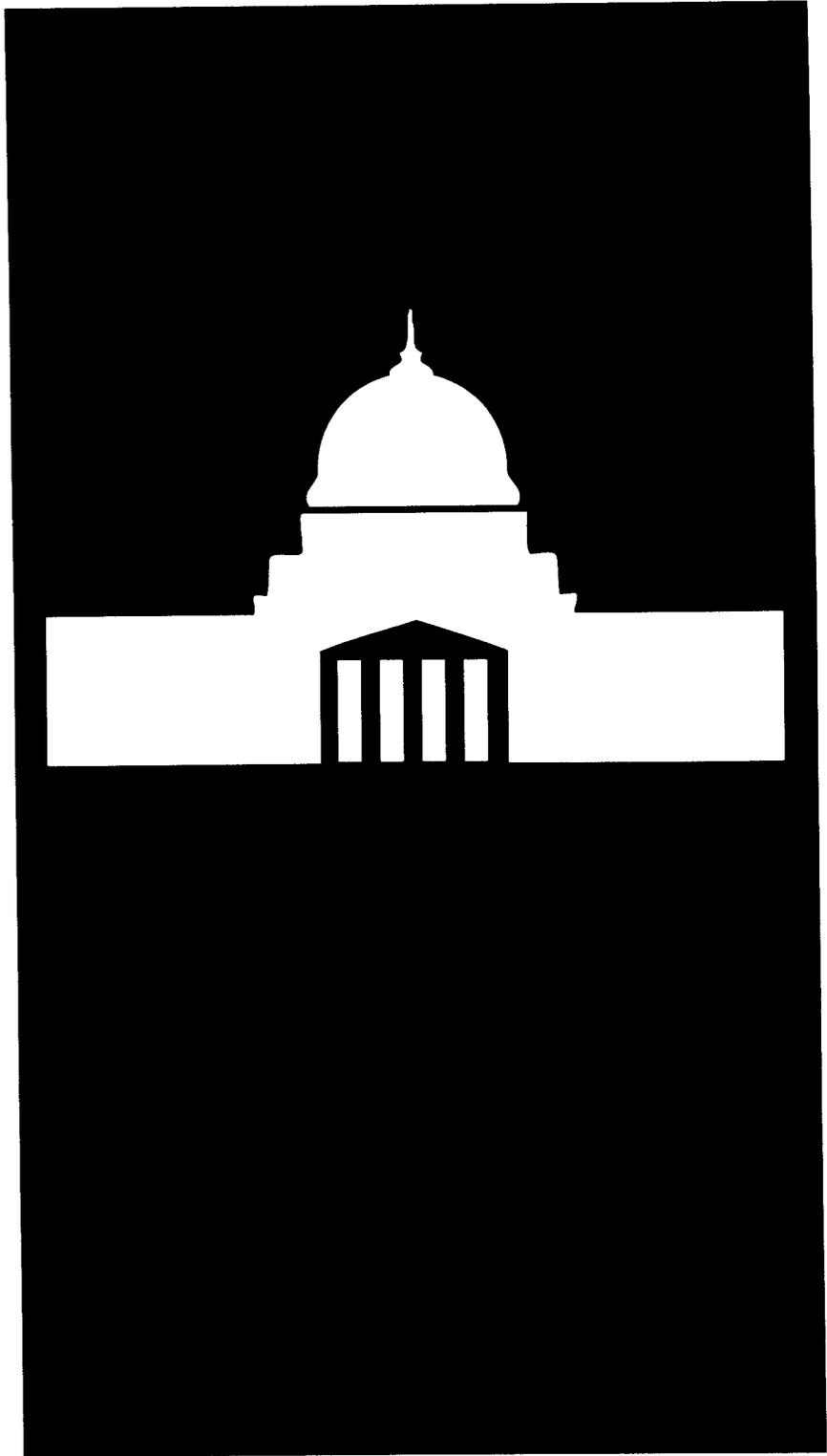
The Governor and the Legislature should adopt legislation that provides the California Youth Authority with mechanisms for more aggressively screening -- and rejecting when appropriate -- admissions to state facilities.

Recommendation 17

The Governor and the Legislature should create a new mechanism to reward and underwrite the efforts of counties that develop alternative options that reduce commitments to the California Youth Authority.

Recommendation 18

The California Youth Authority should continue to focus its efforts on reducing violence and injuries in its facilities.



Appendices

Appendix A

Commission Members

Chairman Richard R. Terzian (R) Los Angeles

Partner in the law firm of Adams, Duque and Hazeltine. Mr. Terzian served as Vice-Chairman from 1992 to 1994 and has chaired the Commission since March 1994. Originally appointed to the Little Hoover Commission by Governor Deukmejian in May 1986. Reappointed to the Commission by Governor Wilson, March 1994.

Vice-Chair Mary Anne Chalker (D) Los Angeles

Insurance broker and President of LFC Insurance Brokers and Agents. Mrs. Chalker was elected Vice-Chair in March 1994. Originally appointed to the Little Hoover Commission by Governor Jerry Brown on April 30, 1982. Currently appointed to the Little Hoover Commission by Assembly Speaker Willie L. Brown.

Michael E. Alpert (D) Coronado

Retired Partner in the law firm of Gibson, Dunn & Crutcher; specialized in corporate securities. Former Chief Deputy Commissioner of the Department of Corporations. Appointed to the Little Hoover Commission by Assembly Speaker Willie L. Brown on May 10, 1994.

Senator Alfred Alquist (D) San Jose

Member of the California Legislature since 1962. Currently serves as Chair of the Senate Budget and Fiscal Review Committee, and Vice-Chair of the Senate Constitutional Amendments Committee. Serves on the Senate Standing Committees: Appropriations; Energy and Public Utilities; Governmental Organization and Revenue and Taxation. Originally appointed to the Little Hoover Commission by the Senate Rules Committee on December 1, 1969.

Charles G. Bakaly, Jr (R) Pasadena

Retired Senior Partner in the law firm of O'Melveny & Myers; specialized in business and employment litigation

from 1956 to 1994. He is currently a mediator and arbitrator of complex litigation disputes. Appointed to the Little Hoover Commission by Governor Pete Wilson on July 15, 1994.

Carl Covitz (R) Los Angeles

Owner and President of Landmark Capital, Inc. since 1973. Served as Secretary of the State Business, Transportation and Housing Agency from 1991 to 1993 and Undersecretary for the U.S. Department of Housing and Urban Development from 1987 to 1989. Appointed by Governor Pete Wilson on October 20, 1993.

Assemblyman Gil Ferguson (R) Newport Beach

A member of the State Assembly since 1984. Eight years as Vice-Chairman of the Housing and Community Development Committee and six years as a member of the Transportation Committee. He continues as a member of the Housing Committee, Banking and Finance Committee, and the Committee on Revenue and Taxation. Appointed to the Little Hoover Commission in December 1992. Term expired on November 30, 1994 when he retired from the Assembly. He has not been replaced.

Pier A. Gherini, Jr. (R) Santa Barbara

Mr. Gherini is President of Cow Hollow Investment Company, a privately held investment firm located in Santa Barbara and San Francisco. He is also President of Waterfall Communications Company and co-owner of Mansfield/Gherini Advertising & Marketing. Mr. Gherini was appointed to the Little Hoover Commission by Governor Pete Wilson on July 15, 1994.

Senator Lucy Killea (I) San Diego

A member of the State Senate since 1989. Also served as a member of the State Assembly for three and one-half terms. Currently serves as Chairwoman of the Finance, Investment and International Trade Committee; Chairwoman of the Senate Appropriations Subcommittee on Bonded Indebtedness and Methods of Financing; and as Chairwoman of the Senate Select Committee on Source Reduction and Recycling Market Development. Serves on five Senate standing committees: Appropriations; Business and Professions; Education; Insurance; and Natural Resources and

Wildlife. Appointed to the Little Hoover Commission by the Senate Rules Committee in June 1993.

Angie Papadakis (R) Rancho Palos Verdes

President of Papadakis Advertising. Freelance writer for Readers Digest. Gag-writer for cartoonists, comedians, and magazines. Originally appointed to the Little Hoover Commission by Governor Deukmejian in August 1990. Reappointed by Governor Wilson, November 1993.

Past Chairman Nathan Shapell (D) Beverly Hills

Chairman of the Board of Directors/Chief Executive Officer of Shapell Industries, Inc. Appointed to the Little Hoover Commission by the Senate Rules Committee on September 10, 1968. Chairman of the Commission 1976-1994.

Assemblywoman Jackie Speier (D) South San Francisco

A member of the State Assembly since 1986. Currently chairs the Assembly Committee on Consumer Protection, Governmental Efficiency and Economic Development. Also serves on Assembly Standing Committees on Health and Judiciary and has held the position of Majority Whip of the Assembly since 1988. Appointed to the Commission by Speaker Willie L. Brown on November 21, 1994.

Stanley R. Zax (I) Beverly Hills

Chairman and President of Zenith Insurance Company. Appointed to the Little Hoover Commission by the Senate Rules Committee March 2, 1994.

Appendix B

Chronology of Reports

1962

1. Findings & Recommendations Concerning Reorganization of the Executive Branch of California State Government (December)

1963

2. Findings and Recommendations Concerning Organization for Central Staff Services (March)
3. Findings and Recommendations Concerning Automotive Fleet Management (June)

1964

4. Proposals Relating to Inheritance Tax Administration (December)
5. Need for Revenue Unification (December)

1965

6. Management Manpower Requirements (February)
7. Engineering Costs in the Division of Highways (April)
8. The Use of Boards and Commissions in the Resources Agency (April)

1966

9. Program Budgeting (February)
10. Statement of the Commission's 1967 Legislative Interests, (placing top priority on unification of tax collection activities, procedural changes that will result in direct economies in the operation of the State Government, etc.) (December)

11. The California State Highway Commission and its Relationship to the State Transportation Agency, the Department of Public Works and Division of Highways (December)

1967

12. An Examination of the Department of Professional and Vocational Standards (September)

1968

13. Report on California Statutory Salaries of Executive Branch of Government (December)

1969

14. A Study of the Department of Industrial Relations (December)

1970

15. Study of the Need for a Materials Management System (May)
16. A Pilot Study of California State Employee Workmen's Compensation and Other Work-Related Disability Benefits (May)

1971

17. Report on Local California Fairs Receiving State Financial Support (May)

1972

18. Study of Salaries of Executive and Administrative Positions in California Government (January)
19. Preliminary Findings of Subcommittee on California Division of Highways Excess Right of Way (January)

1973

20. A Study of the School Building Aid Program (June)

1974

21. The Internal Auditing Program in the Executive Branch of California State Government (March)
22. Administration of the HUD-701 Comprehensive Planning Assistance Grant Program by the State of California (August)
23. A Study of the California State Public Utilities Commission (December)

1975

24. A Review of California's Vehicle Emission Control Program (January)

1976

25. A Study of the Administration of State Health Programs (January)

1977

26. Supplemental Report on Licensing & Certification, Department of Health (March)
27. Supplemental Report on State Hospitals, Department of Health (April)
28. Should Social Security Coverage Be Continued for California State Employees (April)
29. Study of the California Department of Transportation (May)
30. Study of the California Department of Motor Vehicles (May)

31. Supplemental Report on Medi-Cal Program, Department of Health (September)
32. Supplemental Report on Developmental Disabilities Program, Department of Health (December)

1978

33. Study of the Utilization of Public School Facilities (K through 12) (July)
34. An Analysis of Community Hospital Medi-Cal Audits (July)

1979

35. Comments and Recommendations Regarding Professional and Business Licensing (January)
36. The Status of Health Planning in California - A Supplementary Report (February)
37. Administration of the Medi-Cal Program -- Second Supplementary Report (February)
38. The Tax Appeals System in California (May)
39. Administration of the Mental Health & Developmental Disabilities Programs (August)
40. Personnel Management in the State Service (August)
41. Medi-Cal Reform (September)

1980

42. 1979 Summary of Activities (March)
43. Health Care Delivery System Reform (May)
44. Additional Funding for the Los Angeles Unified School District (November)

1981

45. A Report on the Los Angeles Unified School District (June)
46. Century Freeway Report (August)

1982

47. Report on the San Juan Unified School District (January)
48. Report on the Role of the State Department of Education in California's K-12 Public Education System (June)
49. Horse Racing in California: Revenue and Regulation (July)
50. Century Freeway Report (December)

1983

51. Office of Special Health Care Negotiations (March)
52. Review of Cost Savings Associated with Conversion of Guadalupe College into a Women's Prison (March)
53. Review of the Department of Transportation's Highway Planning and Development Process (June)
54. California's K-12 Education Funding Report (June)
55. The Bureaucracy of Care - Continuing Policy Issues for Nursing Home Services and Regulation (August)
- 55a. Executive Summary of the "Bureaucracy of Care" (August)
56. Los Angeles County Contracting Out Report (November)

57. Community Residential Care in California -
Community Care as a Long Term Care Service (December)

1984

58. State Employee Air Travel Report (February)
59. A Study of the Organization and Coordination of
Electric Energy Planning and Electric Utility
Regulation in California (February)
60. 1982-83 Annual Report - Summary of Activities and
Status of Recommendations (March)
61. A Review of the Organization and Management of the
State "Superfund" Program for Cleaning Up Hazardous
Waste Sites (July)
62. A Review of State-Owned Land Parcel in Contra Costa
County (July)

1985

63. Follow-Up Report on Conditions in Community
Residential Care Facilities in California (February)
64. Control of Pesticide Residues in Food Products - A
Review of the California Program of Pesticide
Regulation (March)
65. A Review of the Organization and Management of
State Telecommunications (April)
66. A Review of Selected Taxing and Enforcing Agencies'
Programs to Control the Underground Economy
(August)
67. A Review of Impact Fees Used to Finance School
Facilities (December)

1986

68. A Review of Government Competition with Private
Enterprise (January)

69. Inadequate Financial Accountability in California's Community College System (February)
70. California State Government's Management of Real Property (March)
71. Review of the Organization and Operation of the State of California's Major Revenue and Tax Collection Functions and Cash Management Activities (April)
72. Biennial Report - February 1984-86: A Summary of Activities and Status of Recommendations (May)
73. A Review of Use of Lottery Funds in the State's K-12 Public School System (June)
74. A Report on the Liability Insurance Crisis in the State of California (July)
75. A Report on the Lack of Financial Accountability and Responsibility in the State's K-12 Public School System (December)
76. A Review of the State Controller's Office Move to the Capitol Bank of Commerce Building (December)

1987

77. A Review of the Organization, Operation and Performance of the California State Lottery (January)
78. Children's Services Delivery System in California Preliminary Report - Phase I (March)
79. Accessibility of the Disabled Population of Substance Abuse Treatment (May)
80. New and Continuing Impediments to Improving the Quality of Life and the Quality of Care in California's Nursing Homes (May)
81. Review of the State's Medi-Cal Program and the Effects of the Reforms (May)

82. A Review of Crime on University of California Campuses (June)
83. A Review of the Organization and Administration of California's Overseas Trade and Investment Offices (July)
84. Children's Services Delivery System in California -- Final Report (October)
85. A Report on the Financial Management and Accountability in the State's K-12 Public School System (November)

1988

86. Commission's 25th Anniversary - Commemorative Report (January)
87. A Review of the Current Problems in California's Worker's Compensation System (March)
88. A Report on the Planning, Operation and Funding of California's Highway System (March)
89. A Report on the Coordination of Funding for Drug Programs in the State of California (June)
90. A Review of the Operation and Performance of the Office of the State Public Defender (October)
91. A Report on Crime and Violence in California's Public School System (December)

1989

92. A Report on Community Residential Care for the Elderly (January)
93. The Medical Care of California's Nursing Home Residents: Inadequate Care, Inadequate Oversight (February)
94. A Review of the Organization, Operation and Performance of the California State Lottery (May)

95. Meeting the Needs of California's Homeless: It Takes More Than a Roof (May)
96. Report on Solid Waste Management: The Trashing of California (July)
97. Boards and Commissions: California's Hidden Government (July)
98. Follow-up Review of the Organization, Operation and Performance of the California State Lottery (December)

1990

99. Report on California's Fish and Game Commission and Department of Fish and Game (January)
100. K-12 Education in California: A Look At Some Policy Issues (February)
101. Runaway/Homeless Youths: California's Efforts to Recycle Society's Throwaways (April)
102. Little Hoover Commission, 1988 through 1989: Two Years of Progress Toward Efficient and Effective Government (April)
103. The Public Employment Relations Board (PERB) Costly, Slow and Unsure (April)
104. California's Coordination of AIDS Services (May)
105. Real Property Management in California: Moving Beyond The Role of Caretaker (October)
106. A Prescription for Medi-Cal (November)
107. Little Hoover Commission 1989-1990: Turning Policy Recommendations Into Law (December)

1991

108. The Snail's Pace of Reforming Residential Care Facilities for the Elderly (February)

109. Skilled Nursing Homes: Care Without Dignity (April)
110. CAL-EPA: An Umbrella for the Environment (June)
111. Costs and Casualties of K-12 Education in California (June)
112. Coordinating the Spending on Drug Prevention Programs (October)
113. Unsafe in Their Own Homes: State Programs Fail to Protect Elderly from Indignity, Abuse and Neglect (November)

1992

114. Transportation: Keeping California Moving (January)
115. Mending Our Broken Children: Restructuring Foster Care in California (April)
116. Squeezing Revenues Out of Existing State Assets (June)
117. No Room for Johnny: A New Approach to the School Facilities Crisis (June)
118. Coping with Education Budget Cuts (July)

1993

119. Little Hoover Commission 1962-1992: Three Decades of Reform (January)
120. Workers' Compensation: Containing the Costs (February)
121. California's \$4 Billion Bottom Line: Getting Best Value Out of the Procurement Process (March)
122. A Chance to Succeed: Providing English Learners with Supportive Education (July)
123. Positioning California for Health Care Reform (September)

1994

124. Putting Violence Behind Bars: Redefining the Role of California's Prisons (January)
125. Beyond Bottles and Cans: Reorganizing California's Recycling Efforts (March)
126. Timber Harvest Plans: A Flawed Effort to Balance Economic and Environmental Needs (June)
127. The Juvenile Crime Challenge: Making Prevention a Priority (September)

1995

128. Boot Camps: An Evolving Alternative to Traditional Prisons (January)

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