



The Commission seeks to achieve these ends by conducting studies and making recommendations as to the adoption of methods and procedures to reduce government expenditures, the elimination of functional and service duplication, the abolition of unnecessary services, programs and functions, the definition or redefinition of public officials' duties and responsibilities, and the reorganization and or restructuring of state entities and programs. The Commission holds hearings about once a month on topics that come to its attention from citizens, legislators, and other sources.

Although the Little Hoover Commission, which is funded totally from the general fund, survived the 1992-93 budget negotiations, it suffered a 15% cut in its budget; the Commission will receive \$453,000 in 1992-93, compared to \$533,000 in 1991-92 and \$609,000 in 1990-91.

MAJOR PROJECTS

Recent Hearings. On November 19, the Commission held the second of two hearings on state procurement policies and practices; the first was held on September 23. [12:4 CRLR 42] The November hearing focused on preference programs for contracting, including the Minority Business Enterprise/Women Business Enterprise/Disabled Veterans Business Enterprise program. Speakers included representatives from state departments that are required to attempt to meet specified goals for contract participation by minorities, women, and disabled veterans, large businesses that bid on state contracts, and the Public Utilities Commission, who discussed a similar, older program that has been in operation for utility companies.

On January 19, the Commission was scheduled to hold a hearing on bilingual education. Specifically, the Commission was expected to examine ways to enable school districts to make bilingual education more efficient and effective for the thousands of California students who speak one of over 100 different languages.

LEGISLATION

AB 5 (Brown), as introduced December 7, would create the Bureau of State Audits in state government under the direction of the Little Hoover Commission and headed by the State Auditor; the duties of the Bureau would be to examine and report annually upon the financial statements prepared by the executive branch of the state and to perform other related assignments, including performance audits, that are mandated by statute. The State Auditor would be nominated by the Little

Hoover Commission and would take office upon confirmation by both houses of the legislature for a four-year term. The State Auditor would serve as a member of the Commission. [A. Rls]

SB 37 (Maddy), as introduced December 8, would create the Office of the Auditor General in state government under the direction of the Little Hoover Commission and would recodify its duties. The Auditor General would be appointed by the Commission, subject to confirmation by the Senate, for a six-year term, and would serve as an ex officio member of the Commission. [S. Rls]

DEPARTMENT OF CONSUMER AFFAIRS

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In addition to its functions relating to its 37 boards, bureaus, and commissions, the Department of Consumer Affairs (DCA) is charged with carrying out the Consumer Affairs Act of 1970. The Department educates consumers, assists them in complaint mediation, advocates their interests before the legislature, and represents them before the state's administrative agencies and courts.

The Department may intervene in matters regarding its boards if probable cause exists to believe that the conduct or activity of a board, its members, or employees constitutes a violation of criminal law.

MAJOR PROJECTS

MBC Executive Director Resigns as Investigation of Medical Board Continues. Ken Wagstaff, Executive Director of DCA's Medical Board of California (MBC), resigned on October 23 in the wake of an investigation of MBC's enforcement unit. The investigation, requested by DCA Director Jim Conran, is being conducted by the California Highway Patrol; Conran initiated the investigation to probe allegations of serious misconduct by upper staff members in the MBC enforcement unit. [12:4 CRLR 42; see *infra* agency report on MBC for related discussion.] Results of the investigation were first expected in late October, but were delayed; at this writing, DCA expects to receive the results by the end of January.

DCA Restructuring Update. Proposals involving the restructuring of DCA are still on hold. DCA itself does not expect to propose legislation to reorganize either the Department or its constituent agencies, and the legislature's interim study of AB 118 (Eastin) and other DCA reorganization plans has been postponed. [12:4 CRLR 43]

LEGISLATION

Future Legislation. At this writing, DCA's plans for proposed legislation during the 1993-94 session are not finalized. According to Anne Sheehan, DCA Deputy Director in charge of legislation, the Department is not planning any major reform legislation this session. Instead, legislative proposals will focus on strengthening the enforcement programs of DCA agencies. For example, DCA may pursue legislation that will give many of its boards interim suspension authority over their licensees, similar to the authority currently possessed by both MBC and the Board of Podiatric Medicine.

OFFICE OF THE LEGISLATIVE ANALYST

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Created in 1941, the Legislative Analyst's Office (LAO) is responsible for providing analysis and nonpartisan advice on fiscal and policy issues to the California legislature. LAO meets this duty through four primary functions. First, the office prepares a detailed, written analysis of the Governor's budget each year. This analysis, which contains recommendations for program reductions, augmentations, legislative revisions, and organizational changes, serves as an agenda for legislative review of the budget.

Second, LAO produces a companion document to the annual budget analysis which paints the overall expenditure and revenue picture of the state for the coming year. This document also identifies and analyzes a number of emerging policy issues confronting the legislature, and suggests policy options for addressing those issues.

Third, the Office analyzes, for the Assembly Ways and Means Committee and the Senate Appropriations and Budget and Fiscal Review Committees, all proposed legislation that would affect state and local revenues or expenditures. The Office prepares approximately 3,700 bill analyses annually.